



GOVERNOR TOM WOLF

Executive Budget

2021-2022



COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE GOVERNOR
HARRISBURG

THE GOVERNOR

February 2, 2021

To the People of Pennsylvania:

The last year has been one of the toughest years Pennsylvania has confronted in recent history. We have faced a pandemic that strained our health care system, social safety net, and economy. The impact of this pandemic is felt by nearly every Pennsylvanian through the loss of loved ones, jobs, and the feeling of safety. We have also had to face the inequalities from years of systemic racism that have created large gaps in our society that many minorities struggle to overcome. We cannot ignore these issues. We must take this as challenge to grow and change.

The last six years have given us the opportunity to make strategic investments in our workforce, education system, and supports for our most vulnerable populations, which has helped us weather the last year. Increased funding to education over the last six years allowed school districts to quickly change from in-person education to online classes. The implementation of Community HealthChoices and expansion of Medicaid improved services and health care for our most vulnerable Pennsylvanians.

As Pennsylvania rebounds, the 2021-22 budget makes key investments to propel us forward and recover faster. This budget focuses on making our state tax system more progressive while fully and fairly funding our schools for the first time. Equitable and full funding of education will benefit all Pennsylvanians as we invest in our future.

Again, I am calling for a path to \$15 an hour for the commonwealth's minimum wage to provide a fair wage for all Pennsylvania workers. In addition, the Back to Work PA program, which provides an investment to support our businesses and workers that were most impacted by the pandemic, is a critical piece to helping Pennsylvanians back into the workforce and supporting our small businesses.

Beyond these budget initiatives, the next year must include policy reforms that focus on making our criminal justice system fair, efficient, and restorative. Similarly, the legalization of adult-use cannabis will begin to eliminate the harm that has been caused in our society by the criminalization of marijuana.

The 2021-22 budget proposal is a comprehensive package of initiatives and investments that will rebuild our economy, break down societal and economic barriers, and keep Pennsylvania on a path to prosperity. I look forward to continuing to work with all members of the General Assembly to move our commonwealth forward.

Sincerely,

A handwritten signature in cursive script that reads "Tom Wolf".

Tom Wolf

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Commonwealth of Pennsylvania

For the Fiscal Year Beginning

July 1, 2020

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the Commonwealth of Pennsylvania for its annual budget for the fiscal year beginning July 1, 2020. This award is valid for a period of one year.

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

To view the Governor's Executive Budget online or learn more about the Pennsylvania Office of the Budget, go to www.budget.pa.gov. To learn more about the Commonwealth of Pennsylvania, go to www.pa.gov.

Overview of Sections within the Budget

Preface

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

Reader's Guide

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

A. Overview and Summaries

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

B. Program Budget Summary

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

C. Summary by Fund

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

D. Tax Expenditures

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

E. Department Presentations

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

F. Capital Budget

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

G. Public Debt

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

H. Other Special Funds

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

I. Complement

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

J. Statistical Data

Provides historical data for various Pennsylvania economic indicators.

PREFACE

<u>GOVERNOR’S LETTER</u>	i
<u>DISTINGUISHED BUDGET PRESENTATION AWARD</u>	iii
<u>OVERVIEW OF SECTIONS WITHIN THE BUDGET</u>	iv
<u>TABLE OF CONTENTS</u>	v
<u>READER’S GUIDE:</u>	1
<u>Commonwealth of Pennsylvania Organization Chart</u>	2
<u>The Budget Process</u>	3
<u>The Capital Budget Process</u>	5
<u>The Commonwealth’s Program Budget Structure</u>	6
<u>Basis of Budgeting and Basis of Accounting for Financial Reporting</u>	12
<u>Significant Financial Policies</u>	13
<u>Terms Used in the Budget Process</u>	14
<u>Federal Funds Identification</u>	19
A. <u>OVERVIEW AND SUMMARIES</u>	
<u>Fiscal and Program Policy Direction and Budget Themes:</u>	A1-3
<u>Themes Introduction</u>	A1-4
<u>Budget Themes</u>	A1-5
<u>Economic Outlook</u>	A1-17
<u>Federal Block Grants</u>	A2-1
<u>Public Information and Communications</u>	A3-1
B. <u>PROGRAM BUDGET SUMMARY</u>	
<u>Guide to the “Summary of Revenues and Expenditures for the Operating Program” Statement</u>	B2
<u>Summary of Revenues and Expenditures for the Operating Program</u>	B3
<u>Seven Year Commonwealth Program Summary - General and Special Funds</u>	B4
<u>Seven Year Summary of Commonwealth Programs</u>	B6
<u>Dollar Chart by Program - General and Special Funds</u>	B5
<u>Direction and Supportive Services</u>	B8
<u>Protection of Persons and Property</u>	B9
<u>Education</u>	B11
<u>Health and Human Services</u>	B12
<u>Economic Development</u>	B14
<u>Transportation</u>	B15
<u>Recreation and Cultural Enrichment</u>	B16
<u>Debt Service</u>	B17
C. <u>SUMMARY BY FUND</u>	
<u>Summary of Major Operating Funds</u>	C1-2
<u>General Fund</u>	C1-3
<u>Seven Year Commonwealth Program Summary - General Fund</u>	C1-6
<u>Dollar Charts - General Fund Income and Outgo</u>	C1-7
<u>Dollar Chart by Character of Expenditure - General Fund</u>	C1-8
<u>Seven Year Financial Statement - General Fund</u>	C1-9
<u>Notes on Financial Statement</u>	C1-10
<u>Adjustments to Revenue Estimate</u>	C1-12
<u>General Fund Revenue Summary</u>	C1-13
<u>Revenue Sources</u>	C1-14
<u>Revenue Detail</u>	C1-20
<u>Revenue History</u>	C1-32
<u>Summary by Department</u>	C1-33
<u>Motor License Fund</u>	
<u>Financial Statement</u>	C2-3
<u>Summary by Department</u>	C2-4
<u>Revenue Summary</u>	C2-7

Table of Contents

Adjustments to Revenue Estimate	C2-7
Revenue Sources	C2-8
Revenue Detail	C2-10
Restricted Revenues Not Included in Department Total	C2-12
Lottery Fund	
Financial Statement	C3-3
Summary by Department	C3-4
Revenue Summary	C3-6
Revenue Sources	C3-6
D. TAX EXPENDITURES	
Tax Expenditure Analysis	D3
<i>General Fund Tax Expenditures</i>	
Credit Programs	D5
Corporation Taxes	
Corporate Net Income	D29
Gross Receipts	D35
Public Utility Realty	D37
Insurance Premiums	D40
Bank and Trust Company Shares	D44
Mutual Thrift Institutions	D45
Sales and Use Tax	D46
General/Personal Expenditures	D47
Fuels and Utilities	D52
Motor Vehicles/Vessels	D55
Production Expenditures	D57
Other	D60
Cigarette Tax	D72
Tobacco Products Tax	D74
Malt Beverage Tax	D74
Liquor Tax	D74
Personal Income Tax	D75
Exclusions from Income	D75
Credits	D86
Estimated Taxes	D88
Realty Transfer Tax	D90
Inheritance Tax	D96
Family Related Exemptions and Exclusions	D96
Personal Exclusions and Deductions	D99
Business Related Exclusions and Deductions	D101
Other Exclusions	D103
Table Game Taxes	D105
<i>Motor License Fund Tax Expenditures:</i>	
Oil Company Franchise Tax	D106

Table of Contents

<u>Motor Carriers Road Tax/IFTA</u>	D110
<u>Motor Vehicle Code</u>	D115
<i>Special Fund Tax Expenditures:</i>	
<u>Unemployment Compensation Insurance Tax</u>	D118
<u>Public Transportation Assistance Fund</u>	D119
<u>Motor Vehicle Lease Tax and Motor Vehicle Rental Fee</u>	D119
<u>Tire Fee</u>	D121
<u>Racing Fund</u>	D122
<u>E. DEPARTMENT PRESENTATIONS</u>	
<u>Governor’s Office</u>	E1-3
<u>Executive Direction</u>	E1-6
<u>Lieutenant Governor</u>	E2-1
<u>Executive Direction</u>	E2-4
<u>Executive Offices</u>	E3-1
<u>Executive Direction</u>	E3-7
<u>Legal Services</u>	E3-11
<u>Prevention and Elimination of Discriminatory Practices</u>	E3-12
<u>Development of Artists and Audiences</u>	E3-14
<u>Reintegration of Juvenile Delinquents</u>	E3-15
<u>Commission on Crime and Delinquency</u>	E4-1
<u>Criminal and Juvenile Justice Planning and Coordination</u>	E4-6
<u>Attorney General</u>	E5-1
<u>Public Protection and Law Enforcement</u>	E5-5
<u>Auditor General</u>	E6-1
<u>Auditing</u>	E6-4
<u>Municipal Pension Systems</u>	E6-5
<u>Treasury</u>	E7-1
<u>Disbursement</u>	E7-6
<u>Interstate Relations</u>	E7-8
<u>Debt Service</u>	E7-9
<u>Aging</u>	E8-1
<u>Community Services for Older Pennsylvanians</u>	E8-5
<u>Pharmaceutical Assistance</u>	E8-7
<u>Agriculture</u>	E9-1
<u>Protection and Development of Agricultural Industries</u>	E9-9
<u>Horse Racing Regulation</u>	E9-15
<u>Emergency Food Assistance</u>	E9-16
<u>Banking and Securities</u>	E10-1
<u>Financial Services Industry Regulation</u>	E10-4
<u>Community and Economic Development</u>	E11-1
<u>Job Creation, Workforce Training, Business Growth and Attraction</u>	E11-8
<u>Pennsylvania Innovation Economy</u>	E11-10
<u>Pennsylvania Worldwide</u>	E11-13
<u>Pennsylvania Happiness</u>	E11-14
<u>Pennsylvania Communities</u>	E11-16
<u>Conservation and Natural Resources</u>	E12-1
<u>Parks and Forests Management</u>	E12-7
<u>Criminal Justice</u>	E13-1
<u>Incarcerated Individuals</u>	E13-6
<u>Reentry into Communities</u>	E13-12
<u>Drug and Alcohol Programs</u>	E14-1

Table of Contents

Drug and Alcohol Abuse Prevention and Treatment	E14-5
Education	E15-1
Education Support Services	E15-9
PreK–12 Education	E15-10
Library Services	E15-15
Higher Education	E15-17
Higher Education Assistance Agency	E16-1
Financial Assistance to Students	E16-4
Financial Aid to Institutions	E16-6
Emergency Management Agency	E17-1
Emergency Management	E17-5
Fire Prevention and Safety	E17-7
Environmental Protection	E18-1
Environmental Support Services	E18-8
Environmental Protection and Management	E18-9
Ethics Commission	E19-1
Executive Direction	E19-4
Fish and Boat Commission	E20-1
Recreational Fishing and Boating	E20-4
Game Commission	E21-1
Wildlife Management	E21-4
Gaming Control Board	E22-1
Gaming Regulation	E22-4
General Services	E23-1
Facility, Property and Commodity Management	E23-5
Health	E24-1
Health Support Services	E24-9
Health Research	E24-11
Preventive Health	E24-13
Health Treatment Services	E24-18
Health Care Cost Containment Council	E25-1
Health Care Reporting	E25-4
Historical and Museum Commission	E25-1
State History	E26-5
Museum and Community Assistance	E26-7
Human Services	E27-1
Human Services Support	E27-16
Medical Assistance and Health Care Delivery	E27-18
Long-Term Living	E27-25
Income Maintenance	E27-28
Mental Health and Substance Abuse Services	E27-31
Intellectual Disabilities	E27-35
Human Services	E27-40
Child Development	E27-44
Infrastructure Investment Authority	E28-1
PENNVEST	E28-5
Insurance	E29-1
Insurance Industry Regulation	E29-4
Health Insurance Exchange Authority	E30-1
Health Insurance Exchange Authority	E30-4
Labor and Industry	E31-1
Community and Occupational Safety and Stability	E31-7
Workers' Compensation and Assistance	E31-9
Workforce Investment	E31-11
Vocational Rehabilitation	E31-13
Liquor Control Board	E32-1
Liquor Control	E32-4
Military and Veterans Affairs	E33-1

Table of Contents

<u>State Military Readiness</u>	E33-7
<u>Veterans Homes</u>	E33-9
<u>Compensation and Assistance</u>	E33-11
<u>Milk Marketing Board</u>	E34-1
<u>Milk Industry Regulation</u>	E34-4
<u>Public School Employees' Retirement System</u>	E35-1
<u>Public School Employees' Retirement</u>	E35-4
<u>Public Utility Commission</u>	E36-1
<u>Regulation of Public Utilities</u>	E36-4
<u>Revenue</u>	E37-1
<u>Revenue Collection and Administration</u>	E37-6
<u>Community Development and Preservation</u>	E37-8
<u>Homeowners and Renters Assistance</u>	E37-9
<u>State</u>	E38-1
<u>Consumer Protection</u>	E38-5
<u>State Employees' Retirement System</u>	E39-1
<u>State Employees' Retirement</u>	E39-4
<u>State Police</u>	E40-1
<u>Public Protection and Law Enforcement</u>	E40-6
<u>Transportation</u>	E41-1
<u>Transportation Support Services</u>	E41-10
<u>Highways and Bridges</u>	E41-11
<u>Local Highway and Bridge Assistance</u>	E41-14
<u>Multimodal Transportation</u>	E41-15
<u>Driver and Vehicle Services</u>	E41-19
<u>Legislature</u>	E42-1
<u>Legislature</u>	E42-5
<u>Judiciary</u>	E43-1
<u>State Judicial System</u>	E44-5
<u>Government Support Agencies</u>	E44-1
<u>Government Support Agencies</u>	E44-4
<u>F. CAPITAL BUDGET</u>	
<u>Capital Budget Program Summary</u>	F3
<u>Estimated Capital Expenditures — State Funds</u>	F5
<u>Forecast of New Project Authorizations — State Funds</u>	F6
<u>Recommended New Project Authorizations — State Funds</u>	F7
<u>Agriculture</u>	F8
<u>Conservation and Natural Resources</u>	F10
<u>Criminal Justice</u>	F19
<u>Education</u>	F22
<u>Environmental Protection</u>	F25
<u>General Services</u>	F27
<u>Historical and Museum Commission</u>	F29
<u>Human Services</u>	F31
<u>Military and Veterans Affairs</u>	F33
<u>State Police</u>	F36
<u>Transportation</u>	F22
<u>Summary of Forecast of Future New Project Authorizations — State Funds</u>	F51
<u>G. PUBLIC DEBT</u>	
<u>Debt Authorized, Issued and Outstanding</u>	G3
<u>General Obligation Bond Issues</u>	G4
<u>General Obligation Debt Outstanding</u>	G5
<u>Constitutional Debt Limit</u>	G6
<u>Debt Service on General Obligation Debt</u>	G7
<u>Annual Debt Service on Outstanding General Obligation Bonds</u>	G8
<u>Trends in Debt Service and Debt Ratios</u>	G9

H. OTHER SPECIAL FUNDS

<u>Other Special Funds</u>	H3
<u>Special Fund Categories</u>	H4
<u>Achieving a Better Life Experience Fund</u>	H6
<u>Acid Mine Drainage Abatement and Treatment Fund</u>	H6
<u>Administration Fund</u>	H7
<u>Agricultural College Land Scrip Fund</u>	H7
<u>Agricultural Conservation Easement Purchase Fund</u>	H8
<u>Anthracite Emergency Bond Fund</u>	H9
<u>Automobile Theft Prevention Trust Fund</u>	H10
<u>Banking Fund</u>	H11
<u>Ben Franklin Technology Development Authority Fund</u>	H12
<u>Benefit Completion Fund</u>	H13
<u>Boat Fund</u>	H14
<u>Budget Stabilization Reserve Fund</u>	H15
<u>Capital Debt Fund</u>	H16
<u>Capital Facilities Fund</u>	H17
<u>Capitol Restoration Trust Fund</u>	H18
<u>Catastrophic Loss Benefits Continuation Fund</u>	H19
<u>Children's Trust Fund</u>	H19
<u>Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund</u>	H20
<u>City Revitalization and Improvement Fund</u>	H21
<u>Clean Air Fund</u>	H22
<u>Coal and Clay Mine Subsidence Insurance Fund</u>	H23
<u>Coal Lands Improvement Fund</u>	H24
<u>Community College Capital Fund</u>	H24
<u>Compulsive and Problem Gambling Treatment Fund</u>	H25
<u>Conrad Weiser Memorial Park Trust Fund</u>	H26
<u>Conservation District Fund</u>	H27
<u>County Voting Apparatus Fund</u>	H28
<u>Deferred Compensation Fund</u>	H29
<u>Deferred Compensation Fund – Short-Term Portfolio</u>	H30
<u>DNA Detection Fund</u>	H30
<u>Dog Law Administration</u>	H31
<u>Educational Assistance Program Fund</u>	H32
<u>Emergency Medical Services Operating Fund</u>	H33
<u>Employment Fund for the Blind</u>	H34
<u>Energy Development Fund</u>	H35
<u>Environmental Education Fund</u>	H36
<u>Environmental Stewardship Fund</u>	H37
<u>Fantasy Contest Fund</u>	H38
<u>Farm Products Show Fund</u>	H39
<u>Fire Insurance Tax Fund</u>	H40
<u>Fish Fund</u>	H41
<u>Game Fund</u>	H42
<u>Governor Robert P. Casey Memorial Organ and Tissue Donation Awareness Trust Fund</u>	H43
<u>Growing Greener Bond Fund</u>	H44
<u>Growing Greener Bond Sinking Fund</u>	H45
<u>Hazardous Material Response Fund</u>	H45
<u>Hazardous Sites Cleanup Fund</u>	H46
<u>Higher Education Assistance Fund</u>	H47
<u>Highway Beautification Fund</u>	H48
<u>Historical Preservation Fund</u>	H49
<u>HOME Investment Trust Fund</u>	H50
<u>Homeowners Assistance Settlement Fund</u>	H51
<u>Housing Affordability and Rehabilitation Enhancement Fund</u>	H51

Table of Contents

Industrial Sites Cleanup Fund	H52
Insurance Fraud Prevention Trust Fund	H53
Insurance Liquidation Fund	H53
Insurance Regulation and Oversight Fund	H54
Job Training Fund	H55
Justice Reinvestment Fund	H56
Keystone Recreation, Park and Conservation Fund	H57
Liquid Fuels Tax Fund	H58
Liquor License Fund	H58
Local Cigarette Tax Fund	H59
Local Government Capital Project Loan Fund	H59
Machinery and Equipment Loan Fund	H60
Manufacturing Fund	H61
Marcellus Legacy Fund	H62
Medical Care Availability and Reduction of Error Fund	H63
Medical Marijuana Program Fund	H64
Military Installation Remediation Fund	H65
Milk Marketing Fund	H66
Mine Safety Fund	H66
Minority Business Development Fund	H67
Monetary Penalty Endowments Trust Fund	H67
Motor Vehicle Transaction Recovery Fund	H68
Multimodal Transportation Fund	H68
Municipal Pension Aid Fund	H69
Municipalities Financial Recovery Revolving Aid Fund	H70
Neighborhood Improvement Zone Fund	H71
Non-Coal Surface Mining Conservation and Reclamation Fund	H72
Nutrient Management Fund	H73
Oil and Gas Lease Fund	H74
PA Health Insurance Exchange Fund	H75
PA Rural Health Redesign Center Fund	H76
Patient Safety Trust Fund	H77
Pennsylvania Gaming Economic Development and Tourism Fund	H78
Pennsylvania Historical and Museum Commission Trust Fund	H79
Pennsylvania Infrastructure Bank	H80
Pennsylvania Municipal Retirement Fund	H81
Pennsylvania Race Horse Development Trust Fund	H82
Pennsylvania Veterans Monuments and Memorial Trust Fund	H83
PENNVEST Bond Authorization Fund	H83
PENNVEST Drinking Water Revolving Fund	H84
PENNVEST Fund	H85
PENNVEST Redemption Fund	H86
PENNVEST Water Pollution Control Revolving Fund	H87
Persian Gulf Conflict Veterans' Compensation Bond Fund	H88
Pharmaceutical Assistance Fund	H89
Philadelphia Regional Port Authority Fund	H90
Philadelphia Taxicab and Limousine Regulatory Fund	H90
Philadelphia Taxicab Medallion Fund	H91
PlanCon Bond Projects Fund	H91
Port of Pittsburgh Commission Fund	H92
Property Tax Relief Fund	H93
PSERS – Defined Contribution Fund	H94
Public Transportation Assistance Fund	H94
Public Transportation Trust Fund	H95
Purchasing Fund	H96
Racing Fund	H97
Real Estate Recovery Fund	H98
Recycling Fund	H99

Table of Contents

Rehabilitation Center Fund	H100
Reinsurance Fund	H101
Remining Financial Assurance Fund	H102
Rightful Owners' Claims Payment Fund	H102
School Employees' Retirement Fund	H103
School Safety and Security Fund	H104
Self-Insurance Guaranty Fund	H105
SERS – Defined Contribution Fund	H106
Small Business First Fund	H107
Special Administration Fund	H108
State Employees' Retirement Fund	H103
State Gaming Fund	H110
State Insurance Fund	H111
State Restaurant Fund	H111
State Stores Fund	H112
State Treasury Armory Fund	H113
State Workers' Insurance Fund	H114
Storage Tank Fund	H115
Substance Abuse Education and Demand Reduction Fund	H116
Surface Mining Conservation and Reclamation Fund	H117
Tobacco Settlement Fund	H118
Treasury Initiative Support Fund	H119
Tuition Account Guaranteed Savings Program Fund	H120
Tuition Account Investment Program Fund	H121
UC-FEMA ONA Lost Wages Fund	H122
Unconventional Gas Well Fund	H123
Underground Storage Tank Indemnification Fund	H124
Unemployment Compensation Benefit Payment Fund	H125
Unemployment Compensation Contribution Fund	H126
Unemployment Compensation Debt Service Fund	H127
Uninsured Employers Guaranty Fund	H128
Veterans Trust Fund	H129
Video Gaming Fund	H130
Vocational Rehabilitation Fund	H131
Volunteer Companies Loan Fund	H132
Water and Sewer Systems Assistance Bond Fund	H133
Water and Sewer Systems Assistance Bond Sinking Fund	H133
Water Supply and Wastewater Treatment Fund	H134
Water Supply and Wastewater Treatment Sinking Fund	H134
Wild Resources Conservation Fund	H135
Workers' Compensation Security Fund	H136
Workmen's Compensation Administration Fund	H137
Workmen's Compensation Supersedeas Fund	H137
911 Fund	H138
<u>I. COMPLEMENT</u>	
Authorized Salaried Complement By Agency	I 2
Summary of Complement Changes	I 3
Filled Salaried Complement By Agency	I 4
<u>J. STATISTICAL DATA</u>	
General Information	J3
State Population Trends	J4
State Employment Trends	J5
State Unemployment Trends	J8
State Personal Income Trends	J9



READER'S GUIDE

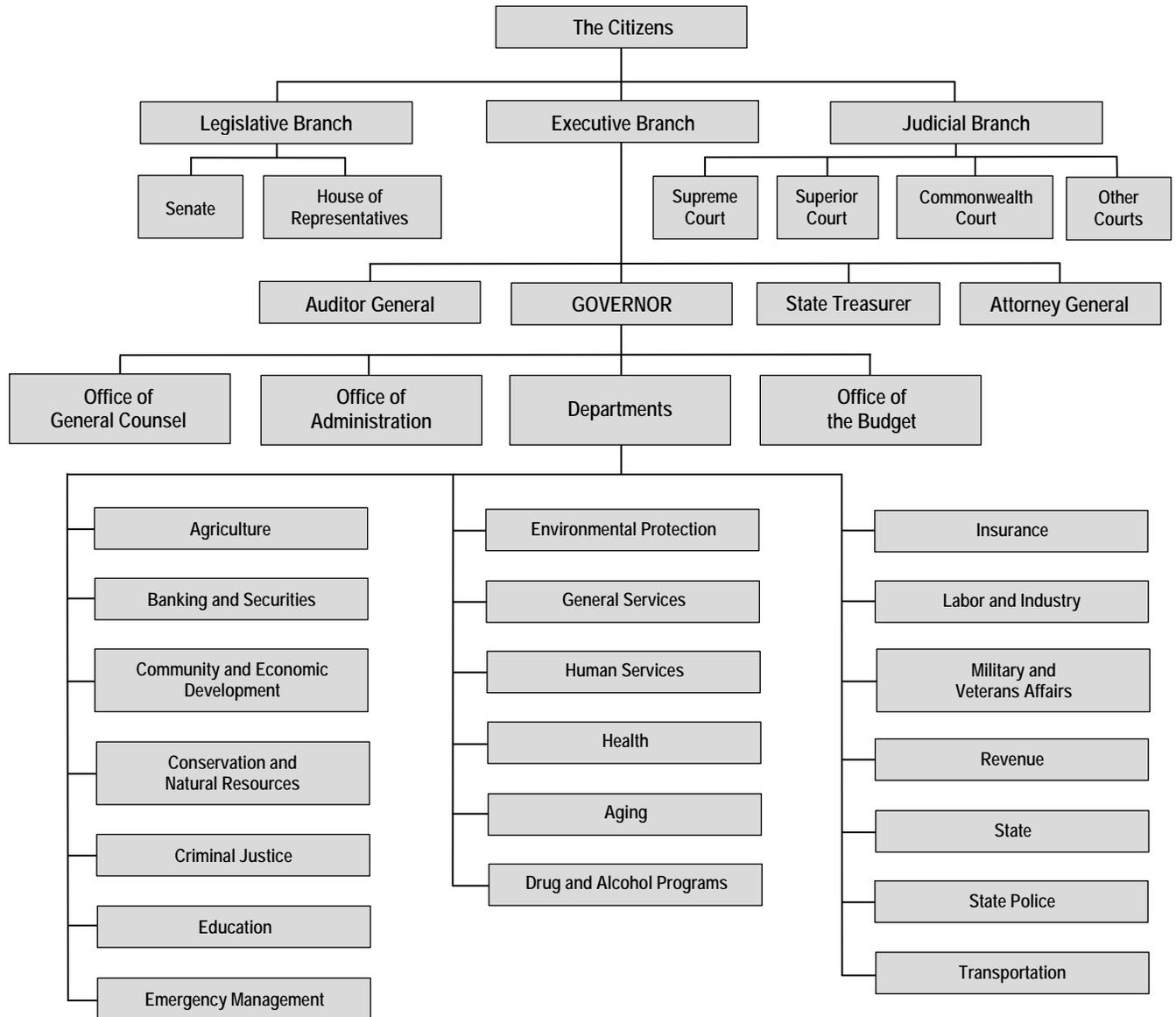
This section of the budget is intended to assist readers with interpreting and understanding the content of the governor's recommended budget.

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

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

To view the Governor's Executive Budget online or learn more about the Pennsylvania Office of the Budget, go to www.budget.pa.gov. To learn more about the Commonwealth of Pennsylvania, go to www.pa.gov.

Commonwealth of Pennsylvania Organization Chart



AGENCIES

Higher Education Assistance
Interstate Agencies

AUTHORITIES

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

BOARDS

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

COMMISSIONS

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

The Budget Process

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

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

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

PHASES OF THE BUDGET PROCESS

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

Preparation

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

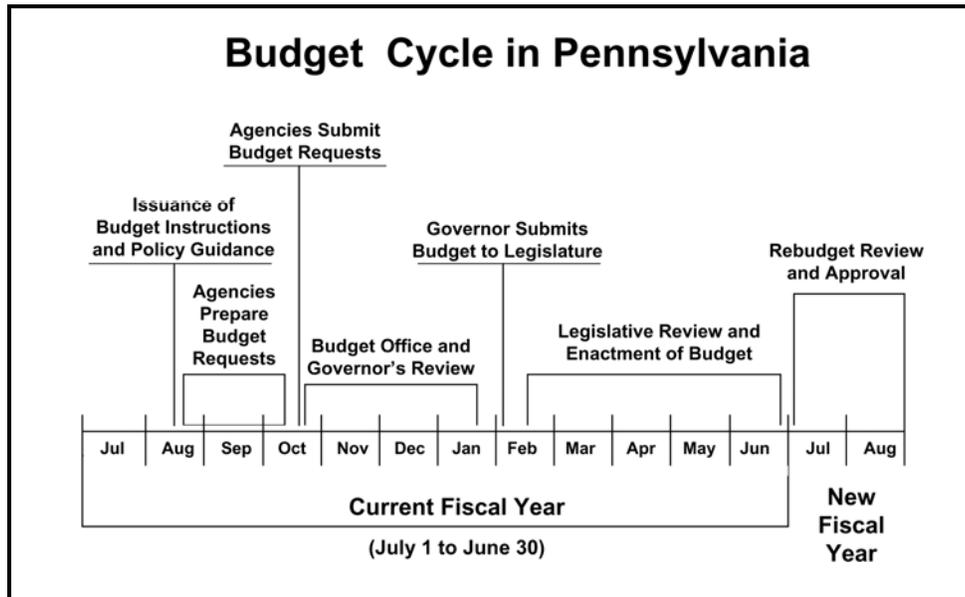
Agency budget requests are submitted to the Governor's Budget Office beginning in early October. Agencies prepare and submit their requests electronically. The Agency Program Plan, the programmatic presentation of agency budget requests, and the appropriation-level information are prepared and submitted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

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

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

Approval

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



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

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

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

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

Execution

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

Audit

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

The Capital Budget Process

Preparation, Submission and Approval

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

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

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

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

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

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

Capital Project Activation

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

Debt Financing vs. Current Revenue Financing

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

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

The Commonwealth's Program Budget Structure

COMMONWEALTH PROGRAM PLAN

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

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

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

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

Department Presentations

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

Mission Statement

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

Summary by Fund and Appropriation

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

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

Federal fund amounts shown on the SFA include appropriations to date as well as anticipated adjustments because of increases or decreases in the amount of funds to be received. Because of the manner in which they are appropriated, federal funds are deposited as General Fund revenues rather than as augmentations. Federal funds are not, however, included in the revenue sections of the budget. Instead, federal funds are shown with the state funds they supplement. Abbreviations or acronyms often are used in the federal appropriation titles shown on the SFA. The Federal Funds Identification section in this Reader's Guide lists common federal fund abbreviations.

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

Program Funding Summary

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

Program Presentation

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

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

Program Presentation
• <i>Program Goal – program purpose stated as desired accomplishments</i>
• <i>Narrative – program activities and services description</i>
• <i>Program Recommendations – proposed funding increases or decreases</i>
• <i>Appropriations within this Program – appropriations supporting program activities</i>
• <i>Program measures – activities funded by the program</i>

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

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

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

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

OTHER SPECIAL FUNDS

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

The Summary by Fund and Appropriation

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

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

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

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

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

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

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

Summary by Fund

GENERAL FUND:

General Government:

General Government Operations

(F) Surface Mine Conservation

(A) Department Services

Subtotal

Environmental Program Management

(F) Coastal Zone management

(F) Storm Water Permitting Initiative

(A) Safe Drinking Water Revolving Fund Administration

(R) Sewage Facilities Program Administration (EA)

Subtotal

Subtotal - State Funds

Subtotal - Federal Funds

Subtotal - Augmentations

Subtotal - Restricted Revenues

Total - General Government

Grants and Subsidies:

Black Fly Control and Research

West Nile Virus Control

Delaware River Master

Interstate Mining Commission

Susquehanna River Basin Commission

Delaware River Basin Commission

Chesapeake Bay Commission

Total - Grants and Subsidies

STATE FUNDS

FEDERAL FUNDS

AUGMENTATIONS

RESTRICTED REVENUES

GENERAL FUND TOTAL

MOTOR LICENSE FUND:

General Government:

Dirt and Gravel Roads

MOTOR LICENSE FUND TOTAL

OTHER FUNDS:

ACID MINE DRAINAGE ABATEMENT AND

TREATMENT FUND:

Acid Mine Drainage Abatement and Treatment (EA)

DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND

MOTOR LICENSE FUND

LOTTERY FUND

FEDERAL FUNDS

AUGMENTATIONS

RESTRICTED

OTHER FUNDS

TOTAL ALL FUNDS

Environmental Protection

and Appropriation

(Dollar Amounts in Thousands)

	20XX-XX ACTUAL	20XX-XX AVAILABLE	20XX-XX BUDGET
.....	\$ 10,400	\$ 10,500	\$ 10,600
.....	413	630	680
.....	154	75	75
.....	<u>\$ 10,967</u>	<u>\$ 11,205</u>	<u>\$ 11,355</u>
.....	21,325	21,424	22,524
.....	4,700	4,700	4,700
.....	2,300	2,300	2,300
.....	91	85	85
.....	1,500	1,500	1,500
.....	<u>\$ 29,916</u>	<u>\$ 30,009</u>	<u>\$ 31,109</u>
.....	\$ 31,725	\$ 31,924	\$ 33,124
.....	7,413	7,630	7,680
.....	245	160	160
.....	1,500	1,500	1,500
.....	<u>\$ 40,883</u>	<u>\$ 41,214</u>	<u>\$ 42,464</u>
.....	\$ 3,250	\$ 3,250	\$ 3,250
.....	3,676	3,676	3,776
.....	76	76	76
.....	25	25	30
.....	490	500	490
.....	1,000	1,000	1,000
.....	190	190	200
.....	<u>\$ 8,707</u>	<u>\$ 8,717</u>	<u>\$ 8,822</u>
.....	\$ 40,432	\$ 40,641	\$ 41,946
.....	7,413	7,630	7,680
.....	245	160	160
.....	1,500	1,500	1,500
.....	<u>\$ 49,590</u>	<u>\$ 49,931</u>	<u>\$ 51,286</u>
←.....	\$ 4,000	\$ 4,000	\$ 4,000
.....	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>
.....	\$ 5,500	\$ 5,500	\$ 5,500
.....	\$ 148,801	\$ 158,539	\$ 137,773
.....	0	0	0
.....	0	0	0
.....	217,881	223,456	251,680
.....	31,263	36,747	37,366
.....	68,808	82,498	87,883
.....	208,526	224,756	271,705
.....	<u>\$ 656,279</u>	<u>\$ 725,996</u>	<u>\$ 786,407</u>

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

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

GOVERNOR'S EXECUTIVE BUDGET 20XX-20XX

Program Presentation

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

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

General Government Operations — Identifies a specific appropriation.

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

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

Program: Environmental Protection

Goal: To protect and improve the quality of the air, water and land resources of the commonwealth, to protect the people from and man-made sources, including occupational and environmental health hazards, and to ensure that the benefits from their use.

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

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

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

\$	100	General Government Operations —to continue current program.
\$	100	Environmental Program Management —to continue current program.
	<u>1,000</u>	—Initiative - Rebuilding Pennsylvania's infrastructure
\$	1,100	Appropriation Increase

Appropriations within this Program:

	20XX-XX Actual	20XX-XX Available	20XX-XX Budget
GENERAL FUND:			
Environmental Program Management	\$ 28,420	\$ 32,041	\$ 34,160
Chesapeake Bay Agricultural Source Abatement	-	2,935	3,481

Program Measures:

	20XX-XX Actual	20XX-XX Actual	2019 Actual
Improve the state of the environment.			
Percentage of population in counties monitoring below the 2015 Ambient Ozone Standard	60%	64%	
Tons of municipal solid waste recycled (in millions).....	7.78	7.84	

Environmental Protection and Management

water and environment for the health and safety of the from dangerous or unnecessary radiation from natural medical exposure and to manage water and mineral the destruction and depletion while allowing economic

Enforcing Clean Water Standards

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

- \$ 200 Susquehanna River Basin Commission —to continue current program.
- \$ 100 Delaware River Basin Commission —to continue current program.

Amounts in Thousands)

20XX-XX Estimated	20XX-XX Estimated	20XX-XX Estimated	20XX-XX Estimated
\$ 34,781	\$ 34,781	\$ 34,781	\$ 34,781
3,490	3,490	3,490	3,490

20XX-XX Actual	20XX-XX Actual	20XX-XX Actual	20XX-XX Estimated	20XX-XX Estimated
69%	56%	76%	83%	83%
6.38	5.47	7.81	7.05	7.05

GOVERNOR'S EXECUTIVE BUDGET 20XX-20XX

← Identifies the agency being presented.

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

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

Narrative — Describes program services and activities.

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

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

Basis of Budgeting and Basis of Accounting for Financial Reporting

Basis of Budgeting for Control and Compliance – Modified Cash Basis

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

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

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

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

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

Basis of Accounting for Financial Reporting – GAAP Modified Accrual Basis

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

Accounting Differences in GAAP Financial Reporting versus Budgetary Reporting

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

Significant Financial Policies

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

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

Budget Stabilization Reserve Fund – Act 91 of 2002 provided for this fund effective July 1, 2002 to eventually establish a reserve fund amounting to 6 percent of the revenues of the General Fund. For the fiscal year beginning July 1, 2002 and in any fiscal year thereafter in which the Secretary of the Budget certifies that there is a surplus in the General Fund, 25 percent of the surplus is to be deposited by the end of the next succeeding quarter into this fund. Act 20 of 2019 provided for a transfer of an amount equal to 100 percent for the fiscal year ending June 30, 2019. A 25 percent transfer is also included in this budget. Additional information on this fund, commonly referred to as the Rainy Day Fund, is found in Section A1.

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

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

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

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

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

Terms Used in the Budget Process

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Federal Fiscal Year (FFY): A twelve-month period beginning October 1 and ending September 30 of the following calendar year which is used as the federal accounting and appropriation period. Referred to by the year in which the fiscal year ends. For example, October 1, 2020 to September 30, 2021 would be FFY 2021.

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

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

Fiscal Year (FY): A twelve-month period beginning July 1 and ending June 30 of the following calendar year which is used as the state's accounting and appropriation period. In the accounting system, the fiscal year is referred to by the year in which the fiscal year begins, for example, July 1, 2021 to June 30, 2022 would be Fiscal Year 2021. In the budget document, the fiscal year is referred to by using both calendar years in which the fiscal year spans, for example, July 1, 2021 to June 30, 2022 would be Fiscal Year 2021-22.

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

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

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

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

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

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

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

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

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

Initiative: Changes in program purpose, level or activity as the result of changes in policy, statute, regulation or court

direction are identified as Initiatives. Cost increases to operate an existing program without change in policy, law or regulation such as increased fuel costs at an institution or increased rental costs for regional offices are current commitment costs and are not identified as Initiatives.

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

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

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

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

Motor License Fund: A special revenue fund composed of monies received from liquid fuels taxes, licenses and fees on motor vehicles, aviation fuel tax revenues, federal aid for highway and aviation purposes, contributions from local subdivisions for highway projects and other miscellaneous highway revenues. The fund provides for highway and bridge improvement, design, maintenance and purchase of rights-of-way, as well as aviation activities and Department of Transportation licensing and safety activities. It also finances State Police highway patrol operations and pays subsidies to local subdivisions for construction and maintenance of roads.

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

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

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

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

Position: see **Complement**.

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

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

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

Program Category: see **Program Structure**.

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

Program Policy Guidelines (PPG): Issued by the governor, the policy guidelines identify those problems confronting

the commonwealth that are of major concern. The guidelines initiate the budget process in that they ask for a preliminary assessment of alternative program changes which respond to the governor's concerns.

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

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

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

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

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

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

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

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

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

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

Workforce: see **Complement**.

Federal Funds Identification

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

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

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Commonwealth of Pennsylvania

Governor's Executive Budget

OVERVIEW
AND
SUMMARIES

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FISCAL AND PROGRAM POLICY DIRECTION AND BUDGET THEMES

The Fiscal and Program Policy Direction section immediately following this page presents the fiscal and program policies that guided the development of the 2020-21 Governor's Executive Budget. The revenue and expenditure recommendations included in this budget provide a solid fiscal foundation for the governor to successfully address his vision, goals and program priorities for Pennsylvania. This section summarizes the governor's recommended budget initiatives within the following budget theme presentations.

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

Introduction

Over the past six years, Governor Wolf has invested millions in the Pennsylvania workforce and economic development programs in order to boost the competitiveness of the commonwealth and make it a place where everyone wants to live, work, and play.

Under Governor Wolf's leadership, more than a billion dollars in cuts have been restored to the public education system across the continuum from early childhood to Pennsylvania's world-class higher education institutions. Efforts to reform the occupational licensure system in Pennsylvania have resulted in fewer barriers and more opportunities for working-class families across the commonwealth. Bipartisan efforts to establish the medical marijuana program, pass the nation's first Clean Slate legislation, combat the opioid epidemic, invest in farmers through the Pennsylvania Farm Bill, and create a tuition repayment program for National Guard members and their families have made Pennsylvania stronger and more resilient.

However, 2020 presented some unprecedented challenges amid the COVID-19 pandemic. Last March, businesses of all shapes and sizes were shuttered overnight to stop the spread of the virus. Schools and office buildings were closed and in many cases, forced into a world of remote learning. The economy ground almost to a halt. Thousands of Pennsylvanians died from COVID-19, and many more have suffered from the pandemic's far-reaching impacts. The holes in the social safety net, the gap between rich and poor, and the years of systemic racism and its resulting inequities have never been more glaring.

The 2021-22 budget is an opportunity in the face of these challenges. The proposed budget prioritizes equity, fairness, and accountability. It invests in Pennsylvanians from all walks of life by making the state tax system more progressive, fully and fairly funding schools for the first time in history, increasing the minimum wage, and leveling the playing field between charter schools and traditional public schools by proposing real, meaningful reform that will only serve to benefit students and future leaders.

This budget invests in businesses and aims to make Pennsylvania more competitive by lowering the Corporate Net Income Tax and closing the Delaware loophole. It proposes reforming the Education Investment Tax Credit program to ensure fewer dollars can be kept for administrative purposes, redirecting millions back to low-income students in need of scholarships. Strategic investments are being proposed in workforce and agriculture, and recommendations are being carried forward from the Keystone Economic Development and Workforce Command Center that will enable better access to higher education and a more seamless transition from the military to civilian life for veterans.

In light of the pandemic, an ambitious workforce and economic development investment program, Back to Work PA, is necessary to provide significant support for businesses and workers most significantly impacted by the pandemic, and focus on high-quality well-paying jobs and careers. This bold new plan further builds on the recommendations from the Keystone Economic Development and Workforce Command Center to ensure a rapid rebuilding of our economy, ensuring prosperity for generations to come.

Additional criminal justice reforms build on years of bipartisan efforts to make Pennsylvania more fair and efficient. Such proposals call for bail, probation, and medical release reform; the establishment of an Indigent Defense Compensation program bringing Pennsylvania in line with every other state in the nation; and an expansion of the Clean Slate law to cover more individuals.

Finally, in order to further restorative justice initiatives and assist with state's economic recovery, Governor Wolf intends to pursue the legalization of adult-use cannabis. The revenue generated from legalization could be used to support historically disadvantaged small businesses through grant funding, and provide them the assistance they need to build back from the economic crisis and strengthen our economy. Additionally, a portion of the revenue could support restorative justice programs to help the individuals and communities that have been adversely harmed by the criminalization of marijuana. Combined, these initiatives will serve as a step forward in reversing the decades of injustices, economic harm and trauma caused by marijuana criminalization, particularly on minority communities.

While the economic and public health consequences of the pandemic are yet to be fully realized, this budget is a marker and a beginning to a path of recovery. This budget supports recovery through fairness, equity, and accountability and moves all Pennsylvanians forward together.

Prioritizing Education

Governor Wolf has prioritized strengthening Pennsylvania's educational opportunities because education positively influences nearly every other part of society. From creating a strong workforce to reducing crime, Governor Wolf's investments in education at all ages have helped propel Pennsylvania to a more prosperous future.

During the past six years, Governor Wolf has secured an additional \$1.4 billion in funding for pre-K through college, including nearly \$800 million for basic education, \$140 million for special education, and \$40 million for career and technical education. This is not nearly enough. This budget proposal more than doubles this investment in education. The innovative PAsmart program introduced new STEM and computer science programs into hundreds of schools across Pennsylvania, helping advance the state to fifth in the nation for the number of STEM graduates.

Governor Wolf has sought to bridge the gap between the classroom and employment by supporting career and technical education and building a new apprenticeship program. Throughout his administration, the number of career and technical education students earning industry-recognized credentials has increased by 34.2 percent, while the number of registered apprentices has risen to over 17,000.

The 2021-22 budget builds on successful education and workforce development programs, further extending high-quality education to more Pennsylvanians.

Investing in Our Kids

Continuing Fair and Equitable Investments in Education to Build the Best Workforce in the Nation

Over the past six years, the governor worked with the General Assembly to reverse historic cuts to education and invest \$1.4 billion in new resources for Pennsylvania's public education system. The 2021-22 budget **more than doubles that investment** in education funding to build on this progress and ensure every Pennsylvania student is college, career, and community ready.

The new investments for classroom funding include:

1. **\$1.35 billion increase in Basic Education Funding.** This investment directs all existing state-level basic education funding through the Fair Funding Formula and includes an adjustment so that no school district is negatively impacted. An additional \$200 million investment in basic education funding is proposed to allow all districts to continue to invest in student achievement. This investment enables all school districts to have the basic resources they need to provide a high-quality education for Pennsylvania students.
2. **\$200 million increase in Special Education Funding.** This investment ensures school districts have the basic resources they need to provide high-quality special education services to students with disabilities and special needs.

Increasing Funding for High-Quality Early Childhood Education

Children who participate in high-quality pre-K programs perform better in school, are more likely to graduate, and earn more throughout their lives compared to peers without access to early learning programs. The 2021-22 budget proposes **\$25 million** for Pre-K Counts and **\$5 million** for the Head Start Supplemental Program. This new funding will allow 3,271 additional children to enroll in the state's high-quality early learning programs. Over Governor Wolf's term, the commonwealth has doubled its investment in early child education, but more children need this once-in-a-lifetime opportunity to enter kindergarten ready to grow and thrive.

Stabilizing Child Care and Ensuring Equal Access for Families

In Pennsylvania's subsidized child care program, Child Care Works, reimbursements have not been meeting the rising cost to operate child care as a business. Additionally, the strain of the pandemic has put added pressure on these critical providers. In order to support child care access and affordability for low-income working families, the administration is increasing payment rates for subsidized child care to keep pace with rates for private-pay families and ensure equal access

to child care for all Pennsylvanians as of March 2021. The 2021-22 budget includes **\$87.17 million** in additional federal funds to support these increased Child Care Works base rates and create a more stable business environment for child care facilities while improving equal access to child care services.

Increasing Access to Early Intervention Services

Early Intervention (EI) ensures that children birth to age five with developmental delays or other established factors that put them at risk of substantial delay have the best chance for healthy development. EI provides children with a range of developmental and social-emotional services, including speech and language, occupational and physical therapies, and social work services. Families also receive the coaching and support they need to further the gains their children make in therapy. EI serves children from all income levels and in every county across the state. The 2021-22 budget includes **\$11 million** for 2,000 additional slots for children age 3 to 5.

Advancing Fairness, Equity, and Quality in Our Public Education System

Attracting and Retaining the Best Teachers for Our Children

In the past 10 years, Pennsylvania has experienced a growing teacher shortage and shrinking pipeline of new teachers, especially in rural and urban districts, and hard-to-fill areas like special education, English language instruction, and STEM. One factor driving this trend is financial pressure due to low teacher salaries, as well as job requirements for college and advanced degrees.

Providing competitive wages is essential to attracting and retaining qualified education professionals. Pennsylvania arbitrarily sets minimum compensation for Pennsylvania teachers and other education professionals, including counselors and school nurses, at a 1980s-level of \$18,500 per year. This salary assumes a 40-hour workweek, even though most educators spend many hours out of the classroom preparing lesson plans and reviewing student assignments. The current statutory minimum salary fails teachers, students, and families. Increasing the minimum salary to **\$45,000 per year** will better align with competitive salaries and the cost of living, and ensure the commonwealth can attract the highest quality talent to educate Pennsylvania's children.

Comprehensive Charter School Law Reform

Pennsylvania's Charter School Law, passed in 1997, established public charter schools with greater flexibility to support innovation in partnership with the traditional public education system. Since then, some charters have strayed from this original purpose by engaging in questionable operational practices and exhibiting poor academic performance. Additionally, charter schools are a major uncontrolled cost-driver for local school districts, resulting in higher property taxes across the state.

The 2021-22 budget proposes comprehensive Charter School Law reform that will save school districts across the commonwealth an estimated **\$229 million** per year. These resources can be reinvested into students and educators, including meeting minimum teacher salary requirements. This package of policy and budget initiatives promotes innovation and choice in the charter sector while ensuring charter schools are providing a high-quality education, accountable for their academic performance and financial management, and meeting the same standards Pennsylvanians expect from traditional public schools.

The budget includes:

- 1. Applying the Special Education Formula to All Charter Schools:** Currently, school districts receive funding for special education students through a three-tiered Special Education Funding formula, with funding increasing as the student's need for special education services increases. Special education tuition payments to charters, however, are calculated based on the outdated assumption that all school districts have a special education population of 16 percent, regardless of the level of services a student's Individualized Education Plan

outlines. The governor's budget applies the tiered Special Education Funding formula to all charters to better align Special Education Funding with actual costs of providing services to special education students. This was a recommendation from the bipartisan Special Education Funding Commission and will save school districts an estimated **\$99 million** annually.

- 2. Establishing a Statewide Cyber Charter Tuition Rate:** Currently, cyber charter schools in Pennsylvania charge school districts between \$9,170 and \$22,300 per student per year. For comparison, the typical tuition rates an Intermediate Unit charges to provide a comparable online education is around \$5,400 per student per year. The governor's budget establishes a statewide cyber tuition rate of \$9,500 per student per year and will better align tuition with the actual costs of providing an online education. This reform will save school districts an estimated **\$130 million** annually.
- 3. Improving the Redirection Process:** Currently, if a school district does not pay the tuition for the students in its district who attend a charter school or there is a dispute between a school district and a charter on tuition payments, the charter school may petition the Department of Education to reconcile the dispute through the redirection process. This budget proposal provides clarification on the redirection process, including the basis for reported expenditures and the deductions included in the tuition rate calculation, to increase fairness, accountability, and transparency.

Supporting School Choice, While Creating Transparency in Education Tax Credit Programs

The Education Improvement Tax Credit (EITC) and Opportunity Scholarship Tax Credit (OSTC) are popular programs. The 2021-22 budget lowers the maximum administrative set-aside from 20 percent to 5 percent for scholarship organizations participating in the EITC and OSTC, allowing up to an additional **\$36 million** in scholarships for students without an increase in any taxpayer aid. Scholarship organizations will be required to report more information on the students and families that receive scholarships and their educational outcomes, assuring taxpayers that their tax dollars are directed to students with the greatest need and that participating students receive a high-quality education.

Making College More Affordable

The Nellie Bly Tuition Program for PA State System of Higher Education (PASSHE) Students

To support Pennsylvania's workforce and economic needs, the state must strengthen its commitment to increasing the number of Pennsylvania students who complete a high-quality postsecondary degree or credential. The State Board of Education established a goal for 60 percent of working-age Pennsylvanians to have a postsecondary degree or credential by 2025, with a focus on closing attainment gaps for historically unrepresented populations. The commonwealth must also find ways to incentivize people to learn, work, and stay in Pennsylvania, and make higher education more affordable to students and families.

The 2021-22 budget proposes repurposing **\$199 million** from the Pennsylvania Race Horse Development Trust Fund to support the Nellie Bly Tuition Program. The program will provide financial assistance to targeted full-time students enrolled in the PASSHE system, with priority on students pursuing careers in education. In exchange, the students must agree to stay in Pennsylvania after graduation for the same number of years for which they receive the benefit. This needs-based tuition will fill the gap between the students' financial aid and other financial assistance to cover the tuition, fees, and a portion of the real costs of college, including campus housing, books, supplies, and other expenses. The tuition converts to a loan if the student moves out of the commonwealth during the commitment period and can be deferred while the student pursues further education.

The program will align with the PASSHE Board of Governors accountability framework and student success goals for PASSHE universities. This proposal will help reach the state's credential attainment goal, make higher education more affordable, support on-time graduation and student retention, promote social mobility into the middle class for low-income students, and get students into the workforce with less student loan debt.

Advancing Pennsylvania's Economic Recovery through Business, Agriculture and Workforce Investments

The COVID-19 pandemic has interrupted the everyday lives of workers and small business owners throughout the commonwealth. Governor Wolf understands that businesses and workers need each other to thrive, and both are the key to economic recovery from the COVID-19 pandemic. In this budget proposal, he is doubling down on his commitment to make Pennsylvania the best place to live, work, and do business. Pennsylvania's economic vitality is dependent on swift and targeted action to get Pennsylvanians back to work quickly into well-paying jobs in sectors that will lead the economy back to prosperity.

In 2019, the governor signed an executive order establishing the Keystone Economic Development and Workforce Command Center, which researched barriers preventing job-seeking Pennsylvanians from connecting to workplaces needing employees. The 2021-22 budget seeks to implement programs and enact meaningful change that will help workers overcome these barriers while improving the quality of life for all Pennsylvanians.

Breaking Down Barriers to Employment by Supporting Students and Veterans

The public-private Keystone Economic Development and Workforce Command Center identified five key barriers for employees and employers: transportation, child care, training, licensure, and re-entry from institutional settings. Enacting the recommendations of the Keystone Economic Development and Workforce Command Center will provide opportunity for our younger generations and ensure seamless transitions for our active duty servicemen and women to civilian employment. The Commonwealth of Pennsylvania, through the Pennsylvania Higher Education Assistance Agency, will maximize Pell Grant awards and federal financial aid to make certificates, credentials, and college degrees more affordable. These grants can be stacked with other state grants and financial aid. The commonwealth will continue to build on federal efforts to simplify the FAFSA form.

This budget continues to build on the governor's previous efforts to address the barriers that prevent qualified individuals from securing occupational licensure and employment. Utilizing a grant from the United States Department of Labor, the Department of State will develop and publish reports that identify the licensure challenges that immigrants, veterans, military spouses, and out-of-state workers face in obtaining licensure. Included among these reports will be a military occupation crosswalk that will aid veterans in translating their military education, certifications, training, and skills into professional credentials as they transition from military to civilian employment.

Increasing the Minimum Wage to \$12 per hour, with a path to \$15 per hour

Already in 2021, 20 states increased their minimum wage. Pennsylvania's minimum wage of \$7.25 (\$15,080 per year), has not increased in nearly 12 years and is keeping families living in poverty. While the cost of living for Pennsylvanians is increasing, the minimum wage has remained stagnant, limiting the purchasing power of low-wage workers trying to afford necessities.

The 2021-22 budget proposes increasing the state minimum wage to \$12 per hour effective July 1, 2021, with annual increases of \$0.50 until the minimum wage reaches \$15 per hour on July 1, 2027. By increasing the minimum wage, low-income workers will have the ability to better afford basic needs — housing, groceries, transportation, and child care — and will take a step out of poverty and toward self-sufficiency. Raising the minimum wage will also improve productivity and morale for millions of workers, reduce reliance on public benefits, and invest in people providing critical workforce needs, including early childhood educators and direct care workers caring for the most vulnerable Pennsylvanians.

Investing in New Manufacturing and Expanding Critical Recovery Support

This budget continues to build on three fundamental building blocks: education, workforce development, and economic development. It cements Governor Wolf's dedication to creating the friendliest entrepreneurial environment in the country. This is achieved by focusing on fostering safe and vibrant communities to attract and retain talent, who in turn create businesses or aid innovative companies to grow and expand.

Manufacturing is critical to the health and prosperity of Pennsylvania's economy. As such, Pennsylvania can emerge stronger than ever from the COVID-19 pandemic by expanding critical support services to the commonwealth's small- and medium-sized manufacturers. Pennsylvania is at a pivotal point in its history with once-in-a-lifetime economic opportunities that are well within our reach. The commonwealth is home to some of the fastest growing technologies that are changing the way manufacturing processes increase competitiveness in the global economy. The Department of Community and Economic Development provides administrative support to a public-private Manufacturing Advisory Council to help build and implement a statewide strategy and provide guidance for the significant service provider network to grow this vital sector.

The seven Industrial Resource Centers (IRCs) located in a vast network throughout Pennsylvania have historically provided these critical services to the small- and medium-sized manufacturers that make up more than 92 percent of the commonwealth's manufacturing base. The IRC network helps manufacturers respond to changing markets and new technology, and remain competitive, which is more important than ever during and after the COVID-19 pandemic. The IRC network will receive a **\$1.5 million** increase, to be awarded competitively among IRCs that propose to partner with institutions of higher education and deliver innovative services to new and existing companies in areas such as talent pipeline, robotics utilization, 3-D printing, and advanced manufacturing techniques.

The Partnerships for Regional Economic Performance (PREP) Network, Small Business Development Centers, Local Development Districts, and Industrial Development Organizations will receive a **\$1.5 million** increase, to be awarded competitively among the partners, requiring regions to be creative and innovative in their applications for service and to partner with institutions of higher education. This will drive greater impacts to accelerator participation, entrepreneurial internships, decreased student outmigration, and business incubation as well as to continue to provide critical services to assist Pennsylvania's businesses in their economic recovery.

Investing in Pennsylvania's Business Community Through Job Training

The Workforce and Economic Development Network of Pennsylvania (WEDnetPA), Pennsylvania's premier incumbent workforce training program, provides vital support to help companies assess their training needs and develop training plans. Companies will continue to receive assistance in obtaining a level of training – for both essential skills and technical skills – among employees that they otherwise could not have reached. WEDnetPA has helped more than 21,000 companies train more than 1.2 million Pennsylvania workers since its inception in 1999.

Improving Food Security while Supporting Agriculture

An additional investment of **\$1 million** in the Pennsylvania Agricultural Surplus System (PASS) will further address food insecurity in Pennsylvania and ensure more Pennsylvanians have access to healthy meals for their families. Through PASS, the Department of Agriculture provides funding to cover the costs associated with harvesting, processing, packaging, and transporting surplus products including fruits, vegetables, eggs, dairy, meat, and grains in order to donate those items to the charitable food system. Current funding has allowed healthy and nutritious surplus food to be brought into the charitable food system to nourish 2.18 million Pennsylvania households who struggle to put food on the table.

The 2021-22 budget also continues the governor's commitment to agriculture by continuing integral funding for the programs created under the historic 2019 Pennsylvania Farm Bill – a bold, aggressive and necessary investment in agriculture to grow opportunities and resources, remove barriers to entry, and inspire future generations of leaders in the industry.

Ensuring Adequate Support for Military Communities

The 2021-22 budget provides **\$500,000** in additional funding to help prevent base realignment and closure, or BRAC, actions by the federal government from affecting Pennsylvania's military communities. Base closures and the resulting job losses could have a significant impact on Pennsylvania's economy. These installations are often the largest employers in their respective counties and are vital sources of family-sustaining jobs. These installations support 55,000 full-time equivalent jobs, generating \$4 billion in labor income and \$11 billion in total economic output.

Back to Work PA

COVID-19 has had an unprecedented economic impact across the country. This is just as true in Pennsylvania, which is at a critical juncture where relief for workers, families, small businesses and communities is needed right now. COVID-19 has caused every person to adapt their daily lives to a new normal, facing challenges no one could have imagined. To adapt to these changes, Governor Wolf is proposing a bold and targeted investment into the economy and workforce, to help put Pennsylvania Back to Work.

Restore PA, an ambitious infrastructure improvement plan introduced by Governor Wolf in 2019, was created to propel Pennsylvania into the 21st century. Using the same construct, Restore PA will be refocused to assist workers and business owners most impacted by COVID-related closures. Pennsylvania has an opportunity to provide **\$3 billion** to help workers and businesses to stabilize the economy and recover from the pandemic. With this rapid injection of dollars, Pennsylvania will come out from the COVID-19 pandemic with a more diverse and robust economy, and workers will have new skills and career paths to build up prosperity for generations to come.

Two of the five barriers identified by the Keystone Economic Development and Workforce Command Center are training and child care. This plan looks to direct significant investment into these and other areas that may otherwise prevent residents from having the opportunity to obtain the well-paying jobs they deserve.

COVID-19 has caused major disruptions and layoffs to Pennsylvania's workforce, disproportionately impacting low-wage workers, people of color, people with disabilities, and certain industry sectors. Pennsylvania's economic recovery requires a strategic investment into workforce development that addresses these inequities, supports workers most significantly impacted by the pandemic, and focuses on high-quality well-paying jobs and careers. By targeting investments in skills, through upskilling, reskilling and transferring of skills, Pennsylvania can match workers displaced by the pandemic with opportunities to fill the well-paying positions employers are trying to fill now.

In response to the pandemic, the PA CareerLink® system quickly implemented innovative approaches to service delivery, including offering curbside assistance, virtual career fairs, deploying WIFI hotspots, and expanding WIFI access to local communities. In response to the changing needs of PA CareerLink® customers, the Back to Work PA proposes a statewide investment into workforce services including individualized career coaching and enhanced wrap-around supports to assist customers with addressing barriers to employment. This will also include support for employer adoption of skill-based hiring and inclusive talent recruitment and development strategies to help reach their talent needs.

Registered Apprenticeship is a proven model to connect workers with education and training opportunities that result in family-sustaining wages and a path to the middle class. Pennsylvania will leverage the successful PAsmart initiative to continue building a diverse talent pipeline of Registered Apprentices and expand the Registered Apprenticeship model into non-traditional industries and occupations.

Access to and affordability of child care has been a persistent barrier for employees and job seekers who cannot go to work without having a plan for the care of their children. COVID-19 has made finding and maintaining reliable child care an even more challenging feat. The Back to Work PA framework proposes expanding child care subsidies to allow more Pennsylvania job seekers the assurances necessary to return to work. In addition, funding will be made available for employers seeking to develop or expand on-site child care for current workers and new hires, and for licensed child care facilities offering non-traditional hours.

COVID-19 has caused major disruptions to businesses in the commonwealth. One of these major disruptions is supply chain. Reshoring of critical supply chains needs to happen. With strong national and international competition expected for these opportunities, we must leverage Pennsylvania's strength in manufacturing, workforce and location to compete. This proposal seeks to develop a strong reshoring initiative by prioritizing and recapitalizing existing programs.

Pennsylvania has been a historical leader when it comes to innovation. As shifts in the economy occur, whether through natural technological progression or through economic disruption, Pennsylvania needs to cultivate new ideas and support inspiring entrepreneurs. As individuals impacted by the pandemic look to new opportunities, fostering their innovative ideas into start-up companies will help the economy recover as well. Creating a holistic funding strategy fosters new innovative companies and sees them through every stage, attracting new workers and retaining the students our world-renowned universities develop.

Communities across the commonwealth are facing unprecedented financial hardships due to severe revenue loss as a result of the pandemic. The commonwealth is expecting a surge of Act 47 distressed municipalities. This will require communities to make difficult decisions surrounding municipal reforms and consolidations, budget cuts, and tax or fee increases. Strategic investments into these communities can provide much-needed relief as they grapple with the long-term economic impacts of the pandemic. There are several existing programs offered by the Department of Community and Economic Development that, with more resources, could help these communities plan for a new tomorrow.

Finally, just as broadband expansion was a tenant of the Restore PA proposal due to its importance prior to the pandemic, COVID-19 disruptions have shown that broadband access is a necessity. Internet access is important for all aspects of life, including health care, education, employment, and operating a small business. Teleworking, telehealth and telelearning may be the new normal and as such, it is vital that the broadband infrastructure, especially in unserved areas of the commonwealth, is built out now. Every citizen deserves an opportunity for economic vitality, and internet access is a fundamental pillar to that opportunity.

Keeping Pennsylvanians Safe through Criminal Justice Reforms

Providing Fair Funding for Police Coverage

Across the commonwealth, municipalities rely on the Pennsylvania State Police (PSP) to provide local police support. This coverage comes at no cost to the municipality, but instead is borne by all taxpayers statewide.

It is essential to find a solution that closes the funding gap caused by the decreasing reliance on Motor License Fund support. To address the inequity, the 2021-22 budget assesses a fair service fee to all benefitting from policing provided by PSP. Rather than a flat fee or a sliding fee based on population, this proposal would be assessed on every municipality in the commonwealth, because services are provided to all, regardless of the level of municipal police coverage. This has never been more evident than during 2020 when extensive PSP resources were deployed to assist statewide, often in areas served by full-time municipal police departments. This fee is predicated on station coverage costs, which are driven by incidents and coverage area, and considers various factors, including population and income. It is further weighted for municipalities benefitting from full- or part-time police services.

Law Enforcement Reform

Building on the passage of Acts 57 and 59 of 2020, it is essential to continue to support efforts to improve law enforcement to make the commonwealth safer for every Pennsylvanian, including community policing improvement and the accreditation of police departments throughout Pennsylvania.

Community policing is one of the key components of 21st Century Policing. Youth-focused programs, such as PSP's Camp Cadet/Explorer programs, support these efforts by introducing young participants between age 10 and 20 in underserved communities to the increasingly diverse criminal justice system workforce, establishing positive relationships with law enforcement personnel. Diversity is a critical aspect of hiring in policing and exhibits to a community the force's commitment to serve its needs with a diverse workforce that understands the unique challenges of the community. Workforces that are reflective of the communities they serve can foster public trust.

Another important component of supporting the modernization of our policing system is to increase the number of law enforcement agencies that are enrolled in and accredited by the Pennsylvania Law Enforcement Accreditation Program, as professionalism increases public trust and safety. Since 2001, over 375 police departments in Pennsylvania have enrolled and 145 have achieved accreditation in the program conducted by the Pennsylvania Chiefs of Police Association. Supporting additional investments in technical assistance will bring more departments on board with the accreditation process.

Bail and Pretrial Reforms

Everyone has a right to a fair trial and not to be held in prison based solely on inability to pay, not because of risk to society. Pennsylvania must implement a best practices model for bail and pretrial services.

According to Pennsylvania's most recent Justice Reinvestment Initiative (JRI2) report and reports released by the Pennsylvania Interbranch Commission for Gender, Racial and Ethnic Fairness, bail decisions – and particularly the use of monetary cash bail – vary widely county-by-county and disproportionately impact minority defendants. To address this disparity, the report recommended that the Pennsylvania Supreme Court review court rules related to bail determination to encourage greater consistency in bail decisions across the commonwealth.

Research shows that less time spent in jail pretrial lowers the chances of committing another crime. The inability to pay bail leads to increases in the likelihood of conviction, increased guilty pleas, higher average court costs, and longer incarceration sentences. Bail amounts for misdemeanors and felonies can be 10 times higher in some counties compared to others, ranging from a low of \$1,000 to a high of \$10,000 for misdemeanors, and \$5,000 to \$50,000 for felonies. The amount of monetary bail is higher for black individuals than for white individuals – less than half of those with monetary bail are able to post it.

Monetary cash bail reform should not only reduce the disproportionate impact on minorities in the criminal justice system, but also reduce the total number of indigent defendants held in jail pretrial, thereby producing savings for county governments without negatively impacting public safety.

Probation Reform

Probation supervision in Pennsylvania is a complex system. One in 34 adults are under some form of community supervision in Pennsylvania compared to one in 53 nationwide. One-third of prison beds are occupied by persons who violated probation/parole. Research shows that supervising people who are at low risk of reoffending actually increases their likelihood of recidivism.

There are many benefits of a strong probation system that promotes proper services for individuals while providing accountability as necessary for a limited period of time. That balance has been difficult to achieve. The commonwealth must explore reform opportunities to ensure that the time on supervision is limited to the level of risk to the community. Reform options should include changes to the total length of supervision, opportunities to reduce the time on supervision with incentives and time credits, and limitations on technical violation revocations.

Comprehensive Clean Slate Legislation

Clean Slate in Pennsylvania has been very successful to date. There have been over 36 million cases sealed since the program began. However, this is only the first step in establishing a much more comprehensive clean slate law in the commonwealth. The opportunity for persons convicted of greater offenses, including felony convictions, must be considered in order to truly progress in eliminating the stigma of a felony conviction. Lastly, there should be an opportunity to reduce the waiting periods for lesser offenses.

Medical Release Reform

Pennsylvania must expand the eligibility for elderly and infirmed individuals to be released from prison to continue care in appropriate long-term care facilities or domiciliary care.

While many states are seeing a reduction in prison populations, the number of inmates nationwide over the age of 55 has increased by 500 percent. Moreover, incarceration can aggravate the effects of aging due to histories of substance use and inadequate preventative health care. The Department of Criminal Justice houses more than 9,000 inmates who are over the age of 50, representing approximately 24 percent of the entire population. Housing an aging inmate in skilled cared units at State Correctional Institutions Waymart, Muncy, and Laurel Highlands costs four times more than an inmate in general population.

Research supports that individuals age out of crime, meaning the release of elderly inmates poses the lowest risk to the community. Additionally, releasing this population enables federal dollars to contribute to the cost of care, easing the burden to Pennsylvania taxpayers. The continued incarceration of this population, many of whom have already served decades behind bars, is expensive and unnecessary for justice to be served.

Finally, during the recent COVID-19 pandemic, it became clear that the Department of Criminal Justice must re-evaluate its population capacity. Despite the significant population reduction of over 6,000 inmates since March, this vulnerable elderly population continues to be at much higher risk of complications or death from COVID-19. Releasing these individuals through medical parole would place them in a safer environment, enable the department to depopulate and manage COVID-19 better, pose little to no risk to the community, and save taxpayers millions of dollars.

Indigent Defense

All persons deserve adequate legal representation regardless of ability to pay, supported by research such as the 2007 Joint State Government Commission (JSGC) report which stated that for Pennsylvania “to perform its duties under the U.S. Constitution and as a civilized society by finally addressing the deficiencies that undermine its indigent criminal defense system by reforming the system to comply with national standards.”

The Pennsylvania Interbranch Commission for Gender, Racial and Ethnic Fairness (the Commission) has played an integral role in the effort to address the inadequacies of the commonwealth’s criminal indigent defense system. The Commission concluded that the system’s failure to meet the commonwealth’s constitutional mandate to provide fair and adequate legal representation to indigent defendants continues unabated to this day. Further, the Commission found that the acute underfunding of these services has not only created significant fiscal problems for the counties, but has also cost the state hundreds of thousands of dollars each year to incarcerate and retry defendants, due to the inability of their indigent defense counsel to represent them effectively.

The Commission concluded that a modified version of the reforms recommended in the JSGC report would provide for a more effective system and would save the state and counties many of the costs they currently expend to try, incarcerate, and retry indigent defendants. The reforms proposed by the Commission include the creation of a statewide Office of Indigent Defense, which would be tasked with providing the following:

1. Defense counsel services to indigent defendants against whom the death penalty has been sought;
2. General appellate and post-conviction representation for adult indigent criminal defendants;
3. Juvenile delinquency defense legal support services to counties; and
4. Training, research, and data collection services to county indigent defense offices.

Compensation for Wrongfully Convicted Individuals

Nationally, wrongfully convicted people spend an average of nine years behind bars before proving their innocence, while Pennsylvania exonerees spend an average of 14 years in prison. The negative impacts of wrongful conviction do not end with exoneration – societal punishment can linger long after innocence has been proven. Exonerees often have little access to money, housing, transportation, health services, or insurance, in addition to experiencing years away from family, friends, and the opportunity to build a career.

In addition, innocent African Americans are about seven times more likely to be convicted than innocent white people, according to a study by the National Registry of Exonerations. States have a responsibility to restore the lives of the wrongfully convicted to the best of their abilities. Pennsylvania is one of just 15 states that provides no financial justice to victims of wrongful convictions. Pennsylvania should join 35 other states in providing at least \$50,000 per year of wrongful incarceration.

Protecting the Most Vulnerable

In July 2019, Governor Wolf signed an executive order calling for a thorough review of Pennsylvania’s programs serving vulnerable populations. The executive order established the Council on Reform, which delivered a list of recommendations to the governor on November 1, 2019. Several of the Council on Reform’s recommendations have already been acted upon, and other initiatives are in progress. The 2021-22 budget further supports the council’s recommendations, helping to ensure all Pennsylvanians are treated with the care and dignity they deserve.

Legal Services for Vulnerable Populations

Additional funding of **\$1 million** will be provided to expand the legal services program that provides assistance to low-income individuals and families who are unable to afford necessary legal services from the private sector. Such services include emergency protective services for victims of abuse without consideration of income and consultation, advice, assessment, negotiation, and representation for clients under 125 percent of the federal poverty level.

Direct Care Worker Comprehensive Training

A new investment will establish training to support direct care workers and those receiving long-term services and supports, as recommended by the Council on Reform. According to the National Association for States United for Aging and Disabilities, the growing use of home and community-based services in lieu of institutional services, as well as the growth of the aging population, has increased demand for direct care workers. To support the growing population of individuals becoming eligible for long-term care services, the number of individuals performing this work needs to increase. One strategy to address the direct care worker crisis is through a standardized core training and credentialing system for direct care workers in the Participant Directed Model, which will provide career pathways throughout the continuum of long-term services and supports.

Supporting Vulnerable Populations through Home and Community-Based Services and Reducing Waiting Lists

Continuing on the commitment to serve individuals in the community, **\$1.25 million** is proposed for 20 Community Hospital Integration Projects Program (CHIPP) discharges to reduce the state hospital populations. The program is targeted for individuals ready for discharge but for whom community resources or programs are not available to support a successful transition to the community. Through the CHIPP, the mental health programs have been able to enhance their systems and develop additional community-based services which are intended to divert individuals from going back to a state hospital.

The 2021-22 budget proposes to move 732 individuals with an intellectual disability and/or autism from the emergency waitlist into the Community Living Waiver and 100 individuals into the Consolidated Waiver. This investment will provide community services to people with unanticipated emergencies, people transferring from private intermediate care facilities, or transferring from state hospitals. The number of emergencies and need for out-of-home placement is likely to increase due to the cumulative effects of the COVID-19 pandemic. Without waiting list capacity to address these emergencies, institutional placements will increase. Additionally, as recommended by the Council on Reform, this initiative will include moving children with complex medical needs into the Community Living and Consolidated Waivers to support their transition from congregate care settings, ensuring they have an opportunity to live and grow up with their families in their own home.

The 2021-22 budget will also fund a new outcome-based incentive to the Consolidated Waiver to encourage expansion of new models of independent living, limit growth of 24-hour residential services, and reduce overall costs of residential services. Supporting the new incentive payments will drive **\$828,000** in cost savings in the 2021-22 budget by reducing residential services and will assist the commonwealth in achieving the policy goal of increased home and community-based services.

Secure Housing and Supports to Promote Family Stability and Reunification

According to a report published by the United States Health and Human Services' Children's Bureau, data consistently show that inadequate housing is a precipitating factor in at least 10 percent of foster care cases, contributing to tens of thousands of foster care placements annually across the country. In addition to being a factor in removals, homelessness and housing instability can also delay reunification, preventing the achievement of timely permanency, forcing children to remain in care for longer periods of time, and negatively impacting their health and educational outcomes. The 2021-22 budget proposes **\$1 million** to reduce the number of children and youth in out-of-home placements triggered by homelessness, housing instability, or inadequate housing. The new funding will implement trauma-informed, multi-disciplinary interventions among county children and youth offices, community-based organizations, and housing experts to stabilize families' housing needs while connecting them to supports that will help sustain self-sufficiency.

Increasing Local Capacity to Fight COVID-19

The ten county and municipal health departments (CMHDs) in Pennsylvania are the main providers of public health services to 42 percent of the commonwealth's population. Level funding of the appropriation and increasing costs for the CMHDs in the fight against COVID-19 have combined to put budgetary pressure on every local health department. The 2021-22 budget includes **\$8.3 million** to achieve the maximum per capita grant for the existing ten CMHDs allowable by statute. This investment will also support the establishment of the Delaware County Health Department in January 2022. This critical investment in local public health infrastructure is more important now than ever as Pennsylvania unites to fight against COVID-19.

Protecting our Environment by Investing in Workers, Communities and a Clean Future

In 2019, Governor Wolf announced that Pennsylvania would join the Regional Greenhouse Gas Initiative (RGGI), a market-based collaboration among nine Northeast and Mid-Atlantic states to reduce greenhouse gas emissions and combat climate change, while generating economic growth. As we progress toward participation in the program beginning in 2022, we can expect several hundred million dollars to flow to Pennsylvania. Pennsylvania is well-positioned to make important investments with these proceeds both to assist in the transition to a new energy economy and to help stimulate the economy. Pennsylvania's energy landscape has changed rapidly over the past decade due to shifts in market demand, and all forecasts anticipate that these shifts will continue. As such, RGGI revenues present an opportunity to support communities and employees impacted by the energy transition by providing crucial resources, while making other targeted investments in a diversified energy portfolio, environmental justice communities, and support for large manufacturers and other energy intensive industries.

Governor Wolf is calling for a portion of RGGI proceeds to be deposited into a newly created Energy Communities Trust Fund to provide direct support to dislocated workers and communities experiencing impacts from the closure of existing power plants and the loss of jobs and economic activities. A trust fund board would be established to determine specifically how the fund would be invested to benefit these energy communities.

In addition to investments into energy communities for ensuring a just transition, funds would also be dedicated to make immediate and targeted investments in environmental justice communities, to minimize and correct disproportionate environmental impacts, empower communities and foster economic opportunities. These communities have experienced a higher burden of historical impacts from environmental pollution due to decisions that allowed polluting industries to concentrate in areas where minorities or lower-income persons live. RGGI funds will be used to make investments in environmental clean up, water and air quality improvement, recreation and general economic development projects within these environmental justice communities.

Governor Wolf is also proposing new investment in greenhouse gas abatement, energy efficiency and clean and renewable energy programs that help to reduce air pollution in Pennsylvania. Vital funding for key advancements like new research and projects to develop Carbon Capture Utilization and Storage, or much needed abandoned oil and gas well plugging would become available. Investments in clean and renewable energy, including but not limited to biomass, geothermal, hydropower, solar and wind will help to drive in-state investment and job creation while generating electricity.

Finally, proceeds will be dedicated to helping the vital contributors to Pennsylvania's economy in the industrial and commercial sectors in Pennsylvania to reduce their greenhouse gas emissions through investments such as process electrification, fuel switching, combined heat and power, and energy efficiency projects. This proposed investment strategy ensures that we continue to support communities and businesses that have helped create Pennsylvania's rich energy history, even as we do our part to address climate change, the greatest environmental threat facing our world.

Repairing and Improving Our Infrastructure

All Pennsylvanians should live in communities with access to clean water, safe schools, connected homes and businesses, and family-sustaining jobs. During the last five years, more than 20,000 miles of roadway and nearly 2,000 bridges in Pennsylvania have been repaired and improved, with investments totaling approximately \$10 billion. However, much more work needs to be done to help communities cope with Pennsylvania's aging infrastructure, and the proposals in his 2021-22 budget make key investments that will improve the quality of life for all Pennsylvanians.

The Redevelopment Assistance Capital Program (RACP) is a commonwealth grant program for the acquisition and construction of regional economic, cultural, civic, recreational, and historic improvement projects. RACP projects have a regional or multi-jurisdictional impact and generate substantial increases or maintain current levels of employment, tax revenues, or other measures of economic activity. Economic prosperity in the 21st century brings new infrastructure needs, including build out of broadband infrastructure to allow access for every Pennsylvanian in every corner of the commonwealth. As such, this budget proposes expansion of RACP to allow for broadband build out in unserved or underserved areas of the commonwealth.

Fixing Toxic School Buildings

The governor proposes an expansion of RACP-eligible projects by **\$1 billion** in the Capital Budget Itemization Act to include grant availability for lead and asbestos remediation projects, with the inclusion of schools as eligible grantees.

Making the Tax System More Equitable

The 2021-22 budget proposes to improve the fairness and equity of Pennsylvania's tax system. It will close the Delaware loophole, make the commonwealth more competitive with surrounding states and improve the business climate by lowering the Corporate Net Income Tax (CNIT) and instituting combined reporting. The budget proposes a reduction in the CNIT rate from 9.99 to 8.99 percent on January 1, 2022, then incremental rate reductions to 5.99 percent by 2026.

The budget advances the governor's goal to make the Personal Income Tax (PIT) more fair and equitable. Under this proposal, the special tax forgiveness credit will be expanded and many families will have their taxes reduced or eliminated. Exemption levels will be increased to \$15,000 for single filers and \$30,000 for married filers, with a \$10,000 allowance for each dependent. For example, a family of four (married couple, two dependents) making \$50,000 or less will pay no tax. The new PIT rate will be 4.49 percent effective July 1, 2021. The changes will reduce the burden on those with less ability to pay and make the overall tax system more progressive.

Economic Outlook

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

U.S. Recent Trends and Current Conditions

In 2021, projections have been revised from 3.1 percent to 4.3 percent for real GDP growth based upon multiple developments. These developments include a likely stimulus and better-than-expected news on vaccines. GDP is expected to transition from recovery to expansion in the third quarter of 2021 and the economy is expected to regain full employment in mid-2023, both of which are earlier than in November's forecast.

Core PCE inflation is projected at or slightly below the Fed's long-term 2 percent objective through 2026. However, under its revamped operating strategy, the Fed will tolerate inflation moderately above 2 percent over the second half of IHS's 10-year forecast horizon.

The Forecast

Implicit in IHS Markit's base forecast of 5.6 percent GDP growth in the fourth quarter and 2.9 percent growth in the first quarter is a temporary pause in the broad recovery in November and December, some of which is accounted for by surging new COVID-19 infections and the re-implementation of containment efforts in several states to slow its spread. Monthly GDP is expected to be roughly flat over November and December, but then resume rising in the first quarter, as assumed fiscal stimulus bolsters spending and as new COVID-19 infections and containment efforts are assumed to peak and begin to wane.

Table 1 and Table 2 are U.S. macro forecast projections from IHS Markit. Table 1 outlines the expected outlook for lower unemployment and an increase in GDP in 2021. Table 2 notes that over the next two years there is a 50 percent probability of GDP growth, consumer spending bouncing back, and business fixed investment recovering. Table 2 also provides narrative for each economic indicator.

Chart 1
REAL GROSS DOMESTIC PRODUCT
Annual Growth

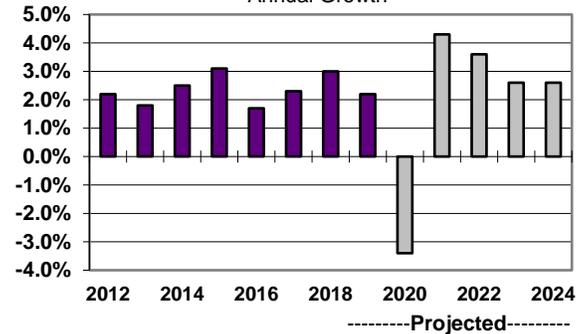


Chart 2
FEDERAL FUNDS RATE

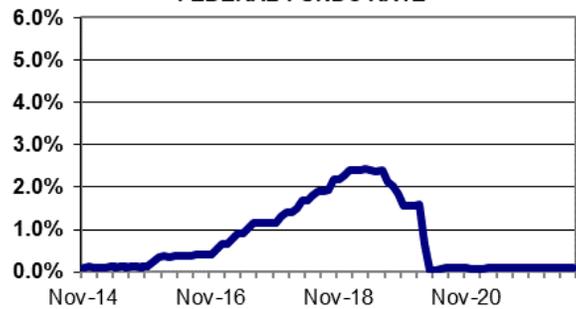


Table 1
Forecast Change in
Key U.S. Economic Indicators
Annual Percentage Growth

Indicator	2019	2020p	2021p	2022p
Nominal GDP	4.0	-2.3	6.1	5.5
Real GDP	2.2	-3.4	4.3	3.6
Total Consumption	2.4	-3.7	5.2	3.8
Corporate Profits (After Tax)	1.8	-5.3	-1.2	6.3
Unemployment Rate (Rate)	3.7	8.1	5.9	4.6
CPI	1.8	1.2	2.1	2.5
Federal Funds (Rate)	2.16	0.38	0.10	0.09

*Assumptions in this chart, as well as other assumptions, are incorporated in the 2021-22 fiscal year revenue estimates
p = projected

Table 2
U.S. Macro Forecast Projections from IHS Global Insight
December 2020

Baseline Forecast (50 percent Probability)	
GDP Growth	Real GDP contracts 3.4 percent in 2020 as growth in the fourth quarter slows to a 5.6 percent annual rate. Growth rebounds 4.3 percent in 2021 and 3.6 percent in 2022.
Consumer Spending	Spending falls 3.7 percent in 2020 before bouncing back 5.2 percent in 2021.
Business Fixed Investment	Falls 4.6 percent in 2020. Recovers 4.1 percent in 2021 and grows 5.3 percent in 2022.
Housing	Housing starts grow to 1.37 million in 2020 and rise further to 1.39 million in 2021 before slipping to 1.31 million in 2022.
Exports	Fall 13.1 percent in 2020 before rebounding 9.4 percent in 2021 and 9.3 percent in 2022.
Fiscal Policy	New stimulus assumed in first half of 2021.
Monetary Policy	Fed keeps the federal funds rate at the zero bound through late 2026.
Credit Conditions	Tighten slightly in Q1 2021, then gradually ease.
Consumer Confidence	Stagnates through first quarter of 2021 before rising strongly starting in the second half and topping out in 2023 beneath prior peak.
Oil Prices (Dollars/barrel)	Brent crude oil averages \$41 in 2020, \$47 in 2021, and \$56 in 2022.
Stock Markets	The S&P 500 (end-of-period) rises 6.2 percent in 2020, 18.6 percent in 2021, and 2.9 percent in 2022.
Inflation (CPI)	Core Personal Consumption (PCE) price inflation is 1.4 percent in 2020, 1.7 percent in 2021, and 1.9 percent in 2022.
Foreign Growth	Eurozone GDP rises 3.7 percent in 2021 after a 7.4 percent drop in 2020.
U.S. Dollar	The real dollar depreciates from Q3 2020 through 2023 Q1 and gradually rises thereafter.

Pennsylvania Outlook

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

The Marcellus shale natural gas deposit is a long-term asset for the state and region, although drilling activity has slowed due to low prices for natural gas. The buildout of infrastructure to transport the gas to market continues, with construction of pipelines, compressing stations and processing facilities continuing to benefit Pennsylvania. Development of natural gas continues to be a factor for Pennsylvania's economic outlook. Direct employment in natural resources and mining is small relative to the total jobs in the state but other industries, such as construction, transportation, and professional services have benefited from the natural gas industry. Longer-term, Pennsylvania's competitiveness in manufacturing should be enhanced by the decreased costs of energy and petrochemical feedstocks coming from beneath the state.

Portions of the state, especially the Pittsburgh area, have become magnets for high-tech jobs such as software development and robotics. Pittsburgh has continued to build on its reputation as one of the nation's leading cities for startup businesses, in part due to the presence of its universities and the graduates they produce.

Education and healthcare sectors remain a vital part of the state economy. The healthcare sector expects to benefit from increased demand building upon expanded insurance coverage already provided through the [Affordable Care Act](#). Pennsylvania also boasts many top-flight research hospitals that draw patients from outside the state. The state's education providers, especially its notable research universities, not only provide jobs on campus but also help to nurture new businesses with the graduates they produce. Discussions of "high-tech" sectors often overlook healthcare but should not do so. The outbreak of the pandemic requires cutting-edge research into potential treatments and vaccines.

Overview: Economic Outlook

As with everywhere else, Pennsylvania's economic growth over the next few years depends greatly on progress in identifying a vaccine or effective treatment for COVID-19, as that is key to a full reopening of the global economy. The leisure and hospitality sector may take several years to fully recover as travelers gradually return to the roadways and air. Healthcare services should recover quickly from the early impact of the pandemic, and growth is likely to return to pre-COVID-19 levels. Real gross state product will grow by an annual average of 2.7 percent per year from 2020 to 2025, slightly below the national rate of 2.9 percent. Personal income will rise by 2.6 percent, compared with 3.1 percent for the nation.

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

Table 3
Key Economic Indicators for Pennsylvania and the United States

PENNSYLVANIA: Key Economic Indicators	2018	2019	2020	2021	2022	2023
Real Gross State Product (in millions, 2012 dollars)	708,857	726,166	698,432	721,729	738,276	753,289
Real Gross State Product (percentage change)	1.9%	2.4%	-3.8%	3.3%	2.3%	2.0%
Total Employment (in thousands)	6,009.8	6,065.3	5,630.1	5,852.1	6,010.8	6,071.7
Total Employment (percentage change)	1.2%	0.9%	-7.2%	3.9%	2.7%	1.0%
Manufacturing Employment (in thousands)	570.9	575.0	543.5	547.1	555.8	562.2
Nonmanufacturing Employment (in thousands)	5,439	5,490	5,087	5,305	5,455	5,509
Population (in thousands)	12,800	12,802	12,799	12,797	12,803	12,813
Population (percentage change)	0.1%	0.0%	-0.0%	-0.0%	0.0%	0.1%
Unemployment Rate (percentage)	4.3%	4.4%	9.3%	6.1%	5.2%	4.8%
Personal Income (percentage change)	5.2%	3.6%	6.6%	-2.2%	3.2%	4.1%
U.S. ECONOMY						
Real Gross Domestic Product (percentage change)	3.0%	2.2%	-3.6%	3.0%	2.6%	2.5%
Employment (percentage change)	1.6%	1.3%	-5.8%	3.4%	2.6%	1.4%

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FEDERAL BLOCK GRANTS

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

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

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

The tables within this section provide information on the estimated amount to be received from the federal government and an estimated distribution of the funds by program within the block grant. Generally, the amounts shown for administrative costs represent the amount allowable by the federal government. The 2020-21 estimated block grant amounts reflect the current estimate of amounts available and, therefore, may be different from amounts appropriated.

The recommended distribution by program for 2021-22 is a preliminary proposal. Opportunities for public review and comment may result in modifications to the proposed distribution.

Overview: Federal Block Grants

Summary of Federal Block Grants

This table shows a summary by federal block grant of 2019-20 actual, 2020-21 available and 2021-22 amounts budgeted as presented in the 2021-22 Governor's Executive Budget.

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22
	Actual	Available	Recommended
	Block Grant	Block Grant	Block Grant
Anti-Drug Abuse	\$ 12,500	\$ 12,400	\$ 14,200
Child Care and Development Fund	616,973	806,073	506,676
Community Services	92,940	52,607	51,607
Low-Income Home Energy Assistance	306,954	265,203	265,063
Maternal and Child Health Services	32,639	37,096	36,514
Mental Health Services	28,679	86,934	32,890
Preventive Health and Health Services	12,544	11,632	11,801
Social Services	92,798	92,831	93,273
Substance Abuse	88,641	146,613	88,655
Temporary Assistance to Needy Families	622,282	728,110	714,525
Workforce Innovation and Opportunity	268,400	248,600	247,000
TOTAL	\$ 2,175,350	\$ 2,488,099	\$ 2,062,204

Anti-Drug Abuse

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

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

(Dollar Amounts in Thousands)

Department / Appropriation	2019-20 Actual Block Grant	2020-21 Available Block Grant	2021-22 Recommended Block Grant
Executive Offices:			
<i>Commission on Crime and Delinquency</i>			
Justice Assistance Grants	\$ 10,000	\$ 10,000	\$ 11,500
Justice Assistance Grants — Administration	1,100	1,000	1,000
Residential Substance Abuse Treatment Program	1,400	1,400	1,700
Subtotal.....	\$ 12,500	\$ 12,400	\$ 14,200
Criminal Justice			
Residential Substance Abuse Treatment Program (EA)	\$ 502 ^a	\$ 218 ^a	\$ 465 ^a
State Police:			
Law Enforcement Projects (EA)	\$ 4,681 ^a	\$ 7,592 ^a	\$ 12,310 ^a
TOTAL	\$ 12,500	\$ 12,400	\$ 14,200

^a Subgrants not added to total to avoid double counting.

Child Care and Development Fund

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	2019-20 Actual Block Grant	2020-21 Available Block Grant	2021-22 Recommended Block Grant
Executive Offices:			
<i>Inspector General - Welfare Fraud</i>			
CCDFBG — Subsidized Day Care Fraud	\$ 905	\$ 905	\$ 905
Human Services:			
CCDFBG — Administration	\$ 28,640	\$ 31,201	\$ 32,091
CCDFBG — Child Care Services	392,812	431,136	433,710
COVID-CCDFBG - Child Care Services (EA)	108,000	302,861	-
CCDFBG — School Age	1,260	1,260	1,260
CCDFBG — Child Care Assistance	85,356	38,710	38,710
Subtotal	\$ 616,068	\$ 805,168	\$ 505,771
TOTAL	\$ 616,973	\$ 806,073	\$ 506,676

Community Services

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

Federal law requires that 90 percent of the funding be distributed to Community Action Agencies (CAA). Five percent is allowed for administration and the remaining five percent is utilized for competitive projects. The remaining 90 percent of program monies are granted to existing CAAs for operating costs and low-income energy assistance efforts, the Community Action Association of Pennsylvania and competitive grants in the areas of employment training, job preparedness, community conservation corps, community economic development, summer employment and youth programs, emergency assistance and homeless assistance.

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual Block Grant	Available Block Grant	Recommended Block Grant
Community and Economic Development:			
CSBG — Administration.....	\$ 1,607	\$ 1,607	\$ 1,607
COVID-CSBG Administration (EA).....	1,117	1,000	-
Community Services Block Grant.....	50,000	50,000	50,000
COVID-CSBG Program (EA).....	40,216	-	-
Subtotal.....	\$ 92,940	\$ 52,607	\$ 51,607
TOTAL	\$ 92,940	\$ 52,607	\$ 51,607

Overview: Federal Block Grants

Low-Income Home Energy Assistance

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual Block Grant	Available Block Grant	Recommended Block Grant
Community and Economic Development:			
LIHEABG — Administration	\$ 1,500	\$ 1,500	\$ 1,500
COVID-LIHEAP Administration (EA)	22	140	-
LIHEABG — Weatherization Program	48,000	48,000	48,000
COVID-LIHEAP Program (EA)	5,078	-	-
Subtotal	<u>\$ 54,600</u>	<u>\$ 49,640</u>	<u>\$ 49,500</u>
Human Services:			
LIHEABG — Administration	\$ 28,859	\$ 27,000	\$ 27,000
COVID-LIHEABG - Administration (EA)	3,493	-	-
COVID-LIHEABG - Low-Income Families and Individuals (EA)	31,439	-	-
LIHEABG — Low-Income Families and Individuals	188,563	188,563	188,563
Subtotal	<u>\$ 252,354</u>	<u>\$ 215,563</u>	<u>\$ 215,563</u>
TOTAL	<u>\$ 306,954</u>	<u>\$ 265,203</u>	<u>\$ 265,063</u>

Maternal and Child Health Services

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual Block Grant	Available Block Grant	Recommended Block Grant
Health:			
MCHSBG — Administration and Operation	\$ 14,847	\$ 16,596	\$ 16,659
MCHSBG — Program Services	17,792	20,500	19,855
Subtotal	<u>\$ 32,639</u>	<u>\$ 37,096</u>	<u>\$ 36,514</u>
TOTAL	<u>\$ 32,639</u>	<u>\$ 37,096</u>	<u>\$ 36,514</u>

Overview: Federal Block Grants

Mental Health Services

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

(Dollar Amounts in Thousands)

Department / Appropriation	2019-20	2020-21	2021-22
	Actual Block Grant	Available Block Grant	Recommended Block Grant
Human Services:			
MHSBG — Administration.....	\$ 579	\$ 979	\$ 890
MHSBG — Community Mental Health Services	28,100	32,000	32,000
COVID-Mental Health Services Block Grant (EA).....	-	53,955	-
Subtotal.....	\$ 28,679	\$ 86,934	\$ 32,890
TOTAL	\$ 28,679	\$ 86,934	\$ 32,890

Preventive Health and Health Services

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

(Dollar Amounts in Thousands)

Department / Appropriation	2019-20	2020-21	2021-22
	Actual Block Grant	Available Block Grant	Recommended Block Grant
Health:			
PHHSBG — Administration and Operation.....	\$ 4,549	\$ 4,524	\$ 4,693 ^a
PHHSBG — Block Program Services	7,995	7,108	7,108
Subtotal.....	\$ 12,544	\$ 11,632	\$ 11,801
Human Services:			
PHHSBG — Domestic Violence (EA)	\$ 100 ^a	\$ 200 ^a	\$ 100 ^a
TOTAL	\$ 12,544	\$ 11,632	\$ 11,801

^a Subgrant not added to total to avoid double counting.

Overview: Federal Block Grants

Social Services

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

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

(Dollar Amounts in Thousands)

Department / Appropriation	2019-20	2020-21	2021-22
	Actual Block Grant	Available Block Grant	Recommended Block Grant
Human Services:			
SSBG — Administration	\$ 325	\$ 358	\$ 800
SSBG — County Assistance Offices.....	3,000	3,000	3,000
SSBG — Basic Institutional Programs	10,000	10,000	10,000
SSBG — Community Mental Health Services.....	10,366	10,366	10,366
SSBG — Community ID Services	7,451	7,451	7,451
SSBG — Child Welfare	12,021	12,021	12,021
SSBG — Child Care Services	30,977	30,977	30,977
SSBG — Domestic Violence Programs	5,705	5,705	5,705
SSBG — Rape Crisis	1,721	1,721	1,721
SSBG — Family Planning	2,000	2,000	2,000
SSBG — Legal Services	5,049	5,049	5,049
SSBG — Homeless Services	4,183	4,183	4,183
Subtotal.....	\$ 92,798	\$ 92,831	\$ 93,273
TOTAL	\$ 92,798	\$ 92,831	\$ 93,273

Overview: Federal Block Grants

Substance Abuse

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	2019-20 Actual Block Grant	2020-21 Available Block Grant	2021-22 Recommended Block Grant
Commission on Crime and Delinquency:			
PA Youth Survey - DDAP (EA).....	\$ 50 ^a	\$ -	\$ 75 ^a
Substance Abuse Prevention - DDAP (EA)	382 ^a	281 ^a	281 ^a
Subtotal.....	\$ 432	\$ 281	\$ 356
Criminal Justice:			
SABG — Drug and Alcohol Programs (EA)	\$ 1,965 ^a	\$ 1,965 ^a	\$ 1,965 ^a
Drug and Alcohol Programs:			
SABG — Administration and Operation	\$ 8,782	\$ 9,657	\$ 8,785
COVID-SABG Administration and Operation (EA)	-	2,000 ^b	-
SABG — Drug and Alcohol Services	79,859	81,956	79,870
COVID-SABG - Drug and Alcohol Services (EA)	-	53,000 ^b	-
Subtotal.....	\$ 88,641	\$ 146,613	\$ 88,655
Health:			
SABG — DDAP Support Services (EA)	\$ 153 ^a	\$ 156 ^a	\$ 158 ^a
Human Services:			
SABG — Homeless Services (EA).....	\$ 1,983 ^a	\$ 1,983 ^a	\$ 1,983 ^a
TOTAL	\$ 88,641	\$ 146,613	\$ 88,655

^a Subgrant not added to total to avoid double counting.

^b Includes recommended supplemental executive authorization, which represents an estimate of federal grant distributions.

Temporary Assistance to Needy Families

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	2019-20 Actual Block Grant	2020-21 Available Block Grant	2021-22 Recommended Block Grant
Executive Offices:			
<i>Inspector General - Welfare Fraud</i>			
TANFBG — Program Accountability	\$ 1,500	\$ 1,500	\$ 1,500
Education:			
TANFBG — Teenage Parenting Education (EA)	\$ 14,200 ^a	\$ 13,784 ^a	\$ 13,784 ^a
Human Services:			
TANFBG — Administration	\$ 13,898	\$ 15,208	\$ 19,146
TANFBG — Information Systems	12,631	11,189	13,424
TANFBG — Statewide	1,072	1,072	1,072
TANFBG — County Assistance Offices	55,689	51,037	42,543
TANFBG — New Directions	111,346	126,197	126,197
TANFBG — Cash Grants	189,319	207,093	207,093
TANFBG — Alternatives to Abortion	1,000	1,000	1,000
TANFBG — Child Welfare	58,508	58,508	58,508
TANFBG — Child Care Assistance	152,214	230,306	219,042
Subtotal	\$ 595,677	\$ 701,610	\$ 688,025
Labor and Industry:			
TANFBG — Youth Employment and Training	\$ 25,105	\$ 25,000	\$ 25,000
TOTAL	\$ 622,282	\$ 728,110	\$ 714,525

^a Subgrant not added to total to avoid double counting.

Workforce Innovation and Opportunity

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

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual Block Grant	Available Block Grant	Recommended Block Grant
Health:			
COVID-National Dislocated Worker Grants Program (EA)	\$ -	\$ 5,191 ^a	\$ -
Labor and Industry:			
WIOA — Administration	\$ 13,000	\$ 11,000	\$ 11,000
WIOA — Adult Employment and Training	50,000	50,000	50,000
WIOA — Youth Employment and Training	52,000	52,000	52,000
WIOA — Statewide Activities	25,000	25,000	25,000
WIOA — Dislocated Workers	109,000	109,000	109,000
COVID-WIOA - National Dislocated Worker (EA)	19,400	1,600	-
Subtotal	\$ 268,400	\$ 248,600	\$ 247,000
TOTAL	\$ 268,400	\$ 248,600	\$ 247,000

^a Subgrant not added to total to avoid double counting.

Public Information and Communications

The commonwealth spends funds on activities to provide government information to the news media and the general public and for other essential communications efforts. Funds are budgeted in 28 agencies to provide public notification and information to the commonwealth's public, news media, businesses, legislators and citizens regarding the bidding of contracts, issuance of rules and regulations, announcement of public hearings and the availability of services and financial aid. The amounts that are detailed below exclude those items that are strictly educational and materials that are offered for public sale such as the "Game News" and "Pennsylvania Angler and Boater".

	(Dollar Amounts in Thousands)	
	2020-21	2021-22
	Estimate	Estimate
Governor's Office.....	\$ 1,410	\$ 1,410
Executive Offices.....	263	275
Lt. Governor's Office.....	147	153
Aging.....	528	488
Agriculture.....	589	588
Banking and Securities.....	398	426
Community and Economic Development.....	340	352
Conservation and Natural Resources.....	538	549
Criminal Justice.....	380	399
Drug & Alcohol Programs.....	6,031	5,348
Education.....	1,001	1,055
Emergency Management Agency.....	392	404
Environmental Protection.....	2,699	2,780
Fish and Boat Commission.....	284	284
Game Commission.....	539	545
General Services.....	163	165
Health.....	1,140	1,267
Historical and Museum Commission.....	240	246
Human Services.....	636	648
Insurance.....	338	416
Labor and Industry.....	880	880
Liquor Control Board.....	560	581
Military and Veterans Affairs.....	515	529
Milk Marketing Board.....	7	8
Public Utility Commission.....	387	395
Revenue.....	803	827
State.....	* 14,352	4,957
State Police.....	593	607
Transportation.....	6,960	6,960
TOTAL	\$ 43,113	\$ 33,542

* The increase was due to the 2020 election.

NOTES:

---- Lottery sales promotion - \$51 million will be spent, from the Lottery Fund, on advertising campaigns to promote lottery sales and to disseminate information on the various lottery programs including property tax and rent assistance for older Pennsylvanians during 2021-22. These expenditures are expected to generate approximately \$5.8 billion in lottery revenues during 2021-22.

---- Economic development - A total of \$5 million is budgeted in the Tourism Promotion Fund restricted account to promote tourism and economic development. This will contribute to an estimated \$45 billion in 2021-22 business and leisure travel revenues to Pennsylvania and supports the State's aggressive effort to preserve and create jobs.



Commonwealth of Pennsylvania

Governor's Executive Budget

PROGRAM BUDGET SUMMARY

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

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

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

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

Beginning and Ending Balances

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

Revenues

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

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

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

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

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

Program Expenditures

Program expenditures are categorized by the eight Commonwealth Programs beginning with Direction and Supportive Services and ending with Debt Service. These programs include expenditures from all General Fund, Special Funds, Federal Funds and Other Funds contributing to total operating program expenditures as shown on pages B6 and B7. More detailed expenditure breakdowns by program category and subcategory are shown on pages B8 through B17.

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

Program Budget Summary

SUMMARY OF REVENUES AND EXPENDITURES FOR THE OPERATING PROGRAM

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

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
BEGINNING BALANCES							
General Fund	\$ -	\$ -2,734,070	\$ -233,422	\$ 293,393	\$ 207,355	\$ 397,333	\$ 469,540
Adjustment to Beginning Balance	30,373	-	-	-	-	-	-
Adjusted Beginning Balance	\$ 30,373	\$ -2,734,070	\$ -233,422	\$ 293,393	\$ 207,355	\$ 397,333	\$ 469,540
Motor License Fund.....	\$ 28,977	\$ -51,190	\$ 2,689	\$ 16,978	\$ 20,499	\$ 22,153	\$ 16,248
Lottery Fund.....	4,249	-119,799	20,456	40,082	13,485	34,304	57,826
Adjustment to LF Beginning Balance	2	-	75,000	75,000	75,000	75,000	75,000
Special Funds	\$ 33,228	\$ -170,989	\$ 98,145	\$ 132,060	\$ 108,984	\$ 131,457	\$ 149,074
REVENUES							
General Fund:							
Corporation Taxes.....	\$ 2,826,881	\$ 3,569,700	\$ 3,432,100	\$ 3,738,300	\$ 3,699,400	\$ 3,586,800	\$ 3,445,500
Personal Income Tax	12,835,000	15,571,800	18,382,600	20,285,500	20,936,200	21,542,400	22,354,700
Sales and Use Tax.....	10,817,808	11,980,700	12,501,300	12,490,400	12,827,700	13,115,200	13,515,600
All Other Revenues/Taxes	5,796,096	6,368,000	5,769,800	5,754,500	5,721,400	5,722,700	5,726,000
Less Refunds	-1,150,000	-1,295,000	-1,724,000	-2,177,000	-2,318,000	-2,363,000	-2,412,000
Total General Fund	\$ 31,125,785	\$ 36,195,200	\$ 38,361,800	\$ 40,091,700	\$ 40,866,700	\$ 41,604,100	\$ 42,629,800
Motor License Fund.....	2,663,479	2,805,600	2,905,500	2,934,600	2,962,700	2,975,200	2,996,500
Lottery Fund.....	1,943,821	1,875,595	1,930,051	1,994,281	2,053,418	2,113,599	2,182,505
Federal Funds	36,555,429	41,450,960	36,507,234	34,138,763	34,132,763	34,132,763	34,132,763
Other Funds	17,550,056	18,307,007	17,511,299	17,550,762	17,587,666	17,628,086	17,704,737
Total Revenues and Balances....	\$ 89,838,570	\$ 100,634,362	\$ 97,215,884	\$ 96,710,106	\$ 97,603,247	\$ 98,453,748	\$ 99,646,305
PROGRAM EXPENDITURES							
Direction and Supportive Services	\$ 2,369,827	\$ 2,411,919	\$ 2,453,725	\$ 2,490,654	\$ 2,512,996	\$ 2,535,443	\$ 2,558,188
Protection of Persons and Property	10,778,077	11,091,828	10,728,302	10,566,827	10,561,445	10,603,703	10,664,367
Education	19,019,605	20,825,935	20,240,992	20,443,992	20,576,162	20,710,728	20,893,420
Health and Human Services.....	46,732,859	50,212,750	50,404,078	50,292,738	50,485,479	51,158,524	51,414,581
Economic Development	4,124,794	2,494,667	2,315,685	2,288,483	2,296,948	2,274,647	2,278,936
Transportation	7,939,596	9,116,347	8,310,630	8,423,703	8,506,791	8,587,839	8,669,286
Recreation and Cultural Enrichment.....	800,912	819,275	803,150	808,186	806,998	807,172	797,917
Debt Service.....	1,275,970	1,271,393	1,400,794	1,435,519	1,511,532	1,529,355	1,620,893
Total Program Expenditures.....	\$ 93,041,640	\$ 98,244,114	\$ 96,657,356	\$ 96,750,102	\$ 97,258,351	\$ 98,207,411	\$ 98,897,588
Less General Fund Lapses	-200,000	-354,534	-100,000	-	-	-	-
Less Motor License Fund Lapses	-23,397	-25,000	-	-	-	-	-
Less Lottery Fund Lapses	-11,013	-	-	-	-	-	-
Total Operating Expenditures	\$ 92,807,230	\$ 97,864,580	\$ 96,557,356	\$ 96,750,102	\$ 97,258,351	\$ 98,207,411	\$ 98,897,588
Motor License and Lottery Fund Expenditures, Transfers and Reserves	-	-75,000	-75,000	-75,000	-75,000	-75,000	-75,000
Transfer to Budget Stabilization Reserve Fund.....	-	-	-97,798	-69,118	-132,445	-156,513	-311,593
ENDING BALANCES							
General Fund	\$ -2,734,070	\$ -233,422	\$ 293,393	\$ 207,355	\$ 397,333	\$ 469,540	\$ 934,779
Motor License Fund.....	\$ -51,190	\$ 2,689	\$ 16,978	\$ 20,499	\$ 22,153	\$ 16,248	\$ 17,973
Lottery Fund.....	\$ -119,799	\$ 20,456	\$ 40,082	\$ 13,485	\$ 34,304	\$ 57,826	\$ 27,986

Program Budget Summary

General and Special Funds

This table shows a summary by Commonwealth Programs of 2019-20 actual year, 2020-21 available year, 2021-22 budget year and future year estimates for the General Fund and selected Special Funds.

Seven Year Commonwealth Program Summary

(Dollar amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Commonwealth Program							
Direction and Supportive							
Services	\$ 1,582,621	\$ 1,616,739	\$ 1,633,563	\$ 1,658,855	\$ 1,680,159	\$ 1,701,506	\$ 1,723,540
Protection of Persons and							
Property	4,883,591	3,762,819	4,911,045	4,795,311	4,798,085	4,800,047	4,807,037
Education	14,697,673	14,757,475	16,541,023	16,749,892	16,883,486	17,016,387	17,197,506
Health and Human							
Services	14,272,353	14,826,406	15,838,989	18,027,191	18,202,132	18,882,944	19,146,376
Economic Development.....	255,630	256,190	199,357	199,953	199,853	199,853	199,853
Transportation.....	1,813,878	1,822,684	1,950,906	2,022,036	2,086,427	2,136,656	2,184,152
Recreation and Cultural							
Enrichment.....	225,595	242,783	248,310	256,287	259,787	263,787	263,787
Debt Service	1,204,814	1,201,051	1,315,630	1,351,052	1,427,993	1,445,382	1,537,837
GENERAL FUND AND SPECIAL FUNDS TOTAL..	<u>\$38,936,155</u>	<u>\$38,486,147</u>	<u>\$42,638,823</u>	<u>\$45,060,577</u>	<u>\$45,537,922</u>	<u>\$46,446,562</u>	<u>\$47,060,088</u>

Program Budget Summary

Distribution of the Commonwealth Dollar

GENERAL FUND AND SPECIAL FUNDS

2021-22 Fiscal Year
(Dollar Amounts in Thousands)



Education \$16,541,023 38.8%

Health and Human Services \$15,838,989 37.1%

Protection of Persons and Property \$4,911,045 11.5%

Transportation \$1,950,906 4.6%

Direction and Supportive Services \$1,633,563 3.8%

Debt Service \$1,315,630 3.1%

Recreation and Cultural Enrichment \$248,310 0.6%

Economic Development \$199,357 0.5%

TOTAL \$42,638,823

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

Program Budget Summary

Seven Year Summary of Commonwealth Programs

The following is a summary for the seven Commonwealth Programs of 2019-20 actual year, 2020-21 available year, 2021-22 budget year and future year estimates for all the operating funds and capital bond authorizations as presented in the 2021-22 Governor's Executive Budget. A breakdown of each Commonwealth Program by Category and Subcategory is shown on subsequent pages.

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
Direction and Supportive Services							
General Fund	\$ 870,600	\$ 863,209	\$ 862,164	\$ 868,131	\$ 868,945	\$ 869,046	\$ 869,046
Motor License Fund.....	88,660	90,358	89,514	89,514	89,514	89,514	89,514
Lottery Fund	623,361	663,172	681,885	701,210	721,700	742,946	764,980
Federal Funds	16,981	15,195	15,055	15,055	15,055	15,055	15,055
Other Funds	770,225	779,985	805,107	816,744	817,782	818,882	819,593
Total Operating.....	\$ 2,369,827	\$ 2,411,919	\$ 2,453,725	\$ 2,490,654	\$ 2,512,996	\$ 2,535,443	\$ 2,558,188
Protection of Persons and Property							
General Fund	\$ 3,907,878	\$ 2,789,168	\$ 3,952,032	\$ 3,867,218	\$ 3,898,385	\$ 3,930,358	\$ 3,969,068
Motor License Fund.....	975,713	973,651	959,013	928,093	899,700	869,689	837,969
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	1,180,229	2,540,102	966,447	931,209	926,209	926,209	926,209
Other Funds	4,714,257	4,788,907	4,850,810	4,840,307	4,837,151	4,877,447	4,931,121
Total Operating.....	\$ 10,778,077	\$ 11,091,828	\$ 10,728,302	\$ 10,566,827	\$ 10,561,445	\$ 10,603,703	\$ 10,664,367
Education							
General Fund	\$ 14,696,733	\$ 14,756,375	\$ 16,539,923	\$ 16,748,792	\$ 16,882,386	\$ 17,015,287	\$ 17,196,406
Motor License Fund.....	650	1,100	1,100	1,100	1,100	1,100	1,100
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	3,523,079	5,196,140	2,638,551	2,627,551	2,626,551	2,626,551	2,626,551
Other Funds	799,143	872,320	1,061,418	1,066,549	1,066,125	1,067,790	1,069,363
Total Operating.....	\$ 19,019,605	\$ 20,825,935	\$ 20,240,992	\$ 20,443,992	\$ 20,576,162	\$ 20,710,728	\$ 20,893,420
Health and Human Services							
General Fund	\$ 12,987,737	\$ 14,000,145	\$ 14,781,356	\$ 16,878,430	\$ 17,062,140	\$ 17,706,720	\$ 17,869,918
Motor License Fund.....	-	-	-	-	-	-	-
Lottery Fund	1,284,616	826,261	1,057,633	1,148,761	1,139,992	1,176,224	1,276,458
Federal Funds	27,859,818	30,044,940	29,756,351	27,434,118	27,434,118	27,434,118	27,434,118
Other Funds	4,600,688	5,341,404	4,808,738	4,831,429	4,849,229	4,841,462	4,834,087
Total Operating.....	\$ 46,732,859	\$ 50,212,750	\$ 50,404,078	\$ 50,292,738	\$ 50,485,479	\$ 51,158,524	\$ 51,414,581
Economic Development							
General Fund	\$ 255,420	\$ 255,690	\$ 198,857	\$ 199,453	\$ 199,353	\$ 199,353	\$ 199,353
Motor License Fund.....	500	500	500	500	500	500	500
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	1,978,941	813,167	827,572	827,572	827,572	827,572	827,572
Other Funds	1,889,933	1,425,310	1,288,756	1,260,958	1,269,523	1,247,222	1,251,511
Total Operating.....	\$ 4,124,794	\$ 2,494,667	\$ 2,315,685	\$ 2,288,483	\$ 2,296,948	\$ 2,274,647	\$ 2,278,936

Program Budget Summary

Seven Year Summary of Commonwealth Programs

The following is a summary for the seven Commonwealth Programs of 2019-20 actual year, 2020-21 available year, 2021-22 budget year and future year estimates for all the operating funds and capital bond authorizations as presented in the 2021-22 Governor's Executive Budget. A breakdown of each Commonwealth Program by Category and Subcategory is shown on subsequent pages.

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Transportation							
General Fund	\$ 1,900	\$ 1,900	\$ -	\$ -	\$ -	\$ -	\$ -
Motor License Fund.....	1,641,071	1,649,877	1,779,999	1,851,129	1,915,520	1,965,749	2,013,245
Lottery Fund	170,907	170,907	170,907	170,907	170,907	170,907	170,907
Federal Funds	1,926,000	2,769,263	2,229,326	2,229,326	2,229,326	2,229,326	2,229,326
Other Funds	4,199,718	4,524,400	4,130,398	4,172,341	4,191,038	4,221,857	4,255,808
Total Operating.....	\$ 7,939,596	\$ 9,116,347	\$ 8,310,630	\$ 8,423,703	\$ 8,506,791	\$ 8,587,839	\$ 8,669,286
Recreation and Cultural Enrichment							
General Fund	\$ 218,595	\$ 235,783	\$ 241,310	\$ 249,287	\$ 252,787	\$ 256,787	\$ 256,787
Motor License Fund.....	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	70,381	72,153	73,932	73,932	73,932	73,932	73,932
Other Funds	504,936	504,339	480,908	477,967	473,279	469,453	460,198
Total Operating.....	\$ 800,912	\$ 819,275	\$ 803,150	\$ 808,186	\$ 806,998	\$ 807,172	\$ 797,917
Debt Service							
General Fund	\$ 1,151,365	\$ 1,146,816	\$ 1,261,545	\$ 1,297,309	\$ 1,380,281	\$ 1,397,829	\$ 1,492,390
Motor License Fund.....	53,449	54,235	54,085	53,743	47,712	47,553	45,447
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	-	-	-	-	-	-	-
Other Funds	71,156	70,342	85,164	84,467	83,539	83,973	83,056
Total Operating.....	\$ 1,275,970	\$ 1,271,393	\$ 1,400,794	\$ 1,435,519	\$ 1,511,532	\$ 1,529,355	\$ 1,620,893
Capital Bond Authorizations							
Program Total.....	\$ -	\$ -	\$ 969,883	\$ 938,671	\$ 903,295	\$ 901,629	\$ 920,431
Program Total.....	\$ 1,275,970	\$ 1,271,393	\$ 2,370,677	\$ 2,374,190	\$ 2,414,827	\$ 2,430,984	\$ 2,541,324
COMMONWEALTH TOTALS							
General Fund	\$ 34,090,228	\$ 34,049,086	\$ 37,837,187	\$ 40,108,620	\$ 40,544,277	\$ 41,375,380	\$ 41,852,968
Motor License Fund.....	2,767,043	2,776,721	2,891,211	2,931,079	2,961,046	2,981,105	2,994,775
Lottery Fund	2,078,884	1,660,340	1,910,425	2,020,878	2,032,599	2,090,077	2,212,345
Federal Funds	36,555,429	41,450,960	36,507,234	34,138,763	34,132,763	34,132,763	34,132,763
Other Funds	17,550,056	18,307,007	17,511,299	17,550,762	17,587,666	17,628,086	17,704,737
Total Operating.....	\$ 93,041,640	\$ 98,244,114	\$ 96,657,356	\$ 96,750,102	\$ 97,258,351	\$ 98,207,411	\$ 98,897,588
Capital Bond Authorizations							
Program Total.....	\$ -	\$ -	\$ 969,883	\$ 938,671	\$ 903,295	\$ 901,629	\$ 920,431
Program Total.....	\$ 93,041,640	\$ 98,244,114	\$ 97,627,239	\$ 97,688,773	\$ 98,161,646	\$ 99,109,040	\$ 99,818,019

Program Budget Summary

Direction and Supportive Services

The goal of this commonwealth program is to provide an efficient and effective administrative support system through which the goals and objectives of commonwealth programs can be attained. This commonwealth program supports the administration's goals to streamline state government and achieve efficiencies.

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

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Administrative and							
Support Services	\$ 148,389	\$ 145,741	\$ 135,596	\$ 136,944	\$ 137,043	\$ 136,944	\$ 136,944
Executive Direction	68,295	66,644	56,190	57,018	57,117	57,018	57,018
Ethics Commission	3,015	2,932	2,932	3,161	3,161	3,161	3,161
Legal Services	5,673	5,529	5,838	5,941	5,941	5,941	5,941
Health Care Reporting	3,355	3,167	3,167	3,355	3,355	3,355	3,355
Government Support							
Agencies	68,051	67,469	67,469	67,469	67,469	67,469	67,469
Fiscal Management.....	\$ 951,334	\$ 985,280	\$ 1,003,856	\$ 1,027,482	\$ 1,047,887	\$ 1,069,133	\$ 1,091,167
Revenue Collection and							
Administration	838,739	874,513	893,172	914,934	935,424	956,670	978,704
Disbursement.....	73,730	72,706	73,123	74,055	74,055	74,055	74,055
Auditing.....	38,865	38,061	37,561	38,493	38,408	38,408	38,408
Physical Facilities and							
Commodities							
Management.....	\$ 128,977	\$ 131,757	\$ 140,166	\$ 140,484	\$ 141,284	\$ 141,484	\$ 141,484
Facility, Property and							
Commodity Management.	128,977	131,757	140,166	140,484	141,284	141,484	141,484
Legislative Processes ...	\$ 352,793	$ 352,793	$ 352,793	$ 352,793	$ 352,793	$ 352,793	$ 352,793
Legislature	352,793	352,793	352,793	352,793	352,793	352,793	352,793
Interstate Relations	\$ 1,128	\$ 1,168	$ 1,152	$ 1,152	$ 1,152	$ 1,152	\$ 1,152
Interstate Relations.....	1,128	1,168	1,152	1,152	1,152	1,152	1,152
PROGRAM TOTAL	\$ 1,582,621	\$ 1,616,739	\$ 1,633,563	\$ 1,658,855	\$ 1,680,159	\$ 1,701,506	\$ 1,723,540

Protection of Persons and Property

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

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
General Administration							
and Support.....	\$ 49,284	\$ 67,377	\$ 69,080	\$ 69,469	\$ 69,469	\$ 69,469	\$ 69,469
Criminal and Juvenile							
Justice Planning.....	33,241	49,728	49,728	49,846	49,846	49,846	49,846
Environmental Support							
Services	16,043	17,649	19,352	19,623	19,623	19,623	19,623
Public Protection and							
Law Enforcement.....	\$ 1,426,903	\$ 1,262,614	\$ 1,335,607	\$ 1,342,669	\$ 1,346,346	\$ 1,348,404	\$ 1,348,754
State Police.....	1,106,283	914,708	968,935	973,166	973,166	973,166	973,166
Attorney General.....	114,190	112,374	113,867	115,549	115,549	115,549	115,549
Highway Safety							
Administration and							
Licensing.....	206,430	235,532	252,805	253,954	257,631	259,689	260,039
Control and Reduction							
of Crime	\$ 2,615,683	\$ 1,612,381	\$ 2,664,454	\$ 2,571,336	\$ 2,571,283	\$ 2,571,231	\$ 2,577,917
Incarcerated Individuals...	2,440,064	1,452,413	2,498,620	2,400,104	2,400,051	2,399,999	2,406,685
Reentry into Communities	175,619	159,968	165,834	171,232	171,232	171,232	171,232
Juvenile Crime							
Prevention	\$ 21,988	\$ 21,925	\$ 21,925	\$ 21,982	\$ 21,982	\$ 21,982	\$ 21,982
Reintegration of Juvenile							
Delinquents.....	21,988	21,925	21,925	21,982	21,982	21,982	21,982
Adjudication of							
Defendants	\$ 355,789	\$ 355,789	\$ 355,826				
State Judicial System	355,789	355,789	355,826	355,826	355,826	355,826	355,826

Program Budget Summary

Protection of Persons and Property, continued

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Public Order and							
Community Safety	\$ 66,143	\$ 64,256	\$ 69,946	\$ 39,952	\$ 39,952	\$ 39,952	\$ 39,952
Emergency Management.....	32,571	30,337	41,716	10,750	10,750	10,750	10,750
State Military Readiness..	33,572	33,919	28,230	29,202	29,202	29,202	29,202
Protection From Natural							
Hazards and Disasters ..	\$ 120,678	\$ 141,242	\$ 148,038	\$ 150,977	\$ 150,977	\$ 150,977	\$ 150,977
Environmental Protection and Management.....	120,678	141,242	148,038	150,977	150,977	150,977	150,977
Consumer Protection	\$ 196,962	\$ 207,511	\$ 216,630	\$ 213,154	\$ 212,304	\$ 212,260	\$ 212,214
Consumer Protection	14,207	24,570	32,203	28,113	27,263	27,219	27,173
Insurance Industry Regulation.....	-	-	7,000	7,000	7,000	7,000	7,000
Protection and Development of Agricultural Industries	182,755	182,941	177,427	178,041	178,041	178,041	178,041
Community and Occupational Safety and Stability	\$ 19,854	\$ 19,636	\$ 19,826	\$ 20,024	\$ 20,024	\$ 20,024	\$ 20,024
Community and Occupational Safety and Stability	16,746	16,569	16,789	16,950	16,950	16,950	16,950
Fire Prevention and Safety.....	3,108	3,067	3,037	3,074	3,074	3,074	3,074
Prevention & Elimination of Discriminatory Practices.....	\$ 10,307	\$ 10,088	\$ 9,713	\$ 9,922	\$ 9,922	\$ 9,922	\$ 9,922
Prevention and Elimination of Discriminatory Practices	10,307	10,088	9,713	9,922	9,922	9,922	9,922
PROGRAM TOTAL	\$ 4,883,591	\$ 3,762,819	\$ 4,911,045	\$ 4,795,311	\$ 4,798,085	\$ 4,800,047	\$ 4,807,037

Program Budget Summary

Education

The goal of this commonwealth program is to provide a system of learning experiences and opportunities that will permit each individual to achieve his or her full potential intellectual development through high-quality basic education and special education programs, and through high-quality career and technical education and higher education. This commonwealth program supports the administration's goals to support an agenda for excellence, a world-class education that enables all Pennsylvania children to achieve their full potential, and to expand educational opportunities and alternative pathways to teaching and leadership.

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Educational Support							
Services	\$ 32,063	\$ 29,099	\$ 33,721	\$ 34,097	\$ 34,097	\$ 34,097	\$ 34,097
Education Support							
Services	32,063	29,099	33,721	34,097	34,097	34,097	34,097
Basic Education	\$ 12,897,457	\$ 12,960,513	\$ 14,737,045	\$ 14,945,538	\$ 15,079,132	\$ 15,212,033	\$ 15,393,152
PreK-12 Education.....	12,880,527	12,943,568	14,718,362	14,926,855	15,060,449	15,193,350	15,374,469
Public Utility Realty							
Payments.....	16,930	16,945	18,683	18,683	18,683	18,683	18,683
Higher Education	\$ 1,767,863	\$ 1,767,863	\$ 1,770,257	$ 1,770,257	$ 1,770,257	$ 1,770,257	$ 1,770,257
Higher Education	1,398,481	1,398,481	1,403,075	1,403,075	1,403,075	1,403,075	1,403,075
Financial Assistance to							
Students.....	340,503	340,503	338,303	338,303	338,303	338,303	338,303
Financial Assistance to							
Institutions.....	28,879	28,879	28,879	28,879	28,879	28,879	28,879
PROGRAM TOTAL	\$ 14,697,383	\$ 14,757,475	\$ 16,541,023	\$ 16,749,892	\$ 16,883,486	\$ 17,016,387	\$ 17,197,506

Health and Human Services

The goals of this commonwealth program are to ensure access to quality medical care for all citizens, support people seeking self-sufficiency, provide military readiness and assistance to veterans and maximize opportunities for individuals and families to participate in society.

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

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Human Services							
Support	\$ 194,840	\$ 192,890	\$ 206,515	\$ 208,325	\$ 208,325	\$ 208,325	\$ 208,325
Human Services Support	194,840	192,890	206,515	208,325	208,325	208,325	208,325
Social Development of							
Individuals	\$ 1,868,282	\$ 1,752,757	\$ 1,933,958	\$ 1,966,967	\$ 1,986,067	\$ 2,005,180	\$ 2,025,296
Human Services	1,401,731	1,284,401	1,454,477	1,468,337	1,468,423	1,468,509	1,468,598
Child Development	466,551	468,356	479,481	498,630	517,644	536,671	556,698
Support of Older							
Pennsylvanians.....	\$ 947,103	\$ 473,795	\$ 705,167	\$ 696,295	\$ 687,526	\$ 673,758	\$ 673,992
Community Services for							
Older Pennsylvanians	324,703	318,795	315,267	315,495	315,726	315,958	316,192
Homeowners and							
Renters Assistance.....	482,400	-	234,900	230,800	226,800	222,800	222,800
Pharmaceutical							
Assistance	140,000	155,000	155,000	150,000	145,000	135,000	135,000
Income Maintenance	\$ 486,275	\$ 483,121	\$ 543,913	\$ 561,141	\$ 566,002	\$ 571,533	\$ 575,645
Income Maintenance	463,493	459,961	521,427	531,131	531,131	531,131	531,131
Workers Compensation							
and Unemployment							
Assistance	712	597	442	442	442	442	442
Military Compensation							
and Assistance	22,070	22,563	22,044	29,568	34,429	39,960	44,072
Physical Health							
Treatment	\$ 7,832,023	\$ 8,988,403	\$ 9,334,875	\$ 11,084,161	\$ 11,158,251	\$ 11,721,626	\$ 11,849,144

Program Budget Summary

Health and Human Services, continued

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Medical Assistance and							
Health Care Delivery.....	3,819,459	4,872,000	4,551,631	5,794,237	5,811,037	5,819,180	5,818,651
Long-Term Living.....	3,640,885	3,763,897	4,408,294	4,901,576	4,958,866	5,514,098	5,642,145
Health Treatment							
Services	13,557	13,557	10,797	10,797	10,797	10,797	10,797
Health Support Services..	55,818	51,899	57,690	58,633	58,633	58,633	58,633
Health Research	9,200	9,200	100	100	100	100	100
Emergency Food							
Assistance	21,767	21,767	22,767	22,767	22,767	22,767	22,767
Prevention and Treatment							
of Drug and Alcohol							
Abuse.....	47,389	47,352	47,729	47,772	47,772	47,772	47,772
Preventive Health	122,368	108,410	127,207	129,723	129,723	129,723	129,723
Veterans Homes	101,580	100,321	108,660	118,556	118,556	118,556	118,556
Mental Health and							
Substance Use							
Services	\$ 849,920	\$ 882,598	\$ 884,449	\$ 910,694	\$ 910,694	\$ 910,694	\$ 910,694
Mental Health and							
Substance Use Services..	849,920	882,598	884,449	910,694	910,694	910,694	910,694
Intellectual Disabilities..	\$ 2,093,910	\$ 2,052,842	\$ 2,230,112	\$ 2,599,608	\$ 2,685,267	\$ 2,791,828	\$ 2,903,280
Intellectual Disabilities	2,093,910	2,052,842	2,230,112	2,599,608	2,685,267	2,791,828	2,903,280
PROGRAM TOTAL	\$ 14,272,353	\$ 14,826,406	\$ 15,838,989	\$ 18,027,191	\$ 18,202,132	\$ 18,882,944	\$ 19,146,376

Economic Development

The goal of this commonwealth program is to invest public resources to create jobs for Pennsylvanians. To do so, this program offers a variety of grants, loans and loan guarantees designed to stimulate economic investment, growth and expanded employment. This commonwealth program supports the administration's goal to create and maintain a business climate in which good, family-sustaining jobs can grow and communities can prosper.

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

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Economic Development							
and Job Creation	\$ 64,865	\$ 57,382	\$ 53,131	\$ 53,562	\$ 53,562	\$ 53,562	\$ 53,562
Job Creation, Business							
Growth and Attraction	64,865	57,382	53,131	53,562	53,562	53,562	53,562
Global Economic							
Development	\$ 5,871	\$ 5,830	\$ 5,830	\$ 5,870	\$ 5,870	\$ 5,870	\$ 5,870
Pennsylvania Worldwide..	5,871	5,830	5,830	5,870	5,870	5,870	5,870
Innovative Economic							
Development	\$ 39,730	\$ 39,730	\$ 39,380	$ 39,380	$ 39,380	$ 39,380	$ 39,380
Pennsylvania Innovation							
Economy	39,730	39,730	39,380	39,380	39,380	39,380	39,380
Workforce Investment ...	\$ 63,777	\$ 61,777	$ 61,777	$ 61,777	$ 61,777	$ 61,777	$ 61,777
Workforce Development ..	12,563	10,563	10,563	10,563	10,563	10,563	10,563
Vocational Rehabilitation .	51,214	51,214	51,214	51,214	51,214	51,214	51,214
Commonwealth							
Economic Assets	\$ 20,166	\$ 20,642	\$ 6,070	\$ 6,095	\$ 6,095	\$ 6,095	\$ 6,095
PA Happiness	20,166	20,642	6,070	6,095	6,095	6,095	6,095
Community							
Development	\$ 61,511	\$ 70,829	\$ 33,169	\$ 33,269	\$ 33,169	\$ 33,169	\$ 33,169
Pennsylvania							
Communities	49,254	58,561	19,643	19,743	19,643	19,643	19,643
Public Utility Realty							
Payments	12,257	12,268	13,526	13,526	13,526	13,526	13,526
PROGRAM TOTAL	\$ 255,920	\$ 256,190	\$ 199,357	\$ 199,953	\$ 199,853	\$ 199,853	\$ 199,853

Program Budget Summary

Transportation

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

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Transportation							
Systems and Services...	\$ 1,813,878	\$ 1,822,684	\$ 1,950,906	\$ 2,022,036	\$ 2,086,427	\$ 2,136,656	\$ 2,184,152
Transportation Support							
Services	60,271	68,300	71,100	71,100	71,100	71,100	71,100
Highways and Bridges	1,279,124	1,293,661	1,380,994	1,441,895	1,507,406	1,557,494	1,605,374
Local Highway and							
Bridge Assistance	303,576	289,816	327,905	338,134	337,014	337,155	336,771
Multimodal							
Transportation.....	170,907	170,907	170,907	170,907	170,907	170,907	170,907
PROGRAM TOTAL	\$ 1,813,878	\$ 1,822,684	\$ 1,950,906	\$ 2,022,036	\$ 2,086,427	\$ 2,136,656	\$ 2,184,152

Recreation and Cultural Enrichment

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

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

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Recreation	\$ 124,178	\$ 141,830	\$ 147,830	\$ 155,338	\$ 158,838	\$ 162,838	\$ 162,838
Parks and Forests							
Management	124,178	141,830	147,830	155,338	158,838	162,838	162,838
Cultural Enrichment	\$ 101,417	\$ 100,953	\$ 100,480	\$ 100,949	\$ 100,949	\$ 100,949	\$ 100,949
State History	21,555	21,150	20,677	21,090	21,090	21,090	21,090
Museum and Community Assistance	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Development of Artists and Audiences	10,474	10,457	10,457	10,471	10,471	10,471	10,471
State Library Services.....	67,388	67,346	67,346	67,388	67,388	67,388	67,388
PROGRAM TOTAL	\$ 225,595	\$ 242,783	\$ 248,310	\$ 256,287	\$ 259,787	\$ 263,787	\$ 263,787

Debt Service

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

The Treasury Department participates in this program.

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Debt Service	\$ 1,204,814	\$ 1,201,051	\$ 1,315,630	\$ 1,351,052	\$ 1,427,993	\$ 1,445,382	\$ 1,537,837
Debt Service	1,204,814	1,201,051	1,315,630	1,351,052	1,427,993	1,445,382	1,537,837
PROGRAM TOTAL	\$ 1,204,814	\$ 1,201,051	\$ 1,315,630	\$ 1,351,052	\$ 1,427,993	\$ 1,445,382	\$ 1,537,837

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Commonwealth of Pennsylvania

Governor's Executive Budget

SUMMARY
BY
FUND

Overview: Major Operating Funds

Summary of Major Operating Funds

The total 2021-22 operating budget for the commonwealth is \$96.6 billion. It includes \$37.8 billion in the General Fund, \$2.9 billion in the Motor License Fund, \$1.9 billion in the Lottery Fund, \$36.5 billion in federal funds and \$17.5 billion in fees and other special fund revenues.

(Dollar Amounts in Thousands)

Major Operating Fund Expenditures	Actual	Available	Budget	2021-22 Change from 2020-21	
	2019-2020	2020-2021	2021-2022	Dollars	Percent
General Fund	\$ 34,090,228	\$ 34,049,086	\$ 37,837,187	\$ 3,788,101	11.13%
Motor License Fund	\$ 2,767,043	\$ 2,751,721	\$ 2,891,211	\$ 139,490	5.07%
Lottery Fund	\$ 2,078,884	\$ 1,660,340	\$ 1,910,425	\$ 250,085	15.06%

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



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

Revenue

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

For 2021-22, tax revenue constitutes 98 percent of projected General Fund revenue. Four revenue sources (the Personal Income Tax, the Sales and Use Tax, the Corporate Net Income Tax and the Cigarette Tax) together provide 89 percent of projected General Fund tax revenue. For nontax revenue, which can significantly vary each fiscal year, the largest sources of revenue are typically from profit transfers from the Pennsylvania Liquor Control Board, licenses and fees, and the escheats or "unclaimed property" program. In some fiscal years, one-time transfers from special funds are also major contributors to nontax revenues.

The COVID-19 pandemic significantly reduced General Fund revenues in 2019-20, and it is expected to have widespread effects on revenue collections moving forward. For 2019-20, General Fund revenues declined by \$2.6 billion (-7.4 percent) from the prior year as large parts of the economy shut down in March 2020 and slowly began to reopen. Approximately \$1.8 billion in tax receipts were delayed from 2019-20 to 2020-21 because of extended due dates and changes to certain prepayment requirements. Excluding the impact of the revenue shift and one-time special fund transfers, revenues in 2020-21 are projected to increase by 3.9 percent over the prior year but are still well below pre-pandemic estimates. While revenue growth is projected for 2021-22 and the out-years as the nation's economy recovers from the impacts of COVID-19, base revenue projections continue to lag pre-pandemic estimates by \$1.4 billion to \$1.8 billion annually throughout the forecast.

Over the past five completed fiscal years, the two largest General Fund revenue sources, the Personal Income Tax and the Sales and Use Tax, comprised 74 percent of tax revenue collections. Estimates for the Personal Income Tax are developed from a series of regression equations that use forecasts of wages, salaries, interest, dividends, rents, proprietors' income, and capital gains income. Estimates for the Sales and Use Tax are developed from a series of regression equations that use forecasts of national consumer expenditures on durable goods, non-durable goods, food services and accommodation, new and used motor vehicles, and business nonresidential investment.

The largest General Fund tax on businesses is the Corporate Net Income Tax. Annual receipts from the Corporate Net Income Tax can vary significantly from year-to-year and may experience a year-over-year decline. This variability is due to fluctuations in corporate profitability, including losses, federal tax law changes, the availability and use of tax credits and net operating loss deductions, and the timing of estimated and final state tax payments based on when a corporation's tax year begins. Corporate Net Income Tax receipts over the past five completed fiscal years have comprised 9 percent of General Fund tax revenue. Estimates for the Corporate Net Income Tax are developed from a regression equation that uses forecasts of national before-tax corporate profits.

Expenditures

The General Fund is the primary funding source for most state agencies and institutions. More than 79 cents of every dollar are returned to individuals, local governments, institutions, school districts, among others, in the form of grants and subsidies. The remainder pays operating expenses and debt service.

The total General Fund budget proposed for 2021-22 is \$37.8 billion. General Fund expenditure growth is projected to increase 11 percent. The increase in expenditure growth is due, in part, to a decrease in one-time federal COVID relief that was used to pay for state public safety costs in 2020-21. Major program expenditures occur in the areas of education, public health and human services and state correctional institutions.

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

The largest such subsidy is the Basic Education subsidy, which provides commonwealth aid to local school districts. This budget proposes approximately \$8.1 billion for the Basic Education subsidy in state funds in 2021-22, which includes school district Social Security payments. This is an increase of \$1.3 billion over 2020-21. PreK-12 education increases include \$25 million, or 11.5 percent, for Pre-K Counts; \$5 million, or 7.8 percent, for Head Start Supplemental Assistance; and \$200 million, or 16.9 percent, for Special Education. In total, state funding for preK-12 education is more than \$14.7 billion in 2021-22.

Higher Education: Higher education in Pennsylvania is provided through 220 degree-granting institutions, which include the 14 universities of the State System of Higher Education, four state-related universities, community colleges and various other independent institutions. The budget proposes more than \$2.05 billion for higher education.

Health and Human Services: The commonwealth provides support for its residents who are seeking to achieve and sustain independence. It also provides care, treatment and rehabilitation to persons with behavioral, intellectual and physical disabilities. For 2021-22, the total health and human services expenditures from all sources is \$50.4 billion; the amount from the General Fund will be \$14.8 billion, which is an increase of \$781 million or 5.6 percent.

The largest component of health and human service expenditures is the Medical Assistance (MA) program, which includes long-term living home and community-living programs. In the last ten years, these programs grew at an annual rate of 9.6 percent. Caseload growth continues to increase especially for the elderly. *Medicaid Expansion* closed the coverage gap for working adults and streamlined delivery of health care services and this budget continues to provide this health insurance for over 700,000 adults. General medical inflation, including increases in pharmaceutical prices, a change in the federal financial participation rate for *Medicaid Expansion* costs, and an increase in caseload contributes to an overall increase in the projected State MA expenditures in 2021-22. This increase is mitigated through cost containment, operational efficiencies, and proposed revenue strategies. Total funding in 2021-22 increased by \$1.6 billion from \$33.7 billion in 2020-21 to \$35.3 billion in 2021-22. State funds are anticipated to increase from \$8.3 billion in 2020-21 to \$8.6 billion in 2021-22, which is an increase of \$324 million or 3.9 percent.

Income maintenance, including child care services and cash assistance payments for families in transition to independence and self-sufficiency, totaled \$3.1 billion from all sources for 2020-21. The 2021-22 budget proposes total resources at \$2.8 billion.

The 2021-22 budget continues to provide a continuum of services for individuals with behavioral health and intellectual disabilities, ranging from home and community-based supports to quality institutional care. In June 2002, the state supported 5,098 institutional beds. By June 2021, that will be reduced to 2,101, a reduction of 59 percent. Over that period the community budgets will have grown by more than \$3.2 billion, an increase of 188.9 percent.

State Correctional Institutions: The cost of operating the state correctional institution system is estimated to increase from \$2.22 billion in 2015-16 to \$2.47 billion in 2021-22. Since June 2016, the population has declined by 10,960 from 49,913 to 38,953.

General Fund

This table shows a summary by Commonwealth Program of 2019-20 actual year, 2020-21 available year, 2021-22 budget year and future year estimates.

Seven Year Commonwealth Program Summary

(Dollar amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
Commonwealth Program							
Direction and Supportive							
Services	\$ 870,600	\$ 863,209	\$ 862,164	\$ 868,131	\$ 868,945	\$ 869,046	\$ 869,046
Protection of Persons							
and Property	3,907,878	2,789,168	3,952,032	3,867,218	3,898,385	3,930,358	3,969,068
Education	14,696,733	14,756,375	16,539,923	16,748,792	16,882,386	17,015,287	17,196,406
Health and Human							
Services	12,987,737	14,000,145	14,781,356	16,878,430	17,062,140	17,706,720	17,869,918
Economic Development...	255,420	255,690	198,857	199,453	199,353	199,353	199,353
Transportation.....	1,900	1,900	-	-	-	-	-
Recreation and Cultural							
Enrichment.....	218,595	235,783	241,310	249,287	252,787	256,787	256,787
Debt Service	1,151,365	1,146,816	1,261,545	1,297,309	1,380,281	1,397,829	1,492,390
GENERAL FUND TOTAL	\$ 34,090,228	\$ 34,049,086	\$ 37,837,187	\$ 40,108,620	\$ 40,544,277	\$ 41,375,380	\$ 41,852,968

GENERAL FUND

2021-22 Fiscal Year



Personal Income \$18,382,600 **45.9%**
Consumption \$13,937,900 **34.8%**
Business \$5,267,400 **13.1%**
Other Taxes \$1,831,900 **4.5%**
Non-Tax Revenue \$666,000 **1.7%**

Income

(Dollar Amounts in Thousands)

TOTAL INCOME	\$40,085,800
Refunds	-1,724,000
Beginning Balance	-233,422
Lapses	100,000
TOTAL	\$38,228,378

Outgo

(Dollar Amounts in Thousands)

TOTAL OUTGO	\$37,837,187
Budget Stabilization	
Reserve Fund	97,798
Plus Ending Surplus	293,393
TOTAL	\$38,228,378



Education \$16,539,923 **43.7%**
Health and Human Service \$14,781,356 **39.1%**
Protection of Persons and Property \$3,952,032 **10.4%**
Debt Service \$1,261,545 **3.4%**
Direction and Supportive Services \$862,164 **2.3%**
Other Programs \$241,310 **0.6%**
Economic Development \$198,857 **0.5%**

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

USE OF THE GENERAL FUND DOLLAR

2021-22 Fiscal Year

Grants and Subsidies 79.1¢



Institutional 9.4¢

General Government 8.2¢

Debt Service Requirements 3.3¢

Over 79 cents of each General Fund dollar is returned to individuals, local governments, institutions, school districts, etc. in the form of grants and subsidies.

Seven Year Financial Statement

The following financial statement and accompanying notes are a summary of the General Fund revenues and expenditures for the 2019-20 actual year, 2020-21 available year and 2021-22 budget year, as well as future year estimates.

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
Beginning Balance	\$ -	\$ -2,734,070	\$ -233,422	\$ 293,393	\$ 207,355	\$ 397,333	\$ 469,540
Adjustment to Beginning Balance.....	30,373	-	-	-	-	-	-
Adjusted Beginning Balance.....	\$ 30,373	\$ -2,734,070	\$ -233,422	\$ 293,393	\$ 207,355	\$ 397,333	\$ 469,540
Revenue:							
Revenue Receipts.....	\$ 32,275,785	\$ 37,490,200	\$ 40,085,800	\$ 42,268,700	\$ 43,184,700	\$ 43,967,100	\$ 45,041,800
Refunds.....	-1,150,000	-1,295,000	-1,724,000	-2,177,000	-2,318,000	-2,363,000	-2,412,000
Total Revenue.....	\$ 31,125,785	\$ 36,195,200	\$ 38,361,800	\$ 40,091,700	\$ 40,866,700	\$ 41,604,100	\$ 42,629,800
Prior Year Lapses.....	200,000	220,000	100,000	-	-	-	-
Funds Available.....	\$ 31,356,158	\$ 33,681,130	\$ 38,228,378	\$ 40,385,093	\$ 41,074,055	\$ 42,001,433	\$ 43,099,340
Expenditures:							
Appropriations.....	\$ 35,219,623	\$ 36,248,063	\$ 40,207,348	\$ 40,108,620	\$ 40,544,277	\$ 41,375,380	\$ 41,852,968
Supplemental Appropriations.....	-	903,416	-	-	-	-	-
Less Federal COVID Funds:							
Enhanced Medical Assistance							
Percentage.....	-1,129,395	-1,634,889	-2,370,161	-	-	-	-
COVID-19 Response Restricted							
Account.....	-	-1,467,504	-	-	-	-	-
Current Year Lapses.....	-	-134,534	-	-	-	-	-
Total Expenditures.....	\$ 34,090,228	\$ 33,914,552	\$ 37,837,187	\$ 40,108,620	\$ 40,544,277	\$ 41,375,380	\$ 41,852,968
Preliminary Balance.....	\$ -2,734,070	\$ -233,422	\$ 391,191	\$ 276,473	\$ 529,778	\$ 626,053	\$ 1,246,372
Transfer to Budget Stabilization							
Reserve Fund.....	-	-	-97,798	-69,118	-132,445	-156,513	-311,593
Ending Balance	\$ -2,734,070	\$ -233,422	\$ 293,393	\$ 207,355	\$ 397,333	\$ 469,540	\$ 934,779

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

PROPOSED TAX AND REVENUE MODIFICATIONS

	2021-22
	Estimated
Tax Revenue:	
Corporate Net Income Tax (CNIT)	\$ 208,500
Effective for tax years beginning on or after January 1, 2022, cap net operating losses at 40 percent of taxable income accompanied by mandatory combined reporting. Effective for tax years beginning on or after January 1, 2022, the CNIT rate is proposed to be reduced from 9.99% to 8.99%. The CNIT rate is proposed to be further reduced to 8.29% in 2023; 7.49% in 2024; 6.99% in 2025; and 5.99% in 2026 and thereafter.	
Personal Income Tax (PIT)	\$ 2,964,000
Effective for tax years beginning on or after January 1, 2021, increase the eligibility limits for 100 percent tax forgiveness to \$15,000 for single claimants and \$30,000 for married claimants without dependents. The eligibility income limits are proposed to increase by \$10,000 for each dependent. The percentage of tax forgiveness would decrease by one percentage point for each \$500 above the limit for 100 percent tax forgiveness. The personal income tax rate is proposed to increase to 4.49% effective July 1, 2021. The estimated impact in this table is net of refunds.	
Transfer to Tobacco Settlement Fund	\$ -115,300
A transfer of funds from the Cigarette Tax to the Tobacco Settlement Fund to replace monies deducted from the Master Settlement Agreement for deposit in the Tobacco Revenue Bond Debt Service Account is proposed.	
Transfer to Environmental Stewardship Fund	\$ -13,800
A transfer of funds from the Personal Income Tax to the Environmental Stewardship Fund for Growing Greener debt service payments is proposed.	
TOTAL PROPOSED TAX AND REVENUE MODIFICATIONS	\$ 3,043,400

This budget proposes the following changes to transfers from special funds in 2020-21:

The transfers in Act 114 of 2020 from the PENNVEST Fund (\$10.0 million), the PENNVEST Drinking Water Revolving Fund (\$26.5 million), the PENNVEST Water Pollution Control Revolving Fund (\$9.0 million) and the Historical Preservation Fund (\$4.0 million) to the General Fund are proposed to be eliminated. A transfer of \$4.0 million from the Unconventional Gas Well Fund to the General Fund is proposed. The changes to transfers will reduce nontax revenue by \$45.5 million.

This budget proposes the following revenue modifications in 2021-22:

Effective July 1, 2021, an increase in the minimum wage from \$7.25 per hour to \$12.00 per hour is proposed. The minimum wage increases annually by \$0.50 per hour each July 1 until it reaches \$15.00 per hour. The increase includes tipped workers currently making less than minimum wage. The proposal will generate \$116.4 million in combined Personal Income and Sales and Use Tax revenue.

The proposed personal income tax changes to tax forgiveness and the tax rate will generate \$39.0 million in Sales and Use Tax revenue.

This budget proposes the following changes to transfers in 2024-25 and 2025-26:

Transfers of \$165.0 million in 2024-25 and \$185.0 million in 2025-26 from the Personal Income Tax to the Workers' Compensation Security Fund to repay previous transfers are proposed.

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

SUPPLEMENTAL APPROPRIATIONS

	2020-21 Available
STATE SUPPLEMENTALS	
Treasury	
Cash Management Loan Interest (EA).....	\$ -1,400
Interest on Tax Anticipation Notes (EA)	-3,100
General Obligation Debt Service.....	<u>-39,000</u>
Treasury Total	\$ -43,500
Agriculture	
Transfer to Dog Law Administration	\$ 1,200
Education	
Basic Education Funding.....	* \$ 4,435
School Employees' Social Security	<u>175</u>
Education Total	\$ 4,610
Human Services	
Medical Assistance - Capitation	\$ 533,312
Medical Assistance - Fee-for-Service.....	328,797
Payment to Federal Government - Medicare Drug Program	5,042
Children's Health Insurance Program	-2,478
Children's Health Insurance Administration	981
Medical Assistance - Community HealthChoices.....	84,447
Early Intervention	<u>-8,995</u>
Human Services Total	\$ 941,106
TOTAL STATE SUPPLEMENTALS	\$ 903,416
FEDERAL SUPPLEMENTALS	
Human Services	
Medical Assistance - Capitation	\$ 65,644
Medical Assistance - Fee-for-Service.....	<u>54,244</u>
Human Services Total	\$ 119,888
TOTAL FEDERAL SUPPLEMENTALS	\$ 119,888
TOTAL SUPPLEMENTALS	\$ 1,023,304

* For school district social security payments.

Adjustments to Revenue Estimate

On November 23, 2020, the Official Estimate for fiscal year 2020-21 was certified to be \$36,954,700,000. The adjustments detailed below take into account actual revenue collections through the first six months of the fiscal year and projected collections for the remainder of the fiscal year based on current expectations for the economy and revenue trends as well as tax proposals for the budget.

	(Dollar Amounts in Thousands)		
	2020-21 Official Estimate	Adjustments	2020-21 Revised Estimate
TAX REVENUE			
Corporation Taxes			
Corporate Net Income Tax	\$ 3,252,600	\$ 317,100	\$ 3,569,700
Selective Business:			
Gross Receipts Tax	1,005,500	-2,800	1,002,700
Public Utility Realty Tax	38,200	300	38,500
Insurance Premiums Tax	469,400	-900	468,500
Financial Institutions Tax	370,600	-2,000	368,600
Total — Corporation Taxes	<u>\$ 5,136,300</u>	<u>\$ 311,700</u>	<u>\$ 5,448,000</u>
Consumption Taxes			
Sales and Use Tax	\$ 11,904,000	\$ 76,700	\$ 11,980,700
Cigarette Tax	904,700	-3,300	901,400
Other Tobacco Products Tax	126,200	200	126,400
Malt Beverage Tax	23,500	-	23,500
Liquor Tax	406,700	-5,900	400,800
Total — Consumption Taxes	<u>\$ 13,365,100</u>	<u>\$ 67,700</u>	<u>\$ 13,432,800</u>
Other Taxes			
Personal Income Tax	\$ 15,438,200	\$ 133,600	\$ 15,571,800
Realty Transfer Tax	526,100	39,200	565,300
Inheritance Tax	1,116,800	14,300	1,131,100
Gaming	197,600	7,400	205,000
Minor and Repealed Taxes	-40,200	7,700	-32,500
Total — Other Taxes	<u>\$ 17,238,500</u>	<u>\$ 202,200</u>	<u>\$ 17,440,700</u>
TOTAL TAX REVENUE	<u>\$ 35,739,900</u>	<u>\$ 581,600</u>	<u>\$ 36,321,500</u>
NONTAX REVENUE			
State Stores Fund Transfer	\$ 185,100	\$ -	\$ 185,100
Licenses Fees and Miscellaneous:			
Licenses and Fees	152,000	-	152,000
Miscellaneous	815,700	-46,200	769,500
Fines, Penalties and Interest:			
Other	62,000	100	62,100
TOTAL NONTAX REVENUE	<u>\$ 1,214,800</u>	<u>\$ -46,100</u>	<u>\$ 1,168,700</u>
GENERAL FUND TOTAL	<u>\$ 36,954,700</u>	<u>\$ 535,500</u>	<u>\$ 37,490,200</u>

General Fund Revenue Summary

Seven Year Summary of Revenues

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

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Estimated	Budget	Estimated	Estimated	Estimated	Estimated
TAX REVENUE							
Corporation Taxes							
Corporate Net Income Tax	\$ 2,826,881	\$ 3,569,700	\$ 3,432,100	\$ 3,738,300	\$ 3,699,400	\$ 3,586,800	\$ 3,445,500
Selective Business:							
Gross Receipts Tax.....	1,104,261	1,002,700	992,600	982,500	972,600	962,700	953,000
Public Utility Realty Tax.....	37,822	38,500	38,800	39,100	39,400	39,800	40,200
Insurance Premium Tax	473,579	468,500	440,900	472,700	470,800	490,600	510,800
Financial Institutions Taxes	392,886	368,600	363,000	362,100	366,100	370,200	374,400
Total - Corporation Taxes.....	\$ 4,835,428	\$ 5,448,000	\$ 5,267,400	\$ 5,594,700	\$ 5,548,300	\$ 5,450,100	\$ 5,323,900
Consumption Taxes							
Sales and Use Tax.....	\$ 10,817,808	\$ 11,980,700	\$ 12,501,300	\$ 12,490,400	\$ 12,827,700	\$ 13,115,200	\$ 13,515,600
Cigarette Tax	924,341	901,400	842,300	786,700	734,200	684,600	637,700
Other Tobacco Products Tax	127,274	126,400	131,700	136,900	141,900	146,800	151,500
Malt Beverage Tax	23,167	23,500	23,400	23,300	23,200	23,000	22,800
Liquor Tax	365,707	400,800	439,200	465,100	490,900	516,700	542,600
Total - Consumption Taxes	\$ 12,258,298	\$ 13,432,800	\$ 13,937,900	\$ 13,902,400	\$ 14,217,900	\$ 14,486,300	\$ 14,870,200
Other Taxes							
Personal Income Tax	\$ 12,835,000	\$ 15,571,800	\$ 18,382,600	\$ 20,285,500	\$ 20,936,200	\$ 21,542,400	\$ 22,354,700
Realty Transfer Tax.....	497,792	565,300	547,200	532,800	524,900	526,000	530,500
Inheritance Tax	1,082,038	1,131,100	1,119,900	1,125,100	1,143,700	1,169,200	1,175,400
Gaming Taxes.....	143,022	205,000	231,200	234,400	239,400	243,100	246,800
Minor and Repealed Taxes	-40,724	-32,500	-66,400	-77,900	-96,600	-117,100	-126,600
Total - Other Taxes	\$ 14,517,129	\$ 17,440,700	\$ 20,214,500	\$ 22,099,900	\$ 22,747,600	\$ 23,363,600	\$ 24,180,800
TOTAL TAX REVENUE.....	\$ 31,610,854	\$ 36,321,500	\$ 39,419,800	\$ 41,597,000	\$ 42,513,800	\$ 43,300,000	\$ 44,374,900
NONTAX REVENUE							
State Stores Fund Transfer	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100
Licenses, Fees and Miscellaneous:							
Licenses and Fees.....	133,407	152,000	126,500	129,000	131,200	127,400	127,200
Miscellaneous	278,439	769,500	289,300	292,500	289,500	289,500	289,500
Fines, Penalties and Interest:							
Other.....	67,984	62,100	65,100	65,100	65,100	65,100	65,100
TOTAL NONTAX REVENUE.....	\$ 664,931	\$ 1,168,700	\$ 666,000	\$ 671,700	\$ 670,900	\$ 667,100	\$ 666,900
GENERAL FUND TOTAL.....	\$ 32,275,785	\$ 37,490,200	\$ 40,085,800	\$ 42,268,700	\$ 43,184,700	\$ 43,967,100	\$ 45,041,800

Details may not add to totals due to rounding.

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

Corporate Net Income Tax

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

Tax Rates: The current tax rate of 9.99 percent has been in effect since January 1, 1995.

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

Proposed Change: The base of the tax will be changed to mandatory unitary combined reporting, effective for tax years beginning after December 31, 2021. Net operating loss deductions will be capped at 40 percent of pre-deduction taxable income.

A lower rate will be in effect for tax years beginning as follows:

January 1, 2022 to December 31, 2022.....	8.99%
January 1, 2023 to December 31, 2023.....	8.29%
January 1, 2024 to December 31, 2024.....	7.49%
January 1, 2025 to December 31, 2025.....	6.99%
January 1, 2026 and thereafter.....	5.99%

Gross Receipts Tax

Tax Base: This tax is levied on the gross receipts from business transacted within Pennsylvania by specified companies owned, operated or leased by corporations, associations, or individuals. Various gross receipts taxes are imposed upon private bankers; pipeline, conduit, steamboat, canal, slack water navigation and transportation companies; telephone, telegraph and mobile communications companies; electric light, water power and hydroelectric companies; express companies; palace car and sleeping car companies; and freight and oil transportation companies. Beginning with fiscal year 1993-94, 0.25 mill is transferred to the Alternative Fuels Incentive Grant Fund.

Tax Rates: The current tax rate on gross receipts from sales of electric energy within Pennsylvania is 59 mills and has been in effect since 2003. The current tax rate on other gross receipts is 50 mills and has been in effect since 1991.

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

Public Utility Realty Tax

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

Tax Rate: The tax rate is set each year upon determination by the Department of Revenue of the required distribution of the realty tax equivalent to local tax authorities. Revenue from an additional 7.6 mills is deposited in the General Fund. For tax year 2004 and thereafter, the Department of Revenue calculates a Gross Receipts Tax surcharge in the event that refunds for Public Utility Realty Tax appeals exceed \$5 million in the prior fiscal year. For tax year 2012 and forward, there has been no surcharge.

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

Insurance Premiums Tax

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

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

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

Financial Institutions Taxes

Tax Base: This category includes the bank and trust companies shares tax, the title insurance companies shares tax, and the mutual thrift institutions tax. The bank and trust company shares tax is imposed on every bank and trust company having capital stock and doing business in Pennsylvania. The tax is imposed annually on the value of shares as of January 1. Beginning January 1, 2014, the taxable value of shares is computed on the most recent year-end value of an institution's total bank equity capital, adjusted to allow a deduction for certain types of goodwill and United States obligations. The Pennsylvania share of total bank equity capital is determined by a single receipts factor. The title insurance companies shares tax is levied on the taxable amount of the capital stock of title insurance companies. The mutual thrift institutions tax is levied on the taxable net income of mutual thrift institutions.

Tax Rates: The bank and trust companies shares tax rate of 0.95 percent of the capital stock of banks has been in effect since January 1, 2017. The title insurance companies shares tax rate of 1.25 percent has been in effect since January 1, 1990. The mutual thrift institutions tax rate of 11.50 percent has been in effect since January 1, 1991.

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

Sales and Use Tax

Tax Base: The tax is levied on the sale at retail, including rental, of tangible personal property and certain services, or upon the use within Pennsylvania of tangible personal property, or taxable services purchased at retail if the tax was not paid at time of purchase. A tax on the occupancy of hotel rooms is imposed as part of the sales and use tax law. Current transfers are as follows: 0.947 percent of revenues from this tax is deposited in the Public Transportation Assistance Fund; 4.4 percent of receipts are transferred annually to the Public Transportation Trust Fund; \$0.7 million is made annually to the Transit Revitalization Investment District Fund; an amount as may be necessary to make payment for principal and interest obligations is also transferred to the Commonwealth Financing Authority (CFA). For 2019-20 only, \$115.3 million was transferred under Act 2017-43 to the Tobacco Revenue Bond Debt Service Account. The revenues shown for the General Fund are net of these transfers.

Tax Rate: The current rate uses a bracket system based on 6 percent of the purchase price. This rate has been in effect since 1968.

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

Cigarette Tax

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

Tax Rates: The current tax rate of 13.00 cents per cigarette has been in effect since August 2016. Beginning in fiscal year 2002-03, fixed annual amounts are transferred to the Children's Health Insurance Program (CHIP) and the Agricultural Conservation Easement Purchase (ACEP) Fund. The current CHIP transfer is \$30.73 million, while the ACEP transfer is \$25.49 million. An additional transfer is made to the Local Cigarette Tax Fund if prior year deposits fall below \$58 million, effective for deposits made in 2016-17. The transfer is equal to the difference between \$58 million and actual deposits into the fund. A \$115.3 million transfer was also made to the Tobacco Settlement Fund for CFA debt service payments in 2019-20. This transfer will reoccur in 2020-21. The revenues shown for the General Fund are net of these transfers.

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

Other Tobacco Products Tax

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

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

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

Malt Beverage Tax

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

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

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

Liquor Tax

Tax Base: The distribution of liquor is a state enterprise under the auspices of the Pennsylvania Liquor Control Board (LCB). All liquors sold by the LCB are subject to this tax, which is calculated on the price paid by the consumer including mark-up, handling charge, and federal tax. The first sale of liquor also is subject to the sales and use tax at the time of purchase.

Tax Rate: The current tax rate of 18 percent has been in effect since 1968. A wine excise tax of \$2.50 per gallon, which is reported under Minor and Repealed Taxes, is imposed on direct wine shipments in lieu of the 18 percent liquor tax.

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

Personal Income Tax

Tax Base: The tax is paid by all residents, resident trusts and estates on eight separate classes of income: (1) compensation, (2) net profits, (3) interest, (4) dividends, (5) income from the disposition of property, (6) rents and royalties, (7) gambling and lottery winnings, including cash prizes of the Pennsylvania Lottery, and (8) income from estates and trusts. The tax is also paid by non-resident individuals, estates and trusts on the following income from sources within the Commonwealth: compensation for personal services performed in Pennsylvania unless the taxpayer is a resident of a state with which there is a reciprocal agreement; net profits from activity conducted in Pennsylvania; income from the rental, ownership or disposition of any real or personal property, and income from gambling activity in Pennsylvania including prizes of the Pennsylvania Lottery. A loss in one class of income may not be offset against income in another class, nor may gains or losses be carried back or forward from year to year. A credit is available to those individuals receiving tax forgiveness under the special provisions for poverty. In fiscal year 2019-20, \$20.0 million was transferred to the Environmental Stewardship Fund, \$3.9 million was transferred to the State Employees' Retirement System, \$45.0 million was transferred to the School Safety and Security Fund, and \$13.2 million was transferred to an account supporting the Farm Show Complex.

Tax Rates: The current tax rate of 3.07% has been in effect since 2004.

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

Proposed Change: The eligibility income limits for 100 percent tax forgiveness under the special provisions for poverty will be increased to \$15,000 for single claimants and \$30,000 for married claimants without dependents for tax years beginning after December 31, 2020. The eligibility income limits will increase by \$10,000 for each dependent. The percentage of tax forgiveness will decrease by one percentage point for each \$500 above the limit for 100 percent forgiveness. The personal income tax rate will increase to 4.49% effective July 1, 2021.

Realty Transfer Tax

Tax Base: The tax is levied on the value of the real estate transferred by a deed, instrument or other writing. Other taxable transfers include long-term leases greater than thirty years, transfers of real estate from industrial development authorities that will not be used primarily for industrial purposes, and "deemed" transfers of real estate because of the acquisition of companies that are in the business of holding or selling real estate. Beginning in July 1994, monthly transfers to the Keystone Recreation, Park and Conservation Fund have occurred. The current transfer rate is 15 percent. Beginning in fiscal year 2015-16, an annual transfer is made from realty tax funds to the Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund. The current transfer amount shall be the minimum of \$40 million or the difference between total realty transfer tax collections for the prior fiscal year and the official estimate for fiscal year 2014-15. The revenues shown for the General Fund are net of these transfers.

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

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

Inheritance Tax

Tax Base: This tax is imposed on the value of property transferred to beneficiaries of a deceased person and certain transfers made during the decedent's lifetime. The value of the transfer is established on the date of the decedent's death.

Tax Rates: Rates are based on the relationship of the decedent and the beneficiary. Transfers of non-jointly held property to spouses are taxed at a rate of 0 percent. Transfers between parents and decedents 21 years of age or younger are taxed at a rate of 0 percent. Transfers to other lineal beneficiaries are taxed at 4.5 percent. Transfers to siblings of the decedents are subject to a 12 percent tax rate. Transfers to all other beneficiaries are taxed at 15 percent.

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

Table Game Taxes

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

Tax Rates: 12 percent of gross table game revenue. However, Act 84-2016 set the tax rate at 14 percent for all licensed gaming entities for the period August 1, 2016 through June 30, 2019. Act 13-2019 extended the expiration of the additional 2 percent to August 1, 2021. In addition to the above percentages, 34 percent of gross table game revenue from table games played on fully automated electronic gaming tables.

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

Interactive Gaming and Multi-use Gaming Device Taxes

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

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

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

Fantasy Contest Tax

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

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

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

Sports Wagering Tax

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

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

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

Minor and Repealed Taxes

Minor and Repealed Taxes Include: Tax on Legal Documents, Act of April 6, 1830, P.L. 272 (Purdon's Title 72 P.S. §3171) and excess Vehicle Rental Tax, Act of June 16, 1994, P.L. 279 (Purdon's Title 72 P.S. §8601-A). State Personal Property Tax Act, Act of June 22, 1935, P.L. 414 as amended. Electric Cooperative Law of 1990, 15 Pa.C.S.A. §7301 et seq. Agricultural Cooperative Associations Corporate Tax, Act of May 23, 1945, P.L. 893. Capital Stock and Foreign Franchise Taxes, Act of March 4, 1971, P.L.6, No.2 (Purdon's Title 72 P.S. §7601—§7606). Wine Excise Tax, Act of June 8, 2016, P.L. 273, No. 39 (Purdon's 47 P.S. § 4-488). Tavern Games Tax, Act of November 27, 2013, P.L. 1045, No. 90 (Purdon's Title 10 P.S. § 328.909a); and Consumer Fireworks Tax, Act of October 30, 2017, P.L. 672 (Purdon's Title 72 P.S. § 9401 et seq.). Also included in minor and repealed is a transfer to the Neighborhood Improvement Zone Fund, as established by Act 50 of 2009, Act 26 of 2011, and Act 87 of 2012 and a transfer to the City Revitalization and Improvement Zone Fund, as established by Act 52 of 2013. Effective for 2020-21, minor and repealed also includes a transfer to the Military Installation Remediation (MIRP) program, established by Act 101 of 2019.

State Stores Fund Transfer

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

Licenses, Fees and Miscellaneous Revenue

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

Miscellaneous revenues include all other income to be used for general appropriation purposes in the General Fund, except monies which are given to the commonwealth by individuals, or are provided by law to be deposited in the Judicial Computer System Augmentation Account in accordance with Act 1988-79 (Purdon's Title 42 Pa.C.S.A. §3733). Any fines, fees or costs that are allocated to counties and municipalities are not affected by this act. Miscellaneous revenue also includes the remaining balance in the Video Gaming Fund that is not transferred to the Compulsive and Problem Gambling Treatment Fund on the last day of each fiscal year (Purdon's Title 4 Pa.C.S.A. § 4105).

Fines, Penalties and Interest

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

General Fund Revenue Detail

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Estimated	2021-22 Budget
TAX REVENUE			
Corporate Net Income Tax	\$ 2,826,881	\$ 3,569,700	\$ 3,432,100
Gross Receipts Tax			
Electric, Hydroelectric and Water Power	\$ 821,718	\$ 756,100	\$ 748,500
Telephone and Telegraph.....	285,216	248,900	246,300
Transportation.....	2,404	2,300	2,300
Alternative Fuel Incentive Grant Fund Transfer.....	-5,077	-4,600	-4,500
SUBTOTAL	\$ 1,104,261	\$ 1,002,700	\$ 992,600
Public Utility Realty Tax	\$ 37,822	\$ 38,500	\$ 38,800
Insurance Premium Tax			
Domestic Casualty	\$ 87,419	\$ 87,500	\$ 89,000
Domestic Fire.....	16,880	16,900	17,200
Domestic Life and Previously Exempted Lines.....	47,970	47,100	12,900
Excess Insurance Brokers	45,504	45,500	46,300
Foreign Excess Casualty	15,659	15,700	16,000
Foreign Excess Fire.....	5,059	5,100	5,200
Foreign Life	242,134	237,800	241,200
Marine-Foreign	36	-	-
Marine-Domestic.....	18	-	-
Title Insurance	9,635	9,600	9,800
Unauthorized Insurance.....	3,264	3,300	3,300
SUBTOTAL	\$ 473,579	\$ 468,500	\$ 440,900
Financial Institutions Taxes			
Federal Mutual Thrift Institutions	\$ 10,059	\$ 9,100	\$ 8,600
National Banks.....	288,302	266,000	262,500
State Banks	58,997	58,900	58,200
State Mutual Thrift Institutions	13,042	11,700	11,100
Trust Companies	22,485	22,900	22,600
SUBTOTAL	\$ 392,886	\$ 368,600	\$ 363,000
Sales and Use Tax			
Motor Vehicle.....	\$ 1,364,959	\$ 1,728,500	\$ 1,731,200
Non-Motor Vehicle.....	9,452,848	10,252,200	10,770,100
SUBTOTAL	\$ 10,817,808	\$ 11,980,700	\$ 12,501,300
Cigarette Tax	\$ 924,341	\$ 901,400	\$ 842,300
Other Tobacco Products Tax	\$ 127,274	\$ 126,400	\$ 131,700
Malt Beverage Tax	\$ 23,167	\$ 23,500	\$ 23,400
Liquor Tax	\$ 365,707	\$ 400,800	\$ 439,200

General Fund Revenue Detail

General Fund Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Estimated	2021-22 Budget
Personal Income Tax			
Non-Withholding	\$ 2,292,243	\$ 4,857,800	\$ 4,641,700
Withholding	10,542,758	10,714,000	13,740,900
SUBTOTAL	<u>\$ 12,835,000</u>	<u>\$ 15,571,800</u>	<u>\$ 18,382,600</u>
Realty Transfer Tax	<u>\$ 497,792</u>	<u>\$ 565,300</u>	<u>\$ 547,200</u>
Inheritance Tax			
Nonresident Inheritance and Estate Tax	\$ 7,454	\$ 8,400	\$ 8,300
Resident Inheritance and Estate Tax	1,074,584	1,122,700	1,111,600
SUBTOTAL	<u>\$ 1,082,038</u>	<u>\$ 1,131,100</u>	<u>\$ 1,119,900</u>
Gaming Taxes	<u>\$ 143,022</u>	<u>\$ 205,000</u>	<u>\$ 231,200</u>
Minor and Repealed Taxes			
Corporate Loans Tax	\$ 1,537	\$ 1,500	\$ 1,500
Excess Motor Vehicle Tax	9,238	9,400	9,600
Wine Excise Tax	2,414	9,400	4,700
Tax on Writs, Wills and Deeds	1,041	1,000	1,000
NIZ State Tax Transfer	-61,129	-56,200	-65,600
CRIZ State Tax Transfer	-7,765	-9,500	-11,000
Tavern Games	955	2,600	1,500
Miscellaneous Business Taxes	1,078	1,100	1,100
Fireworks Tax	6,073	16,000	7,000
Capital Stock and Franchise Taxes	78	200	-
MIRP State Tax Transfer	-	-15,500	-15,700
Other	5,757	7,500	-500
SUBTOTAL	<u>\$ -40,724</u>	<u>\$ -32,500</u>	<u>\$ -66,400</u>
TOTAL TAX REVENUE	<u>\$ 31,610,854</u>	<u>\$ 36,321,500</u>	<u>\$ 39,419,800</u>
NONTAX REVENUE			
State Stores Fund Transfer	<u>\$ 185,100</u>	<u>\$ 185,100</u>	<u>\$ 185,100</u>
Licenses, Fees and Miscellaneous			
Governor's Office			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 12	\$ -	\$ -
DEPARTMENT TOTAL	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ -</u>
Executive Offices			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 2,146	\$ 2,146	\$ 2,146
Refunds Of Expend Not Credited To Approp	*	*	*
Interest Transferred To Employee Benefits	-18,421	-18,421	-18,421
SUBTOTAL	<u>\$ -16,275</u>	<u>\$ -16,275</u>	<u>\$ -16,275</u>
DEPARTMENT TOTAL	<u>\$ -16,275</u>	<u>\$ -16,275</u>	<u>\$ -16,275</u>

General Fund Revenue Detail

General Fund Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Estimated	2021-22 Budget
Auditor General			
LICENSES AND FEES			
Filing Fees - Board of Arbitration of Claims	\$ *	\$ 1	\$ 1
DEPARTMENT TOTAL	<u>\$ *</u>	<u>\$ 1</u>	<u>\$ 1</u>
Attorney General			
MISCELLANEOUS REVENUE			
Assessed Civil Penalties Payments	\$ 331	\$ 350	\$ 350
Miscellaneous Interest Offset for Appropriation 611	-1,200	-575	-575
Miscellaneous.....	12	100	100
Refunds of Expenditures Not Credited to Appropriations	13	20	20
SUBTOTAL	<u>\$ -845</u>	<u>\$ -105</u>	<u>\$ -105</u>
DEPARTMENT TOTAL	<u>\$ -845</u>	<u>\$ -105</u>	<u>\$ -105</u>
Treasury			
MISCELLANEOUS REVENUE			
Allocation Of Treasury Costs	\$ 4,309	\$ 4,376	\$ 4,346
Dividend Income Reinvested - Long Term	*	5	5
Interest On Average Collected Balance - WIC Program.....	20	18	21
Interest On Deposits	238	228	219
Interest On Securities	-1	-	-
Miscellaneous	117	100	90
Redeposit of Checks.....	651	336	269
Treasury Invest Inc	24,238	23,195	23,278
Unclaimed Property - Claim Payments.....	-140,000	-	-
Unclaimed Property - Financial Institution Deposits	60,889	86,391	81,601
Unclaimed Property - Other Holder Deposits	296,231	333,609	338,399
Unclaimed Property-Contra acct. other holder Fees	-	-210,000	-210,000
Interest Transferred To Hodge Trust Fund	-2	-2	-2
SUBTOTAL	<u>\$ 246,690</u>	<u>\$ 238,256</u>	<u>\$ 238,225</u>
DEPARTMENT TOTAL	<u>\$ 246,690</u>	<u>\$ 238,256</u>	<u>\$ 238,225</u>
Agriculture			
LICENSES AND FEES			
Abattoir Licenses.....	\$ *	\$ 1	\$ 1
Approved Inspectors Certificate And Registration Fees	2	3	3
Eating & Drinking Licenses	2,218	2,300	2,300
Egg Certification Fees	11	11	11
Ice Cream Licenses.....	143	150	150
Lab Directors' Exam Fees	1	3	3
Livestock Branding Fees	*	1	1

General Fund Revenue Detail

General Fund Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Estimated	2021-22 Budget
Poultry Technician Licenses.....	6	6	6
Pub Weighmasters (Under Act 155)	232	250	250
Registration Fee - Food Establishment.....	232	240	240
Garbage Feeders' Licenses	*	*	*
Rendering Plant Licenses	1	2	2
SUBTOTAL.....	<u>\$ 2,849</u>	<u>\$ 2,965</u>	<u>\$ 2,965</u>
MISCELLANEOUS REVENUE			
Interest Earnings Contra	\$ -144	\$ -	\$ -
Miscellaneous.....	*	1	1
Right to Know	*	1	1
SUBTOTAL.....	<u>\$ -143</u>	<u>\$ 2</u>	<u>\$ 2</u>
DEPARTMENT TOTAL	<u>\$ 2,706</u>	<u>\$ 2,967</u>	<u>\$ 2,967</u>
Banking and Securities			
LICENSES AND FEES			
Licenses and Fees	\$ 28,089	\$ 27,987	\$ 27,987
MISCELLANEOUS REVENUE			
Miscellaneous.....	\$ -	\$ *	\$ *
DEPARTMENT TOTAL	<u>\$ 28,089</u>	<u>\$ 27,987</u>	<u>\$ 27,987</u>
Civil Service Commission			
MISCELLANEOUS REVENUE			
Reimbursement - State Civil Service Commission.....	\$ -	\$ 3,800	\$ 3,800
Special Merit System.....	-	200	200
SUBTOTAL.....	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>
DEPARTMENT TOTAL	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>
Community and Economic Development			
LICENSES AND FEES			
Municipal Indebtedness Fees.....	\$ 271	\$ 215	\$ 215
MISCELLANEOUS REVENUE			
Loans Other Income.....	\$ 2	\$ -	\$ -
Miscellaneous.....	*	-	-
Contract Interest.....	23	15	15
ID/BID Principle Repayments.....	1,188	250	200
ID/BID Interest on Loans.....	48	45	40
ID/Bid Penalty Charges	1	1	1
PENNWORKS Interest on Loans	710	600	500
PENNWORKS Penalty Charges	1	1	1

General Fund Revenue Detail

General Fund Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Estimated	2021-22 Budget
PENNSWORKS Principle Repayment.....	4,190	3,800	3,600
GENERAL Interest on Loans	1	1	1
SUBTOTAL.....	<u>\$ 6,164</u>	<u>\$ 4,713</u>	<u>\$ 4,358</u>
DEPARTMENT TOTAL	<u>\$ 6,435</u>	<u>\$ 4,928</u>	<u>\$ 4,573</u>
Conservation and Natural Resources			
MISCELLANEOUS REVENUE			
Camp Leases	\$ 777	\$ 780	\$ 780
Ground Rents	20	17	17
Housing Rents.....	24	23	23
Mineral Sales.....	1	1	1
Miscellaneous.....	*	1	1
Refunds Not Credited To Appropriation	*	-	-
Sale of DEP Water Kits	*	1	1
Parks Consignment Sales.....	*	-	-
Rights-Of-Way.....	1,074	1,075	1,075
Water Leases	22	22	22
SUBTOTAL.....	<u>\$ 1,919</u>	<u>\$ 1,919</u>	<u>\$ 1,919</u>
DEPARTMENT TOTAL	<u>\$ 1,919</u>	<u>\$ 1,919</u>	<u>\$ 1,919</u>
Criminal Justice			
MISCELLANEOUS REVENUE			
Miscellaneous.....	\$ 70	\$ -	\$ -
Refunds of Expenditures Not Credited to Appropriations	2	-	-
Telephone Commissions.....	3,234	3,803	3,814
SUBTOTAL.....	<u>\$ 3,305</u>	<u>\$ 3,803</u>	<u>\$ 3,814</u>
DEPARTMENT TOTAL	<u>\$ 3,305</u>	<u>\$ 3,803</u>	<u>\$ 3,814</u>
Education			
LICENSES AND FEES			
Fees For Licensing Private Schools.....	\$ 84	\$ 144	\$ 144
Private Academic School Teacher Certification Fees	42	45	45
Fees For Licensing Private Driver Training Schools	78	78	79
Fees Transcripts/Closed Private Schools	*	*	*
Secondary Education Evaluation Fees	8	8	8
Teacher Certification Fees	2,299	2,126	2,126
Fingerprint and FBI Background Check Fees	742	675	675
SUBTOTAL.....	<u>\$ 3,252</u>	<u>\$ 3,076</u>	<u>\$ 3,076</u>
MISCELLANEOUS REVENUE			
Right to Know	\$ *	\$ -	\$ -
Miscellaneous.....	89	-	-
SUBTOTAL.....	<u>\$ 89</u>	<u>\$ -</u>	<u>\$ -</u>
DEPARTMENT TOTAL	<u>\$ 3,342</u>	<u>\$ 3,076</u>	<u>\$ 3,076</u>

General Fund Revenue Detail

General Fund Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Estimated	2021-22 Budget
Environmental Protection			
LICENSES AND FEES			
Bituminous Shot Firers And Machine Runners Exam A.....	\$ 3	\$ 2	\$ 2
Blasters' Examination And Licensing Fees	16	16	16
Explosives Storage Permit Fees	73	75	75
Government Financed Cost Contracts	56	56	56
Hazardous Waste Facility Annual Permit Administration Fees	29	30	30
Hazardous Waste Facility Permit Application Fees	8	8	8
Hazardous Waste Storage-Disposal Fac-Fee.....	1	1	1
Hazardous Waste Transporter License and Fees.....	44	44	44
Infectious & Chemical Waste Transport Fees	12	13	13
Municipal Waste Annual Permit Administration Fees	226	226	226
Municipal Waste Permit Application Fees	29	29	29
Residual Waste Permit Administration Fees	164	164	164
Residual Waste Permit Application/Modification Fees	49	49	49
Sewage Permit Fees.....	116	112	112
Submerged Land Fees.....	59	55	55
Water Bacteriological Examination Fees	8	8	8
Water Power And Supply Permit Fees.....	95	94	94
SUBTOTAL	\$ 988	\$ 982	\$ 982
MISCELLANEOUS REVENUE			
Ground Rentals	\$ 10	\$ 10	\$ 10
Miscellaneous.....	1	1	1
Payment To Occupy Submerged Lands	2,610	2,305	2,305
Refunds of Expenditures Not Credited to Appropriations	8	5	5
Rights-Of-Way	27	27	27
Royalties to Recovery Of Materials - Schuylkill River	85	82	82
SUBTOTAL	\$ 2,741	\$ 2,430	\$ 2,430
DEPARTMENT TOTAL	\$ 3,729	\$ 3,412	\$ 3,412
Gaming Control Board			
LICENSES AND FEES			
VGT License Fees.....	\$ 21	\$ 15	\$ 15
VGT Application Fees	203	150	150
Fantasy Contest Authorization Fees	67	-	-
Sports Wagering Authorization Fees	30,113	10,010	-
Interactive Gaming Authorization Fees	2,092	1,018	-
Slot License Fees.....	100	3,750	-
Ancillary Table Games License Fees.....	193	189	350
SUBTOTAL	\$ 32,788	\$ 15,132	\$ 515

General Fund Revenue Detail

General Fund Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Estimated	2021-22 Budget
MISCELLANEOUS REVENUE			
Refunds Of Expend Not Credited To Approp BA65	\$ *	\$ -	\$ -
PGCB Start-up Loan Repayments, Act 42 of 2017	1,330	-	-
SUBTOTAL	\$ 1,330	\$ -	\$ -
DEPARTMENT TOTAL	\$ 34,118	\$ 15,132	\$ 515
General Services			
MISCELLANEOUS REVENUE			
Allocation of Purchasing Costs Job 7	\$ 2,489	\$ 3,000	\$ 3,250
Real Estate Services	406	410	415
Rental of State Property	56	90	90
Right to Know	-	*	*
Sale of State Property	776	2,000	1,500
Sale of Property Escrow	25	25	30
Reading State Office Building	239	240	245
Refunds Of Expend Not Credited To Approp	-	*	*
Scranton State Office Building	412	480	475
Rebates to be Distributed	4	-	-
SUBTOTAL	\$ 4,408	\$ 6,245	\$ 6,005
DEPARTMENT TOTAL	\$ 4,408	\$ 6,245	\$ 6,005
Human Services			
LICENSES AND FEES			
Personal Care Facilities Licenses	\$ 53	\$ 54	\$ 54
Service Participation Fees	68	-	-
SUBTOTAL	\$ 121	\$ 54	\$ 54
MISCELLANEOUS REVENUE			
Miscellaneous	\$ *	\$ *	\$ 4
Refunds of Expenditures Not Credited to Appropriations	1	1	2
SUBTOTAL	\$ 1	\$ 1	\$ 6
DEPARTMENT TOTAL	\$ 122	\$ 55	\$ 60
Health			
LICENSES AND FEES			
Bathing Place Program - Application Fees	\$ 1	\$ 1	\$ 1
Birth Certificate Fees	6,956	7,188	7,188
Birth Certificate Fees - Transfer	-3,628	-3,831	-3,831
CRE Certification Fees	21	22	22
Home Care Agency Licensure Fees	331	303	303
Hospice Licensing Fees	9	20	20
Miscellaneous Licensure Fees	227	247	247

General Fund Revenue Detail

General Fund Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Estimated	2021-22 Budget
Nursing Home Licenses	301	294	294
Pediatric Extended Care Licensing Fees	2	3	3
Profit Making Hospital Licenses	221	227	227
Organized Camps Program Fees.....	5	3	3
Registration Fees - Hearing Aid Act.....	107	114	114
Registration Fees - Drugs Devices and Cosmetics Act	537	526	526
Vital Statistics Fees	758	951	951
Wholesale Prescription Drug Distribution Licenses	29	32	32
SUBTOTAL	<u>\$ 5,879</u>	<u>\$ 6,097</u>	<u>\$ 6,097</u>
MISCELLANEOUS REVENUE			
Miscellaneous.....	\$ 48	\$ 140	\$ 140
Right to Know	*	2	2
SUBTOTAL	<u>\$ 48</u>	<u>\$ 141</u>	<u>\$ 141</u>
DEPARTMENT TOTAL	<u>\$ 5,927</u>	<u>\$ 6,239</u>	<u>\$ 6,239</u>
Historical and Museum Commission			
MISCELLANEOUS REVENUE			
Keystone Fund	\$ -	\$ 497	\$ 497
Box Storage at SRC	-	823	763
DEPARTMENT TOTAL	<u>\$ -</u>	<u>\$ 1,320</u>	<u>\$ 1,260</u>
Insurance			
LICENSES AND FEES			
Agents' Licenses	\$ 37,988	\$ 38,000	\$ 38,100
Brokers' Licenses	14,449	13,580	13,797
Division of Companies Certification - Certificates and Filing Fees.....	1,742	1,950	1,950
Miscellaneous Fees.....	600	650	650
Contra Transfers	-32,489	-32,090	-32,249
Valuation of Policies Fees	10,200	10,000	10,000
SUBTOTAL	<u>\$ 32,489</u>	<u>\$ 32,090</u>	<u>\$ 32,249</u>
MISCELLANEOUS REVENUE			
Miscellaneous.....	\$ *	\$ -	\$ -
DEPARTMENT TOTAL	<u>\$ 32,489</u>	<u>\$ 32,090</u>	<u>\$ 32,249</u>
Labor and Industry			
LICENSES AND FEES			
Accessibility	\$ 25	\$ 70	\$ 70
Approval Of Building Plan Fees	432	750	750
Approval Of Elevator Plan Fees	980	2,700	2,700
Bedding And Upholstery Fees.....	596	1,500	1,500
Boiler Inspections Fees	1,474	5,200	5,200

General Fund Revenue Detail

General Fund Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Estimated	2021-22 Budget
Boiler Plan Fees	100	325	325
Elevator Inspection Fees	602	2,100	2,100
Flammable Liquids Storage Fees	226	520	520
Industrial Board	140	140	140
Liquefied Petroleum Gas Plan Fees	1	10	10
Liquefied Petroleum Gas Regis Fees	174	425	425
Stuffed Toys Manufacturers' Registration Fees	51	140	140
UCC Certifications	46	120	120
SUBTOTAL	<u>\$ 4,849</u>	<u>\$ 14,000</u>	<u>\$ 14,000</u>
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 502	\$ -	\$ -
Interest Earnings Contra	-73	-	-
Act 64 - Contra	-3	-	-
Refunds of Expenditures Not Credited to Appropriations	*	-	-
SUBTOTAL	<u>\$ 426</u>	<u>\$ -</u>	<u>\$ -</u>
DEPARTMENT TOTAL	<u>\$ 5,275</u>	<u>\$ 14,000</u>	<u>\$ 14,000</u>
Revenue			
LICENSES AND FEES			
Certification And Copy Fees	\$ 81	\$ 67	\$ 70
Cigarette Permit Fees	1,505	1,505	1,505
Domestic Violence and Rape Crisis Program Fee	982	921	860
Fee - Act 42 of 2017	-15,892	10,000	-
SUBTOTAL	<u>\$ -13,323</u>	<u>\$ 12,492</u>	<u>\$ 2,435</u>
MISCELLANEOUS REVENUE			
Exempt Collections Per Act 1992-67	\$ 15,735	\$ 15,735	\$ 15,735
District Justice Costs	11,959	11,959	11,959
Act 64 Contra	-4,328	-4,328	-4,328
Miscellaneous	-930	135	135
Distribution Due Absentee	-1	-	-
Conscience Money	*	2	2
Refunds of Expenditures Not Credited to Appropriations	37	40	40
Misc	14	18	18
Right To Know	26	1	1
Miscellaneous	-1,898	-	-
SUBTOTAL	<u>\$ 20,615</u>	<u>\$ 23,562</u>	<u>\$ 23,562</u>
DEPARTMENT TOTAL	<u>\$ 7,291</u>	<u>\$ 36,054</u>	<u>\$ 25,996</u>

General Fund Revenue Detail

General Fund Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Estimated	2021-22 Budget
State			
LICENSES AND FEES			
Charities Bureau Registration Fees	\$ 2,823	\$ 3,111	\$ 3,173
Commission And Filing Fees - Bureau Of Elections	622	660	620
Commission And Filing Fees - Corporation Bureau	30,773	32,066	31,066
Campaign Finance Fee	84	100	75
Notary Public Commission Fees	811	975	950
SUBTOTAL	<u>\$ 35,113</u>	<u>\$ 36,912</u>	<u>\$ 35,884</u>
MISCELLANEOUS REVENUE			
Prof. & Occupational Affairs Credit Card Transfer	\$ -115	\$ -	\$ -
Interest Transferred to HAVA Program	-308	-	-
Refunds Of Expend Not Credited To Approp	*	-	-
SUBTOTAL	<u>\$ -423</u>	<u>\$ -</u>	<u>\$ -</u>
DEPARTMENT TOTAL	<u>\$ 34,690</u>	<u>\$ 36,912</u>	<u>\$ 35,884</u>
State Police			
MISCELLANEOUS REVENUE			
Act 64 - Contra Miscellaneous Revenue	\$ -139	\$ -	\$ -
Miscellaneous	122	175	175
Refunds of Expenditures Not Credited to Appropriations	5	300	300
Reimbursement For Lost Property	-	1	1
SUBTOTAL	<u>\$ -11</u>	<u>\$ 476</u>	<u>\$ 476</u>
DEPARTMENT TOTAL	<u>\$ -11</u>	<u>\$ 476</u>	<u>\$ 476</u>
Transportation			
MISCELLANEOUS REVENUE			
Right to Know	\$ 6	\$ 8	\$ 8
Misc	-48	10	10
SUBTOTAL	<u>\$ -42</u>	<u>\$ 18</u>	<u>\$ 18</u>
DEPARTMENT TOTAL	<u>\$ -42</u>	<u>\$ 18</u>	<u>\$ 18</u>
Other			
LICENSES AND FEES			
Liquor Control Board - Small Games of Chance – License Fees	\$ 42	\$ *	\$ *
MISCELLANEOUS REVENUE			
Payments in Lieu of Taxes - SWIF	\$ 2,209	\$ 3,000	\$ 3,000
Supreme Court	17	-	-
Transfers From Special Funds	6,205	310,975	16,500
Loans From Other Fund(Bdgt)	-	185,000	-
SUBTOTAL	<u>\$ 8,430</u>	<u>\$ 498,975</u>	<u>\$ 19,500</u>
DEPARTMENT TOTAL	<u>\$ 8,472</u>	<u>\$ 498,975</u>	<u>\$ 19,500</u>
Total Licenses, Fees and Miscellaneous	<u>\$ 411,847</u>	<u>\$ 921,500</u>	<u>\$ 415,800</u>

General Fund Revenue Detail

General Fund Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Estimated	Budget
Other Fines and Penalties			
Attorney General			
Criminal Restitution General Fund	\$ 63	\$ 60	\$ 60
Agriculture			
Amusement Rides and Attractions - Fines	-	3	3
General Food Fines	8	15	15
Civil Penalties - Food Establishments	3	10	10
Fines - Weights & Measurements Division	-	3	3
Act 64 - Contra	-8	-	-
Miscellaneous Fines	10	5	5
Ethics Commission			
Violations-Act 1978-170	50	50	50
Lobbying Act Civil Penalties Act 134-206	38	60	45
Gaming Control Board			
Miscellaneous Fines and Penalties	355	355	355
Health			
Non-Compliance Fines and Penalties	2	8	8
Insurance			
Miscellaneous Fines	1,768	1,000	1,000
Surcharge on Moving Vehicles Violations	31,013	25,000	28,000
Labor and Industry			
BOIS Regulatory Fines	*	-	-
Miscellaneous Fines	47	-	-
Act 64 - Contra Revenue	-4	-	-
Public Utility Commission			
Violation of Order Fines	97	500	500
Revenue			
CRIZ Program Penalties	-	6	6
Commercial Driver Fines	343	339	339
Act 64 Contra revenue code	-6,901	-7,817	-7,817
Act 64 Contra revenue code	-4,443	-4,395	-4,357
Act 154 - 1994 Police Pursuits	*	*	*
Vehicle Codes Fines - Lcl Police Enf	18,254	18,205	18,167
Vehicle Code Fines - Overweight Trucks	319	432	432
Vehicle Code Fines - St Police Enf	16,250	17,167	17,167

General Fund Revenue Detail

General Fund Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Estimated	2021-22 Budget
Transportation			
Emission Regulation Fines & Penalties.....	22	50	51
Fines - Restoration - Operating Privileges	8,880	8,500	8,500
Restoration of Vehicle Registration	1,820	2,550	2,600
Total Fines, Penalties and Interest.....	\$ 67,984	\$ 62,100	\$ 65,100
TOTAL NONTAX REVENUE	\$ 664,931	\$ 1,168,700	\$ 666,000
TOTAL GENERAL FUND REVENUE	\$ 32,275,785	\$ 37,490,200	\$ 40,085,800

* Less than \$500 or greater than -\$500.
Details may not add to totals due to rounding.

General Fund Revenue Summary

Revenue History

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

(Dollar Amounts in Thousands)

	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual
TAX REVENUE						
Corporation Taxes						
Corporate Net Income Tax	\$ 2,811,484	\$ 2,842,388	\$ 2,751,473	\$ 2,879,024	\$ 3,397,543	\$ 2,826,881
Selective Business:						
Gross Receipts Tax.....	1,261,820	1,304,907	1,230,536	1,149,934	1,250,052	1,104,261
Public Utility Realty Tax.....	38,157	39,211	40,185	33,817	36,293	37,822
Insurance Premium Tax	454,307	464,626	433,426	450,857	444,303	473,579
Financial Institutions Taxes	294,079	329,997	322,544	371,314	380,138	392,886
Total - Corporation Taxes.....	\$ 4,859,848	\$ 4,981,129	\$ 4,778,164	\$ 4,884,945	\$ 5,508,328	\$ 4,835,428
Consumption Taxes						
Sales and Use Tax.....	\$ 9,493,107	\$ 9,795,189	\$ 10,004,459	\$ 10,381,360	\$ 11,099,648	\$ 10,817,808
Cigarette Tax	927,205	911,512	1,261,572	1,198,252	1,118,764	924,341
Other Tobacco Products Tax	-	-	83,915	119,120	129,930	127,274
Malt Beverage Tax	24,473	24,946	24,396	24,115	23,534	23,167
Liquor Tax	334,414	348,056	361,856	371,508	381,876	365,707
Total - Consumption Taxes	\$ 10,779,199	\$ 11,079,703	\$ 11,736,199	\$ 12,094,354	\$ 12,753,752	\$ 12,258,298
Other Taxes						
Personal Income Tax	\$ 12,107,376	\$ 12,505,964	\$ 12,664,373	\$ 13,398,955	\$ 14,095,522	\$ 12,835,000
Realty Transfer Tax.....	413,779	481,720	478,005	514,441	533,981	497,792
Inheritance Tax	1,002,259	962,234	977,927	1,019,323	1,053,588	1,082,038
Gaming Taxes.....	95,921 ^a	100,200 ^a	120,611 ^a	123,059 ^a	131,673 ^a	143,022 ^a
Minor and Repealed Taxes	233,937 ^{bc}	146,871 ^{bc}	-2,962 ^{bc}	-31,675 ^{bc}	-20,539 ^{bc}	-40,724 ^{bc}
Total - Other Taxes	\$ 13,853,272	\$ 14,196,988	\$ 14,237,955	\$ 15,024,102	\$ 15,794,224	\$ 14,517,129
TOTAL TAX REVENUE.....	\$ 29,492,319	\$ 30,257,820	\$ 30,752,318	\$ 32,003,401	\$ 34,056,304	\$ 31,610,854
NONTAX REVENUE						
State Stores Fund Transfer	\$ 80,000	\$ - ^d	\$ 216,400	\$ 185,100	\$ 185,100	\$ 185,100
Licenses, Fees and Miscellaneous:						
Licenses and Fees	110,082	116,716	119,138	322,964	326,835	133,407
Miscellaneous	839,933	455,091	501,867	1,980,128	216,729	278,439
Fines, Penalties and Interest:						
On Taxes	-	-	-	-	-	-
Other.....	70,167	71,954	79,276	75,355	72,910	67,984
TOTAL NONTAX REVENUE.....	\$ 1,100,182	\$ 643,761	\$ 916,682	\$ 2,563,547	\$ 801,574	\$ 664,931
GENERAL FUND TOTAL.....	\$ 30,592,501	\$ 30,901,581	\$ 31,669,000	\$ 34,566,948	\$ 34,857,878	\$ 32,275,785

^a This includes revenues originally collected under the Table Games revenue classification.

^b This includes revenues originally collected under the Other Selective Business Taxes revenue classification.

^c This includes revenues originally collected under the Capital Stock and Franchise Taxes revenue classification.

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

Details may not add to totals due to rounding.

Summary by Department

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Governor's Office			
General Government			
Governor's Office	\$ 6,872	\$ 6,706	\$ 6,706
TOTAL STATE FUNDS	\$ 6,872	\$ 6,706	\$ 6,706
Augmentations	2,216	2,153	2,205
DEPARTMENT TOTAL	\$ 9,088	\$ 8,859	\$ 8,911
Executive Offices			
General Government			
Office of Administration	\$ 9,724	\$ 9,647	\$ 9,556
Office of State Inspector General	4,450	4,369	4,276
Inspector General - Welfare Fraud	12,027	11,799	11,799
Office of the Budget	19,199	18,788	18,788
Audit of the Auditor General	-	99	-
Office of General Counsel	5,673	5,529	5,838
Human Relations Commission	10,307	10,088	9,713
Council on the Arts	884	867	867
Juvenile Court Judges' Commission	3,043	2,980	2,980
Transfer to Census Outreach - Complete Count	4,000	-	-
Transfer to Nonprofit Security Grant Fund	5,000	5,000	-
Transfer to Commonwealth Financing Authority	-	5,000	-
Loan to Video Gaming Fund (EA)	1,192	-	-
Subtotal	\$ 75,499	\$ 74,166	\$ 63,817
Grants and Subsidies			
Juvenile Probation Services	\$ 18,945	\$ 18,945	\$ 18,945
Law Enforcement Activities	3,000	3,000	3,000
Grants to the Arts	9,590	9,590	9,590
Subtotal	\$ 31,535	\$ 31,535	\$ 31,535
TOTAL STATE FUNDS	\$ 107,034	\$ 105,701	\$ 95,352
Federal Funds	19,888	17,485	17,336
Augmentations	443,851	447,853	464,932
Restricted	20,763	24,900	23,900
DEPARTMENT TOTAL	\$ 591,536	\$ 595,939	\$ 601,520
Commission on Crime and Delinquency			
General Government			
Commission on Crime and Delinquency	\$ 9,735	\$ 9,627	\$ 9,627
Violence and Delinquency Prevention Programs	4,039	4,033	4,033
Office of Safe Schools Advocate	-	379	379
Subtotal	\$ 13,774	\$ 14,039	\$ 14,039

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Grants and Subsidies			
Improvement of Adult Probation Services	\$ -	\$ 16,222	\$ 16,222
Victims of Juvenile Offenders	1,300	1,300	1,300
Intermediate Punishment Treatment Programs	18,167	18,167	18,167
Subtotal	<u>\$ 19,467</u>	<u>\$ 35,689</u>	<u>\$ 35,689</u>
TOTAL STATE FUNDS	<u>\$ 33,241</u>	<u>\$ 49,728</u>	<u>\$ 49,728</u>
Federal Funds	212,678	205,761	198,405
Augmentations	8,051	15,785	4,920
Restricted	21,668	22,805	24,838
DEPARTMENT TOTAL	<u>\$ 275,638</u>	<u>\$ 294,079</u>	<u>\$ 277,891</u>
Lieutenant Governor			
General Government			
Lieutenant Governor's Office	\$ 1,394	\$ 1,330	\$ 1,137
Board of Pardons	1,437	906	928
Subtotal	<u>\$ 2,831</u>	<u>\$ 2,236</u>	<u>\$ 2,065</u>
TOTAL STATE FUNDS	<u>\$ 2,831</u>	<u>\$ 2,236</u>	<u>\$ 2,065</u>
DEPARTMENT TOTAL	<u>\$ 2,831</u>	<u>\$ 2,236</u>	<u>\$ 2,065</u>
Attorney General			
General Government			
General Government Operations	\$ 47,496	\$ 46,657	\$ 47,408
Drug Law Enforcement	49,682	49,054	49,455
Joint Local-State Firearm Task Force	6,878	6,815	6,815
Witness Relocation	1,215	1,215	1,215
Child Predator Interception	5,375	5,280	5,755
Tobacco Law Enforcement	1,648	1,489	1,353
School Safety	1,696	1,664	1,666
Subtotal	<u>\$ 113,990</u>	<u>\$ 112,174</u>	<u>\$ 113,667</u>
Grants and Subsidies			
County Trial Reimbursement	\$ 200	\$ 200	\$ 200
TOTAL STATE FUNDS	<u>\$ 114,190</u>	<u>\$ 112,374</u>	<u>\$ 113,867</u>
Federal Funds	16,849	17,142	16,542
Augmentations	657	422	251
Restricted	50,188	63,131	62,065
DEPARTMENT TOTAL	<u>\$ 181,884</u>	<u>\$ 193,069</u>	<u>\$ 192,725</u>
Auditor General			
General Government			
Auditor General's Office	\$ 36,455	\$ 35,681	\$ 35,681

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Special Financial Audits.....	500	500	-
Board of Claims	1,910	1,880	1,880
Subtotal.....	<u>\$ 38,865</u>	<u>\$ 38,061</u>	<u>\$ 37,561</u>
TOTAL STATE FUNDS.....	<u>\$ 38,865</u>	<u>\$ 38,061</u>	<u>\$ 37,561</u>
Augmentations.....	<u>12,525</u>	<u>10,845</u>	<u>11,359</u>
DEPARTMENT TOTAL.....	<u>\$ 51,390</u>	<u>\$ 48,906</u>	<u>\$ 48,920</u>
Treasury			
General Government			
General Government Operations.....	\$ 36,593	\$ 35,715	\$ 35,715
Board of Finance and Revenue	2,931	2,877	2,877
Divestiture Reimbursement	40	83	300
Publishing Monthly Statements	10	5	5
Intergovernmental Organizations.....	1,128	1,168	1,152
Information Technology Cyber Security.....	1,000	1,000	1,000
Subtotal.....	<u>\$ 41,702</u>	<u>\$ 40,848</u>	<u>\$ 41,049</u>
Grants and Subsidies			
Law Enforcement & Emergency Response Personnel Death Benefit.....	\$ 2,980	\$ 2,980	\$ 2,980
Transfer to ABLE Fund	1,130	900	900
Subtotal.....	<u>\$ 4,110</u>	<u>\$ 3,880</u>	<u>\$ 3,880</u>
Debt Service			
Loan and Transfer Agent	\$ 40	\$ 40	\$ 40
Tax Note Expenses (EA)	-	338	-
Interest on Tax Anticipation Notes (EA).....	-	3,000	-
Cash Management Loan Interest (EA)	7,315	-	1,500
General Obligation Debt Service	1,144,000	1,143,433	1,260,000
Subtotal.....	<u>\$ 1,151,355</u>	<u>\$ 1,146,811</u>	<u>\$ 1,261,540</u>
TOTAL STATE FUNDS.....	<u>\$ 1,197,167</u>	<u>\$ 1,191,539</u>	<u>\$ 1,306,469</u>
Augmentations.....	<u>6,342</u>	<u>7,608</u>	<u>7,850</u>
DEPARTMENT TOTAL.....	<u>\$ 1,203,509</u>	<u>\$ 1,199,147</u>	<u>\$ 1,314,319</u>
Aging			
Federal Funds.....	<u>\$ 174,564</u>	<u>\$ 112,564</u>	<u>\$ 105,348</u>
DEPARTMENT TOTAL.....	<u>\$ 174,564</u>	<u>\$ 112,564</u>	<u>\$ 105,348</u>
Agriculture			
General Government			
General Government Operations.....	\$ 33,731	\$ 33,128	\$ 34,452
Transfer to Dog Law Administration	-	1,200	1,500
Agricultural Preparedness and Response	4,000	3,000	3,000
Agricultural Excellence	2,800	2,800	2,800

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Agricultural Business and Workforce Investment	4,500	4,500	4,500
Farmers' Market Food Coupons	2,079	2,079	2,079
Agricultural Research	2,187	2,187	-
Agricultural Promotion, Education and Exports	553	553	-
Hardwoods Research and Promotion	474	474	-
Subtotal	\$ 50,324	\$ 49,921	\$ 48,331
Grants and Subsidies			
Livestock and Consumer Health Protection	\$ 1,000	\$ 1,000	\$ -
Animal Health and Diagnostic Commission	2,000	2,000	-
Livestock Show	215	215	-
Open Dairy Show	215	215	-
Youth Shows	169	169	169
State Food Purchase	19,688	19,688	18,188
Pennsylvania Agricultural Surplus System	-	-	2,500
Food Marketing and Research	494	494	-
Transfer to Nutrient Management Fund	6,200	6,200	6,200
Transfer to Conservation District Fund	869	869	869
Transfer to Agricultural College Land Scrip Fund	54,960	54,960	54,960
PA Preferred Program Trademark Licensing	3,205	3,205	3,205
University of Pennsylvania - Veterinary Activities	31,660	31,660	31,660
University of Pennsylvania - Center for Infectious Disease	295	295	295
Subtotal	\$ 120,970	\$ 120,970	\$ 118,046
TOTAL STATE FUNDS	\$ 171,294	\$ 170,891	\$ 166,377
Federal Funds	148,081	105,513	98,470
Augmentations	9,488	9,719	9,702
Restricted	12,753	15,451	15,665
DEPARTMENT TOTAL	\$ 341,616	\$ 301,574	\$ 290,214
Banking and Securities			
Restricted	\$ 10,006	\$ 9,477	\$ 9,477
DEPARTMENT TOTAL	\$ 10,006	\$ 9,477	\$ 9,477
Community and Economic Development			
General Government			
General Government Operations	\$ 19,509	\$ 19,083	\$ 19,832
Center for Local Government Services	4,287	4,217	4,217
Office of Open Records	3,356	3,299	3,299
Office of International Business Development	5,871	5,830	5,830
Marketing to Attract Tourists	17,339	17,826	4,054
Marketing to Attract Business	2,027	2,016	2,016

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Base Realignment and Closure	562	556	1,056
Subtotal.....	\$ 52,951	\$ 52,827	\$ 40,304
Grants and Subsidies			
Transfer to Municipalities Financial Recovery Revolving Fund	\$ 4,500	\$ 4,500	\$ 4,500
Transfer to Ben Franklin Tech. Development Authority Fund.....	14,500	14,500	14,500
Intergovernmental Cooperation Authority - 3rd Class Cities.....	100	100	100
Pennsylvania First	32,000	20,000	12,000
WEDnetPA.....	-	-	8,000
Municipal Assistance Program	546	546	546
Keystone Communities.....	21,075	24,225	6,357
State Facility Closure Transition Program	-	5,000	-
Partnerships for Regional Economic Performance.....	9,880	9,880	9,880
Manufacturing PA	12,000	12,000	15,000
Strategic Management Planning Program.....	2,367	2,367	2,367
Tourism - Accredited Zoos.....	800	800	-
Infrastructure Technology Assistance Program.....	2,000	2,000	-
Super Computer Center.....	500	500	-
Powdered Metals	100	100	-
Rural Leadership Training	100	100	-
Infrastructure and Facilities Improvement Grants.....	10,000	10,000	10,000
Public Television Technology	750	750	-
Food Access Initiative.....	1,000	1,000	-
Local Municipal Relief.....	14,217	20,450	-
Subtotal.....	\$ 126,435	\$ 128,818	\$ 83,250
TOTAL STATE FUNDS.....	\$ 179,386	\$ 181,645	\$ 123,554
Federal Funds.....	1,399,112	250,625	276,357
Augmentations.....	204,621	7,800	7,230
Restricted.....	5,772	22,746	10,246
DEPARTMENT TOTAL.....	\$ 1,788,891	\$ 462,816	\$ 417,387
Conservation and Natural Resources			
General Government			
General Government Operations.....	\$ 25,804	\$ 26,717	\$ 28,350
State Parks Operations.....	55,311	54,326	57,604
State Forests Operations	25,742	40,635	44,187
Parks and Forests Infrastructure Projects	900	900	-
Subtotal.....	\$ 107,757	\$ 122,578	\$ 130,141

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Grants and Subsidies			
Heritage and Other Parks	\$ 1,025	\$ 3,852	\$ 2,250
Annual Fixed Charges - Flood Lands	70	70	70
Annual Fixed Charges - Project 70	88	88	88
Annual Fixed Charges - Forest Lands	7,808	7,812	7,851
Annual Fixed Charges - Park Lands	430	430	430
Subtotal	<u>\$ 9,421</u>	<u>\$ 12,252</u>	<u>\$ 10,689</u>
TOTAL STATE FUNDS	<u>\$ 117,178</u>	<u>\$ 134,830</u>	<u>\$ 140,830</u>
Federal Funds	53,404	57,565	54,190
Augmentations	57,846	55,613	47,042
Restricted	7,045	8,517	8,925
DEPARTMENT TOTAL	<u>\$ 235,473</u>	<u>\$ 256,525</u>	<u>\$ 250,987</u>
Criminal Justice			
Institutional			
Medical Care	\$ 308,710	\$ 236,486	\$ 331,486
Correctional Education and Training	42,601	41,621	42,597
State Correctional Institutions	2,043,718	1,130,038	2,083,044
Subtotal	<u>\$ 2,395,029</u>	<u>\$ 1,408,145</u>	<u>\$ 2,457,127</u>
General Government			
General Government Operations	\$ 45,035	\$ 44,268	\$ 41,493
State Field Supervision	140,602	141,527	144,356
Pennsylvania Parole Board	12,104	11,859	12,121
Office of Victim Advocate	-	-	2,775
Sexual Offenders Assessment Board	6,691	6,582	6,582
Subtotal	<u>\$ 204,432</u>	<u>\$ 204,236</u>	<u>\$ 207,327</u>
Grants and Subsidies			
Improvement of Adult Probation Services	\$ 16,222	\$ -	\$ -
TOTAL STATE FUNDS	<u>\$ 2,615,683</u>	<u>\$ 1,612,381</u>	<u>\$ 2,664,454</u>
Federal Funds	16,046	1,218,255	14,823
Augmentations	36,319	9,861	5,861
Restricted	19,572	19,432	19,250
DEPARTMENT TOTAL	<u>\$ 2,687,620</u>	<u>\$ 2,859,929</u>	<u>\$ 2,704,388</u>
Drug and Alcohol Programs			
General Government			
General Government Operations	\$ 2,657	\$ 2,620	\$ 2,997

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Grants and Subsidies			
Assistance to Drug and Alcohol Programs	\$ 44,732	\$ 44,732	\$ 44,732
TOTAL STATE FUNDS	\$ 47,389	\$ 47,352	\$ 47,729
Federal Funds.....	263,233	369,431	303,004
Augmentations.....	-	2	1
Restricted.....	-	-	450
DEPARTMENT TOTAL.....	\$ 310,622	\$ 416,785	\$ 351,184
Education			
General Government			
General Government Operations.....	\$ 28,323	\$ 25,359	\$ 29,981
Recovery Schools.....	250	250	250
Office of Safe Schools Advocate	379	-	-
Information and Technology Improvement	3,740	3,740	3,740
PA Assessment	48,990	41,540	48,990
Transfer to Empowerment	-	-	7,000
State Library	2,280	2,238	2,238
Subtotal.....	\$ 83,962	\$ 73,127	\$ 92,199
Institutional			
Youth Development Centers - Education	\$ 8,285	\$ 8,283	\$ 8,283
Grants and Subsidies			
Basic Education Funding	\$ 6,742,838	\$ 6,810,389	\$ 8,133,774
Ready to Learn Block Grant	268,000	268,000	268,000
Pre-K Counts	217,284	217,284	242,284
Head Start Supplemental Assistance	64,178	64,178	69,178
Mobile Science and Math Education Programs.....	4,714	4,714	-
Teacher Professional Development.....	5,309	5,044	5,044
Adult and Family Literacy	12,475	12,475	11,675
Career and Technical Education	99,000	99,000	99,000
Career and Technical Education Equipment Grants	5,550	5,550	5,550
Authority Rentals and Sinking Fund Requirements	10,500	10,500	201,303
Pupil Transportation.....	706,097	605,765	622,408
Nonpublic and Charter School Pupil Transportation.....	79,442	79,442	79,442
Special Education	1,186,815	1,186,815	1,386,815
Early Intervention.....	314,500	325,500	336,500
Tuition for Orphans and Children Placed in Private Homes	48,000	48,000	50,747
Payments in Lieu of Taxes	168	170	170
Education of Migrant Laborers' Children.....	853	853	853

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
PA Chartered Schools for the Deaf and Blind	54,584	57,557	57,057
Special Education - Approved Private Schools	114,738	122,656	122,656
School Food Services	30,000	30,000	30,000
School Employees' Social Security	64,568	73,643	70,593
School Employees' Retirement	2,628,000	2,702,000	2,734,000
Services to Nonpublic Schools	87,939	87,939	87,939
Textbooks, Materials and Equipment for Nonpublic Schools	26,751	26,751	26,751
Public Library Subsidy	59,470	59,470	59,470
Library Services for the Visually Impaired and Disabled	2,567	2,567	2,567
Library Access	3,071	3,071	3,071
Job Training and Education Programs	37,920	36,420	-
Safe School Initiative	11,000	11,000	11,000
Trauma-Informed Education	750	750	-
Community Colleges	243,855	243,855	245,240
Transfer to Community College Capital Fund	48,869	48,869	52,078
Regional Community Colleges Services	2,136	2,136	2,136
Northern PA Regional College	7,000	7,000	7,000
Community Education Councils	2,393	2,393	2,393
Sexual Assault Prevention	1,000	1,000	1,000
Thaddeus Stevens College of Technology	18,701	18,701	18,701
State System of Higher Education	477,470	477,470	477,470
Penn State University - General Support	242,096	242,096	242,096
Pennsylvania College of Technology	26,736	26,736	26,736
University of Pittsburgh - General Support	151,507	151,507	151,507
Rural Education Outreach	3,346	3,346	3,346
Temple University - General Support	158,206	158,206	158,206
Lincoln University - General Support	15,166	15,166	15,166
Subtotal	<u>\$ 14,285,562</u>	<u>\$ 14,355,984</u>	<u>\$ 16,120,922</u>
TOTAL STATE FUNDS	<u>\$ 14,377,809</u>	<u>\$ 14,437,394</u>	<u>\$ 16,221,404</u>
Federal Funds	3,490,536	5,204,640	2,647,051
Augmentations	5,953	6,120	6,036
Restricted	<u>136,884</u>	<u>207,736</u>	<u>200,773</u>
DEPARTMENT TOTAL	<u>\$ 18,011,182</u>	<u>\$ 19,855,890</u>	<u>\$ 19,075,264</u>
Higher Education Assistance Agency			
Grants and Subsidies			
Grants to Students	\$ 310,733	\$ 310,733	\$ 309,733
Pennsylvania Internship Program Grants	450	450	450

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Ready to Succeed Scholarships.....	5,550	5,550	5,000
Matching Payments for Student Aid	13,121	13,121	13,121
Institutional Assistance Grants	26,521	26,521	26,521
Higher Education for the Disadvantaged	2,358	2,358	2,358
Higher Education of Blind or Deaf Students	49	49	49
Bond-Hill Scholarships.....	800	800	650
Cheyney Keystone Academy.....	3,500	3,500	3,000
Targeted Industry Cluster Scholarship Program.....	6,300	6,300	6,300
Subtotal.....	\$ 369,382	\$ 369,382	\$ 367,182
TOTAL STATE FUNDS.....	\$ 369,382	\$ 369,382	\$ 367,182
Federal Funds.....	42,200	-	-
Augmentations.....	15,500	15,500	15,000
DEPARTMENT TOTAL.....	\$ 427,082	\$ 384,882	\$ 382,182
Emergency Management Agency			
General Government			
General Government Operations.....	\$ 13,521	\$ 13,387	\$ 10,603
State Fire Commissioner	2,848	2,807	2,777
Subtotal.....	\$ 16,369	\$ 16,194	\$ 13,380
Grants and Subsidies			
Disaster Relief	\$ 18,800	\$ 16,700	\$ 31,113
Firefighters Memorial Flags	10	10	10
Red Cross Extended Care Program	250	250	250
Search and Rescue	250	250	-
Subtotal.....	\$ 19,310	\$ 17,210	\$ 31,373
TOTAL STATE FUNDS.....	\$ 35,679	\$ 33,404	\$ 44,753
Federal Funds.....	383,773	330,439	197,020
Augmentations.....	1,146	1,050	1,050
Restricted.....	3,209	3,681	3,605
DEPARTMENT TOTAL.....	\$ 423,807	\$ 368,574	\$ 246,428
Environmental Protection			
General Government			
General Government Operations.....	\$ 13,469	\$ 15,095	\$ 16,759
Environmental Hearing Board.....	2,574	2,554	2,593
Environmental Program Management	27,920	32,041	34,160
Chesapeake Bay Agricultural Source Abatement.....	-	2,935	3,461
Environmental Protection Operations	84,023	94,202	98,036

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Black Fly Control and Research	3,357	3,347	3,400
West Nile Virus and Zika Virus Control.....	5,378	5,345	5,609
Subtotal.....	<u>\$ 136,721</u>	<u>\$ 155,519</u>	<u>\$ 164,018</u>
Grants and Subsidies			
Delaware River Master	\$ -	\$ 38	\$ 38
Susquehanna River Basin Commission	-	205	205
Interstate Commission on the Potomac River	-	23	23
Delaware River Basin Commission	-	217	217
Ohio River Valley Water Sanitation Commission.....	-	68	68
Chesapeake Bay Commission.....	-	300	300
Transfer to Conservation District Fund	-	2,506	2,506
Interstate Mining Commission	-	15	15
Subtotal.....	<u>\$ -</u>	<u>\$ 3,372</u>	<u>\$ 3,372</u>
TOTAL STATE FUNDS.....	<u>\$ 136,721</u>	<u>\$ 158,891</u>	<u>\$ 167,390</u>
Federal Funds.....	252,944	254,442	254,420
Augmentations.....	64,618	36,969	37,808
Restricted.....	<u>76,813</u>	<u>88,417</u>	<u>105,397</u>
DEPARTMENT TOTAL.....	<u>\$ 531,096</u>	<u>\$ 538,719</u>	<u>\$ 565,015</u>
Ethics Commission			
General Government			
State Ethics Commission	\$ 3,015	\$ 2,932	\$ 2,932
TOTAL STATE FUNDS.....	<u>\$ 3,015</u>	<u>\$ 2,932</u>	<u>\$ 2,932</u>
DEPARTMENT TOTAL.....	<u>\$ 3,015</u>	<u>\$ 2,932</u>	<u>\$ 2,932</u>
General Services			
General Government			
General Government Operations.....	\$ 54,713	\$ 53,698	\$ 55,275
Capitol Police Operations	13,398	12,712	13,685
Rental, Relocation and Municipal Charges.....	22,302	22,702	27,232
Utility Costs.....	22,748	23,946	24,626
Excess Insurance Coverage.....	1,372	4,328	4,977
Capitol Fire Protection	5,000	5,000	5,000
Subtotal.....	<u>\$ 119,533</u>	<u>\$ 122,386</u>	<u>\$ 130,795</u>
TOTAL STATE FUNDS.....	<u>\$ 119,533</u>	<u>\$ 122,386</u>	<u>\$ 130,795</u>
Augmentations.....	63,040	62,442	64,295
Restricted.....	<u>1,586</u>	<u>500</u>	<u>1,500</u>
DEPARTMENT TOTAL.....	<u>\$ 184,159</u>	<u>\$ 185,328</u>	<u>\$ 196,590</u>

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Health			
General Government			
General Government Operations.....	\$ 26,283	\$ 21,822	\$ 27,726
Quality Assurance.....	22,513	23,093	23,043
Health Innovation.....	914	605	753
Achieving Better Care - MAP Program.....	2,672	2,715	2,893
Vital Statistics.....	100	100	100
State Laboratory.....	4,350	4,269	4,028
State Health Care Centers.....	22,505	12,054	23,004
Sexually Transmitted Disease Screening and Treatment.....	1,757	1,734	1,757
Subtotal.....	\$ 81,094	\$ 66,392	\$ 83,304
Grants and Subsidies			
Diabetes Programs.....	\$ 200	\$ 200	\$ -
Primary Health Care Practitioner.....	4,550	4,550	4,550
Community-Based Health Care Subsidy.....	2,125	2,000	2,000
Newborn Screening.....	7,092	7,092	7,092
Cancer Screening Services.....	2,563	2,563	2,563
AIDS Programs and Special Pharmaceutical Services.....	12,436	9,914	10,436
Regional Cancer Institutes.....	1,200	1,200	-
School District Health Services.....	34,620	34,620	34,620
Local Health Departments.....	25,421	25,421	33,712
Local Health - Environmental.....	2,389	2,389	2,529
Maternal and Child Health Services.....	1,533	1,005	1,278
Tuberculosis Screening and Treatment.....	913	913	913
Renal Dialysis.....	6,300	6,300	6,300
Services for Children with Special Needs.....	1,728	1,728	1,728
Adult Cystic Fibrosis & Other Chronic Respiratory Illnesses.....	750	750	450
Cooley's Anemia.....	100	100	100
Hemophilia.....	959	959	959
Lupus.....	100	100	-
Sickle Cell.....	1,260	1,260	1,260
Regional Poison Control Centers.....	700	700	-
Trauma Prevention.....	460	460	-
Epilepsy Support Services.....	550	550	-
Bio-Technology Research.....	7,700	7,700	-
Tourette's Syndrome.....	150	150	-
Amyotrophic Lateral Sclerosis Support Services.....	850	850	-

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Lyme Disease	3,000	3,000	2,000
Leukemia/Lymphoma	200	200	-
Subtotal.....	<u>\$ 119,849</u>	<u>\$ 116,674</u>	<u>\$ 112,490</u>
TOTAL STATE FUNDS.....	<u>\$ 200,943</u>	<u>\$ 183,066</u>	<u>\$ 195,794</u>
Federal Funds.....	1,043,309	1,476,689	631,648
Augmentations.....	4,322	4,857	4,338
Restricted.....	91,772	104,046	96,518
DEPARTMENT TOTAL.....	<u>\$ 1,340,346</u>	<u>\$ 1,768,658</u>	<u>\$ 928,298</u>
Health Care Cost Containment Council			
General Government			
Health Care Cost Containment Council.....	<u>\$ 3,355</u>	<u>\$ 3,167</u>	<u>\$ 3,167</u>
TOTAL STATE FUNDS.....	<u>\$ 3,355</u>	<u>\$ 3,167</u>	<u>\$ 3,167</u>
DEPARTMENT TOTAL.....	<u>\$ 3,355</u>	<u>\$ 3,167</u>	<u>\$ 3,167</u>
Historical and Museum Commission			
General Government			
General Government Operations.....	<u>\$ 21,555</u>	<u>\$ 21,150</u>	<u>\$ 20,677</u>
Grants and Subsidies			
Cultural and Historical Support.....	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>
TOTAL STATE FUNDS.....	<u>\$ 23,555</u>	<u>\$ 23,150</u>	<u>\$ 22,677</u>
Federal Funds.....	5,813	5,108	10,211
Augmentations.....	1,371	1,458	1,462
Restricted.....	257	325	325
DEPARTMENT TOTAL.....	<u>\$ 30,996</u>	<u>\$ 30,041</u>	<u>\$ 34,675</u>
Human Services			
General Government			
General Government Operations.....	<u>\$ 107,884</u>	<u>\$ 106,235</u>	<u>\$ 114,030</u>
Information Systems	86,206	85,905	91,735
County Administration - Statewide.....	43,813	45,839	51,220
County Assistance Offices.....	253,850	247,203	299,473
Children's Health Insurance Administration.....	786	1,670	-
Child Support Enforcement.....	14,298	16,250	16,250
New Directions.....	15,182	15,125	20,712
Subtotal.....	<u>\$ 522,019</u>	<u>\$ 518,227</u>	<u>\$ 593,420</u>
Institutional			
Youth Development Institutions and Forestry Camps	<u>\$ 61,199</u>	<u>\$ 34,882</u>	<u>\$ 64,565</u>
Mental Health Services.....	791,819	824,697	826,548
Intellectual Disabilities - State Centers	106,810	101,394	103,896
Subtotal.....	<u>\$ 959,828</u>	<u>\$ 960,973</u>	<u>\$ 995,009</u>

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Available	2021-22 Budget
Grants and Subsidies			
Cash Grants.....	\$ 14,987	\$ 13,740	\$ 13,740
Supplemental Grants - Aged, Blind and Disabled	121,363	121,804	120,032
Medical Assistance - Capitation.....	2,507,519	3,127,334	3,064,986
Medical Assistance - Fee-for-Service	344,107	798,621	456,575
Payment to Federal Government - Medicare Drug Program	775,602	692,938	761,058
Medical Assistance - Workers with Disabilities.....	39,690	60,518	75,366
Medical Assistance - Physician Practice Plans	7,502	8,764	5,715
Medical Assistance - Hospital-Based Burn Centers	3,792	3,921	3,856
Medical Assistance - Critical Access Hospitals	8,850	9,777	9,053
Medical Assistance - Obstetric and Neonatal Services	2,709	2,814	2,806
Medical Assistance - Trauma Centers.....	7,397	7,651	7,522
Medical Assistance - Academic Medical Centers	21,092	21,479	15,148
Medical Assistance - Transportation.....	59,613	60,693	62,289
Expanded Medical Services for Women.....	6,263	6,263	6,263
Children's Health Insurance Program	31,037	66,057	77,494
Medical Assistance - Long-Term Care	470,244	233,142	120,432
Medical Assistance - Community HealthChoices	2,328,939	3,034,947	3,781,118
Home and Community-Based Services.....	182,421	-	-
Long-Term Care Managed Care.....	151,168	146,842	157,778
Services to Persons with Disabilities	130,215	-	-
Attendant Care.....	43,885	-	-
Intellectual Disabilities - Community Base Program	148,943	144,432	143,838
Intellectual Disabilities - Intermediate Care Facilities	148,359	135,061	142,902
Intellectual Disabilities - Community Waiver Program	1,664,206	1,645,307	1,813,842
Intellectual Disabilities - Lansdowne Residential Services	340	200	200
Autism Intervention and Services	25,252	26,448	25,434
Behavioral Health Services.....	57,149	57,149	57,149
Special Pharmaceutical Services	952	752	752
County Child Welfare.....	1,257,751	1,166,448	1,319,456
Community-Based Family Centers.....	18,320	19,558	19,558
Child Care Services	156,332	156,482	156,482
Child Care Assistance	104,569	109,885	109,975
Nurse Family Partnership	13,059	12,999	13,083
Early Intervention.....	174,271	169,432	180,383
Domestic Violence	19,093	19,093	19,093
Rape Crisis	10,921	10,921	10,921

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Breast Cancer Screening.....	1,723	1,723	1,723
Human Services Development Fund.....	13,460	13,460	13,460
Legal Services	2,661	2,661	3,661
Homeless Assistance	18,496	18,496	18,496
211 Communications	750	750	750
Health Program Assistance and Services	13,325	13,615	-
Services for the Visually Impaired	3,102	3,102	3,102
Subtotal.....	<u>\$ 11,111,429</u>	<u>\$ 12,145,279</u>	<u>\$ 12,795,491</u>
TOTAL STATE FUNDS.....	<u>\$ 12,593,276</u>	<u>\$ 13,624,479</u>	<u>\$ 14,383,920</u>
Federal Funds.....	26,089,647	27,804,201	28,445,795
Augmentations.....	3,275,181	3,980,332	3,584,813
Restricted.....	32,659	33,277	30,730
DEPARTMENT TOTAL.....	<u>\$ 41,990,763</u>	<u>\$ 45,442,289</u>	<u>\$ 46,445,258</u>
Infrastructure Investment Authority			
Federal Funds.....	<u>\$ 194,182</u>	<u>\$ 195,922</u>	<u>\$ 186,685</u>
DEPARTMENT TOTAL.....	<u>\$ 194,182</u>	<u>\$ 195,922</u>	<u>\$ 186,685</u>
Insurance			
Grants and Subsidies			
USTIF Loan Repayment.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,000</u>
TOTAL STATE FUNDS.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,000</u>
Federal Funds.....	<u>6,000</u>	<u>5,000</u>	<u>5,000</u>
DEPARTMENT TOTAL.....	<u>\$ 6,000</u>	<u>\$ 5,000</u>	<u>\$ 12,000</u>
Labor and Industry			
General Government			
General Government Operations.....	<u>\$ 13,799</u>	<u>\$ 13,624</u>	<u>\$ 13,844</u>
Occupational and Industrial Safety.....	<u>2,947</u>	<u>2,945</u>	<u>2,945</u>
Subtotal.....	<u>\$ 16,746</u>	<u>\$ 16,569</u>	<u>\$ 16,789</u>
Grants and Subsidies			
Occupational Disease Payments.....	<u>\$ 299</u>	<u>\$ 213</u>	<u>\$ 164</u>
Transfer to Vocational Rehabilitation Fund.....	47,942	47,942	47,942
Supported Employment	397	397	397
Centers for Independent Living.....	1,950	1,950	1,950
Workers' Compensation Payments.....	413	384	278
New Choices / New Options	750	750	750
Assistive Technology Financing	475	475	475
Assistive Technology Demonstration and Training.....	450	450	450
Industry Partnerships.....	4,813	2,813	2,813

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Apprenticeship Training.....	7,000	7,000	7,000
Subtotal.....	\$ 64,489	\$ 62,374	\$ 62,219
TOTAL STATE FUNDS.....	\$ 81,235	\$ 78,943	\$ 79,008
Federal Funds.....	534,387	522,910	520,764
Augmentations.....	10,003	10,056	10,056
Restricted.....	2,410	2,125	2,095
DEPARTMENT TOTAL.....	\$ 628,035	\$ 614,034	\$ 611,923
Military and Veterans Affairs			
General Government			
General Government Operations.....	\$ 33,143	\$ 32,590	\$ 26,401
National Guard Youth Challenge Program	1,000	1,493	1,400
Burial Detail Honor Guard.....	99	99	99
American Battle Monuments.....	50	50	50
Armory Maintenance and Repair	245	1,145	1,645
Special State Duty	35	35	35
Subtotal.....	\$ 34,572	\$ 35,412	\$ 29,630
Institutional			
Veterans Homes	\$ 101,580	\$ 100,321	\$ 108,660
Grants and Subsidies			
Education of Veterans Children	\$ 125	\$ 125	\$ 135
Transfer to Educational Assistance Program Fund	13,265	13,265	12,525
Blind Veterans Pension	222	222	222
Amputee and Paralyzed Veterans Pension	3,714	3,714	3,878
National Guard Pension.....	5	5	5
Supplemental Life Insurance Premiums	164	164	164
Civil Air Patrol	100	100	100
Disabled American Veterans Transportation	336	336	336
Veterans Outreach Services.....	3,139	3,139	3,279
Subtotal.....	\$ 21,070	\$ 21,070	\$ 20,644
TOTAL STATE FUNDS.....	\$ 157,222	\$ 156,803	\$ 158,934
Federal Funds.....	194,618	211,727	213,106
Augmentations.....	28,179	26,357	28,927
Restricted.....	16	101	101
DEPARTMENT TOTAL.....	\$ 380,035	\$ 394,988	\$ 401,068
Public Utility Commission			
Federal Funds.....	\$ 5,552	\$ 5,022	\$ 5,053
Restricted.....	75,533	78,061	78,477
DEPARTMENT TOTAL.....	\$ 81,085	\$ 83,083	\$ 83,530

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Revenue			
General Government			
General Government Operations.....	\$ 146,511	\$ 142,954	\$ 142,954
Technology and Process Modernization.....	5,700	4,750	4,750
Commissions - Inheritance & Realty Transfer Taxes (EA)	13,007	11,801	12,791
Subtotal.....	\$ 165,218	\$ 159,505	\$ 160,495
Grants and Subsidies			
Distribution of Public Utility Realty Tax	\$ 29,187	\$ 29,213	\$ 32,209
TOTAL STATE FUNDS	\$ 194,405	\$ 188,718	\$ 192,704
Augmentations.....	32,069	29,958	29,958
Restricted.....	30,113	30,110	30,110
DEPARTMENT TOTAL.....	\$ 256,587	\$ 248,786	\$ 252,772
State			
General Government			
General Government Operations.....	\$ 4,319	\$ 4,239	\$ 5,795
Statewide Uniform Registry of Electors	7,305	7,305	11,791
Voter Registration and Education	494	485	462
Lobbying Disclosure	294	283	285
Publishing Constitutional Amendments (EA)	1,375	2,784	1,275
Electoral College.....	-	10	-
Publishing State Reapportionment Maps	-	-	2,500
Publishing Federal Reapportionment Maps.....	-	-	400
Subtotal.....	\$ 13,787	\$ 15,106	\$ 22,508
Grants and Subsidies			
Voting of Citizens in Military Service.....	\$ 20	\$ 20	\$ 20
County Election Expenses (EA).....	400	400	400
Election Code Debt Service.....	-	9,044	9,275
Subtotal.....	\$ 420	\$ 9,464	\$ 9,695
TOTAL STATE FUNDS	\$ 14,207	\$ 24,570	\$ 32,203
Federal Funds.....	37,067	30,495	18,122
Augmentations.....	-	16,531	-
Restricted.....	77,544	79,134	76,150
DEPARTMENT TOTAL.....	\$ 128,818	\$ 150,730	\$ 126,475
State Police			
General Government			
General Government Operations.....	\$ 342,100	\$ 183,253	\$ 273,338
Statewide Public Safety Radio System.....	12,683	12,033	6,992
Law Enforcement Information Technology	6,899	6,899	6,899
Municipal Police Training.....	1,716	1,708	1,708

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Automated Fingerprint Identification System	885	885	885
Gun Checks	4,400	4,400	5,652
Subtotal	<u>\$ 368,683</u>	<u>\$ 209,178</u>	<u>\$ 295,474</u>
TOTAL STATE FUNDS	<u>\$ 368,683</u>	<u>\$ 209,178</u>	<u>\$ 295,474</u>
Federal Funds	31,246	264,360	44,141
Augmentations	108,191	103,108	276,414
Restricted	<u>11,859</u>	<u>17,420</u>	<u>16,845</u>
DEPARTMENT TOTAL	<u>\$ 519,979</u>	<u>\$ 594,066</u>	<u>\$ 632,874</u>
Transportation			
General Government			
Vehicle Sales Tax Collections	\$ 1,025	\$ 655	\$ 520
Infrastructure Projects	1,900	1,900	-
Voter Registration	<u>520</u>	<u>573</u>	<u>550</u>
Subtotal	<u>\$ 3,445</u>	<u>\$ 3,128</u>	<u>\$ 1,070</u>
TOTAL STATE FUNDS	<u>\$ 3,445</u>	<u>\$ 3,128</u>	<u>\$ 1,070</u>
Federal Funds	284,750	264,932	195,750
Restricted	<u>6,439</u>	<u>7,325</u>	<u>7,325</u>
DEPARTMENT TOTAL	<u>\$ 294,634</u>	<u>\$ 275,385</u>	<u>\$ 204,145</u>
Legislature			
General Government			
Senators' Salaries	\$ 8,864	\$ 8,864	\$ 8,864
Employees of Chief Clerk	3,085	3,085	3,085
Salaried Officers and Employees	13,973	13,973	13,973
Incidental Expenses	3,595	3,595	3,595
Expenses - Senators	1,416	1,416	1,416
Legislative Printing and Expenses	8,048	8,048	8,048
Committee on Appropriations (R) and (D)	-	1,759	3,015
Committee on Appropriations (R)	1,508	628	-
Committee on Appropriations (D)	1,507	628	-
Caucus Operations (R) and (D)	-	46,586	79,861
Caucus Operations (R)	42,326	17,969	-
Caucus Operations (D)	37,535	15,306	-
Members' Salaries, Speaker's Extra Compensation	35,290	35,290	35,290
Caucus Operations (R) and (D)	-	-	133,375
Caucus Operations (R)	69,275	69,275	-
Caucus Operations (D)	64,100	64,100	-
Speaker's Office	1,810	1,810	1,810
Bi-Partisan Committee, Chief Clerk, Comptroller and EMS	14,834	14,834	14,834

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Mileage - Representatives, Officers and Employees	572	572	572
Chief Clerk and Legislative Journal	2,816	2,816	2,816
Contingent Expenses (R) and (D).....	-	-	1,209
Speaker	20	20	-
Chief Clerk	1,091	1,091	-
Floor Leader (R)	7	7	-
Floor Leader (D)	7	7	-
Whip (R).....	6	6	-
Whip (D).....	6	6	-
Chairman - Caucus (R).....	3	3	-
Chairman - Caucus (D).....	3	3	-
Secretary - Caucus (R)	3	3	-
Secretary - Caucus (D)	3	3	-
Chairman - Appropriations Committee (R)	6	6	-
Chairman - Appropriations Committee (D)	6	6	-
Chairman - Policy Committee (R)	2	2	-
Chairman - Policy Committee (D)	2	2	-
Caucus Administrator (R)	2	2	-
Caucus Administrator (D)	2	2	-
Administrator for Staff (R)	20	20	-
Administrator for Staff (D)	20	20	-
Incidental Expenses.....	7,569	7,569	7,569
Expenses - Representatives.....	4,251	4,251	4,251
Legislative Printing and Expenses.....	10,674	10,674	10,674
Committee on Appropriations (R)	3,223	3,223	3,223
Committee on Appropriations (D)	3,223	3,223	3,223
Special Leadership Account (R)	6,045	6,045	6,045
Special Leadership Account (D)	6,045	6,045	6,045
Subtotal.....	<u>\$ 352,793</u>	<u>\$ 352,793</u>	<u>\$ 352,793</u>
TOTAL STATE FUNDS.....	<u>\$ 352,793</u>	<u>\$ 352,793</u>	<u>\$ 352,793</u>
DEPARTMENT TOTAL.....	<u>\$ 352,793</u>	<u>\$ 352,793</u>	<u>\$ 352,793</u>
Judiciary			
General Government			
Supreme Court	\$ 17,150	\$ 17,150	\$ 17,150
Justice Expenses.....	118	118	118
Judicial Center Operations	814	814	814
Judicial Council.....	141	141	141
District Court Administrators	19,657	19,657	19,657

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Interbranch Commission.....	350	350	350
Court Management Education.....	73	73	73
Rules Committees.....	1,595	1,595	1,595
Court Administrator.....	11,577	11,577	11,577
Integrated Criminal Justice System.....	2,372	2,372	2,372
Unified Judicial System Security.....	2,002	2,002	2,002
Office of Elder Justice in the Courts.....	496	496	496
Superior Court.....	32,377	32,377	32,377
Judges Expenses.....	183	183	183
Commonwealth Court.....	21,192	21,192	21,192
Judges Expenses.....	132	132	132
Courts of Common Pleas.....	117,739	117,739	117,739
Senior Judges.....	4,004	4,004	4,004
Judicial Education.....	1,247	1,247	1,247
Ethics Committee.....	62	62	62
Problem-Solving Courts.....	1,103	1,103	1,103
Magisterial District Judges.....	82,802	82,802	82,802
Magisterial District Judge Education.....	744	744	744
Municipal Court.....	7,794	7,794	7,794
Judicial Conduct Board.....	2,468	2,468	2,505
Court of Judicial Discipline.....	468	468	468
Subtotal.....	\$ 328,660	\$ 328,660	\$ 328,697
Grants and Subsidies			
Juror Cost Reimbursement.....	\$ 1,118	\$ 1,118	\$ 1,118
County Court Reimbursement.....	23,136	23,136	23,136
Senior Judge Reimbursement.....	1,375	1,375	1,375
Court Interpreter County Grant.....	1,500	1,500	1,500
Subtotal.....	\$ 27,129	\$ 27,129	\$ 27,129
TOTAL STATE FUNDS.....	\$ 355,789	\$ 355,789	\$ 355,826
Federal Funds.....	2,114	3,357	1,932
Restricted.....	44,426	45,626	45,626
DEPARTMENT TOTAL.....	\$ 402,329	\$ 404,772	\$ 403,384
Government Support Agencies			
General Government			
Legislative Reference Bureau - Salaries and Expenses.....	\$ 9,691	\$ 9,691	\$ 9,691
Printing of PA Bulletin and PA Code.....	886	886	886
Contingent Expenses.....	25	25	25

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Legislative Budget and Finance Committee	2,020	2,020	2,020
Legislative Data Processing Center.....	32,255	32,255	32,255
LDP - Information Technology Modernization	2,500	2,500	2,500
Joint State Government Commission	1,701	1,701	1,701
Local Government Commission.....	1,283	1,283	1,283
Local Government Codes	24	24	24
Joint Legislative Air and Water Pollution Control Committee	582	-	-
Legislative Audit Advisory Commission	285	285	285
Independent Regulatory Review Commission.....	2,155	2,155	2,155
Capitol Preservation Committee	827	827	827
Capitol Restoration	3,157	3,157	3,157
Commission on Sentencing	2,553	2,553	2,553
Center for Rural Pennsylvania.....	1,128	1,128	1,128
Commonwealth Mail Processing Center.....	3,583	3,583	3,583
Legislative Reapportionment Commission	1,053	1,053	1,053
Independent Fiscal Office	2,343	2,343	2,343
Subtotal.....	<u>\$ 68,051</u>	<u>\$ 67,469</u>	<u>\$ 67,469</u>
TOTAL STATE FUNDS.....	<u>\$ 68,051</u>	<u>\$ 67,469</u>	<u>\$ 67,469</u>
DEPARTMENT TOTAL.....	<u>\$ 68,051</u>	<u>\$ 67,469</u>	<u>\$ 67,469</u>
General Fund Total-All Funds			
State Funds	\$ 34,090,228	\$ 34,049,086	\$ 37,837,187
Federal Funds.....	34,901,993	38,933,585	34,461,173
Augmentations.....	4,391,489	4,862,399	4,621,510
Restricted.....	<u>739,287</u>	<u>884,343</u>	<u>870,393</u>
FUND TOTAL.....	<u>\$ 74,122,997</u>	<u>\$ 78,729,413</u>	<u>\$ 77,790,263</u>



MOTOR LICENSE FUND

The Motor License Fund is a special revenue fund composed of monies received from liquid fuels taxes, licenses and fees on motor vehicles, aviation fuel tax revenues, federal aid for highway and aviation purposes, contributions from local subdivisions for highway projects and other miscellaneous highway revenues.

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

Motor License Fund

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

Taxes on motor fuels provides approximately 63 percent of total non-restricted Motor License Fund revenues annually. While the COVID pandemic has tapered motor license fuels receipts, estimates indicate they will return to traditional levels in 2021-22. License and fee revenues represent the other major source of revenues for the Motor License Fund. The COVID pandemic initially created delays in these receipts, but estimates show that any delayed receipts will be realized within the current year.

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

Seven Year Financial Statement

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
Beginning Balance	\$ 28,977	\$ -51,190	\$ 2,689	\$ 16,978	\$ 20,499	\$ 22,153	\$ 16,248
Adjustment to Beginning Balance.....	-	-	-	-	-	-	-
Adjusted Beginning Balance.....	\$ 28,977	\$ -51,190	\$ 2,689	\$ 16,978	\$ 20,499	\$ 22,153	\$ 16,248
Revenue:							
Revenue Receipts*.....	\$ 2,663,479	\$ 2,806,100	\$ 2,905,500	\$ 2,934,600	\$ 2,962,700	\$ 2,975,200	\$ 2,996,500
Adjustment to Official Estimate.....	-	-25,500	-	-	-	-	-
Total Revenue.....	\$ 2,663,479	\$ 2,780,600	\$ 2,905,500	\$ 2,934,600	\$ 2,962,700	\$ 2,975,200	\$ 2,996,500
Prior Year Lapses	23,397	25,000	-	-	-	-	-
Funds Available.....	\$ 2,715,853	\$ 2,754,410	\$ 2,908,189	\$ 2,951,578	\$ 2,983,199	\$ 2,997,353	\$ 3,012,748
Expenditures:							
Appropriations	\$ 2,767,043	\$ 2,776,721	\$ 2,891,211	\$ 2,931,079	\$ 2,961,046	\$ 2,981,105	\$ 2,994,775
Current Year Lapses	-	-25,000	-	-	-	-	-
Total Expenditures	\$ 2,767,043	\$ 2,751,721	\$ 2,891,211	\$ 2,931,079	\$ 2,961,046	\$ 2,981,105	\$ 2,994,775
Ending Balance	\$ -51,190	\$ 2,689	\$ 16,978	\$ 20,499	\$ 22,153	\$ 16,248	\$ 17,973

* Excludes restricted revenue.

Summary by Department

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Treasury			
General Government			
Administration Refunding Liquid Fuels Tax	\$ 533	\$ 551	\$ 551
Refunds			
Refunding Liquid Fuels Taxes — State Share (EA)	\$ 5,000	\$ 5,000	\$ 4,800
Refunding Liquid Fuels Taxes — Agricultural (EA)	4,700	4,500	5,000
Refunding Liquid Fuels Taxes — Political Subdivisions (EA)	5,000	5,000	5,000
Refunding Liquid Fuels Taxes — Volunteer Services (EA)	600	800	700
Refunding Liquid Fuels Taxes — Snowmobiles & ATVs (EA)	1,000	1,000	1,000
Refunding Liquid Fuels Taxes — Boat Fund (EA)	12,223	12,300	12,300
Subtotal	<u>\$ 28,523</u>	<u>\$ 28,600</u>	<u>\$ 28,800</u>
Debt Service			
Capital Debt Transportation Projects	\$ 35,661	\$ 35,736	\$ 35,779
General Obligation Debt Service	17,748	18,459	18,266
Loan and Transfer Agent	40	40	40
Subtotal	<u>\$ 53,449</u>	<u>\$ 54,235</u>	<u>\$ 54,085</u>
TOTAL STATE FUNDS	<u>\$ 82,505</u>	<u>\$ 83,386</u>	<u>\$ 83,436</u>
Restricted	51,156	56,565	71,369
DEPARTMENT TOTAL	<u>\$ 133,661</u>	<u>\$ 139,951</u>	<u>\$ 154,805</u>
Agriculture			
General Government			
Weights & Measures Administration	\$ 5,228	\$ 5,817	\$ 5,817
Grants and Subsidies			
Dirt, Gravel and Low Volume Roads	\$ 28,000	\$ 28,000	\$ 28,000
TOTAL STATE FUNDS	<u>\$ 33,228</u>	<u>\$ 33,817</u>	<u>\$ 33,817</u>
DEPARTMENT TOTAL	<u>\$ 33,228</u>	<u>\$ 33,817</u>	<u>\$ 33,817</u>
Community and Economic Development			
General Government			
Appalachian Regional Commission	\$ 500	\$ 500	\$ 500
DEPARTMENT TOTAL	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 500</u>
Conservation and Natural Resources			
General Government			
Dirt and Gravel Roads	\$ 7,000	\$ 7,000	\$ 7,000
TOTAL STATE FUNDS	<u>\$ 7,000</u>	<u>\$ 7,000</u>	<u>\$ 7,000</u>

Motor License Fund

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Restricted.....	11,000	13,388	9,976
DEPARTMENT TOTAL.....	\$ 18,000	\$ 20,388	\$ 16,976
Education			
Grants and Subsidies			
Safe Driving Course.....	\$ 650	\$ 1,100	\$ 1,100
DEPARTMENT TOTAL.....	\$ 650	\$ 1,100	\$ 1,100
General Services			
General Government			
Harristown Rental Charges (EA)	\$ 153	\$ 95	\$ 95
Harristown Utility and Municipal Charges (EA)	291	276	276
Tort Claims Payments	9,000	9,000	9,000
TOTAL STATE FUNDS.....	\$ 9,444	\$ 9,371	\$ 9,371
DEPARTMENT TOTAL.....	\$ 9,444	\$ 9,371	\$ 9,371
Revenue			
General Government			
Collections — Liquid Fuels Tax	\$ 19,285	\$ 23,136	\$ 21,792
Refunds			
Refunding Liquid Fuels Tax (EA)	\$ 30,875	\$ 28,700	\$ 29,000
TOTAL STATE FUNDS.....	\$ 50,160	\$ 51,836	\$ 50,792
Federal Funds.....	-	90	150
DEPARTMENT TOTAL.....	\$ 50,160	\$ 51,926	\$ 50,942
State Police			
General Government			
General Government Operations.....	\$ 647,395	\$ 617,164	\$ 599,652
Statewide Public Safety Radio System.....	38,076	36,153	20,977
Law Enforcement Information Technology	20,697	20,697	20,697
Municipal Police Training.....	1,724	1,708	1,708
Patrol Vehicles.....	12,000	12,000	12,000
Commercial Vehicle Inspections.....	12,708	12,808	13,427
Subtotal	\$ 732,600	\$ 700,530	\$ 668,461
Grants and Subsidies			
Municipal Police Training Grants	\$ 5,000	\$ 5,000	\$ 5,000
TOTAL STATE FUNDS.....	\$ 737,600	\$ 705,530	\$ 673,461
Federal Funds.....	9,186	8,954	8,335
Augmentations.....	12	35	35
Restricted Revenue	3	1,500	1,500
DEPARTMENT TOTAL.....	\$ 746,801	\$ 716,019	\$ 683,331

Motor License Fund

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Transportation			
General Government			
General Government Operations.....	\$ 56,771	\$ 63,900	\$ 68,600
Welcome Centers	3,470	4,115	4,115
Highway and Safety Improvements	190,000	170,000	190,000
Highway Capital Projects (EA).....	230,000	230,000	230,000
Highway Maintenance	802,054	840,546	896,879
Highway Systems Technology and Innovation	16,000	16,000	16,000
Reinvestment in Facilities	9,600	5,000	16,000
Driver and Vehicle Services.....	178,136	208,403	225,834
Homeland Security - REAL ID	26,749	25,901	25,901
Subtotal.....	<u>\$ 1,512,780</u>	<u>\$ 1,563,865</u>	<u>\$ 1,673,329</u>
Grants and Subsidies			
Local Road Maintenance and Construction Payments.....	\$ 253,576	\$ 239,816	\$ 247,905
Supplemental Local Road Maintenance & Construction Payments	5,000	5,000	5,000
Municipal Roads and Bridges	30,000	30,000	30,000
Maintenance and Construction of County Bridges	5,000	5,000	5,000
Municipal Traffic Signals.....	10,000	10,000	40,000
Payment to Turnpike Commission (EA).....	28,000	28,000	28,000
Subtotal	<u>\$ 331,576</u>	<u>\$ 317,816</u>	<u>\$ 355,905</u>
Refunds			
Refunding Collected Monies (EA).....	\$ 1,600	\$ 2,500	\$ 2,500
TOTAL STATE FUNDS	<u>\$ 1,845,956</u>	<u>\$ 1,884,181</u>	<u>\$ 2,031,734</u>
Federal Funds.....	1,644,250	2,508,331	2,037,576
Augmentations.....	82,840	111,225	100,301
Restricted.....	2,170,017	1,989,041	2,199,735
DEPARTMENT TOTAL.....	<u>\$ 5,743,063</u>	<u>\$ 6,492,778</u>	<u>\$ 6,369,346</u>
Fund Summary			
State Funds — Transportation.....	\$ 1,845,956	\$ 1,884,181	\$ 2,031,734
State Funds — Other Departments	921,087	892,540	859,477
TOTAL STATE FUNDS	<u>\$ 2,767,043</u>	<u>\$ 2,776,721</u>	<u>\$ 2,891,211</u>
Motor License Fund Total—All Funds			
State Funds	\$ 2,767,043	\$ 2,776,721	\$ 2,891,211
Federal Funds.....	1,653,436	2,517,375	2,046,061
Augmentations.....	82,852	111,260	100,336
Restricted Revenue	2,232,176	2,060,494	2,282,580
FUND TOTAL.....	<u>\$ 6,735,507</u>	<u>\$ 7,465,850</u>	<u>\$ 7,320,188</u>

Revenue Summary: Five Year Revenue Projections

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Liquid Fuels Taxes.....	\$ 1,708,438	\$ 1,686,700	\$ 1,862,600	\$ 1,862,500	\$ 1,865,100	\$ 1,863,700	\$ 1,857,600
Licenses and Fees.....	954,044	1,083,600	1,030,500	1,059,500	1,084,900	1,098,700	1,126,000
Other Nonrestricted	997	10,300	12,400	12,600	12,700	12,800	12,900
TOTAL MOTOR LICENSE							
FUND REVENUES	\$ 2,663,479	\$ 2,780,600	\$ 2,905,500	\$ 2,934,600	\$ 2,962,700	\$ 2,975,200	\$ 2,996,500
Restricted Revenues							
Aviation.....	\$ 8,832	\$ 6,000	\$ 7,500	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
Highway Bridge Improvement	\$ 219,952	\$ 221,200	\$ 225,700	\$ 225,500	\$ 225,400	\$ 225,300	\$ 225,200
State Highway Transfer.....	\$ 50,710	\$ 50,300	\$ 55,500	\$ 55,500	\$ 55,600	\$ 55,500	\$ 55,300
Oil Company Franchise Tax	\$ 929,683	\$ 922,900	\$ 1,018,700	\$ 1,018,200	\$ 1,019,300	\$ 1,018,100	\$ 1,014,100
Supplemental Maintenance.....	\$ 650,778	\$ 646,000	\$ 713,100	\$ 712,700	\$ 713,400	\$ 712,500	\$ 709,700

Adjustments to Revenue Estimates

On November 23, 2020 an official estimate for the 2020-21 fiscal year of \$2,806,100,000 was certified. The estimate detailed below reflects actual revenue collections through the first six months of the fiscal year and expected collections for the balance of the fiscal year.

(Dollar Amounts in Thousands)

	2020-21		2020-21
	Official	Adjustments	Revised
	Estimate		Estimate
Liquid Fuels Taxes.....	\$ 1,726,700	\$ -40,000	\$ 1,686,700
Licenses and Fees.....	1,068,000	15,600	1,083,600
Other Nonrestricted	11,400	-1,100	10,300
TOTAL.....	\$ 2,806,100	\$ -25,500	\$ 2,780,600

Revenue Sources

Liquid Fuels Taxes

Actual		Estimated	
2014-15.....	\$ 1,562,431	2020-21	\$ 1,686,700
2015-16.....	1,659,197	2021-22	1,862,600
2016-17.....	1,732,660	2022-23	1,862,500
2017-18.....	1,846,403	2023-24	1,865,100
2018-19.....	1,837,184	2024-25	1,863,700
2019-20.....	1,708,438	2025-26	1,857,600

Tax Base and Rates:

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

Motor Carriers Road Tax/International Fuel Tax Agreement (IFTA): The Motor Carriers Road Tax is levied on motor carriers operating vehicles with a gross weight or registered gross weight in excess of 26,000 pounds. The tax is equal to the Oil Company Franchise Tax described below effective January 1, 2014. Previously, the tax rate was 115 mills. Prior to October 1, 1997, an additional tax of 6 cents per gallon was collected through the motor carriers road tax. This tax was repealed and replaced by a 55 mill addition to the Oil Company Franchise Tax rate, imposed on fuels effective October 1, 1997. The 55 mill portion of the tax rate is dedicated to the Highway Bridge Improvement restricted account. Credit against the tax is given for Liquid Fuels and Fuels Tax and Oil Company Franchise Tax paid at the pump or directly remitted. Credit is also given for tax paid on motor fuels purchased in Pennsylvania but consumed elsewhere. Identification markers are required to be issued annually upon a payment of \$5 per vehicle for each vehicle subject to these taxes based in the commonwealth.

Effective January 1, 1996, Pennsylvania joined IFTA. Under this agreement, qualified vehicles are subject to payment of fuel tax obligations based on fuel consumed within each state. Qualified vehicles are those with two axles greater than 26,000 pounds, combinations greater than 26,000 pounds and those with three or more axles regardless of weight. Therefore, 17,001 to 26,000 pound vehicles, which previously were subject to the Motor Carriers Road Tax, are not subject under IFTA. Identification markers remain at \$5 per qualified vehicle. The underlying fuel tax rates are unaffected by IFTA.

Oil Company Franchise Tax: This tax is an excise tax on all taxable liquid fuels, fuels, and alternative fuels. Act 3 of 1997 imposed a tax of 153.5 mills on all taxable liquid fuels and 208.5 mills on all taxable fuels and is imposed on a cents- per-gallon equivalent basis. Act 89 of 2013 added an additional 64 mills in 2014, 49 mills in 2015, 48 mills in 2016, 41 mills in 2017, and 39 mills in 2018 and each calendar year thereafter. Act 89 of 2013 also increased the average wholesale price in 2014 through 2016, and uncapped it in 2017 and thereafter. There is also a statutory average wholesale price floor set at \$2.99 per gallon for 2017 and each year thereafter. Prior to Act 89 of 2013, Act 32 of 1983 set minimum and maximum average wholesale prices at \$0.90 and \$1.25 per gallon, respectively. Receipts from 57 mills of the tax on liquid fuels and fuels are deposited as unrestricted Motor License Fund revenue, along with the mills added by Act 89 of 2013. However, 4.17 percent of the mills added by Act 89 of 2013 are transferred to the Liquid Fuels Tax Fund to replace the 12 cents-per-gallon Liquid Fuels and Fuels Tax repealed by the act. The balance of the tax rate represents revenues restricted to certain highway activities. These dedicated and restricted revenues are not included in the above estimates.

Revenue Sources, continued

Licenses and Fees

Table with columns for Actual and Estimated revenue for Licenses and Fees from 2014-15 to 2025-26.

The commonwealth receives revenue from the collection of fees levied for the registration and titling of motor vehicles and for the issuance of learners' permits, operators' licenses, certificates of title and transfers of registration.

Other Nonrestricted

Table with columns for Actual and Estimated revenue for Other Nonrestricted from 2014-15 to 2025-26.

Other nonrestricted revenues include but are not limited to investment income, the vehicle code fine clearing account, fees for reclaiming abandoned vehicles, fees for right to know requests, fines for fare evasion, and the sale of maps and plans.

Revenue Detail

The following is a detailed list of all revenues available for Motor License Fund appropriations. Restricted revenues for the Aviation, Highway Bridge Improvement, State Highway Transfer and Oil Company Franchise Tax restricted accounts are not included in these amounts.

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
LIQUID FUELS TAXES			
Liquid Fuels Tax			
Liquid Fuels Tax	\$ 7	\$ -	\$ -
Liquid Fuels Tax Penalties.....	-30	-	-
Subtotal.....	\$ -23	\$ -	\$ -
Alternative Fuel Tax			
Alternative Fuel Tax	\$ 12,955	\$ 12,790	\$ 14,590
Alternative Fuel Tax Interest and Penalties	11	10	10
Subtotal.....	\$ 12,966	\$ 12,800	\$ 14,600
Motor Carriers Road Tax — International Fuel Tax Agreement			
Motor Carriers Road/IFTA — Fuels Tax	\$ 126,697	\$ 123,110	\$ 132,740
Motor Carriers Road/IFTA — Registration Fees, Special Permit Fees and Fines.....	2,251	2,190	2,360
Subtotal.....	\$ 128,948	\$ 125,300	\$ 135,100
Oil Company Franchise Tax			
Oil Company Franchise Tax	\$ 931,443	\$ 921,500	\$ 1,020,700
OCFT - Liquid Fuels	492,320	485,620	547,640
OCFT - Liquid Fuels Interest	302	300	340
OCFT - Liquid Fuels Penalties.....	384	380	420
OCFT - Fuel Use	142,098	140,800	143,800
Subtotal.....	\$ 1,566,547	\$ 1,548,600	\$ 1,712,900
TOTAL LIQUID FUELS TAXES.....	\$ 1,708,438	\$ 1,686,700	\$ 1,862,600
LICENSES AND FEES			
Operators' Licenses	\$ 45,831	\$ 85,900	\$ 59,400
REAL ID.....	26,825	12,500	11,000
Other Fees Collected by Bureau of Motor Vehicles.....	-52,745	-3,200	2,500
Registration Fees Received from Other States/IRP	154,941	158,600	165,200
Special Hauling Permit Fees	32,396	32,700	33,600
Vehicle Registration and Titling	746,796	797,100	758,800
TOTAL LICENSES AND FEES.....	\$ 954,044	\$ 1,083,600	\$ 1,030,500

Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Available	2021-22 Budget
OTHER NONRESTRICTED			
Fines and Penalties			
Department of Revenue			
Vehicle Code Fines.....	\$ -12,364	\$ -	\$ -
Miscellaneous Revenues			
Treasury Investment Income	\$ 11,872	\$ 7,600	\$ 9,700
Department of General Services			
Sale of Unserviceable Property.....	\$ 218	\$ 400	\$ 400
Department of Transportation			
Fees for Reclaiming Abandoned Vehicles.....	\$ 43	\$ 140	\$ 140
Highway Bridge Income.....	1	-	-
Highway Encroachment Permits.....	1,477	4,710	4,710
Interest Earned - Restricted Revenue	-824 ^a	-2,630 ^a	-2,630 ^a
Miscellaneous Revenues	6	20	20
Recovered Damages	12	40	40
Sale of Inspection Stickers	550	-	-
Sale of Maps and Plans.....	6	20	20
TOTAL OTHER NONRESTRICTED	\$ 997	\$ 10,300	\$ 12,400
TOTAL MOTOR LICENSE FUND REVENUES	\$ 2,663,479	\$ 2,780,600	\$ 2,905,500

^a Amounts transferred to restricted revenue account.

Restricted Revenues Not Included in Department Total

Aviation

Actual		Estimated	
2014-15	\$ 9,756	2020-21	\$ 6,000
2015-16	7,582	2021-22	7,500
2016-17	7,254	2022-23	8,000
2017-18	8,553	2023-24	8,000
2018-19	8,670	2024-25	8,000
2019-20	8,832	2025-26	8,000

Aviation restricted revenues includes taxes levied on aviation gasoline and jet fuel. Therefore, starting with 1997-98, aviation revenues exclude state-owned airport revenue. Aviation gasoline and jet fuel tax rates are adjusted annually based on the change in the jet fuel price index. In accordance with Act 164 of 1984, the aviation gasoline rate is not to exceed 6.0 cents per gallon nor be less than 3.0 cents per gallon. The Jet Fuel Tax is not to exceed 2.0 cents per gallon nor be less than 1.5 cents per gallon. The tax rate as of January 1, 2018, is 5.7 cents per gallon on aviation gasoline and 1.8 cents per gallon on jet fuel.

	2019-20 Actual	2020-21 Available	2021-22 Budget
AVIATION			
Aviation Liquid Fuels Tax	\$ 8,008	\$ 5,500	\$ 6,600
Interest	824	500	900
TOTAL AVIATION	\$ 8,832	\$ 6,000	\$ 7,500

Highway Bridge Improvement

Actual		Estimated	
2014-15	\$ 168,274	2020-21	\$ 221,200
2015-16	191,096	2021-22	225,700
2016-17	198,184	2022-23	225,500
2017-18	225,846	2023-24	225,400
2018-19	227,348	2024-25	225,300
2019-20	219,952	2025-26	225,200

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

	2019-20 Actual	2020-21 Available	2021-22 Budget
HIGHWAY BRIDGE IMPROVEMENT			
Registration Fee Portion-PA-Based Motor Vehicles	\$ 9,105	\$ 12,100	\$ 12,100
Temporary Permit Fees	356	500	500
Oil Company Franchise Tax	210,491	208,600	213,100
TOTAL HIGHWAY BRIDGE IMPROVEMENT	\$ 219,952	\$ 221,200	\$ 225,700

Restricted Revenues Not Included in Department Total, continued

State Highway Transfer

Actual		Estimated	
2014-15.....	\$ 39,339	2020-21	\$ 50,300
2015-16.....	45,888	2021-22	55,500
2016-17.....	49,420	2022-23	55,500
2017-18.....	55,436	2023-24	55,600
2018-19.....	54,793	2024-25	55,500
2019-20.....	50,710	2025-26	55,300

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

Oil Company Franchise Tax

Actual		Estimated	
2014-15.....	\$ 721,220	2020-21	\$ 922,900
2015-16.....	841,279	2021-22	1,018,700
2016-17.....	906,042	2022-23	1,018,200
2017-18.....	1,016,312	2023-24	1,019,300
2018-19.....	1,004,534	2024-25	1,018,100
2019-20.....	929,683	2025-26	1,014,100

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

Supplemental Maintenance

Actual		Estimated	
2014-15.....	\$ 504,854	2020-21	\$ 646,000
2015-16.....	588,896	2021-22	713,100
2016-17.....	634,229	2022-23	712,700
2017-18.....	711,418	2023-24	713,400
2018-19.....	703,174	2024-25	712,500
2019-20.....	650,778	2025-26	709,700

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

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LOTTERY FUND

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

Lottery Fund

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

The Property Tax and Rent Rebate program within the Department of Revenue allows older Pennsylvanians, surviving spouses over age 50 and permanently disabled people to lead fuller lives by restoring a portion of their income through property tax and rent rebate assistance. Act 1 of Special Session No. 1 of 2006 expanded the current Property Tax / Rent Rebate program to give more Pennsylvanians a rebate while also increasing the amounts of the rebates. The expansion included increasing the homeowner household income limit from \$15,000 to \$35,000 and increasing the maximum rebate from \$500 to \$650. Act 117 of 2016 eliminated federal veterans' disability payments and state veterans' benefits from the definition of income when determining a claimant's eligibility for a rebate.

The Pharmaceutical Assistance Contract for the Elderly (PACE/PACENET) program provides a comprehensive pharmacy benefit plan to qualified Pennsylvanians who are 65 years of age and older and who face the burden of the cost of drugs required to maintain healthy and productive lives.

The Department of Aging has established a network of in-home and community-based services to address the varying needs of older Pennsylvanians. These programs reside within the PENNCARE program and enrich the lives and enable at-risk older Pennsylvanians to delay or avoid institutionalization. For additional details, see the Department of Aging's presentation.

The Lottery Fund also provides funds to offset program costs for older Pennsylvanians in the Department of Human Services. For 2021-22, \$349 million is provided to offset costs for the Community HealthChoices appropriation to reflect the transition of older Pennsylvanians who were previously funded from Long-Term Care, Home and Community-Based Services and the PENNCARE appropriations.

Act 44 of 2007 provides a transfer to the Public Transportation Trust Fund for distribution to transit systems providing free rides to older Pennsylvanians. Additionally, for 2021-22, \$75 million is provided for the Older PA Shared Ride program.

Seven Year Financial Statement

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Beginning Balance	\$ 4,249	\$ -119,799	\$ 20,456	\$ 40,082	\$ 13,485	\$ 34,304	\$ 57,826
Adjustment to Beginning Balance	2	-	-	-	-	-	-
Reserve from Previous Year	-	-	75,000	75,000	75,000	75,000	75,000
Adjusted Beginning Balance	4,251	-119,799	95,456	115,082	88,485	109,304	132,826
Revenue:							
Gross Ticket Sales	\$ 5,200,730	\$ 5,750,062	\$ 5,814,317	\$ 6,032,695	\$ 6,271,290	\$ 6,513,257	\$ 6,777,354
Field Paid Prizes and Commissions	-3,524,777	-3,981,976	-3,999,431	-4,149,479	-4,324,937	-4,502,723	-4,697,914
Transfers and Earnings	267,868	665	115,165	111,065	107,065	103,065	103,065
Total Revenue	\$ 1,943,821	\$ 1,768,751	\$ 1,930,051	\$ 1,994,281	\$ 2,053,418	\$ 2,113,599	\$ 2,182,505
Prior Year Lapses	11,013	106,844	-	-	-	-	-
Funds Available	\$ 1,959,085	\$ 1,755,796	\$ 2,025,507	\$ 2,109,363	\$ 2,141,903	\$ 2,222,903	\$ 2,315,331
Expenditures:							
Appropriations	\$ 802,216	\$ 826,261	\$ 822,733	\$ 917,961	\$ 913,192	\$ 953,424	\$ 1,053,658
Executive Authorizations	1,276,668	834,079	1,087,692	1,102,917	1,119,407	1,136,653	1,158,687
Total Expenditures	\$ 2,078,884	\$ 1,660,340	\$ 1,910,425	\$ 2,020,878	\$ 2,032,599	\$ 2,090,077	\$ 2,212,345
Reserve for Current Year	\$ -	\$ -75,000	\$ -75,000	\$ -75,000	\$ -75,000	\$ -75,000	\$ -75,000
Ending Balance	<u>\$ -119,799</u>	<u>\$ 20,456</u>	<u>\$ 40,082</u>	<u>\$ 13,485</u>	<u>\$ 34,304</u>	<u>\$ 57,826</u>	<u>\$ 27,986</u>

Summary by Department

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	Actual	Available	Budget
Aging			
General Government			
General Government Operations.....	\$ 8,743	\$ 9,966	\$ 10,171
Grants and Subsidies			
PENNCARE.....	\$ 292,857	\$ 285,726	\$ 281,993
Pre-Admission Assessment.....	8,750	8,750	8,750
Caregiver Support.....	12,103	12,103	12,103
Alzheimer's Outreach.....	250	250	250
Transfer to Pharmaceutical Assistance Fund.....	140,000	155,000	155,000
Grants to Senior Centers.....	2,000	2,000	2,000
Subtotal.....	\$ 455,960	\$ 463,829	\$ 460,096
TOTAL STATE FUNDS.....	\$ 464,703	\$ 473,795	\$ 470,267
Augmentations.....	761	805	805
DEPARTMENT TOTAL.....	\$ 465,464	\$ 474,600	\$ 471,072
Human Services			
Grants and Subsidies			
Medical Assistance - Transportation Services.....	\$ 3,500	\$ 3,500	\$ 3,500
Medical Assistance - Community HealthChoices.....	334,013	348,966	348,966
Subtotal.....	\$ 337,513	\$ 352,466	\$ 352,466
TOTAL STATE FUNDS.....	\$ 337,513	\$ 352,466	\$ 352,466
DEPARTMENT TOTAL.....	\$ 337,513	\$ 352,466	\$ 352,466
Revenue			
General Government			
General Operations (EA).....	\$ 78,842	\$ 66,848	\$ 68,808
Lottery Advertising (EA).....	51,000	51,000	51,000
Property Tax Rent Rebate - General Operations (EA).....	15,651	21,024	18,952
On-line Vendor Commissions (EA).....	57,556	60,000 ^a	62,100
Instant Vendor Commissions (EA).....	41,199	41,831 ^b	42,500
iLottery Vendor Commission (EA).....	1,113	7,469	9,000
Payment of Prize Money (EA).....	378,000	415,000 ^c	429,525
Subtotal.....	\$ 623,361	\$ 663,172	\$ 681,885
Grants and Subsidies			
Property Tax & Rent Assistance for Older Pennsylvanians (EA).....	\$ 482,400	\$ -	\$ 234,900
TOTAL STATE FUNDS.....	\$ 1,105,761	\$ 663,172	\$ 916,785
Augmentations.....	657	683	658
DEPARTMENT TOTAL.....	\$ 1,106,418	\$ 663,855	\$ 917,443

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2019-20 Actual	2020-21 Available	2021-22 Budget
Transportation			
Grants and Subsidies			
Older Pennsylvanians Shared Rides (EA).....	\$ 75,000	\$ 75,000	\$ 75,000
Transfer to Public Transportation Trust Fund (EA).....	95,907	95,907	95,907
Subtotal	<u>\$ 170,907</u>	<u>\$ 170,907</u>	<u>\$ 170,907</u>
TOTAL STATE FUNDS.....	<u>\$ 170,907</u>	<u>\$ 170,907</u>	<u>\$ 170,907</u>
DEPARTMENT TOTAL.....	<u>\$ 170,907</u>	<u>\$ 170,907</u>	<u>\$ 170,907</u>
Lottery Fund Total-All Funds			
State Funds	\$ 2,078,884	\$ 1,660,340	\$ 1,910,425
Augmentations	1,418	1,488	1,463
FUND TOTAL.....	<u>\$ 2,080,302</u>	<u>\$ 1,661,828</u>	<u>\$ 1,911,888</u>

^a Includes recommended supplemental executive authorization of \$6,000,000.

^b Includes recommended supplemental executive authorization of \$7,500,000.

^c Includes recommended supplemental executive authorization of \$15,287,000.

Revenue Summary: Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
Net Collections.....	\$ 1,675,953	\$ 1,768,086	\$ 1,814,886	\$ 1,883,216	\$ 1,946,353	\$ 2,010,534	\$ 2,079,440
Gaming Transfers for Property Tax Relief	265,000	-	114,500	110,400	106,400	102,400	102,400
Miscellaneous	2,868	665	665	665	665	665	665
TOTAL LOTTERY							
FUND REVENUES	\$ 1,943,821	\$ 1,768,751	\$ 1,930,051	\$ 1,994,281	\$ 2,053,418	\$ 2,113,599	\$ 2,182,505

Revenue Sources

Net Collections

(Dollar Amounts in Thousands)

	Actual		Estimated
2014-15.....	\$ 1,558,742	2020-21	\$ 1,768,086
2015-16.....	1,675,994	2021-22	1,814,886
2016-17.....	1,559,914	2022-23	1,883,216
2017-18.....	1,641,016	2023-24	1,946,353
2018-19.....	1,785,431	2024-25	2,010,534
2019-20.....	1,675,953	2025-26	2,079,440

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

The Lottery currently offers sixteen terminal-based games, in addition to Keno and Xpress Sports games, as well as dozens of Fastplay and Scratch-Off games introduced throughout the year. The Pick 3 (formerly the Daily Number) was introduced in 1977; Pick 4 (formerly Big 4) debuted in 1980; Cash 5 was created in 1992; Pennsylvania joined Powerball, the state's first multi-state mega-jackpot game, in 2002; the first Millionaire Raffle debuted in 2005; Treasure Hunt began in 2007; Pick 5 (formerly Quinto) was introduced in 2008; Match 6 lotto originally debuted in 2004 and was re-introduced in 2010 after a one-year hiatus; Pennsylvania joined Mega Millions, the Lottery's second multi-state game, in 2010; and Pick 2 and Cash4Life were introduced in 2015. Wildball, an add-on game for the Pick games, was launched in September of 2016. Fast Play games were added in February 2017. Monitor games are the most recent of the traditional Lottery games added. Monitor games included Keno (launched in May 2018) and Xpress Sports (launched in August 2018). Pennsylvania Lottery ticket prices range from \$1 to \$30 each. Lottery prizes up to \$2,500 can be paid by any one of approximately 9,600 lottery retailers, while larger prizes must be paid through lottery area offices or headquarters. Revenue growth was anticipated from the implementation of Act 42 of 2017. This act authorized the Lottery to conduct online games which are exempt from the profit margin requirement and allows the sale of Keno. Act 42 authorizes the department to operate iLottery and Internet instant games. iLottery and Internet instant games are lottery games of chance in which, by the use of a computer, tablet computer, other mobile device or other web or mobile applications a player purchases a lottery play that reveals numbers, letters or symbols indicating whether a lottery prize has been won. All revenues from the sales of iLottery will be deposited into the Lottery Fund. Act 97 of 2019 provided a temporary reduction of the mandated margin rate of return from 25 percent to 20 percent.

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

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Ticket Sales	\$ 5,200,730	\$ 5,750,062	\$ 5,814,317	\$ 6,032,695	\$ 6,271,290	\$ 6,513,257	\$ 6,777,354
Commissions	-223,474	-243,297	-239,559	-247,918	-257,160	-266,437	-276,678
Field Paid Prizes.....	-3,301,303	-3,738,679	-3,759,872	-3,901,561	-4,067,777	-4,236,286	-4,421,236
NET COLLECTIONS	\$ 1,675,953	\$ 1,768,086	\$ 1,814,886	\$ 1,883,216	\$ 1,946,353	\$ 2,010,534	\$ 2,079,440

Revenue Sources, continued

Gaming Transfers for Property Tax Relief

(Dollar Amounts in Thousands)

Actual		Estimated
2014-15.....	\$ 162,800	2020-21 \$ -
2015-16.....	166,800	2021-22 114,500
2016-17.....	148,000	2022-23 110,400
2017-18.....	145,700	2023-24 106,400
2018-19.....	141,700	2024-25 102,400
2019-20.....	265,000	2025-26 102,400

Under Act 1 of Special Session No. 1 of 2006, the Property Tax Relief Fund is required to use gaming money to pay for Property Tax and Rent Rebate program expansion costs under that act which began in 2009-10. Act 20 of 2020 authorized the early payment of Property Tax and Rent Relief payments shifting payments from July 2020 to the prior fiscal year.

Miscellaneous

(Dollar Amounts in Thousands)

Actual		Estimated
2014-15.....	\$ 1,678	2020-21 \$ 665
2015-16.....	10,923	2021-22 665
2016-17.....	1,263	2022-23 665
2017-18.....	2,699	2023-24 665
2018-19.....	3,516	2024-25 665
2019-20.....	2,868	2025-26 665

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

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Commonwealth of Pennsylvania

Governor's Executive Budget

TAX EXPENDITURES

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

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TAX EXPENDITURE ANALYSIS

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

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

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

The 2021-22 Governor’s Executive Budget presents this tax expenditure analysis covering commonwealth taxes that have historically had annual receipts of at least \$20 million. A complete list of covered taxes is shown in the Table of Contents. The intended purposes of the current analyses are to:

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

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

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

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

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

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

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

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

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

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

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

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

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

CREDIT PROGRAMS

NEIGHBORHOOD ASSISTANCE PROGRAMS

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

Description: A tax credit is available to business entities contributing to neighborhood organizations that run certain assistance programs or investing in qualifying projects to improve distressed areas. The programs and projects must be approved by the Department of Community and Economic Development (DCED). The amount of credit is typically 55 percent of the amount contributed by a business firm; but can be as much as 80 for contributions to special program priorities or neighborhood partnerships. Annual awards to a single taxpayer cannot exceed \$500,000 for contributions or investments in a single project or \$1,250,000 for contributions or investments in four or more projects.

Act 100 of 2018 established the current program cap of \$36 million for fiscal years 2019-20 and forward. Previously, the cap was \$18 million. Act 13 of 2019 also provided that contributions for youth and adolescent development services qualify for the tax credit.

The credit may be applied against personal income, corporate net income, bank and trust company shares, title insurance companies shares, insurance premiums, or mutual thrift institutions taxes. The credit may be carried over for five succeeding calendar or fiscal years, but may not be carried back or refunded. Credits may be sold or assigned, and must then be used in the taxable year in which they were purchased or assigned.

The estimate for fiscal year 2019-20 reflects actual credits awarded under the program. The estimates for future fiscal years reflect the program cap.

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

Administrative Costs: Costs to administer the program credits are borne by DCED and the Department of Revenue (DOR) and are estimated at \$0.3 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 33.5	\$ 36.0	\$ 36.0	\$ 36.0	\$ 36.0	\$ 36.0	\$ 36.0

Beneficiaries: Approximately 180 companies and 170 individuals doing business in Pennsylvania benefit from this tax expenditure.

General Fund Tax Expenditures

TAX CREDIT FOR NEW JOBS

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

Description: Previously known as the Job Creation Tax Credit, the credit was available to an employer creating at least 25 new full-time equivalent jobs or increasing their workforce by 20 percent or more within three years from a given start date. The tax credit was \$1,000 per job for each year in the approved term. Act 84 of 2016 provided a \$2,500 per job credit for every veteran hired.

Under Act 13 of 2019, the credit ceased to be awarded after June 30, 2020. Previously, the program cap was \$10.1 million per fiscal year. The tax credit was able to be applied to personal income, corporate net income, bank and trust company shares, title insurance companies shares, insurance premiums, gross receipts, and mutual thrift institutions taxes.

The estimate for fiscal year 2019-20 reflects actual credits awarded under the program. The estimates for future fiscal years reflect the end of the program.

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

Administrative Costs: Costs to administer the credit were borne by DCED and DOR. Estimated costs for both departments totaled \$0.1 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 10.1	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --

Beneficiaries: Approximately 20 companies and 50 individuals doing business in Pennsylvania benefitted from this tax expenditure.

General Fund Tax Expenditures

RESEARCH AND DEVELOPMENT TAX CREDIT

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

Description: The tax credit is equal to 10 percent of the increase in qualified research expenses for the current taxable year over a base period. For small businesses, the credit equals 20 percent of the increase in qualified research expenses for the current taxable year over a base period. The credit may be applied against personal income or corporate net income taxes. Unused credits may be carried forward 15 taxable years, sold or assigned to other taxpayers.

The current program cap is \$55 million per fiscal year, with the small business set aside equal to \$11 million. This cap has been in effect since 2011-12.

The estimate for fiscal year 2019-20 reflects actual credits awarded under the program. The estimates for future fiscal years reflect the program cap.

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

Administrative Costs: Costs to administer the credit are borne by DCED and DOR and are estimated at \$0.2 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 55.0	\$ 55.0	\$ 55.0	\$ 55.0	\$ 55.0	\$ 55.0	\$ 55.0

Beneficiaries: Approximately 1,150 companies performing qualified research and development in Pennsylvania benefit from this tax expenditure.

General Fund Tax Expenditures

KEYSTONE OPPORTUNITY ZONE

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

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

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

Act 84 of 2016 included a provision to allow for the designation of 12 new KOEZs, consisting of 375 acres each for a period of up to 10 years effective for January 1, 2017, to December 31, 2026. In addition, existing parcels can be extended up to 10 years for state tax benefits, if the applicant can meet the job creation and capital investment requirements in the enabling legislation. Act 43 of 2017 extended the application date for the additional KOZs from October 2016 to October 2018. Act 43 of 2017 also extended the date for DCED to approve said applications from December 2016 to December 2018. Act 13 of 2019 provided that three additional KOEZs may be established and that applications meeting population criteria must be received prior to October 1, 2021.

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

Administrative Costs: Costs to administer the program are borne by DCED and DOR and are estimated at \$0.5 million annually.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 84.3	\$ 85.8	\$ 87.5	\$ 89.5	\$ 91.7	\$ 95.2	\$ 98.8

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

General Fund Tax Expenditures

EDUCATIONAL TAX CREDITS

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

Description: The Educational Tax Credits are authorized under the Public School Code. Credits may be applied to personal income, corporate net income, bank and trust company shares, title insurance companies shares, insurance premiums, mutual thrift institutions, and malt beverage taxes. The tax can be distributed through more than one level of pass-through entities and can be applied to the personal income tax of a spouse filing a joint return.

Educational Improvement Tax Credit (EITC)

The tax credit is granted to business firms providing proof of a contribution to a scholarship organization, an educational improvement organization, or a pre-kindergarten scholarship organization equal to 75 percent of the total amount contributed during the taxable year. The tax credit must be applied in the taxable year the contribution is made. Any unused portion of the tax credit may not be carried forward or back, refunded, or transferred. A tax credit equal to 90 percent of the total amount contributed is granted if the business provides a written commitment to DCED to contribute the same amount for two consecutive tax years. The annual limit per taxpayer is \$750,000 per taxable year for contributions to scholarship organizations and educational improvement organizations and \$200,000 per taxable year for contributions to pre-kindergarten scholarship organizations. The tax credit shall not exceed the tax liability of a business for any given taxable year.

Educational Opportunity Scholarship Tax Credit (EOSTC)

The credit for business firms is equal to 75 percent of the amount contributed to a scholarship organization during a taxable year or 90 percent if the business firm provides a written commitment to provide the scholarship organization with the same amount of contribution for two consecutive tax years. Scholarship organizations providing financial assistance to eligible students in low-achieving schools must be approved by DCED to participate in the program. The credit may not exceed \$750,000 annually per business firm.

The current program caps of \$185 million for the EITC program and \$55 million for the EOSTC program were established by Act 16 of 2019.

Estimates for fiscal year 2019-20 reflects actual credits awarded. Future fiscal years reflect the program cap.

Purpose: These programs encourage taxpayers to contribute to qualifying organizations to promote expanded educational opportunities for students in the commonwealth.

Administrative Costs: Costs to administer the programs are primarily borne by DCED, DOR, and the Department of Education and are estimated at \$0.4 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	Educational Improvement Tax Credit						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 185.0	\$ 185.0	\$ 185.0	\$ 185.0	\$ 185.0	\$ 185.0	\$ 185.0
	Educational Opportunity Scholarship Tax Credit						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 55.0	\$ 55.0	\$ 55.0	\$ 55.0	\$ 55.0	\$ 55.0	\$ 55.0

Beneficiaries: Approximately 1,810 companies, 4,630 individuals, and 1,350 scholarship organizations, educational improvement organizations, and pre-kindergarten scholarship organizations benefit from the EITC expenditure. Approximately 590 taxpayers benefit from the EOSTC expenditure.

General Fund Tax Expenditures

KEYSTONE INNOVATION ZONE

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

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

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

The estimate for fiscal year 2019-20 reflects actual credits awarded under the program for that period. The estimates for future fiscal years reflect the program cap.

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 14.7	\$ 15.0	\$ 15.0	\$ 15.0	\$ 15.0	\$ 15.0	\$ 15.0

Beneficiaries: Approximately 210 taxpayers will benefit from this expenditure.

ENTERTAINMENT PRODUCTION TAX CREDIT

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

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

Film Production Tax Credit

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

The program cap has varied throughout the years. Most recently, Act 13 of 2019 increased the program cap to \$70 million. The tax may be applied against corporate net income, personal income, bank and trust company shares, title insurance companies shares, insurance premiums, and mutual thrift institutions taxes.

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

Video Game Production Tax Credit

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

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

Entertainment Economic Enhancement Program

Act 84 of 2016 created the Concert Rehearsal and Tour Tax Credit. The credit may be claimed by qualified concert tour promotion companies, concert tour management companies, or other concert management companies, excluding contractors or subcontractors of such companies. Act 13 of 2019 amended the definition of taxpayer to include musical performers or concert tour management companies of a musical performer or performers. The tax credit may be applied against corporate net income, personal income (excluding taxes withheld by an employer from an employee), bank and trust company shares, and insurance premiums taxes.

The credit cap has changed since the program's inception. Most recently, Act 13 of 2019 set the program cap at \$8 million. Up to \$2 million dollars in credits from a succeeding fiscal year may be awarded in a given fiscal year at DCED's discretion. Tax credits awarded to individual tours may not exceed certain percentages of qualified rehearsal and tour costs, based on the types of venues and number of performances at which the performer(s) will appear.

For all components, the estimates for fiscal year 2019-20 reflects actual credits awarded. The estimates for future fiscal years reflect the program cap. The impact of tax credits for film production tax credit districts is not reflected in the estimate. The impact of this provision is not currently known.

General Fund Tax Expenditures

Purpose: These tax credits provide incentives for filmmakers to produce films and television shows, for developers to produce video games, and for entertainers to rehearse and perform in Pennsylvania.

Administrative Costs: DCED will incur the costs of awarding, reviewing, and approving the sale or transfer of credit. Estimated costs total \$0.5 million.

(Dollar Amounts in Millions)

Estimates:

Film Production Tax Credit:

<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
\$ 70.0	\$ 70.0	\$ 70.0	\$ 70.0	\$ 70.0	\$ 70.0	\$ 70.0

Video Game Production Tax Credit:

<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0

Entertainment Economic Enhancement Program:

<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
\$ 4.0	\$ 8.0	\$ 8.0	\$ 8.0	\$ 8.0	\$ 8.0	\$ 8.0

Beneficiaries: Approximately 30 film projects will benefit from the Film Production Tax Credit. A minimal number of taxpayers benefit from the Video Game Production Tax Credit and Entertainment Economic Enhancement Program.

General Fund Tax Expenditures

STRATEGIC DEVELOPMENT AREAS

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

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

State taxes waived by the program include corporate net income and personal income taxes. Insurance companies and certain regulated transportation companies may earn tax credits based on the number of jobs created in a zone. Businesses operating in a zone are exempt from paying sales and use tax on items purchased for consumption in the area. Local taxes waived include property, earned income and net profit, mercantile license, and local sales and use taxes. Tax benefits may not extend beyond December 31, 2022.

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

Administrative Costs: Costs to administer the Strategic Development Areas program are borne by DCED and DOR and are estimated at \$0.1 million per year.

Estimates:

	(Dollar Amounts in Millions)						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

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

General Fund Tax Expenditures

RESOURCE ENHANCEMENT AND PROTECTION TAX CREDIT

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

Description: Act 55 of 2007 created the Resource Enhancement and Protection (REAP) Tax Credit to encourage the development of riparian forest buffers and the remediation of legacy sediment on commonwealth farmland. Depending on the type of development, a taxpayer may receive a credit of up to 75 percent of cost of a project. A maximum of \$250,000 in tax credits may be awarded per eligible applicant. The tax credit may be used against personal income, corporate net income, bank shares and trust company shares, title insurance companies shares, insurance premiums, and mutual thrift institutions taxes.

The estimate for fiscal year 2019-20 reflects actual credits awarded under the program for that period. The estimates for future fiscal years reflect the program cap of \$13 million per fiscal year, as amended by Act 13 of 2019. Up to \$3 million may be reserved for projects in the Chesapeake Bay watershed.

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 13.0	\$ 13.0	\$ 13.0	\$ 13.0	\$ 13.0	\$ 13.0	\$ 13.0

Beneficiaries: Approximately 70 businesses and 180 individuals will benefit from this tax expenditure.

General Fund Tax Expenditures

KEYSTONE SPECIAL DEVELOPMENT ZONE TAX CREDIT

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

Description: Keystone Special Development Zone Tax Credits are available only to taxpayers with operations located on land certified as a brownfield under the Land Recycling and Environmental Remediation Standards Act. The tax credit is equal to \$2,100 for each full-time equivalent employee working in the zone beginning in tax year 2012. The tax credit is available for 10 tax years during the 15-year period the tax credit is in existence. Act 84 of 2016 extended the end date for the credit from June 30, 2026, to June 30, 2035. Jobs used to claim this tax credit may not be used to claim the Keystone Opportunity Zone Tax Credit or the Tax Credit for New Jobs. The tax credit can be used against personal income, corporate net income, bank and trust company shares, title insurance companies shares, and mutual thrift institutions taxes. The tax credit may not exceed the qualified tax liability and may be carried forward for up to 10 years, and unused tax credits can be sold or assigned.

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

Administrative Costs: Costs to administer the Keystone Special Development Zone Tax Credit are borne by DCED and DOR.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

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

General Fund Tax Expenditures

PENNSYLVANIA RESOURCE MANUFACTURING TAX CREDIT

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

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

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

Administrative Costs: Costs to administer the credit are borne by DCED and the DOR.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.0	\$ 17.1	\$ 49.6	\$ 65.0	\$ 65.0	\$ 65.0	\$ 65.0

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

General Fund Tax Expenditures

HISTORIC PRESERVATION INCENTIVE TAX CREDIT

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

Description: The credit is available to qualified taxpayers owning a Pennsylvania commercial or non-commercial building or workforce housing project that qualifies as a certified historical structure according to the Internal Revenue Code (IRC). The tax credit is equal to 25 percent of the costs and expenses defined as qualified rehabilitation expenditures under the IRC or that are associated with a plan to rehabilitate a historic structure approved by the Pennsylvania Historical and Museum Commission (PHMC).

The credit may be applied to the personal income, corporate net income, bank and trust company shares, title insurance companies shares, insurance premiums, gross receipts, and mutual thrift institutions tax. It may be carried forward for up to seven taxable years, but may not be carried back or refunded. The credit may be sold or assigned, but must immediately be claimed in the taxable year of the purchase or assignment. A taxpayer is limited to \$500,000 in credits per year.

The fiscal year cap is \$5 million, as set by Act 13 of 2019, which also extended the program expiration date to February 1, 2031. Estimates for future fiscal years reflect the program cap.

Purpose: This program encourages the rehabilitation and preservation of buildings with historical value.

Administrative Costs: Costs to administer the program are primarily borne by DCED, PHMC, and the Department of Revenue and are estimated at \$0.1 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0

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

General Fund Tax Expenditures

COMMUNITY-BASED SERVICES TAX CREDIT

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

Description: The credit was available for contributions made by business firms to providers of community-based services for individuals with intellectual disabilities, mental illness, or drug and alcohol addiction. Providers were required to be nonprofit entities exempt from federal taxation under Section 501(c)(3) of the IRC and approved by DCED. The credit was equal to 50 percent of contributions made but was able to be increased to 75 percent for business firms making contributions in two or more successive years.

The credit was able to be applied to the personal income, corporate net income, bank and trust company shares, title insurance companies shares, insurance premiums, and mutual thrift institutions taxes. Credits were not able to be carried forward, carried back, refunded or transferred. A business firm was limited to \$100,000 in credits annually.

The fiscal year program cap was \$3 million. The estimate for fiscal year 2019-20 reflects actual credits awarded. The estimates for 2020-21 and future fiscal years reflect the expiration of the program.

Purpose: This program encouraged taxpayers to contribute to providers of community-based services.

Administrative Costs: Costs to administer the program were primarily borne by DCED, DOR, and the Department of Human Services, and were estimated at \$0.2 million per year.

	(Dollar Amounts in Millions)						
<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.0	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --

Beneficiaries: An unknown number of taxpayers benefitted from this tax expenditure.

General Fund Tax Expenditures

MOBILE TELECOMMUNICATIONS BROADBAND INVESTMENT TAX CREDIT

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

Description: The credit was available to providers of mobile communications services against their corporate net income tax for investment in qualified broadband equipment placed into service in Pennsylvania. The credit was five percent of the purchase price of qualified broadband equipment put into service during the taxable year.

Under Act 132 of 2020, the credit was eliminated, and a grant program was established in its place. Previously, the fiscal year program cap was \$5 million. Credits could not exceed 50 percent of a taxpayer's corporate net income tax liability. Credits could be carried forward for no more than five consecutive tax years. Affiliated shareholders, members, or partners of pass-through entities that received unused credits from the pass-through entity were required to use the tax credit immediately, and it could not be carried forward, carried back, refunded, or sold.

The estimate for fiscal year 2019-20 reflects actual credits awarded. The amounts for future fiscal years reflect the end of the program.

Purpose: The tax credit was intended to encourage investment in mobile broadband services by the industry.

Administrative Costs: Costs to administer the credit were borne by DOR.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 3.0	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --

Beneficiaries: A minimal number of taxpayers benefitted from this tax expenditure.

General Fund Tax Expenditures

ORGAN AND BONE MARROW DONOR TAX CREDIT

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

Description: The credit is available to business firms and is equal to the employee compensation paid during the leave of absence, the cost of temporary replacement help, and any miscellaneous expenses authorized by regulation incurred with the leave of absence period. The tax credit may be applied against personal income, corporate net income, bank and trust company shares, title insurance companies shares, insurance premiums, and mutual thrift institutions taxes. Credits cannot be applied against employer withholding tax under Article III. Credits may be carried forward for three taxable years but cannot be carried back or refunded. The credit against personal income tax may be passed through proportionately to the shareholders of S corporations, members of limited liability companies, or partners.

Purpose: The purpose of these provisions is to create a greater willingness to donate organs and/or bone marrow through employer tax credits and public education.

Administrative Costs: Costs to administer the Organ and Bone Marrow Tax Credit program are borne by DOR and are estimated at \$0.1 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.0	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: A minimal number of taxpayers will benefit from this tax expenditure.

General Fund Tax Expenditures

EXEMPTIONS FOR OUT-OF-STATE ENTITIES DURING A DECLARED EMERGENCY

Authorization: Act 203 of 2014.

Description: Out-of-state businesses responding to a disaster emergency declared by the Governor of Pennsylvania or the President of the United States would not be subject to: state or local business licensing or registration, PUC or regulatory requirements, or state and local taxes/fees.

An out-of-state employee shall not be considered to have established residency that would require the individual or the employer to file and pay income taxes, be subjected to income tax withholding, or file and pay any other state or local tax or fee for disaster emergency-related work performed during the period designated.

These exemptions apply to an out-of-state business who performs work for a period of not more than 10 days before and not more than 60 days after the end of a declared disaster emergency period, and the business must be in compliance with all applicable regulatory and licensing requirements in its state of domicile. The exemption period may be extended by the Governor for a period of not more than 30 days for each declared disaster emergency.

Purpose: These exemptions simplify the administration process for out-of-state individuals and businesses to respond to declared disasters in Pennsylvania.

Administrative Costs: Costs to administer the Emergency Related Work Exemption are borne by DOR.

Estimates:

	(Dollar Amounts in Millions)						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: An unknown number of individuals and businesses will benefit from this expenditure.

General Fund Tax Expenditures

WATERFRONT DEVELOPMENT TAX CREDIT

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

Description: The credit is available to business firms making a donation of cash or property to a waterfront development organization to fund a waterfront development project. The credit may be claimed against personal income, corporate net income, bank and trust company shares, title insurance companies shares, insurance premiums, and mutual thrift institutions taxes.

The tax credit may not exceed 75 percent of the total contribution made by the business firm during the taxable year. Credits are available on a first come, first served basis. Total credits awarded in a fiscal year shall not exceed \$1.5 million.

The estimate for 2019-20 reflects actual credits awarded. Estimates for future fiscal years reflect the program cap.

Purpose: This tax credit provides an incentive for business firms to contribute to the betterment of Pennsylvania's waterfronts.

Administrative Costs: DCED incurs the costs of awarding, reviewing, and approving credit sales or transfers.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.2	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5

Beneficiaries: A minimal number of taxpayers benefit from this credit program.

General Fund Tax Expenditures

COAL REFUSE ENERGY AND RECLAMATION TAX CREDIT

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

Description: The credit may be awarded at a rate of \$4 per 2,000 pounds of qualified coal refuse. Each eligible facility may receive no more than 22.2 percent of total credits that may be awarded per fiscal year. Credits are awarded by DCED.

The credit may be used against personal income, corporate net income, bank shares and trust company shares, title insurance companies shares, insurance premiums, gross receipts, and mutual thrift institutions tax liabilities. The tax credit can be carried forward for 15 years, but not carried back or refunded. Credits can be transferred to pass-through entity shareholders, members or partners. Unused credit may be sold or assigned, but must be used in the tax year in which it was sold or assigned. Sold or assigned tax credits may only reduce a taxpayer's qualified liability by 75 percent in a given tax year and cannot be carried back, carried forward or refunded.

The estimate for fiscal year 2019-20 reflects actual credits awarded. The estimates for future fiscal years reflect the program cap, including Act 13 of 2019's cap increase to \$20 million.

Purpose: This tax credit is designed to incentivize eligible facilities that generate electricity in the commonwealth to use coal refuse for power generation, control acid gasses for emission control, and use ash produced by the facilities to reclaim mining-affected sites.

Administrative Costs: Costs to administer the Coal Refuse Energy and Reclamation Tax Credit are borne by DCED, DEP, and DOR.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 20.0	\$ 20.0	\$ 20.0	\$ 20.0	\$ 20.0	\$ 20.0	\$ 20.0

Beneficiaries: A limited number of beneficiaries benefit from this credit program.

General Fund Tax Expenditures

MANUFACTURING AND INVESTMENT TAX CREDIT

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

Description: Act 84 of 2016 created the Manufacturing and Investment Tax Credit, encompassing the Manufacturing Tax Credit and the Rural Jobs and Investment Tax Credit. Credits are awarded by DCED.

Manufacturing Tax Credit

Eligible taxpayers, capable of increasing their annual taxable payroll by a minimum of \$1 million through the creation of new full-time jobs can earn a tax credit equal to up to five percent of the taxpayer's increase in annual taxable payroll. Jobs must be maintained for at least five years. The budget allocation is \$4 million a year beginning in fiscal year 2017-18.

The credit may be used against personal income, corporate net income, bank and trust company shares, title insurance companies shares, insurance premiums, and mutual thrift institutions tax liabilities. The tax credit can be carried forward for 3 years, but may not be carried back or refunded. Credits can be transferred to pass-through entity shareholders, members or partners. Unused credit may be sold or assigned, but must be used by the purchaser or assignee in the tax year in which it was sold or assigned. A sold or assigned tax credit may only reduce a taxpayer's qualified liability by 50 percent in a given tax year and cannot be carried back, carried forward, or refunded.

Rural Jobs and Investment Tax Credit

Eligible business firms may be approved for up to a 90 percent equivalent tax credit per contributed dollar to a rural growth fund. Act 13 of 2019 established the current fiscal year award cap of \$6.0 million and the aggregate award cap of \$30.0 million.

The credit may be used against bank and trust company shares, title insurance companies shares, insurance premiums, and mutual thrift institutions tax liabilities. The tax credit can be carried forward for 5 years, but may not be carried back or refunded. Credits can only be sold to affiliated companies. An awarded or assigned tax credit may reduce a taxpayer's qualified liability by 100 percent in a given tax year.

The estimates for fiscal year 2019-20 reflect actual credits awarded under the program for that period. The estimates for future fiscal years reflect the program cap.

Purpose: The Manufacturing Tax Credit is designed to support job creation and preservation within the commonwealth. The Rural Jobs and Investment Tax Credit is designed to stimulate growth and job creation in rural areas by providing access to capital to rural businesses from businesses supporting rural growth funds.

Administrative Costs: Costs to administer the Coal Refuse Energy and Reclamation Tax Credit are borne by DCED, DEP, and DOR.

(Dollar Amounts in Millions)

<i>Estimates:</i>	Manufacturing Tax Credit:						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.0	\$ 4.0	\$ 4.0	\$ 4.0	\$ 4.0	\$ 4.0	\$ 4.0
<i>Estimates:</i>	Rural Jobs and Investment Tax Credit:						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.0	\$ 6.0	\$ 6.0	\$ 6.0	\$ 6.0	\$ --	\$ --

Beneficiaries: An unknown number of taxpayers may benefit from this tax credit program.

General Fund Tax Expenditures

BREWERS' TAX CREDIT

Authorization: Article XX, Section 2010 of the Tax Reform Code of 1971 (P.L. 6, No. 2), as amended.

Description: Act 84 of 2016 reinstated the limited tax credit, which provides manufacturers of malt or brewed beverages a maximum annual credit of \$200,000 for capital improvement expenditures. This tax credit cannot exceed the amount of qualifying capital expenditures (items of plant, equipment and machinery intended for use in the manufacture and sale of malt or brewed beverages within the commonwealth) made during a calendar year. The tax credit applies to qualifying capital expenditures made after June 30, 2017.

The estimate for fiscal year 2019-20 reflects actual credits awarded under the program for that period. The estimates for future fiscal years reflect the program cap.

Purpose: This credit grants a limited tax subsidy for capital improvements made by brewers. This provision could help spur brewery investment in the commonwealth.

Administrative Costs: Costs to administer the Brewers' Tax Credit are borne by DOR.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 2.6	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0

Beneficiaries: Up to 440 malt beverage taxpayers may benefit from this tax expenditure.

General Fund Tax Expenditures

MIXED-USE DEVELOPMENT TAX CREDIT

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

Description: Act 84 of 2016 created the Mixed-Use Development Tax Credit, allowing the Pennsylvania Housing Finance Authority to allocate an amount of tax credits to be purchased by qualified purchasers.

The credits may be claimed by tax credit purchasers against personal income (excluding employer withholding), corporate net income, title insurance companies shares, insurance premiums, gross receipts, and mutual thrift institutions taxes. Credits may be sold or assigned and may be carried forward for up to seven taxable years.

The estimate for fiscal year 2019-20 reflects actual credits awarded. The estimates for future fiscal years reflect the program cap, including Act 13 of 2019's increase of the program cap to \$3 million.

Purpose: This tax credit encourages increased funding of affordable housing and commercial corridor development opportunities in the commonwealth through the Pennsylvania Housing Finance Authority's Mixed-Use Development Program.

Administrative Costs: Costs to administer the credit are borne by the Pennsylvania Housing Finance Authority and the Department of Revenue.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.0

Beneficiaries: A minimal number of taxpayers who purchased the credit benefit from this program.

General Fund Tax Expenditures

COMPUTER DATA CENTER EQUIPMENT INCENTIVE PROGRAM

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

Description: Act 84 of 2016 created the Computer Data Center Equipment Incentive Program, which provides sales and use tax refunds for computer data center equipment (used to outfit, operate, or benefit a computer data center and component parts, installations, refreshments, replacement, and upgrades to the equipment). Computer data centers wishing to qualify for the sales and use tax refunds must meet certain requirements relating to the size of new investment being made to the computer data center as well as a requirement as to annual compensation of its employees. Act 13 of 2019 increased the program cap from \$5 million to \$7 million in sales and use tax refunds, effective for fiscal year 2019-20.

The estimate for fiscal year 2019-20 reflects actual refunds awarded under the program for that period. The estimates for future fiscal years reflect the program cap.

Purpose: This program provides a limited sales and use tax refund program for computer data centers to operate and improve equipment in the commonwealth.

Administrative Costs: Costs to administer the Computer Data Center Equipment Incentive Program are borne by DOR.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 2.9	\$ 7.0	\$ 7.0	\$ 7.0	\$ 7.0	\$ 7.0	\$ 7.0

Beneficiaries: Approximately 1,050 entities could benefit from this tax expenditure.

General Fund Tax Expenditures

LOCAL RESOURCE MANUFACTURING TAX CREDIT

Authorization: Act 66 of July 23, 2020 (P.L. 654, No. 66), as amended.

Description: Act 66 of 2020 created the Local Resource Manufacturing Tax Credit. The credit is available to qualified manufacturers of chemical and fertilizer products that utilize natural gas produced in the commonwealth as a material input.

Taxpayers who qualify for the credit are those who use natural gas as a raw material in the manufacture of petrochemicals or fertilizers at a facility placed in service after September 21, 2020. The capital investment for this facility must be \$400 million or more, and create at least 800 new and permanent jobs which pay at least the prevailing minimum wage and benefits for that job type. A qualified taxpayer must also demonstrate a good faith effort to recruit from the local labor market, and to encourage contractors to do the same.

The credit may be used against personal income, corporate net income, bank shares and trust company shares, title insurance company shares, insurance premiums, and mutual thrift institutions taxes. The value of the credit is equal to \$0.47 per thousand cubic feet of natural gas produced in the commonwealth that is then used in the manufacturing of petrochemicals or fertilizers at the facility, for the period beginning January 1, 2024, and ending December 31, 2049. A taxpayer may use this credit to reduce their tax liability by a maximum of 20 percent for any tax year in which it is awarded. The maximum amount available for this credit is \$26,666,668 per fiscal year with no more than four recipients, each capped at \$6,666,667.

Purpose: The credit is intended to promote additional economic growth and job creation related to the commonwealth's natural gas boom by incentivizing investment in manufacturing which utilizes natural gas as a raw material.

Administrative Costs: Costs to administer the program are borne by DCED and DOR and are estimated at \$0.1 million annually.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ --	\$ --	\$ --	\$ --	\$ 13.3	\$ 26.7	\$ 26.7

Beneficiaries: Up to four qualified businesses which operate, and workers near, qualifying facilities within the commonwealth may benefit from this tax expenditure.

General Fund Tax Expenditures

CORPORATE NET INCOME TAX

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

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

The tax is based on federal taxable income before net operating loss deduction and special deductions (line 28 of page 1 of federal IRS form 1120) modified by additions and subtractions to arrive at Pennsylvania taxable income. Taxes based on income and certain tax items are added back to federal taxable income. The tax rate is 9.99 percent for tax years 1995 and thereafter.

Any deductions, exemptions, or types of special treatment that are reflected in line 28 on the IRS form 1120, and not modified or adjusted by Pennsylvania statute, are not included below.

Administrative Costs: Costs to administer various tax expenditures associated with the corporation taxes cannot be separately identified. Tax expenditures are a significant factor associated with the need for more compliance audits and the increased complexity of such audits, as well as legal rulings, pronouncements, and bulletins. Tax expenditures also contribute significantly to the tax appeals process. The amounts below also include the nominal administrative costs associated with selective business taxes.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 4.0	\$ 4.1	\$ 4.3	\$ 4.4	\$ 4.5	\$ 4.7	\$ 4.8

NONPROFIT CORPORATIONS

Description: Nonprofit corporations are exempt from the corporate net income tax. Act 7 of 1997 provided that any nonprofit corporation or entity that is an exempt organization as defined by section 501 of Internal Revenue Code of 1986 (P.L. 99-514, 26 U.S.C.) is exempt from the corporate net income tax. Corporations organized as nonprofits but not operating as nonprofits are excluded from this exemption. Act 4 of 1999 provided that insurance and travel agency activities carried on by an auto club are subject to the corporate net income tax. The same act restored exempt status to homeowners associations and membership organizations. The estimates below are based on unrelated business income taxed by the federal government.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 59.6	\$ 59.8	\$ 60.0	\$ 60.1	\$ 60.3	\$ 60.5	\$ 60.7

Beneficiaries: Approximately 2,500 nonprofit corporations operating in Pennsylvania with unrelated business income benefit from this tax expenditure.

General Fund Tax Expenditures

SALES FACTOR APPORTIONMENT WEIGHT

Description: Since tax year 2013, corporations with activities in multiple states apportion their income to Pennsylvania using a single sales factor. Prior to that, there were weighted formulas that incorporated property, payroll, and sales. The estimates shown below measure the impact of reverting to an equally-weighted three-factor formula.

Act 52 of 2013 modified the sourcing of sales for calculating the apportionment of income. Sales of real property, tangible property, and services will be sourced at the location of the customer instead of the location of the “income producing activity.” The same act also established a new apportionment formula for providers of satellite television services based on the value of equipment used in generating, processing, or transmitting satellite telecommunications. Both provisions were effective January 1, 2014.

Purpose: Corporations with a higher percentage of property and payroll invested in Pennsylvania (compared to their percentage of sales in Pennsylvania) will have less taxable income apportioned to the commonwealth. Therefore, those corporations will have a reduced tax burden. This encourages business investment in Pennsylvania in the form of property and employment.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 765.6	\$ 754.9	\$ 744.1	\$ 733.3	\$ 722.5	\$ 711.7	\$ 700.9

Beneficiaries: More than 34,500 corporations are affected by this expenditure. Of those, 8,000 benefit (i.e., have their taxable income reduced) from the expenditure. The estimates shown above reflect the net impact and represent the change in corporate net income tax from corporations who have their taxable income reduced, as well as the impact on corporations that have their taxable income increased as a result of this tax expenditure.

FICA TAX ON TIPS

Description: Eating and drinking establishments can claim a deduction from their Pennsylvania taxable income equal to the amount of FICA (Federal Insurance Contributions Act) tax on employees’ tips.

Purpose: This deduction corrects for a change in federal law. In 1993, a credit for the amount of FICA tax paid on employees’ tips was created in the Internal Revenue Code. Taxpayers taking the federal credit may not also take a deduction for tax paid. Pennsylvania does not permit the credit and instead allows this additional deduction from federal taxable income.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 3.4	\$ 3.6	\$ 3.8	\$ 4.0	\$ 4.2	\$ 4.3	\$ 4.5

Beneficiaries: Approximately 2,400 taxpayers representing eating and drinking establishments could benefit from this tax expenditure.

General Fund Tax Expenditures

NET OPERATING LOSS CARRYFORWARD

Description: Corporations may deduct from current taxable income the net losses from previous years to arrive at their tax liability. Following the decision in *Nextel v. Commonwealth of Pennsylvania* and Act 43 of 2017, the caps on net operating loss carryforwards are 30 percent for tax year 2017, 35 percent for tax year 2018, and 40 percent for tax years 2019 and beyond.

Purpose: This deduction reduces the tax burden for a period of time after an operating loss period, thereby aiding a corporation that has returned to economic viability as measured by taxable income.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 390.2	\$ 429.9	\$ 433.1	\$ 430.0	\$ 439.2	\$ 451.3	\$ 465.0

Beneficiaries: Approximately 17,800 businesses per year benefit from this tax expenditure.

NON-PROFIT NONSTOCK COMMODITY OR STOCK EXCHANGE

Description: Act 40 of 2005 excluded non-profit nonstock commodity or stock exchanges from the definition of a corporation for corporate net income tax purposes. This provision applies retroactively to taxable years beginning after December 31, 1997.

Purpose: This exemption provides tax relief for non-profit nonstock commodity or stock exchanges.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: A minimal number of corporate taxpayers benefit from this tax expenditure.

General Fund Tax Expenditures

PENNSYLVANIA S CORPORATIONS

Description: Corporations with a valid Pennsylvania S corporation election in effect for the taxable year are subject to corporate net income tax only to the extent that they have net recognized built-in gains. Pennsylvania S corporation shareholders must include their distributive share of Pennsylvania S corporation income for Pennsylvania income tax purposes. The tax expenditure is the difference between what is paid by the shareholders under the personal income tax and what the corporations would have paid had they been fully subject to the corporate net income tax. Beginning with Act 7 of 1997, there have been several acts that have linked the Pennsylvania tax treatment of S corporations more closely with federal law.

Purpose: Sub-chapter S corporations are closely-held corporations and are believed to be major job creators. This provision allows tax treatment that is similar to that of the Internal Revenue Service and most other states for these businesses.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 603.7	\$ 605.6	\$ 623.6	\$ 646.2	\$ 667.4	\$ 688.8	\$ 710.4

Beneficiaries: Approximately 161,000 sub-chapter S corporations doing business in Pennsylvania could benefit from this tax expenditure.

LIMITED LIABILITY COMPANIES (LLCs)

Description: Limited liability companies (LLCs) are hybrid business entities that combine the corporate characteristic of limited liability for all owners (members) with the tax treatment of a partnership. LLCs that are not taxed as corporations for federal purposes are exempt from the Pennsylvania corporate net income tax. Members of the LLC must include their share of the LLC's income for Pennsylvania personal income tax purposes or corporate net income tax (if a corporate member). The tax expenditure is the difference between what is paid by the members under the personal income tax and corporate net income tax and what the LLC entities would have paid under the corporate net income tax. Various acts through the years have clarified the tax treatment of LLCs and types of companies that can organize as LLCs.

Purpose: LLCs are a preferred type of business entity for start-up companies. They combine the limited liability of a corporation with the flexibility of a partnership. This provision allows tax treatment that is similar to that of the Internal Revenue Service and most other states for these businesses.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$1,067.2	\$1,070.5	\$1,102.4	\$1,142.4	\$1,179.9	\$1,217.6	\$1,255.9

Beneficiaries: As many as 166,500 companies doing business in Pennsylvania benefit from this tax expenditure.

General Fund Tax Expenditures

POWDERED METALLURGY NEXUS

Description: Act 55 of 2007 created a nexus exemption for the out-of-state customers of Pennsylvania powdered metallurgy parts manufacturers. This nexus exemption applies retroactively to taxable years beginning after December 31, 2004, as well as taxable years to which there is an appeal prior to the effective date.

Purpose: This nexus exemption ensures that Pennsylvania powdered metallurgy parts manufacturers will not lose business due to a concern that out-of-state customers may be unduly subject to Pennsylvania taxation only for contracting with such a company.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: A minimal number of corporate taxpayers benefit from this tax expenditure.

QUALIFIED MANUFACTURING INNOVATION & REINVESTMENT DEDUCTION

Description: Act 43 of 2017 created a deduction from federal income for taxpayers who invest in the creation of a new or refurbished manufacturing facility within three years of a designated start date. Act 13 of 2019 altered which projects are able to use this deduction. For projects with private capital investment of between \$60 million and \$100 million, a total of 37.5 percent of the investment may be taken as a deduction over the next 10 taxable years. The maximum deduction in any one tax year is 7.5 percent. For projects with private capital investment greater than \$100 million, a total of 25 percent of the private capital investment may be taken as a deduction over the next 10 taxable years. The maximum deduction in any one tax year is 5 percent. In both cases, the deduction cannot reduce total tax liability by more than 50 percent. The deduction is non-transferable and expires at the end of the corresponding tax year. Businesses can inform the commonwealth of their intent to initiate an eligible project after the effective date of December 29, 2017.

Purpose: The deduction will make Pennsylvania a more attractive place to make large capital investments in modern manufacturing.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: A minimal number of corporate taxpayers benefit from this tax expenditure.

General Fund Tax Expenditures

AIR FREIGHT FORWARDING SPECIAL APPORTIONMENT

Description: All business income of railroad, truck, bus or airline companies is apportioned to the Commonwealth of Pennsylvania by multiplying the income by a special apportionment factor. The numerator is the taxpayer's total revenue miles within the commonwealth during the taxable period. The denominator is the total revenue miles of the taxpayer everywhere during the taxable period. A revenue mile means the average receipts derived from the transportation by the taxpayer of persons or property one mile. This is in lieu of the standard sales factor apportionment ratio.

Act 131 of 2018 allows "qualified air freight forwarding companies" to utilize special income apportionment based on revenue miles, for tax years starting after December 31, 2016. This is in addition to railroad, truck, bus, and airline companies currently using this apportionment. Qualified companies are those engaged in the air freight forwarding business and primarily use an airline with which it has common ownership and control. Such companies shall use the revenue miles of the airline.

Purpose: Allowing qualified air freight forwarding companies to apportion their net income in the same manner as other transportation companies creates equal treatment amongst similar taxpayers.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 5.9	\$ 6.0	\$ 6.2	\$ 6.4	\$ 6.6	\$ 6.8	\$ 7.0

Beneficiaries: A minimal number of corporate taxpayers benefit from this tax expenditure.

GROSS RECEIPTS TAX

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

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

A tax is levied at 50 mills on gross receipts from passengers, baggage, freight, and oil transported within the commonwealth; as well as intrastate and interstate telephone and telegraph messages transmitted on land line or cellular systems.

A tax at the rate of 59 mills is levied on the sale of electric energy. This rate has been in effect since Act 89 of 2002 established the permanent revenue neutral reconciliation tax rate at 15 mills for tax years beginning January 1, 2003 and thereafter.

The sale of natural gas was subject to the gross receipts tax before Act 4 of 1999 repealed these provisions, effective January 1, 2000. Act 84 of 2016 repealed the imposition of gross receipts tax on managed care organizations, effective January 1, 2017.

MUNICIPALLY-OWNED PUBLIC UTILITIES

Description: Gross receipts of public utilities owned or operated by a municipality are exempt from tax to the extent the gross receipts are derived from business done inside the limits of the municipality. The figures for this expenditure are at the statutory utilities gross receipts tax rates applicable to the appropriate tax year.

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

	(Dollar Amounts in Millions)						
<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 9.7	\$ 9.6	\$ 9.4	\$ 9.2	\$ 9.1	\$ 8.9	\$ 8.8

Beneficiaries: The 35 municipally-owned utilities operating in the commonwealth benefit from this tax expenditure.

General Fund Tax Expenditures

NUCLEAR GENERATING FACILITY DAMAGE

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: One hundred fifty electric suppliers could potentially benefit from this tax expenditure.

ELECTRIC COOPERATIVES

Description: Gross receipts of electric cooperatives are exempt from the tax. The figures for this expenditure are at the statutory utility gross receipts tax rates applicable to the appropriate tax year.

Purpose: These cooperatives are nonprofit corporations organized to engage in rural electrification and are perceived to provide public benefit. This exemption permits this service to be rendered at a reduced cost to the rate payers.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 23.2	\$ 23.8	\$ 24.4	\$ 25.0	\$ 25.6	\$ 26.2	\$ 26.9

Beneficiaries: The 14 cooperatives in the commonwealth benefit from this tax expenditure.

PUBLIC UTILITY REALTY TAX

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

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

Act 4 of 1999 fundamentally overhauled PURTA for tax year 1998 and thereafter. The tax rate is annually calculated by the Department of Revenue in order to raise an amount of tax revenue equal to the realty tax equivalent. The commonwealth imposes this tax on public utility realty in lieu of local real estate taxes and distributes revenue to local taxing authorities based on the realty tax equivalent.

Beginning with PURTA tax year 1998, utilities are taxed on the basis of the property's fair market value, which is the local assessed value adjusted by the common level ratio. After December 31, 1999, assets used in the generation of electricity are excluded from the PURTA tax base and the realty tax equivalent.

For fiscal years prior to 2003-04, an additional 7.6 mills of the PURTA tax base was transferred to the Public Transportation Assistance Fund. Beginning in fiscal year 2003-04, the additional 7.6 mills of the PURTA tax base has remained in the General Fund. The estimates in this portion of the analysis include the variable tax as well as the additional 7.6 mill levy.

PROPERTY SUBJECT TO LOCAL TAXATION

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 3.4	\$ 3.4	\$ 3.4	\$ 3.5	\$ 3.5	\$ 3.5	\$ 3.6

Beneficiaries: The 282 public utilities could benefit from this tax expenditure.

EASEMENTS

Description: Easements or similar interests are excluded from the PURTA base. An easement is an interest in land owned by another entity that entitles the public utility company to limited use related to the provision of utility service.

Purpose: PURTA is intended as a tax on real property and not as a tax on property such as these rights.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 3.0	\$ 3.0	\$ 3.1	\$ 3.1	\$ 3.1	\$ 3.1	\$ 3.2

Beneficiaries: The 285 public utilities could benefit from this tax expenditure.

General Fund Tax Expenditures

RAILROAD RIGHTS-OF-WAY

Description: Railroad rights-of-way and superstructures thereon are excluded from the PURTA base. Railroad rights-of-way are limited ownership of land to be used exclusively for the provision of rail transportation service.

Purpose: PURTA is intended as a tax on real property and not as a tax on property such as these rights. This tax relief may encourage the development of our railroad network that benefits the economy.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 7.0	\$ 7.0	\$ 7.1	\$ 7.2	\$ 7.2	\$ 7.3	\$ 7.4

Beneficiaries: The 50 railroad public utilities could benefit from this tax expenditure.

SEWAGE SERVICES

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 6.1	\$ 6.2	\$ 6.3	\$ 6.3	\$ 6.4	\$ 6.4	\$ 6.5

Beneficiaries: The 40 public utilities that provide sewage services benefit from this tax expenditure.

MUNICIPALITIES

Description: Municipalities or municipal authorities furnishing electric, natural gas, telephone, or water public utility services are exempt from tax.

Purpose: The realty used for municipally-furnished utility services is public property used for public purposes. Moreover, taxing such property would result in the municipal government funding the realty tax equivalent distributed to local taxing authorities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 3.8	\$ 3.8	\$ 3.9	\$ 3.9	\$ 3.9	\$ 4.0	\$ 4.0

Beneficiaries: The 635 municipal authorities and the 35 municipal public utilities benefit from this tax expenditure.

General Fund Tax Expenditures

ELECTRIC GENERATION FACILITIES

Description: After December 31, 1999, land and improvements indispensable to the generation of electricity are subject to local real estate tax and are excluded from the PURTA tax base and the realty tax equivalent.

Purpose: Electric generation facilities were removed from the PURTA tax base because electric generation is no longer regulated as a public utility function. The electric competition statute, Act 138 of 1996, changed the definition of public utility, and generation facilities can be owned by unregulated entities. This exemption allows a level playing field for participants in electricity supply.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 27.7	\$ 28.0	\$ 28.2	\$ 28.5	\$ 28.7	\$ 29.0	\$ 29.2

Beneficiaries: The 22 electric utilities owning generating assets in Pennsylvania benefit from this tax expenditure.

TRANSITION CREDIT

Description: During the transition years 1998 through 2001, the liability of a public utility under PURTA is limited to 250 percent of its immediate prior year's liability with any reduction in the liability capped at \$100,000 per taxable year. The cost of the transition credit in current fiscal years depends on the calculation of the compensating adjustments for the affected tax years.

Purpose: The PURTA transition credit provides limited relief to taxpayers having a significant increase in their PURTA tax base as a result of Act 4 of 1999.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: Approximately 60 taxpayers benefit from this tax expenditure.

INSURANCE PREMIUMS TAX

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

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

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

The basic tax rate is two percent of gross premiums plus any retaliatory tax. A three percent rate is imposed on insurance premiums for policies written with unlicensed insurers by a surplus lines agent when the insured's home state is Pennsylvania. Marine insurance companies are subject to a five percent tax on their underwriting profits in lieu of the insurance premiums tax.

The estimates in this analysis include the full amount of revenues and the retaliatory charges that would be received from affected insurance companies.

MUTUAL BENEFICIAL ASSOCIATIONS

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

Purpose: Mutual beneficial associations are charitable and benevolent organizations that provide life, accident, and health benefits for their members.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 17.5	\$ 17.9	\$ 18.2	\$ 18.5	\$ 18.9	\$ 19.2	\$ 19.6

Beneficiaries: Approximately 50 mutual beneficial associations doing business in Pennsylvania benefit from this tax expenditure.

NONPROFIT HOSPITAL AND MEDICAL CARE SERVICE ORGANIZATIONS

Description: Companies organized under the Nonprofit Hospital Plan Act (Act 378 of 1937), the Nonprofit Medical, Osteopathic, Dental and Podiatry Service Corporation Act (Act 399 of 1939), and their successor acts are exempt from the insurance premiums tax.

Purpose: These companies are deemed to be charitable and benevolent institutions that provide hospital and/or medical care to their subscribers.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 78.1	\$ 82.7	\$ 87.5	\$ 92.6	\$ 98.0	\$ 103.7	\$ 109.5

Beneficiaries: Eleven nonprofit hospital and medical care service organizations doing business in Pennsylvania benefit from this tax expenditure.

General Fund Tax Expenditures

EXTRAORDINARY MEDICAL BENEFIT

Description: An exemption is allowed for premiums collected by automobile insurance companies for optional extraordinary medical benefit coverage from \$100,000 to \$1,100,000. This exemption applies only to premiums collected in association with policies written after June 1, 1989.

Purpose: This exemption benefits private insurance companies that are required to provide the extraordinary medical coverage as a result of the repeal of Pennsylvania's Catastrophic Loss Trust Fund.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2

Beneficiaries: Approximately 830 automobile insurance companies licensed to do business in Pennsylvania may benefit from this tax expenditure.

LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION CREDIT

Description: A tax credit is available to companies that are members of the Pennsylvania Life and Health Insurance Guaranty Association. These companies may offset a proportionate part of assessment payments made to the association against the insurance premiums tax. The credit is for the portion of the assessment that is unrecoverable through premiums and must be taken over five years.

Purpose: The Pennsylvania Life and Health Insurance Guaranty Association protects policyholders and claimants by providing for the payment of benefits and the continuation of coverage under life, health, and accident, and annuity policies under certain circumstances. Members are assessed to provide funds to carry out the purpose of the association. This credit provides relief to member companies by allowing them to recoup a portion of their assessment payments in the form of tax credits. This credit also provides indirect relief to subscribers to the extent that lower premium rates are maintained.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 35.2	\$ 45.1	\$ 47.8	\$ 48.2	\$ 48.2	\$ 13.2	\$ 3.3

Beneficiaries: Approximately 410 life, accident, and health insurance companies doing business in Pennsylvania may benefit from this tax expenditure.

General Fund Tax Expenditures

PROPERTY AND CASUALTY INSURANCE GUARANTY ASSOCIATION CREDIT

Description: A tax credit is available to companies that are members of the Pennsylvania Property and Casualty Insurance Guaranty Association (PP&CIGA). Companies may claim a credit for assessments paid to the association in a calendar year that exceed one percent of gross premiums collected from policyholders. The credit must be taken proportionately over five years, beginning the year after the assessment is paid. This tax credit was enacted as part of Act 23 of 2000 to allow member companies to recoup a portion of assessments paid to the association in the form of tax credits.

Purpose: PP&CIGA protects policyholders and claimants by providing for the payment of benefits and claims for property and casualty policies under certain circumstances. Members are assessed to provide funds to carry out the purpose of the association. This credit also provides indirect relief to property and casualty policyholders to the extent that lower premium rates are maintained.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal	\$ 0.6	\$ 1.3	\$ 2.0	\$ 2.7	\$ 3.4	\$ 3.6

Beneficiaries: Approximately 1,080 property and casualty insurers doing business in Pennsylvania benefit from this tax expenditure.

INNOVATE IN PA TAX CREDIT

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

Description: Act 52 of 2013 created the Innovate in PA Tax Credit. A total of \$100 million in tax credits were purchased by qualified insurance companies in 2015. The credits may be claimed beginning in calendar year 2017 against insurance premiums tax (IPT) liabilities incurred for a taxable year beginning on or after January 1, 2016. The total amount of credits applied against IPT liability by all qualified taxpayers in a fiscal year may not exceed \$20 million, nor may they exceed a taxpayer's IPT liability for that year. Credits may be sold to other qualified taxpayers and may be carried forward for any taxable year that begins prior to January 1, 2026.

The amounts shown below reflect the program cap.

Purpose: The tax credit encourages funding of early-stage venture capital investment through the Ben Franklin Technology Partners, the Venture Investment Program, and the Life Sciences Greenhouses.

Administrative Costs: Costs to administer the Innovate in PA Tax Credit are borne by the Department of Community and Economic Development and the Department of Revenue. Estimated costs total \$0.1 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 18.9	\$ 20.0	\$ 15.8	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0

Beneficiaries: Approximately 30 taxpayers will benefit from this tax expenditure.

General Fund Tax Expenditures

SURPLUS LINES TAX EXEMPTION FOR CHARTER SCHOOLS

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

Description: Act 13 of 2019 provided that a charter school, regional charter school, or cyber charter school, as defined in Section 1703-A of the Public School Code of 1949, is an independent public school and shall be free from taxation within this commonwealth to the same extent as a school district for purposes of the surplus lines tax under Section 1621 of the Insurance Company Law of 1921. The provision was effective immediately upon passage.

Purpose: The exemption provides an additional benefit to selected educational institutions.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The approximately 180 charter schools operating in the commonwealth may benefit from this tax expenditure.

BANK AND TRUST COMPANY SHARES TAX

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

The bank and trust company shares tax is imposed on every bank and trust company having capital stock and doing business in Pennsylvania.

The tax is imposed annually on the value of shares as of January 1. Beginning January 1, 2014, the taxable value of shares is computed on the most recent year-end value of an institution's total bank equity capital, adjusted to allow a deduction for United States obligations. Beginning on January 1, 2017, the tax rate on the dollar value of each taxable share of stock is increased from 0.89 to 0.95 percent.

GOODWILL DEDUCTION

Description: Act 55 of 2007 provides for goodwill generated by a combination to be subtracted from a bank's book value of total bank equity capital when calculating its taxable shares. The Act also provides for goodwill to be subtracted from total assets when calculating the proportional deduction for United States obligations.

Purpose: This deduction removes from the tax base the intangible value assigned to goodwill under purchase accounting rules as the result of a combination with another bank.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 88.1	\$ 86.7	\$ 86.7	\$ 87.2	\$ 88.2	\$ 89.1	\$ 90.0

Beneficiaries: Any Pennsylvania bank involved in combination activity benefited from this tax expenditure.

EDGE ACT DEDUCTION

Description: Act 84 of 2016 provides for Edge Act subsidiary equity to be subtracted from a bank's book value of total bank equity capital when calculating its taxable shares. The deduction is phased in over 5 years, beginning January 1, 2018, allowing a 20 percent deduction that year and increasing 20 percent each year until fully phased in January 1, 2022.

Purpose: This deduction removes from the tax base the value of Edge Act subsidiaries for institutions which file Reports of Condition on a consolidated basis.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 13.5	\$ 18.2	\$ 22.9	\$ 23.2	\$ 23.4	\$ 23.6	\$ 23.9

Beneficiaries: Any Pennsylvania bank which files Reports of Condition on a consolidated basis may benefit from this tax expenditure.

MUTUAL THRIFT INSTITUTIONS TAX

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

The mutual thrift institutions tax is imposed on the net income of savings institutions, savings banks without capital stock, savings and loan associations, and building and loan associations conducting business in Pennsylvania.

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

The current tax rate is 11.5 percent.

NET OPERATING LOSS CARRYFORWARD

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

Purpose: This deduction reduces the tax burden for a period of time after an operating loss period, thereby aiding the thrift institution after it has attained economic health as measured by its taxable income.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5

Beneficiaries: The 60 mutual thrift companies could benefit from this tax expenditure.

CREDIT UNIONS

Description: Credit unions are exempt from taxation. The tax expenditure is determined by applying the appropriate mutual thrift institutions tax rate to their net earnings.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 11.7	\$ 12.2	\$ 12.7	\$ 13.3	\$ 13.8	\$ 14.4	\$ 15.0

Beneficiaries: The 55 state and federal credit unions operating in Pennsylvania benefit from this tax expenditure.

General Fund Tax Expenditures

SALES AND USE TAX

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

The sales and use tax is imposed on the retail sale, consumption, rental, or use of tangible personal property in Pennsylvania. The tax is also imposed on certain services relating to such property and on the charge for specific business services. The Pennsylvania sales tax rate is six percent. By law, a one percent local tax is added to purchases made in Allegheny County, and two percent local tax is added to purchases made in Philadelphia. Effective with Act 46 of 2003 for transfers after June 30, 2003, 0.947 percent of total sales and use tax receipts are transferred monthly to the Public Transportation Assistance Fund. Act 44 of 2007 provided that 4.4 percent of sales and use tax receipts be transferred monthly to the Public Transportation Trust Fund, effective July 1, 2007.

Act 85 of 2016 created a transfer in the amount that is necessary to make payment for principal and interest obligations for outstanding indebtedness of the Commonwealth Financing Authority (CFA), beginning July 1, 2016. An annual \$0.7 million transfer to the Transit Revitalization Investment Districts, beginning in 2016 and sunsetting after twenty years, was created by Act 151 of 2016. For fiscal year 2019-20 only, \$115.3 million was transferred under Act 43 of 2017 to the Tobacco Revenue Bond Debt Service Account. The analyses below reflect only the General Fund portion of the tax expenditures.

Administrative Costs: Costs incurred to administer the multiple tax expenditures associated with the sales and use tax cannot be separately identified. Tax expenditures are a significant factor associated with the need for more compliance audits and the increased complexity of compliance audits. These audits contribute significantly to the volume of appeals processed by the Department of Revenue.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 18.7	\$ 19.0	\$ 19.3	\$ 19.5	\$ 19.8	\$ 20.1	\$ 20.4

Beneficiaries: Information provided under the sales and use tax “Beneficiaries” heading represent an actual or estimated number and description of Pennsylvania residents, households, or businesses benefiting from that specific tax expenditure. An unreported number of non-Pennsylvania entities may also benefit from the tax expenditure.

General Fund Tax Expenditures

GENERAL/PERSONAL EXPENDITURES

FOOD

Description: Generally, food and beverages intended for human consumption are exempt from taxation. These foods may be purchased from a bakery, pastry shop, donut shop, delicatessen, grocery store, supermarket, farmer's market, convenience store, or vending machine. Sales of ready-to-eat foods are not exempt from tax and include the sale of meals, sandwiches, food from salad bars, hand-dipped or hand-served iced based products including ice cream and yogurt, hot soup, hot pizza and other hot food items, brewed coffee, and hot beverages. In addition, the exemption does not apply to soft drinks, alcoholic beverages, or food purchased from an establishment from which ready-to-eat food and beverages are sold.

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

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$1,444.8	\$1,482.7	\$1,517.0	\$1,550.7	\$1,587.1	\$1,626.2	\$1,666.2

Beneficiaries: Virtually all 5.2 million households benefit from this tax expenditure.

CANDY AND GUM

Description: The purchase at retail or use of candy and gum, regardless of where sold, is exempt from taxation.

Purpose: Candy and gum are considered to be food. Exempting candy and gum regardless of where sold provides for uniformity in the taxation of these items.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 62.7	\$ 64.3	\$ 65.8	\$ 67.3	\$ 68.9	\$ 70.6	\$ 72.3

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

PERSONAL HYGIENE PRODUCTS

Description: The purchase at retail or use of disposable diapers, incontinence products, toilet paper, feminine hygiene products, toothpaste, toothbrushes, and dental floss are exempt from taxation.

Purpose: These products are considered essential for maintaining a basic standard of life.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 47.3	\$ 48.8	\$ 50.3	\$ 51.8	\$ 53.4	\$ 55.0	\$ 56.6

Beneficiaries: Virtually all 5.2 million households benefit from this tax expenditure.

General Fund Tax Expenditures

NEWSPAPERS

Description: The purchase or use of newspapers or publications containing information of general interest and reports of current events that qualify as a “newspaper of general circulation qualified to carry a legal advertisement,” not including magazines, is exempt from taxation.

Purpose: The purpose of this tax exemption is to encourage citizens to be well informed.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 18.2	\$ 17.8	\$ 17.7	\$ 17.7	\$ 17.8	\$ 17.8	\$ 17.9

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

MAGAZINE SUBSCRIPTIONS

Description: The purchase at retail or use of subscriptions for magazines is exempt from taxation. A “magazine” is a periodical published at regular intervals not exceeding three months and circulated among the general public. The exclusion includes any printed advertising material circulated with the periodical. This tax expenditure became effective July 1, 1994, under Act 48 of 1994.

Purpose: The purpose of this tax exemption is to encourage citizens to be well informed.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 33.9	\$ 34.3	\$ 34.9	\$ 35.6	\$ 36.4	\$ 37.2	\$ 38.0

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

CLOTHING AND FOOTWEAR

Description: The purchase at retail or use of wearing apparel, footwear, and other articles of clothing worn on the human body is exempt from taxation. Additionally, the purchase at retail or use of clothing patterns and other items that are to be a component part of clothing is exempt from tax. Accessories, ornamental wear, formal day or evening apparel, furs, and sporting goods are taxable.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 666.0	\$ 676.4	\$ 680.2	\$ 684.5	\$ 689.8	\$ 695.9	\$ 701.8

Beneficiaries: Virtually all 5.2 million households benefit from this tax expenditure.

General Fund Tax Expenditures

PRESCRIPTION DRUGS AND ORTHOPEDIC EQUIPMENT

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 884.7	\$ 946.6	\$1,024.4	\$1,107.5	\$1,193.0	\$1,280.0	\$1,370.9

Beneficiaries: Approximately 2.3 million Pennsylvanians benefit from this tax expenditure.

NON-PRESCRIPTION DRUGS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 135.3	\$ 145.0	\$ 157.3	\$ 170.5	\$ 184.2	\$ 197.9	\$ 211.9

Beneficiaries: Virtually all 5.2 million households benefit from this tax expenditure.

LIQUOR OR MALT BEVERAGE PURCHASED FROM RETAIL DISPENSER

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 115.2	\$ 125.5	\$ 138.8	\$ 144.1	\$ 153.3	\$ 161.7	\$ 169.6

Beneficiaries: Approximately 6.3 million people benefit from this tax expenditure.

General Fund Tax Expenditures

CHARGES FOR RETURNABLE CONTAINERS

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

Purpose: Deposit charges usually represent a security in the event a container is not returned. For this reason, a true exchange of property is not considered to have occurred.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 10.2	\$ 10.4	\$ 10.7	\$ 11.0	\$ 11.2	\$ 11.5	\$ 11.8

Beneficiaries: An unknown number of businesses and households may benefit from this tax expenditure.

CASKETS AND BURIAL VAULTS

Description: The purchase or use of caskets, burial vaults, markers, cremation urns, and tombstones for human graves, including foundations, is exempt from taxation.

Purpose: These items are considered to be the final basic necessity of life. Additionally, this exemption reduces the regressive nature of the tax and eases the burden on low-income families.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 19.9	\$ 20.9	\$ 21.9	\$ 22.8	\$ 23.8	\$ 24.8	\$ 25.7

Beneficiaries: As many as 136,000 households benefit from this tax expenditure annually.

FLAGS

Description: The purchase or use of Pennsylvania and United States flags is exempt from taxation.

Purpose: The exemption of flags may be based on the perception that governmental support of national and state symbols is a worthy public policy objective.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 1.7	\$ 1.7	\$ 1.8	\$ 1.8	\$ 1.9	\$ 1.9	\$ 2.0

Beneficiaries: An unknown number of households, businesses, and organizations benefit from this tax expenditure.

General Fund Tax Expenditures

TEXTBOOKS

Description: The purchase or use of textbooks for use in schools, colleges, and universities is exempt from taxation. The purchase must be on behalf of or through schools recognized by the Department of Education as institutions of learning.

Purpose: The education of the commonwealth's citizens is a major policy objective of state government. This exemption helps to reduce the overall cost of obtaining an education.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 9.4	\$ 8.9	\$ 8.7	\$ 8.5	\$ 8.3	\$ 8.0	\$ 7.8

Beneficiaries: As many as 742,000 college students may benefit from this tax expenditure.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) PURCHASES

Description: The purchase at retail or use of tangible personal property in accordance with the federal Food Stamp Act of 1977, as amended, is exempt from taxation. Primarily, exempt items are soft drinks, certain drink mixes, vegetable and fruit seeds and plants, and certain prepared cold foods.

Purpose: This provision is mandated by federal law for continued state participation in the federally funded food stamp program.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 7.0	\$ 7.2	\$ 7.5	\$ 7.8	\$ 8.1	\$ 8.5	\$ 8.8

Beneficiaries: Approximately 716,000 households benefit from this tax expenditure.

GRATUITIES

Description: Any amount paid, in excess of charges and tax, for service relating to the purchase of food or beverages or hotel or motel accommodations is an exempt gratuity.

Purpose: Gratuities or tips are not included in the cost of the meal or accommodation acquired by the purchaser but are considered costs of the accompanying non-taxable services.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 103.5	\$ 110.6	\$ 117.2	\$ 123.7	\$ 130.1	\$ 136.0	\$ 141.7

Beneficiaries: Approximately 3.1 million households and an unknown number of businesses benefit from this tax expenditure.

General Fund Tax Expenditures

FUELS AND UTILITIES

COAL

Description: The purchase or use of coal is exempt from taxation.

Purpose: This exemption provides special tax treatment of coal versus alternative energy forms. Other major energy sources are exempt only when used directly by the purchaser for residential use. Encouragement of coal consumption may have been perceived as providing or preserving employment when mining was a major employer within the commonwealth.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 113.4	\$ 117.1	\$ 121.0	\$ 125.1	\$ 129.4	\$ 134.4	\$ 140.0

Beneficiaries: Approximately 53,000 households and an unknown number of businesses benefit from this tax expenditure.

FIREWOOD

Description: The purchase or use of wood pellets or firewood cut into lengths for burning is exempt from taxation when used as fuel for cooking, or for heating water or residential dwellings.

Purpose: Alternative energy sources such as heating oil, natural gas, coal, and electricity are exempt when used for residential purposes. The extension of this exemption to firewood provides consistency among all major energy sources.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 7.2	\$ 7.5	\$ 7.8	\$ 8.1	\$ 8.4	\$ 8.6	\$ 8.9

Beneficiaries: Approximately 163,000 households use wood as a primary heating source. In addition, there are approximately 514,000 households with working fireplaces. Both groups benefit from this tax expenditure.

General Fund Tax Expenditures

RESIDENTIAL UTILITIES

Description: As defined by law, “tangible personal property” specifies taxable items. Specifically omitted from this definition are electricity, steam, natural, manufactured, and bottled gas and fuel oil; basic local telecommunications service when purchased directly by the user solely for residential use; and charges for coin-operated telephone calls. Court decisions have expanded the electricity exemption to include purchases for residential use through an agent, where there is no commercial interest.

Purpose: Residential utilities are considered essential for maintaining a basic standard of life. Additionally, this provision reduces the regressive nature of the tax and reduces the tax burden on families who spend a disproportionate share of income on these services.

(Dollar Amounts in Millions)

Estimates:	Electricity:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
		\$ 447.8	\$ 456.3	\$ 464.3	\$ 474.2	\$ 487.2	\$ 501.0	\$ 514.4
	Fuel Oil/Gas:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
		\$ 170.8	\$ 172.1	\$ 175.1	\$ 179.3	\$ 186.0	\$ 193.0	\$ 199.1
	Telephone:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
		\$ 42.3	\$ 43.2	\$ 44.3	\$ 45.2	\$ 46.2	\$ 47.0	\$ 47.6

Beneficiaries: Virtually all 5.2 million households (electricity), 3.6 million households (fuel oil/gas), and 2.2 million households (telephone) benefit from this tax expenditure.

WATER AND SEWAGE SERVICES

Description: The purchase at retail or use of water (including bottled water and ice) or sewage services is exempt from taxation.

Purpose: Water is a basic necessity of life. Additionally, this provision reduces the regressive nature of the tax and reduces the tax burden on families who spend a disproportionate share of income on this product.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 123.0	\$ 126.6	\$ 130.9	\$ 135.9	\$ 141.5	\$ 147.2	\$ 153.0

Beneficiaries: Approximately 5.0 million households and about 283,000 businesses benefit from this tax expenditure.

General Fund Tax Expenditures

GASOLINE AND MOTOR FUELS

Description: The purchase or use of gasoline and other motor fuels, taxed under the Liquid Fuels and Fuels Tax Act, is exempt from the sales and use tax.

Purpose: Because these items are already subject to fuels taxes, the legislature has provided for their exemption from the sales and use tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 997.7	\$ 941.4	\$ 951.5	\$1,025.2	\$1,059.1	\$1,094.1	\$1,130.2

Beneficiaries: Approximately 4.4 million households and owners of more than 2.2 million heavy trucks, buses, etc., benefit from this tax expenditure.

General Fund Tax Expenditures

MOTOR VEHICLES/VESSELS

AIRCRAFT PARTS AND HELICOPTERS

Description: An exemption is provided for the sale at retail or use of helicopters and similar rotorcraft. In addition, there is an exemption for the sale at retail of repair and replacement parts for helicopters, similar rotorcraft, and fixed-wing aircraft. This exemption also covers the installation of these parts as well as other service to the aircraft.

Purpose: This exclusion places Pennsylvania aircraft manufactures at a competitively neutral position relative to manufacturers in those states allowing this exemption.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 7.5	\$ 7.7	\$ 7.9	\$ 8.1	\$ 8.2	\$ 8.4	\$ 8.6

Beneficiaries: Approximately 110 aircraft manufacturers and repair companies may benefit from this expenditure. In addition, an unknown number of purchasers of these products and services may benefit.

COMMON CARRIERS

Description: Vehicles purchased by a public utility, engaged in business as a common carrier, to be used in rendering utility services are exempt from taxation. Since the enactment of the Federal Aviation Act, effective January 1, 1995, Pennsylvania has recognized contract carriers as common carriers. Household goods carriers and private carriers remain taxable.

Purpose: Without this exemption, the tax would be built into the rate base of public utility services and, ultimately, passed on to consumers. Therefore, this exemption reduces the overall cost of utility services that are considered to be basic necessities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 84.5	\$ 87.1	\$ 89.6	\$ 92.1	\$ 94.4	\$ 96.8	\$ 99.6

Beneficiaries: Approximately 7,500 common carriers could benefit from this tax expenditure.

COMMERCIAL VESSELS (Construction and Repair)

Description: The purchase or use of commercial vessels of 50 tons or larger is exempt from taxation if delivery is taken in Pennsylvania.

Purpose: This exclusion places Pennsylvania shipbuilders at a competitively neutral position relative to shipbuilders in those states allowing this exemption.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 20.6	\$ 21.5	\$ 22.3	\$ 23.2	\$ 24.1	\$ 25.0	\$ 26.0

Beneficiaries: As many as 10 establishments may benefit from this tax expenditure.

General Fund Tax Expenditures

COMMERCIAL VESSELS (Equipment and Maintenance)

Description: The purchase or use of fuel, supplies, equipment, ships or sea stores, and cleaning or maintenance supplies for commercial vessels is exempt from taxation. This exemption applies to vessels of 50 tons or more designed for commercial use.

Purpose: Imposition of the tax at the point of sale would place Pennsylvania vendors at a competitive disadvantage relative to those vendors operating in other states that allow this exemption.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 3.0	\$ 3.1	\$ 3.2	\$ 3.4	\$ 3.5	\$ 3.7	\$ 3.8

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

MOTOR VEHICLES (Out-of-State Purchasers)

Description: The purchase or use of a motor vehicle by a non-resident, to be used outside Pennsylvania, and which is registered in another state within twenty days of delivery, is exempt from taxation. Delivery must be taken outside of Pennsylvania.

Purpose: The exemption protects the participation of Pennsylvania car dealers in the out-of-state market while preventing potential abuses of such an exemption by Pennsylvania residents.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

SCHOOL BUSES

Description: The purchase at retail or use of school buses is exempt from taxation. These buses must be used exclusively for the transportation of children for school purposes. The provision is extended to persons who have contracts with school districts to transport children.

Purpose: The costs of transporting school children are directly borne by school districts and indirectly by state government through subsidy programs. This exemption, while limiting state sales and use tax revenues, also decreases state educational subsidy costs.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 20.5	\$ 20.6	\$ 20.6	\$ 20.6	\$ 20.7	\$ 20.7	\$ 20.8

Beneficiaries: Approximately 300 private school bus contractors and virtually all schools benefit from this tax expenditure.

General Fund Tax Expenditures

PRODUCTION EXPENDITURES

MANUFACTURING EXEMPTION (Manufacture and Processing)

Description: An exemption is provided for the purchase or use of machinery, equipment, parts and supplies, or the use of services or utilities used directly in the manufacturing and processing of personal property. This exemption does not apply to motor vehicles, maintenance facilities, managerial or other nonoperational activities or materials, supplies, or equipment used relative to real estate, obtaining disinfecting or pest control services, or building maintenance and cleaning services.

Purpose: Exemption of manufacturing equipment and supplies prevents the multiple taxation that could occur in the production of a finished good for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$1,279.7	\$1,336.1	\$1,394.1	\$1,454.1	\$1,514.0	\$1,577.8	\$1,645.5

Beneficiaries: Approximately 14,000 manufacturers and an unknown number of processors and remanufacturers benefit from this tax expenditure.

MANUFACTURING EXEMPTION (Agriculture)

Description: An exemption is provided for the purchase or use of machinery, equipment, parts and supplies, or the use of services or utilities used directly in farming, dairying, horticulture, floriculture, or aquaculture. This exemption does not apply to motor vehicles, maintenance facilities, managerial or other nonoperational activities or materials, supplies, or equipment used relative to real estate, obtaining disinfecting or pest control services, or building maintenance and cleaning services.

Purpose: Exemption of agricultural equipment and supplies prevents the multiple taxation that could occur in the production of an agricultural commodity for sale and consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 89.9	\$ 92.8	\$ 95.8	\$ 98.8	\$ 101.9	\$ 105.0	\$108.1

Beneficiaries: Approximately 53,000 farm operators benefit from this tax expenditure.

General Fund Tax Expenditures

MANUFACTURING EXEMPTION (Public Utility)

Description: An exemption is provided for the purchase or use of machinery, equipment, parts and supplies or the use of services or utilities used directly in producing, delivering, or rendering a public utility service. This exemption does not apply to motor vehicles (except those used as common carriers), maintenance facilities, managerial or other nonoperational activities or materials, supplies, or equipment used relative to real estate, obtaining disinfecting or pest control services, or building maintenance and cleaning services.

Purpose: Exemption of equipment and supplies used in producing and delivering a public utility service prevents the multiple taxation that could occur in providing the service. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 102.9	\$ 104.1	\$ 105.6	\$ 107.0	\$ 108.7	\$ 110.5	\$ 112.2

Beneficiaries: Approximately 760 public utilities could benefit from this tax expenditure.

MANUFACTURING EXEMPTION (Foundations for Machinery and Equipment)

Description: Foundations for machinery and equipment used directly in manufacturing, farming, dairying, agriculture, horticulture, floriculture, aquaculture, processing or producing, and delivering or rendering a public utility service are exempt from taxation. Included for a public utility are sand, gravel, crushed rock, concrete, or similar material used as bedding or surrounding pipe used directly to render sewer or water service.

Purpose: Exemption of foundations for manufacturing equipment prevents the multiple taxation that could occur in the production of a finished good for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 10.5	\$ 10.9	\$ 11.3	\$ 11.8	\$ 12.3	\$ 12.8	\$ 13.4

Beneficiaries: Approximately 67,700 entities benefit from this tax expenditure.

General Fund Tax Expenditures

CONTRACT FARMING

Description: The purchase or use of tangible personal property or services that are directly used in farming, dairying, or agriculture for the production of food are exempt from tax even if the purchaser is not the entity directly involved in the agricultural activity. This exemption applies to machinery, equipment, parts, supplies, and utilities used in the production of food.

Purpose: Exemption of agricultural equipment and supplies prevents the multiple taxation that could occur in the production of an agricultural food commodity for sale and consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 26.4	\$ 27.3	\$ 28.2	\$ 29.1	\$ 30.0	\$ 30.9	\$ 31.8

Beneficiaries: An unknown number of businesses engaged in contract farming benefit from this tax expenditure.

General Fund Tax Expenditures

OTHER

AIRLINE CATERING

Description: Airline purchases of catered food and non-alcoholic beverages served to passengers in connection with the airline service are exempt from tax.

Purpose: This tax exemption lowers the cost of catered food and non-alcoholic beverages purchased by airlines, which may also reduce the cost of airline travel for consumers.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 1.5	\$ 1.6	\$ 1.6	\$ 1.7	\$ 1.7	\$ 1.7	\$ 1.8

Beneficiaries: Approximately 60 airlines may benefit from this expenditure.

HOTEL-PERMANENT RESIDENT

Description: An exemption is provided, under the hotel occupancy tax, for a person occupying or having the right to occupy a room in a hotel, inn, tourist home, lodging house, rooming house, summer camp, apartment hotel, resort lodging, or cabin for 30 consecutive days or more. This exemption does not extend to prepared meals or other taxable items.

Purpose: Residency of this length is felt to approximate permanent dwelling rental, which is non-taxable as a basic necessity of life.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 7.3	\$ 7.5	\$ 7.8	\$ 8.0	\$ 8.2	\$ 8.5	\$ 8.7

Beneficiaries: Approximately 55,600 persons benefit from this tax expenditure.

VENDOR DISCOUNT

Description: A licensed vendor is permitted a discount as a credit against the gross amount of tax collected provided that a tax return, with full payment due the department, is filed or postmarked on or before the due date. The discount shall be the lesser of one per cent of the amount of the tax collected and the following: \$25 for a monthly filer, \$75 for a quarterly filer, or \$150 for a semiannual filer.

Purpose: This provision is intended to defray the vendor's cost of collecting and remitting the sales and use tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 15.0	\$ 15.7	\$ 16.5	\$ 17.2	\$ 17.9	\$ 18.7	\$ 19.5

Beneficiaries: Approximately 188,850 vendors benefit from this tax expenditure.

General Fund Tax Expenditures

OUT-OF-STATE CREDIT

Description: A credit is allowed for the purchase of personal property or taxable services for use outside Pennsylvania equal to the sales tax paid in the applicable state. The state must grant substantially similar tax relief as provided by Pennsylvania.

Purpose: Allowing a credit for tax paid in another state prevents double taxation.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TRADE-IN VALUE

Description: A deduction is allowed against the gross purchase price for the value of personal property actually taken in trade or exchange. The trade-in property does not have to be of like kind to the purchased property. The reduction in purchase price is considered to be the value of the trade-in.

Purpose: Tangible personal property taken as a trade-in is usually resold. Therefore, it is treated as a sale for resale.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 309.3	\$ 311.4	\$ 314.3	\$ 315.5	\$ 322.0	\$ 328.6	\$ 335.6

Beneficiaries: Approximately 700,000 purchasers of motor vehicles annually benefit from this tax expenditure. In addition, an unknown number of entities benefit from other trade-ins (such as boats and aircraft).

ISOLATED SALES

Description: Infrequent personal property sales of a non-recurring nature by persons not in the business of selling such items are exempt from taxation. By regulation, exempt entity sales can occur no more than three times nor more than a total of seven days in a year. These sales may include the sale of a lawn mower to a neighbor, liquidation of an estate, sale of a used typewriter by an insurance company, or yard sale items. Motor vehicles and property that must be registered or licensed are not granted this exemption.

Purpose: The exclusion of isolated sales from taxation greatly reduces compliance and administration burdens for the seller and the commonwealth.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 110.6	\$ 116.0	\$ 121.5	\$ 126.8	\$ 132.3	\$ 138.0	\$ 144.0

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

TEMPORARY USAGE

Description: Property purchased outside Pennsylvania by a nonresident and temporarily used in Pennsylvania for seven days or less or any length of time by a tourist or vacationer is exempt from taxation. If the property is consumed in the state it becomes taxable.

Purpose: Providing an exemption for temporary usage of taxable property in Pennsylvania does not discourage entry into the state by vacationers, tourists, or others who attend, or are involved in specific short-term events or activities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

HORSES

Description: The sale of a horse is exempt from taxation if the seller is directed to deliver the horse to an out-of-state location. A horse may be temporarily delivered to a resident or agent prior to being delivered out-of-state.

Purpose: This exemption provides preferential treatment of horses relative to other tangible personal property by permitting temporary location in Pennsylvania before being delivered out-of-state.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 2.9	\$ 2.9	\$ 2.9	\$ 2.9	\$ 2.9	\$ 2.9	\$ 2.9

Beneficiaries: Approximately 1,600 Standard bred horse purchasers and an unknown number of purchasers of other types of horses benefit from this tax expenditure.

YOUTH SPORTS PROGRAMS

Description: The purchase of food and beverages from nonprofit associations which support sports programs for participants aged 19 or younger, or for persons with physical or intellectual disabilities regardless of age, is exempt from taxation.

Purpose: The exemption of these items encourages such organizations to support programs that provide activities beneficial to young people and the disabled.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

PURELY PUBLIC CHARITIES

Description: The sale of personal property or services to or for use by any institution of purely public charity as defined by Act 55 of 1997 is exempt from taxation. Act 45 of 1998 extended this exemption to include the purchase or use of certain machinery and equipment used in a construction contract with an exempt entity. The purchase or use may be made by a construction contractor or the exempt entity. Transactions unrelated to the trade or business of such organizations are taxable as are certain materials and supplies purchased for use in connection with real estate.

Purpose: These organizations provide public and charitable services that are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Millions)

Estimates:	Charitable Organizations:						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 13.2	\$ 13.6	\$ 14.1	\$ 14.5	\$ 15.0	\$ 15.6	\$ 16.1
	Volunteer Firemen's Organizations:						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 21.2	\$ 22.0	\$ 22.8	\$ 23.7	\$ 24.6	\$ 25.6	\$ 26.7
	Nonprofit Educational Institutions:						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 117.7	\$ 122.6	\$ 127.4	\$ 132.2	\$ 137.4	\$ 143.0	\$ 149.1
	Religious Organizations:						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 8.3	\$ 8.6	\$ 8.9	\$ 9.2	\$ 9.5	\$ 9.8	\$ 10.2
	Health & Social Assistance Organizations:						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 187.3	\$ 195.7	\$ 203.8	\$ 212.0	\$ 220.8	\$ 229.9	\$ 239.3

Beneficiaries: Approximately 32,200 organizations currently benefit from this tax expenditure.

EXEMPT GOVERNMENTAL UNITS

Description: The sale of tangible personal property or services to or for use by the federal government, the commonwealth or its instrumentalities, or political subdivisions is exempt from taxation. Act 45 of 1998 extended this exemption to include the purchase or use of certain machinery or equipment used in a construction contract with a governmental unit. The purchase or use may be by a contractor or governmental unit. Based on the criteria adopted to define tax expenditures, federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent the tax on local government expenditures and construction contractors.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 425.2	\$ 444.2	\$ 464.5	\$ 486.1	\$ 508.6	\$ 531.9	\$ 556.2

Beneficiaries: Approximately 3,130 governmental units benefit from this tax expenditure.

General Fund Tax Expenditures

SUBSTITUTED TAX BASE

Description: The tax on tangible personal property purchased at least six months prior to the first taxable use in Pennsylvania may be based on the prevailing market price at the time of the taxable use. This substituted base would be in lieu of taxing the original purchase price.

Purpose: This alternative tax base permits taxpayers to pay tax relative to the current market value of such assets that most closely approximates current taxable value.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

OUT-OF-STATE PURCHASES

Description: Tangible personal property purchased and used outside the state by a nonresident who later brings the property into Pennsylvania while establishing a permanent residence or business is exempt from taxation. This property must be purchased more than six months prior to the first taxable use in Pennsylvania.

Purpose: This provision eases administrative costs for the commonwealth and compliance costs for the taxpayer and prevents a substantial tax liability from being imposed when a person moves to Pennsylvania.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

RAIL TRANSPORTATION EQUIPMENT

Description: The purchase or use of rail transportation equipment by a business in the movement of its own personal property is exempt from taxation.

Purpose: Exemption of rail equipment provides preferential treatment benefiting specific users of this transportation mode. Were these items not exempt, this additional cost may be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 16.7	\$ 17.5	\$ 18.3	\$ 19.1	\$ 20.0	\$ 20.9	\$ 21.8

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

FISH FEED

Description: The purchase or use of fish feed by sportsmen's clubs, fish cooperatives, or nurseries approved by the Pennsylvania Fish and Boat Commission is exempt from taxation.

Purpose: The exemption provides special treatment benefiting organizations that raise fish intended for human consumption.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: An unknown number of entities benefit from this tax expenditure.

TOURIST PROMOTION AGENCIES

Description: The purchase or use of supplies and materials by tourist promotion agencies for distribution to the public is exempt from taxation. To be permitted this exemption, an agency must receive grants from the state.

Purpose: Excluding supplies and materials used by tourist promotion agencies that receive state grants reduces the cost of performing promotional activities. The need for direct support to these agencies is decreased by providing this exemption.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: An unknown number of entities benefit from this tax expenditure.

TROUT

Description: The purchase or use of brook trout, brown trout, or rainbow trout is exempt from taxation.

Purpose: Special treatment is conferred to those involved in the raising or sale of trout intended for human consumption.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: An unknown number of entities benefit from this tax expenditure.

General Fund Tax Expenditures

CONSTRUCTION OF MEMORIALS

Description: The purchase or use of materials used in the construction or erection of objects commemorating or memorializing historical events is exempt from taxation. These objects must be purchased by not-for-profit organizations and erected on publicly owned property.

Purpose: This exemption has been provided because these memorials are presumably erected for public benefit and gratification.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

STORAGE

Description: Charges for storage, other than for self-storage, of tangible personal property are exempt from taxation.

Purpose: Commercial storage services may be considered an integral part of the production and distribution of tangible personal property.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 310.1	\$ 321.1	\$ 332.6	\$ 344.2	\$ 355.4	\$ 367.1	\$ 379.6

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

STAIR LIFT DEVICES

Description: The purchase or use of property or services used in installing or repairing stair lift devices is exempt from taxation when the device is installed or used in the residence of a physically disabled person requiring the device to ascend or descend stairs. The physical disability must be certified by a physician.

Purpose: Stair lift devices could be considered essential for people with a physical disability that prevents them from ascending or descending stairs. This exemption reduces the regressive nature of the tax and eases the tax burden on people requiring the devices.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: As many as 896,000 residents who have difficulty ascending and descending stairs may benefit from this tax expenditure.

General Fund Tax Expenditures

BAD DEBTS

Description: Sales tax vendors may apply for a refund equal to 100 percent of bad debts associated with sales tax paid to the state for sales written off by the vendor and deducted for federal income tax purposes because the vendor did not receive full payment from the purchaser. Act 55 of 2007 provided that the refund for sales tax remitted and attributable to bad debt is now expanded to private label credit cards. This change applies to amounts deducted as bad debts on federal income tax returns required to be filed after January 1, 2008. No refund is granted for interest, finance charges, or expenses incurred in attempting to collect receivables.

Purpose: The bad debt refund provision lessens the economic impact experienced by vendors when they extend credit to customers for taxable purchases and subsequently incur uncollectible accounts receivable (bad debts).

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 13.7	\$ 14.3	\$ 15.0	\$ 15.7	\$ 16.4	\$ 17.1	\$ 17.8

Beneficiaries: Any of the 283,000 licensed vendors could benefit from this tax expenditure, if they extend credit or accept checks for payment.

UNIFORM COMMERCIAL CODE FILING FEES

Description: Separately stated Uniform Commercial Code (UCC) filing fees, copy requests, and certification fees paid to a state or local agency are exempt from tax.

Purpose: UCC filing legally identifies the lien holder for personal property collateral. These fees may be perceived as incidental to the purchase or use of the tangible personal property and, as such, are exempt from tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 2.2	\$ 2.3	\$ 2.4	\$ 2.5	\$ 2.6	\$ 2.7	\$ 2.7

Beneficiaries: As many as 139,100 entities benefit from this tax expenditure annually.

RENTAL OF FILMS FOR COMMERCIAL EXHIBITION

Description: The purchase at retail or use of motion picture films rented or licensed from a distributor for the purpose of commercial exhibition are exempt from taxation.

Purpose: This provision allows the entertainment services associated with these films to be delivered to the public at a reduced cost. Were these films not exempt, the additional cost would likely be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 29.4	\$ 31.3	\$ 33.2	\$ 35.1	\$ 37.3	\$ 39.7	\$ 42.3

Beneficiaries: Approximately 180 motion picture and video exhibition companies, 70 television broadcasting stations, and 15 cable and subscription programming companies benefit from this expenditure.

General Fund Tax Expenditures

COPIES OF AN OFFICIAL DOCUMENT

Description: The sale at retail or use of copies of an official document sold by a government agency or court are exempt from taxation. Included in copies of official documents are any copies in tangible form, including compact discs, microfilm, and similar forms of electronic media. Examples of such documents include notes of court testimony, deposition transcripts, driving records, accident reports, birth and death certificates, deeds, divorce decrees, and other similar documents.

Purpose: This provision eases reporting and administrative burdens on state, county, and local governments, including courts and political subdivisions.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 1.2	\$ 1.2	\$ 1.2	\$ 1.2	\$ 1.2	\$ 1.2	\$ 1.2

Beneficiaries: An unknown number of individuals and businesses benefit from this tax expenditure.

INVESTMENT METAL BULLION AND INVESTMENT COINS

Description: The purchase or use of investment metal bullion and investment coins are exempt from taxation. This exemption includes the purchase or use of precious metals, where the value of the metal is primarily a function of the metal content, or a coin, where the market value exceeds the face value. This exemption does not include jewelry, works of art made from coins, or medallions.

Purpose: These purchases are generally for investment purposes only and, as such, are exempt from tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 8.9	\$ 9.2	\$ 9.5	\$ 9.8	\$ 10.0	\$ 10.3	\$ 10.5

Beneficiaries: An unknown number of individuals and businesses engaged in the purchase and sale of investment bullion and coins benefit from this tax expenditure.

CATALOGS AND DIRECT MAIL ADVERTISING

Description: The purchase or use of a mail order catalog or direct mail advertising literature and materials is exempt from taxation. Effective July 1, 1998, this exemption was extended to the purchase or use of electoral literature or material and certain mailing lists.

Purpose: The purchase of these items may be perceived as incidental to the advertising service being provided.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 4.1	\$ 4.3	\$ 4.5	\$ 4.7	\$ 4.9	\$ 5.1	\$ 5.3

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

WRAPPING AND PACKING SUPPLIES

Description: The purchase or use of wrapping paper, twine, bags, cartons, tape, rope, labels, nonreturnable containers, corrugated boxes used by a person engaged in the manufacture of snack food products, and all other wrapping supplies which are incidental to the delivery of personal property is exempt from taxation. This exclusion applies to retailers only. A separately stated charge for wrapping or packaging is taxable. Act 43 of 2017 expanded this definition to include kegs used to contain malt or brewed beverages.

Purpose: Exemption of these items prevents double taxation since the cost of wrapping supplies, as a final input of the product, is included in the price charged by the retailer.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: Approximately 59,000 retail and wholesale establishments benefit from this tax expenditure.

CONVENTION CENTER RENTALS

Description: Act 84 of 2016 added an additional exclusion to the sales and use tax for the sale at retail or use of services related to the set up, tear down, or maintenance of tangible personal property rented by an authority to exhibitors at certain convention centers or public auditoriums.

Purpose: This exemption could promote the use of certain convention centers or public auditoriums in Pennsylvania.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

Beneficiaries: A minimal number of taxpayers will benefit from this tax expenditure.

FOOD AND BEVERAGES PURCHASED FROM VOLUNTEER FIREMEN'S ORGANIZATIONS

Description: The sale at retail or use of food and beverages by a volunteer firemen's organization to raise funds for the purposes of the volunteer firemen's association are exempt from taxation.

Purpose: The exemption allows volunteer entities that contribute to public safety to raise funds for their mission at a reduced cost.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

BUILDING MATERIALS AND SUPPLIES FOR ANIMAL HOUSING

Description: The sale at retail of building materials and supplies used for the construction or repair of an animal housing facility are exempt from taxation. The building materials and supplies are exempt regardless of whether the sales are made to the purchaser directly or are pursuant to a construction contract.

Purpose: The exemption provides a benefit to those who need to provide housing for animals, primarily those engaged in agriculture.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

CANNED SOFTWARE PURCHASED BY FINANCIAL INSTITUTIONS

Description: Act 90 of 2019 provides that the sale at retail or use by a financial institution of canned computer software directly utilized in the business of banking is not subject to tax. For purposes of this provision, a financial institution is defined as an institution doing business in the commonwealth that is subject to bank and trust company shares or mutual thrift institutions taxes.

Purpose: This exemption provides tax relief for financial institutions.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 2.2	\$ 4.4	\$ 4.5	\$ 4.6	\$ 4.7	\$ 4.8	\$ 4.9

Beneficiaries: Any financial institution subject to bank and trust company shares or mutual thrift institutions taxes may benefit from this expenditure.

General Fund Tax Expenditures

SERVICES

Description: Expenditures for services are not taxable under the sales and use tax except when specifically taxed by law.

Purpose: Because the primary basis for the sales and use tax is tangible personal property, the majority of services are not taxed unless they are related to taxable property. Legislation adopted in 1991 imposed the tax on charges for selected business services. Act 7 of 1997 removed computer services from the list of taxable services.

<i>Estimates:</i>	(Dollar Amounts in Millions)						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
LODGING							
Recreational parks, camps & campgrounds.....	\$ 15.9	\$ 16.4	\$ 16.9	\$ 17.4	\$ 17.9	\$ 18.4	\$ 19.0
PERSONAL SERVICES							
Dry-cleaning & laundry services.....	\$ 39.9	\$ 41.8	\$ 43.5	\$ 45.3	\$ 47.1	\$ 48.9	\$ 50.8
Personal care services.....	237.2	249.1	260.4	271.6	283.1	294.5	305.7
Funeral parlors, crematories & death care services.....	67.7	71.1	74.3	77.5	80.8	84.0	87.2
Other: personal services.....	65.0	68.3	71.4	74.5	77.7	80.8	84.0
BUSINESS SERVICES							
Services to buildings and dwellings.....	\$ 374.5	\$ 389.9	\$ 405.6	\$ 421.2	\$ 436.9	\$ 453.3	\$ 470.3
Advertising, public relations, & related services.....	1,124.4	1,175.6	1,227.1	1,277.3	1,328.6	1,382.4	1,438.4
Consulting (scientific, environmental, & technical).....	508.1	533.4	557.9	581.7	605.2	629.8	656.3
Scientific research & development services.....	128.3	133.8	139.1	144.0	149.1	154.4	160.1
Information services.....	156.0	163.2	170.1	176.5	183.2	190.2	197.5
Administrative services.....	797.2	834.1	870.8	906.2	941.8	979.1	1,018.2
COMPUTER SERVICES							
Custom programming, design & data processing.....	\$ 754.5	\$ 790.7	\$ 826.3	\$ 859.9	\$ 893.7	\$ 929.8	\$ 967.7
AUTOMOTIVE SERVICES							
Parking lots & garages.....	\$ 82.5	\$ 86.6	\$ 90.6	\$ 94.4	\$ 98.5	\$ 102.4	\$ 106.4
RECREATION SERVICES							
Spectator sports admissions (excludes schools).....	\$ 76.6	\$ 80.2	\$ 84.0	\$ 87.7	\$ 91.4	\$ 95.2	\$ 99.0
Theater, dance, music & performing arts admissions.....	80.1	83.8	87.7	91.5	95.3	99.1	103.0
Amusement & recreation industries.....	528.9	553.5	579.9	605.7	631.1	657.3	683.4
Museums, historical sites, zoos & parks.....	32.5	34.0	35.6	37.2	38.7	40.3	41.9
HEALTH SERVICES							
Home health care, nursing care, & other ambulatory health care services.....	\$ 548.2	\$ 577.0	\$ 608.1	\$ 639.4	\$ 672.0	\$ 704.9	\$ 738.1
Hospitals.....	1,538.3	1,619.2	1,706.4	1,794.4	1,885.8	1,978.0	2,071.2
Physician & dental services.....	1,541.6	1,622.6	1,710.0	1,798.2	1,889.8	1,982.2	2,075.6
Social assistance including day care.....	203.2	214.1	225.5	236.9	249.0	261.0	273.2
PROFESSIONAL SERVICES							
Legal.....	\$ 783.9	\$ 821.4	\$ 858.0	\$ 893.9	\$ 930.4	\$ 968.1	\$ 1,006.7
Architectural, engineering, & related services.....	472.3	494.0	515.0	535.4	556.5	579.9	604.9
Accounting, auditing and bookkeeping services.....	416.6	436.0	455.2	474.0	492.8	512.7	533.3
Specialized design.....	94.6	99.2	103.7	108.1	112.4	117.1	122.0
All other professional and technical services.....	220.1	244.1	268.1	278.9	290.0	301.7	314.1
TRANSPORTATION SERVICES							
Transit & ground transportation.....	\$ 42.9	\$ 44.3	\$ 45.8	\$ 47.2	\$ 48.4	\$ 49.7	\$ 51.1
Air transportation.....	6.4	6.6	6.8	6.9	7.1	7.3	7.5
Truck transportation.....	15.6	16.0	16.5	17.0	17.4	17.9	18.3
Other transportation.....	20.2	20.9	21.6	22.3	22.9	23.6	24.3
MISCELLANEOUS SERVICES							
Basic television.....	\$ 197.0	\$ 202.1	\$ 207.5	\$ 212.6	\$ 217.5	\$ 222.0	\$ 225.8
Tuition (college, vocational training & instruction).....	1,054.9	1,107.1	1,157.4	1,206.9	1,257.7	1,308.1	1,358.1
Electrical, plumbing, heating & AC service fees.....	NA	NA	NA	NA	NA	NA	NA
Veterinary fees.....	88.2	92.6	96.8	100.9	105.2	109.4	113.6
Financial institution fees.....	114.8	119.4	124.5	130.2	136.1	142.5	149.5
Waste management and remediation services.....	201.1	209.6	218.1	226.6	235.1	244.0	253.1

Beneficiaries: Virtually all 5.2 million households and all 283,000 business establishments benefit from one or more of these service tax expenditures.

General Fund Tax Expenditures

CIGARETTE TAX

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

The cigarette tax is an excise tax, based on a rate of 13 cents per cigarette, levied on the sale or possession of cigarettes in Pennsylvania. Between November 2009 and July 2016, the rate was 8 cents per cigarette. Effective November 1, 2009, the cigarette tax was also imposed on little cigars weighing no more than four pounds per thousand sticks. Only one sale of cigarettes, whether individual cigarettes, packages, cartons, or cases, is taxable. Fixed annual amounts of \$30.73 million and \$20.485 million of cigarette tax receipts are transferred to the Children's Health Insurance Program (CHIP) and the Agricultural Conservation Easement Purchase (ACEP) Fund, respectively. Act 84 of 2016 increased the transfer to the ACEP fund to \$25.485 million beginning in fiscal year 2016-17. In addition, Act 84 of 2016 created a transfer from the General Fund to the Local Cigarette Tax Fund. The transfer will occur if prior year deposits into the Local Cigarette Tax Fund fall below \$58 million. In this case the General Fund will transfer the difference between \$58 million and actual deposits to the Local Cigarette Tax Fund. This transfer is effective for fiscal years 2016-17, with the first transfer occurring in 2017-18. A \$115.3M transfer was also made to the Tobacco Settlement Fund for CFA debt service payments in FY 2019-20. This transfer will recur in FY 2020-21.

Administrative Costs: Costs to administer the cigarette tax expenditures are nominal.

STATE VETERANS' HOMES

Description: Sales to retail dealers located in state veterans' homes, for resale to residents in such homes, are exempt. Federal veterans' hospitals are exempt under federal law.

Purpose: It is perceived to be good public policy to reduce taxes for veterans who have served their country and are now residing in a veterans' home or hospital.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: Residents in six state veterans' homes benefit from this tax expenditure.

UNSTAMPED CIGARETTES (200 AND UNDER)

Description: Vacationers or tourists crossing state lines with one carton or less of unstamped cigarettes are not required to pay tax on those cigarettes. The carton (200 cigarettes) cannot be resold and must be for personal use only.

Purpose: Persons crossing state lines with one carton or less of cigarettes are presumed to possess such cigarettes for personal use rather than intentionally avoiding payment of the cigarette tax. This expenditure helps to relieve administration and enforcement burdens as well as promote tourism.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

COMMISSIONS ON SALES OF STAMPS

Description: Cigarette stamping agents are permitted a commission of 0.586 percent of the value of all cigarette tax stamps purchased from the Department of Revenue or its authorized agents to be affixed to cigarettes for sale within the commonwealth. Prior to August 1, 2016, the commission was equal to 0.87 percent. The commission does not apply to purchases of stamps by a cigarette-stamping agent in amounts of less than one hundred dollars (\$100).

Purpose: This commission is paid to the cigarette-stamping agent as compensation for services and expenses incurred while acting as an agent of the commonwealth in affixing tax stamps.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 6.5	\$ 6.1	\$ 5.6	\$ 5.2	\$ 4.9	\$ 4.5	\$ 4.2

Beneficiaries: Approximately 90 cigarette stamping agents may benefit from this tax expenditure.

TOBACCO PRODUCTS TAX

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

The other tobacco products tax is an excise tax levied on the sale or possession of tobacco products in Pennsylvania. The tax is based on weight for tobacco products other than electronic cigarettes and is based on the purchase price charged to the retailer in the case of electronic cigarettes. The tax rate for tobacco products other than electronic cigarettes is \$0.55 per ounce. For items sold in units that weigh less than 1.2 ounces, the tax is equal to the tax on an item that weighs 1.2 ounces. Tobacco products subject to this tax include roll-your- own tobacco, periques, granulated, plug cut, crimp cut, ready rubbed and other smoking tobacco, snuff, dry snuff, snuff flour, Cavendish, plug and twist tobacco, fine-cut and other chewing tobaccos, shorts, refuse scraps, clippings, cuttings and sweepings of tobacco and other kinds and forms of tobacco, prepared in such manner as to be suitable for chewing or ingesting or for smoking in a pipe or otherwise, or any combination of chewing, ingesting or smoking. The term does not include any item subject to the cigarette tax or cigars. The tax rate for electronic cigarettes is 40 percent of the purchase price charged to the retailer. Items subject to this tax include electronic oral devices that provide a vapor of nicotine or any other substance and the use of inhalation of which simulates smoking. It also includes any liquid or substance placed in or sold for use in an electronic cigarette. Components, such as but not limited to coils, batteries, and reservoirs, if sold separately, are not subject to the tax.

The tobacco products tax contains no tax expenditures as defined for this tax expenditure analysis.

MALT BEVERAGE TAX

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

The malt beverage tax is levied on malt and brewed beverages manufactured, sold, and used in Pennsylvania or manufactured outside of Pennsylvania but sold for importation and use in Pennsylvania. The tax is borne by the consumer, but manufacturers, distributors, and importers remit the tax to the commonwealth.

The malt beverage tax contains no tax expenditures as defined for this tax expenditure analysis.

LIQUOR TAX

Authorization: The Liquor Code, Act of June 29, 1987 (P.L. 32, No. 14) and the Emergency Liquor Sales Tax Act, Act of June 9, 1936 (Special Session, P.L. 13).

The liquor tax is imposed on all liquor sold by the Pennsylvania Liquor Control Board. The tax is assessed, since 1968, at the rate of 18 percent of the net price paid by the consumer.

The liquor tax contains no tax expenditures as defined for this tax expenditure analysis.

PERSONAL INCOME TAX

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

The personal income tax is levied against the taxable income of resident and nonresident individuals, estates and trusts, partnerships, S corporations, business trusts, and limited liability companies that are not taxed as corporations for federal purposes. Pennsylvania taxes eight classes of income: (1) compensation; (2) net profits from the operation of a business, profession, or farm; (3) net gains on income less net losses from dispositions of property; (4) net gains on income from rents, royalties, patents, and copyrights; (5) dividends; (6) interest; (7) gambling and lottery winnings; and (8) net gains on income derived through estates or trusts.

In fiscal year 2020-21, \$13.8 million was transferred to the Environmental Stewardship Fund, authorized under Act 23 of 2020, and \$200.0 million was transferred to the Property Tax Relief Fund, authorized under Act 114 of 2020. Recurring transfers to an account supporting the Farm Show Complex, authorized under Act 20 of 2019, will total \$13.3 million in fiscal year 2020-21.

Administrative Costs: Costs to administer the various tax expenditures associated with the personal income tax cannot be separately identified. Additionally, administrative costs for inheritance tax are included in these estimates. The existence of tax expenditures may result in taxpayer uncertainties, which create an administrative burden on the department relative to additional compliance audits, letter rulings, pronouncements, and bulletins.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 2.5	\$ 2.6	\$ 2.6	\$ 2.7	\$ 2.8	\$ 2.9	\$ 3.0

EXCLUSIONS FROM INCOME

RETIREMENT INCOME

Description: Payments commonly recognized as old age or retirement benefits paid to persons retired from service after reaching a specific age or after a stated period of service are exempt from taxation.

Purpose: The exemption limits the impact of the tax on retired persons. It also prevents taxation of previously taxed employee contributions to retirement plans.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$3,319.1	\$3,477.3	\$3,643.3	\$3,817.5	\$4,000.1	\$4,191.5	\$4,392.2

Beneficiaries: As many as 3.2 million retired residents and their survivors benefit from this tax expenditure.

General Fund Tax Expenditures

RETIREMENT CONTRIBUTIONS BY EMPLOYERS

Description: Payments made by employers for programs covering employee retirement and employer social security contributions are exempt from taxation.

Purpose: This provision lessens the burden of the tax on Pennsylvania wage earners and maintains fairness since the employee often does not have the right to possess the funds in the retirement plan except upon retirement or separation from the company after a set number of years of service.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 884.0	\$ 898.5	\$ 913.3	\$ 928.3	\$ 943.6	\$ 959.1	\$ 974.9

Beneficiaries: As many as 6.0 million employees benefit from this tax expenditure.

NONQUALIFIED DEFERRED COMPENSATION

Description: Following the federal constructive receipt rule, Act 40 of 2005 stipulated that deferrals to nonqualified deferred compensation plans are not includible in compensation. This change applies to taxable years beginning after December 31, 2002.

Purpose: With certain significant exceptions, Pennsylvania's constructive receipt rules were generally made consistent with the federal constructive receipt rules used to determine when compensation is received by a cash basis taxpayer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 44.8	\$ 47.1	\$ 49.5	\$ 52.1	\$ 54.8	\$ 57.7	\$ 60.7

Beneficiaries: Approximately 67,500 employees benefit from this tax expenditure.

General Fund Tax Expenditures

HEALTH SAVINGS ACCOUNTS/ARCHER MEDICAL SAVINGS ACCOUNTS (ARCHER MSAs)

Description: Act 67 of 2006 provided a personal income tax exemption for contributions made to Health Savings Accounts and Archer Medical Savings Accounts, consistent with the federal treatment of such accounts. Distributions that are not used for qualified medical expenses are taxable as interest income. These changes apply to tax years beginning after December 31, 2005.

Purpose: This provision reduces the cost and could improve the quality and availability of health care to Pennsylvanians.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 33.3	\$ 34.6	\$ 35.5	\$ 36.5	\$ 37.4	\$ 38.4	\$ 39.8

Beneficiaries: Individuals filing approximately 379,000 returns benefit from this tax expenditure. This number is expected to rise over time.

EMPLOYEE BENEFIT PROGRAM EMPLOYER CONTRIBUTIONS

Description: Payments made by employers or labor unions for programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, group life insurance, and strike benefits are exempt from taxation. Effective January 1, 1998, this expenditure also includes personal use of employer provided property and services.

Purpose: This provision lessens the burden of the tax upon Pennsylvania wage earners, along with maintaining fairness, since these payments are not usually based on actual use by each wage earner.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 992.1	\$1,028.7	\$1,058.8	\$1,086.9	\$1,113.7	\$1,146.0	\$1,188.1

Beneficiaries: As many as 6.5 million employees benefit from this tax expenditure.

CAFETERIA PLANS

Description: Payments made by employers, on behalf of employees, into a qualifying cafeteria plan are exempt from taxation if the program does not discriminate in favor of highly compensated individuals. This exemption parallels the limited exemption treatment of employee benefit programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, or strike benefits. Effective January 1, 1998, this expenditure also includes payments made on behalf of employees for personal use of employer provided property and services.

Purpose: This provision lessens the burden of the tax upon Pennsylvania wage earners, along with maintaining fairness, since these payments are not usually based on actual use by each wage earner.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 104.6	\$ 108.5	\$ 112.7	\$ 117.0	\$ 121.5	\$ 126.5	\$ 132.0

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

LIFE INSURANCE PROCEEDS

Description: Amounts paid to beneficiaries or the estate of a decedent due to the death of the decedent are exempt from tax.

Purpose: Life insurance proceeds are not considered compensation for services rendered. Also, premiums are often paid with after-tax dollars.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 153.9	\$ 158.4	\$ 162.9	\$ 167.6	\$ 172.5	\$ 177.5	\$ 182.6

Beneficiaries: The death payment beneficiaries of approximately 212,500 life insurance policies benefit from this tax expenditure.

SICKNESS OR DISABILITY PROCEEDS

Description: Payments, other than regular wages or salary, received for periods of sickness or disability are excluded from compensation.

Purpose: These payments are excluded because they do not take the place of an employee's regular wages or salary. However, sick pay in the form of regular wages or salary is taxable.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

UNEMPLOYMENT AND SUPPLEMENTAL UNEMPLOYMENT COMPENSATION

Description: Amounts received as unemployment compensation or supplemental unemployment compensation are excluded from taxable income.

Purpose: This exemption assists unemployed persons in providing the basic necessities of life.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 51.5	\$ 51.8	\$ 52.7	\$ 53.0	\$ 53.3	\$ 53.6	\$ 53.9

Beneficiaries: Approximately 396,200 people benefit from this tax expenditure.

General Fund Tax Expenditures

WORKERS' COMPENSATION

Description: Disability, retirement, or other payments arising under workers' compensation acts, occupational disease acts, and similar legislation are exempt from taxation.

Purpose: These benefits are not related to services rendered and are intended to provide income or subsistence during periods of disability when the taxpayer was injured on the job and also to pay workers' medical bills for injuries sustained on the job. These benefits more closely resemble insurance payments, which are not taxable.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 85.5	\$ 85.5	\$ 85.4	\$ 85.4	\$ 85.3	\$ 85.3	\$ 85.3

Beneficiaries: As many as 173,300 residents benefit from this tax expenditure.

STRIKE BENEFITS

Description: Amounts designated as strike benefits are exempt from tax.

Purpose: These benefits are not considered compensation for services rendered and are thus excluded from tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

PUBLIC ASSISTANCE

Description: Public assistance payments from governmental entities are excluded from taxable income.

Purpose: This provision limits the impact of the tax on the poor and increases the effectiveness of state payments under this program.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 6.4	\$ 6.4	\$ 6.4	\$ 6.4	\$ 6.4	\$ 6.4	\$ 6.4

Beneficiaries: Approximately 101,400 people benefit from this tax expenditure.

General Fund Tax Expenditures

SALE OF A PRINCIPAL RESIDENCE

Description: Beginning January 1, 1998, the gain from a sale of principal residence is excludable from income. Prior to January 1, 1998, this expenditure was a once in a lifetime exclusion of up to \$100,000 for those 55 and over.

Purpose: A principal residence is typically sold to meet the changing needs of the taxpayer and not in an effort to recognize a capital gain.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 133.1	\$ 144.8	\$ 151.8	\$ 157.4	\$ 160.1	\$ 164.1	\$ 170.0

Beneficiaries: The owners of approximately 245,800 principal residences that are sold each year in Pennsylvania benefit from this tax expenditure.

COMPENSATION FOR MILITARY SERVICE

Description: Compensation for military service by a Pennsylvania resident in a combat zone is excludable from tax. Income received for military service outside the commonwealth (whether or not it is in a combat zone) while on active duty as a member of the armed forces is excludable from compensation. Income received for active state duty for an emergency within or outside Pennsylvania is excludable from compensation.

Purpose: This provision reduces tax on members of the armed forces while on active duty in service of the country.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 127.0	\$ 132.0	\$ 137.2	\$ 142.6	\$ 148.3	\$ 154.8	\$ 161.8

Beneficiaries: Approximately 51,000 residents benefit from this tax expenditure.

SCHOLARSHIPS, GRANTS, FELLOWSHIPS, AND STIPENDS

Description: Scholarships, grants, fellowships, and stipends awarded on the basis of need or academic achievement for the purpose of encouraging or allowing the recipient to further their educational development are not taxable. Fellowships and stipends are taxable if they are awarded as compensation for past, present, or future services.

Purpose: Awards made on the basis of detached generosity are considered to be gifts and are nontaxable as income.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 146.3	\$ 148.3	\$ 150.2	\$ 152.2	\$ 154.3	\$ 156.3	\$ 158.4

Beneficiaries: The recipients of approximately 219,100 state and federal grants and scholarships, and an unknown number of private scholarships, grants, fellowships, and stipends benefit from this tax expenditure.

General Fund Tax Expenditures

REIMBURSEMENTS FOR ACTUAL EXPENSES

Description: Payments by an employer to an employee to reimburse actual expenses incurred by the employee in the conduct of the employer's business are excludable from compensation.

Purpose: This provision ensures that employees incurring business expenses, for which they are later reimbursed in the actual amount of the expenses, are not taxed on the reimbursements. Such expenses and reimbursements are treated as if the employer had made the expenditure directly.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 2.6	\$ 2.5	\$ 2.5	\$ 2.4	\$ 2.4	\$ 2.3	\$ 2.3

Beneficiaries: Approximately 24,800 taxpayers benefit from this tax expenditure.

UNREIMBURSED EXPENSES

Description: Unreimbursed expenditures made by employees are excludable from compensation if they are necessary to enable the taxpayer to properly perform the duties of employment, reasonable in amount, directly related to the taxpayer's occupation, and customary in the taxpayer's occupation.

Purpose: This provision enhances the fairness of the tax for those employees who incur expenses for the benefit of the employer, in order to properly perform a job, or to retain a rate of compensation.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 51.1	\$ 50.4	\$ 49.9	\$ 49.5	\$ 49.3	\$ 49.1	\$ 49.0

Beneficiaries: Individuals filing approximately 880,000 returns benefit from this tax expenditure.

BUSINESS INCOME DEDUCTIONS

Description: Ordinary and reasonable expenses necessary to operate a business or profession may be deducted from the gross receipts of that business or profession. This expenditure does not measure the cost of sales and operations or wages and salaries deductions.

Purpose: Businesses and professions are taxed on "net" profits; therefore, expenses necessary to produce the income may be deducted before tax is computed.

(Dollar Amounts in Millions)

Estimates:	Depreciation:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
		\$ 110.8	\$ 111.8	\$ 111.7	\$ 108.9	\$ 108.9	\$ 111.0	\$ 112.8
	Other:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
		\$1,867.2	\$1,883.0	\$1,882.4	\$1,834.2	\$1,835.3	\$1,869.5	\$1,901.0

Beneficiaries: Approximately 1.0 million businesses and professions benefit from this tax expenditure.

General Fund Tax Expenditures

FOSTER CARE

Description: Payments received by foster parents are explicitly excluded from the definition of compensation.

Purpose: This exemption provides a benefit to families providing foster care.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 1.8	\$ 1.9	\$ 2.0	\$ 2.0	\$ 2.1	\$ 2.2	\$ 2.3

Beneficiaries: The foster parents of approximately 19,700 children benefit from this tax expenditure.

QUALIFIED TUITION PROGRAMS

Description: Act 67 of 2006 provided a personal income tax deduction for qualified tuition program contributions. Rollovers, undistributed earnings, and distributions used for qualified higher education expenses are not taxable. This applies to taxable years beginning after December 31, 2005. Federal tax law changes enacted in 2017 permit the withdrawal of up to \$10,000 per year for qualified private primary or secondary education expenses, first effective for tax year 2018.

Purpose: These provisions lessen the burden of tax on families saving for post-secondary, private primary, or private secondary education.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 45.3	\$ 47.7	\$ 50.2	\$ 52.9	\$ 55.8	\$ 58.8	\$ 61.9

Beneficiaries: At least 144,000 taxpayers benefit from this tax expenditure.

EXEMPTION FOR ELECTION OFFICIALS

Description: Compensation and other payments received by county election officials are exempt from taxation.

Purpose: This exemption provides an incentive to serve as a county election official.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.1	\$ 1.1	\$ 1.1

Beneficiaries: As many as 100,800 election officials benefit from this tax expenditure.

General Fund Tax Expenditures

PENNSYLVANIA LOTTERY NONCASH PRIZES

Description: Pennsylvania Lottery noncash prizes are exempt from personal income tax. Previously, all Pennsylvania Lottery prizes were exempt, until Act 84 of 2016 made cash prizes of the Pennsylvania Lottery subject to personal income tax, effective for tax years beginning on or after January 1, 2016.

Purpose: This provision provides an additional benefit to individuals winning noncash Pennsylvania Lottery prizes.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 1.3	\$ 1.2	\$ 0.8	\$ 0.7	\$ 0.5	\$ 0.4	\$ 0.3

Beneficiaries: The winners of approximately 300 noncash prizes benefit from this expenditure.

STATE/LOCAL OBLIGATIONS

Description: State and local governments and authorities may issue bonds to raise funds in order to finance a variety of public projects, including infrastructure improvement or construction, and provide essential services. When a bond is issued, the issuer is obligated to repay the borrowed bond proceeds, at a specified rate of interest, by some future date. Interest paid on Pennsylvania government-issued municipal bonds is exempt from Pennsylvania state income taxes.

Purpose: Because of this tax-exempt feature, investors will usually accept lower interest payments than on other types of borrowing, lowering the overall cost for the government bond issuer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 83.8	\$ 86.8	\$ 96.7	\$ 102.0	\$ 104.6	\$ 106.0	\$ 106.9

Beneficiaries: Approximately 300,000 Pennsylvanians benefit from this expenditure.

START-UP BUSINESS DEDUCTION

Description: Beginning with tax year 2014, Pennsylvania aligned with federal rules allowing for a \$5,000 deduction from net income for business start-up costs for personal income tax purposes. Start-up costs include any amounts paid or incurred in connection with creating an active trade or business or investigating the creation or acquisition of an active trade or business. They may include advertising, travel, surveys, consultant fees, and training.

Purpose: This deduction gives businesses the same opportunity they have at the federal level and will encourage small business development, attract entrepreneurs and encourage existing businesses to expand and create new jobs.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.6	\$ 0.6	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7

Beneficiaries: Approximately 9,700 new businesses will benefit from this tax expenditure.

General Fund Tax Expenditures

INTANGIBLE DRILLING COSTS

Description: Effective tax year 2014, a taxpayer may recover intangible drilling costs (IDCs), as defined by Section 263(c) of the Internal Revenue Code, either by using a ten-year amortization period, or by electing to immediately expense up to one-third of the allowable costs and recover the remaining costs over a ten-year period beginning in the taxable year the costs are incurred.

Purpose: This expenditure allows entities to deduct a larger portion of costs immediately, instead of spreading those costs over the life of the well.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

Beneficiaries: Approximately 140 taxpayers benefit from this expenditure.

ACHIEVING A BETTER LIFE EXPERIENCE (ABLE) SAVINGS PROGRAMS

Description: Act 17 of 2016 established the Achieving a Better Life Experience (ABLE) Savings Program. The Act exempted contributions made to an account, any increase in the value of those contributions, the retention or transfer during life or as a result of death of any legal interest in an account, and payment of qualified disability expenses of eligible individuals from an account from all taxation by the commonwealth and its political subdivisions. Act 43 of 2017 further provided that contributions made to an ABLE account shall be deductible from the taxable income of the contributor. Total contributions to all ABLE accounts allowable as a deduction by a contributor in a taxable year shall not exceed the limit set in Section 2503(B) of the Internal Revenue Code, nor shall the deduction result in taxable income less than zero.

Purpose: These provisions lessen the burden of tax on disabled individuals and their families.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.7	\$ 1.0	\$ 1.4	\$ 1.8	\$ 2.2	\$ 2.6	\$ 3.1

Beneficiaries: Approximately 2,200 disabled Pennsylvanians and their families benefit from this expenditure.

INVOLUNTARY CONVERSIONS

Description: Act 84 of 2016 provided that, effective September 11, 2016, Section 1033 of the Internal Revenue Code applies to the personal income tax. Section 1033 allows a taxpayer to acquire replacement property and make an election to defer recognition of the gain following an involuntary conversion.

Purpose: These provisions lessen the burden of tax on taxpayers who acquire replacement property when the original property has been destroyed, stolen, seized, requisitioned, or condemned.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

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

General Fund Tax Expenditures

QUALIFIED OPPORTUNITY ZONES

Description: Act 13 of 2019 established conformity to section 1400Z-2 of the Internal Revenue Code by providing that income derived from investment in a qualified opportunity zone that is exempt from federal tax shall also be exempt from Pennsylvania tax beginning in tax year 2020.

Purpose: The qualified opportunity zone program, created by the federal Tax Cuts and Jobs Act of 2017, provides federal tax incentives to encourage private investment in low-income and distressed communities. This provision ensures that complementary incentives apply at the state level.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ --	\$ 2.8	\$ 2.8	\$ 2.8	\$ 3.4	\$ 3.4	\$ 3.4

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

OLYMPIC MEDALS AND PRIZES

Description: Act 13 of 2019 provided that, effective June 28, 2019, the value of Olympic medals and prize money received from the United States Olympic Committee would be exempt from tax.

Purpose: This provision lessens the burden of tax on taxpayers who receive awards on account of competition in the Olympic Games or Paralympic Games.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: A minimal number of taxpayers will benefit from this expenditure.

General Fund Tax Expenditures

CREDITS

SPECIAL POVERTY PROVISIONS (TAX FORGIVENESS)

Description: Special tax forgiveness provisions allow eligible claimants to reduce their tax liability depending on the amount of their eligibility income. The current limits for eligibility income were established by Act 46 of 2003 for tax years 2004 and thereafter. A taxpayer with no dependents and with eligibility income of \$8,750 or less will qualify for some amount of forgiveness. A married couple with no dependents and with eligibility income of \$15,250 or less will also qualify for some amount of forgiveness. The eligibility income limits increase by \$9,500 for each dependent.

Purpose: This provision provides tax relief for taxpayers with low incomes.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 244.0	\$ 237.5	\$ 231.1	\$ 224.6	\$ 218.1	\$ 211.6	\$ 205.2

Beneficiaries: Individuals filing approximately 1.1 million returns benefit from this tax expenditure.

RESIDENT CREDIT

Description: Pennsylvania residents who have income which is subject to both Pennsylvania personal income tax and the income or wage tax of another state (excluding compensation earned in states with reciprocal agreements) may claim the lesser of the actual tax paid to the other state, or the tax calculated using Pennsylvania taxable income earned in the other state, multiplied by the current Pennsylvania tax rate as a credit against the personal income tax. Prior to Act 52 of 2013, Pennsylvania residents could also claim the resident credit for income from a foreign country.

Purpose: This provision prevents the double taxation of income earned by a Pennsylvania resident in another state.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 423.4	\$ 437.4	\$ 454.0	\$ 471.7	\$ 489.4	\$ 509.3	\$ 531.6

Beneficiaries: Individuals filing approximately 136,000 returns benefit from this tax expenditure.

General Fund Tax Expenditures

TAX CREDITS FOR BEGINNING FARMERS

Description: Act 65 of 2019 establishes a nonrefundable, nontransferable tax credit to owners of agricultural assets who sell or rent those assets to beginning farmers. The act defines a “beginning farmer” as a person who has experience in agriculture or a related field or who has suitable transferable skills, who has not received federal gross income for agricultural production for more than the ten most recent taxable years, and who intends to engage in agricultural production in Pennsylvania.

The estimates for future fiscal years reflect the program cap.

Purpose: These tax credits are intended to encourage early-career farmers in Pennsylvania.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ --	\$ 5.0	\$ 6.0	\$ 6.0	\$ 6.0	\$ 6.0	\$ 6.0

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

General Fund Tax Expenditures

ESTIMATED TAXES

ESTIMATED TAXES FOR FIDUCIARIES

Description: Act 40 of 2005 stated that fiduciaries are allowed to adopt the federal annualization rules for calculating estimated payments. This change may lower or eliminate one or more estimated payments. These provisions apply to payments made after June 30, 2006.

Purpose: The adoption of annualized federal rules for calculating estimated payments for estates and trusts allow fiduciaries to have consistent payments between state and federal laws.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 5.5	\$ 4.5	\$ 2.6	\$ 3.5	\$ 4.8	\$ 5.2	\$ 5.8

Beneficiaries: Approximately 45,600 fiduciaries are estimated to benefit from this tax expenditure.

ESTIMATED TAXES FOR FARMERS

Description: Individuals having an estimated gross income from farming which is at least two-thirds of their total gross income may file an estimated tax declaration any time on or before January 15 of the succeeding year. If such an individual files a final return and pays the entire tax due by March 1, the return may be considered the declaration due on or before January 15. The estimates measure the interest lost due to delayed estimated payments.

Purpose: This provision provides assistance to farmers by allowing more liberal estimated payment rules, enhancing the farmers' cash flow.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.2	\$ 0.5	\$ 0.5	\$ 0.4

Beneficiaries: Farmers operating approximately 53,000 farms benefit from this tax expenditure.

ESTIMATED PAYMENTS FOR SMALL AMOUNTS

Description: Individuals with taxable income of \$8,000 or less not subject to withholding are not required to pay estimated taxes. The threshold was changed from \$2,500 effective January 1, 2000.

Purpose: These provisions reduce paperwork for the Department of Revenue and taxpayers with small amounts of income not subject to withholding.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 1.1	\$ 1.1	\$ 1.2	\$ 1.2	\$ 1.2	\$ 1.2	\$ 1.2

Beneficiaries: Approximately 1.4 million Pennsylvania residents benefit from this tax expenditure.

General Fund Tax Expenditures

ESTIMATED TAXES FOR PRIOR YEAR TAX FORGIVENESS RECIPIENTS

Description: Act 85 of 2012 allows taxpayers who make estimated tax payments equal to the amount of the taxpayer's tax liability for the preceding tax year to take into account a calculation for the special provisions for poverty (tax forgiveness). A taxpayer who received tax forgiveness during the prior tax year, but did not qualify for tax forgiveness in the current tax year and is required to make estimated payments, may avoid a penalty for underpayment of estimated taxes. This provision applies to tax years beginning on or after January 1, 2013. The estimates measure interest foregone on quarterly tax payments and from lost fees and penalties.

Purpose: This legislation is intended to give taxpayers who qualified for tax forgiveness a safe harbor from estimated payments.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.7	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8

Beneficiaries: Taxpayers filing nearly 48,300 returns benefit from this expenditure.

REALTY TRANSFER TAX

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

The realty transfer tax is a documentary stamp tax on the value of any interest in real estate transferred by deed. The tax rate is one percent of the value of the real estate transferred. Each party to a document is jointly and severally liable for the tax imposed, unless the party is an excluded party, or the document evidences an excludable transaction. The excluded status of a party does not relieve the other parties to a transaction from the entire tax due. The amounts below represent the General Fund portion of the realty transfer tax expenditures only and do not include expenditures for the portion transferred to the Keystone Recreation, Park, and Conservation Fund (KRPC) pursuant to Act 50 of 1993. The transfer to the KRPCF has been changed over the years by various acts. The current transfer rate of 15 percent of collections has been in effect since July 2007.

Act 58 of 2015 provided for an annual transfer from the realty transfer tax to the Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund beginning in fiscal year 2015-16. The annual transfer amount shall be the minimum of \$40 million or the difference between total realty transfer tax collections for the prior fiscal year and the official estimate for fiscal year 2014-15 (\$447.5 million). The maximum transfer amount was increased to \$40 million from \$25 million by Act 13 of 2019.

Administrative Costs: Costs to administer the realty transfer tax expenditures are approximately \$0.3 million annually.

TRANSFERS TO GOVERNMENTAL UNITS AND VETERANS' SERVICE ORGANIZATIONS

Description: A transfer to the commonwealth, the federal government or their agencies, political subdivisions, or instrumentalities, or veterans' organizations by gift, dedication, condemnation, or in lieu of condemnation is exempt from taxation.

Purpose: This exemption provides tax relief to the grantor of property to a governmental entity. Without an exemption, the grantor would be required to pay the tax. The exemption may encourage donation of property to a governmental entity.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 5.7	\$ 5.8	\$ 6.0	\$ 6.0	\$ 6.1	\$ 6.2	\$ 6.3

Beneficiaries: Approximately 3,200 local governmental units and veterans' organizations could benefit from this tax expenditure.

PARTITION OF REALTY BY CO-TENANTS

Description: A partition of realty, passed by testate or intestate succession and held by co-tenants, into two or more distinctive portions with each party taking shares equal to their undivided interest, is an excluded transaction.

Purpose: Tax relief is given to the heirs to assist in the equitable settlement of the estate. Heirs to realty do not always want joint ownership in the realty willed to them as co-tenants. This exemption enables the parties to partition the realty into two or more distinct portions with each party taking shares equal to their undivided interest without incurring tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

TRANSFERS AMONG FAMILY MEMBERS

Description: Transfers between spouses, parent and child or the spouse of such child, stepparent and a stepchild or the spouse of such child, siblings and/ or the spouse of a sibling, and a grandparent and grandchild or the spouse of such a grandchild are exempt from taxation.

Purpose: This exemption reduces the tax burden on families by exempting transfers to family members.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 80.6	\$ 82.5	\$ 84.6	\$ 85.4	\$ 86.3	\$ 88.1	\$ 90.0

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TRANSFERS TO SHAREHOLDERS OR PARTNERS

Description: A transfer from a corporation or association to its shareholder or member, where the grantee owns stock or holds an interest in the same proportion as his interest in the real estate being conveyed, is an excluded transaction. The stock or interest must be held by the grantee for more than two years.

Purpose: This exemption recognizes that the grantee has an ownership interest in the realty conveyed to him in the same proportion as stock owned in the corporation or interest in the association.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 2.0	\$ 2.0	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TRANSFERS TO OR FROM A NONPROFIT INDUSTRIAL DEVELOPMENT AGENCY

Description: A transfer to a nonprofit industrial development agency or authority is an excluded transaction. A transfer from a nonprofit industrial development agency or authority to a grantee purchasing directly from it is an excluded transaction if (1) the grantee uses such real estate for the primary purpose of manufacturing, fabricating, compounding, processing, publishing, research and development, transportation, energy conversion, energy production, pollution control, warehousing, or agriculture and (2) the authority has full ownership interest in the real estate transferred.

Purpose: These exemptions encourage transfers of realty to nonprofit organizations for industrial development and from nonprofit organizations for use in various activities that may contribute to economic development in the commonwealth.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 2.7	\$ 2.7	\$ 2.8	\$ 2.8	\$ 2.9	\$ 2.9	\$ 3.0

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

TRANSFERS BETWEEN RELIGIOUS ORGANIZATIONS

Description: A transfer between religious organizations or persons holding title for a religious organization, with both parties possessing tax-exempt status under the Internal Revenue Code, is an excluded transaction. The real estate cannot have been used by such transferor for commercial purposes.

Purpose: This exemption provides tax relief to religious organizations that are perceived to provide social benefits.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 2.5	\$ 2.6	\$ 2.6	\$ 2.6	\$ 2.7	\$ 2.7	\$ 2.8

Beneficiaries: Approximately 15,000 religious organizations could benefit from this tax expenditure.

TRANSFERS TO A CONSERVANCY

Description: A transfer to or from a conservancy that possesses a tax-exempt status pursuant to the Internal Revenue Code and which has as its primary purpose preservation of land for historic, recreational, scenic, agricultural, or open space opportunities is an excluded transaction.

Act 84 of 2016 added agricultural, conservation, or historic preservation easements transferred or sold to certain dedicated conservancies, as well as government entities, as being excluded transactions.

Purpose: This exemption encourages the preservation of realty with historic, recreational, scenic, or agricultural value.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.4	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5

Beneficiaries: Approximately 70 land conservancies could benefit from this tax expenditure.

REAL ESTATE DEVOTED TO AGRICULTURE

Description: A transfer of real estate devoted to the business of agriculture to a family farm business by a member of the same family is an excluded transaction. The family must own at least 75 percent of each class of stock in a family farm business. The family farm may also lease the farmland as long as it is used for farming.

Purpose: This exemption provides tax relief for the establishment or expansion of the family farm business thereby recognizing the importance of the family-owned farm.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: Approximately 1,300 family farm businesses could benefit from this tax expenditure.

General Fund Tax Expenditures

OWNERSHIP INTEREST IN REAL ESTATE COMPANY OR FAMILY FARM

Description: A transfer between members of the same family of an ownership interest in a real estate company or family farm business is an excluded transaction.

Purpose: A transfer of ownership interest between members of the same family is not considered a change in ownership of the business. This exemption encourages the preservation of family farm businesses and family-owned real estate businesses by allowing transfers of ownership interests between members of the same family not to count toward the corporation becoming an acquired company.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: Approximately 1,300 family farm corporations or partnerships and an unknown number of real estate companies could benefit from this tax expenditure.

TRANSFERS OF REALTY VALUED AT \$100 OR LESS

Description: A transaction where the tax due is one dollar (\$1.00) or less is an excluded transaction.

Purpose: The administrative costs of collecting the revenue from a transfer of realty valued at one hundred dollars or less are thought to be greater than the revenue.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

PRODUCTION OR EXTRACTION OF COAL, OIL, NATURAL GAS, OR MINERALS

Description: Leases for the production or extraction of coal, oil, natural gas, or minerals and assignments thereof are excluded transactions.

Purpose: This exemption gives tax relief to the mining and extracting industries to produce and extract coal, oil, natural gas, and minerals at a lower cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: Approximately 1,950 companies may benefit from this tax expenditure.

General Fund Tax Expenditures

PUBLIC UTILITY EASEMENTS

Description: A transfer of an easement to a person furnishing public utility service is an excluded transaction if the easement is used in, or useful for, furnishing public utility services.

Purpose: Public utility easements are numerous and the majority of them are conveyed for a small consideration. The administrative costs of collecting the revenue from an easement to a provider of public utility services are thought to be greater than the revenue.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: The 282 public utilities could benefit from this tax expenditure.

STANDING TIMBER OR CROPS

Description: Standing timber and crops are not deemed to actually pass with the conveyance of realty when the instrument provides for severance and removal within an immediate ascertainable date.

Purpose: Timber and crops are personal property in this instance, the transfer of which is not subject to realty transfer tax.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TRANSFERS INVOLVING VOLUNTEER EMERGENCY AGENCIES

Description: A transfer to or by a volunteer emergency medical services company, volunteer fire company, or volunteer rescue company is an excluded transaction. Act 66 of 2020 expanded this exemption to include all transactions involving volunteer emergency agencies; previous legislation had only excluded certain transactions.

Purpose: This exemption provides tax relief to volunteer emergency agencies. Without the exemption, they would be required to pay the tax when acquiring real property. The exemption should aid volunteer emergency agencies in being able to better serve their communities.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 2.1	\$ 2.1	\$ 2.2	\$ 2.2	\$ 2.2	\$ 2.2	\$ 2.2

Beneficiaries: Approximately 2,000 taxpayers could benefit from this tax expenditure.

General Fund Tax Expenditures

TRANSFERS TO OR FROM A LAND BANK

Description: A transfer of real estate to or from a land bank is an excluded transaction. The term "land bank" shall have the same meaning as given to it in 68 Pa.C.S. § 2103.

Purpose: This exemption provides tax relief on transfers to or from a land bank. Land banks are used by local governments to acquire problem properties and return them to productive use.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TRANSFERS TO CERTAIN NON-PROFIT ORGANIZATIONS FROM HOUSING AUTHORITIES WITHIN THE COMMONWEALTH

Description: A transfer of real estate from a Public Housing Authority (PHA) to a non-profit organization utilizing the Rental Assistance Demonstration (RAD) Program administered by the Department of Housing and Urban Development (HUD) are exempt from realty transfer tax. This applies to a county of the fifth class with a population between 115,000 and 118,000 that filed an appeal with the Board of Finance and Revenue after December 31, 2015.

Purpose: The RAD program was created by HUD to give PHAs an additional tool to preserve and improve public housing properties. Without this exemption from tax, the transfer from the PHAs to non-profit organizations participating in the RAD program would be taxable.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: A limited number of non-profit organizations will benefit from this expenditure.

TRANSFERS TO BEGINNING FARMERS

Description: The transfer of a property subject to an agricultural easement to a qualified beginning farmer is exempt from the tax.

Purpose: The exemption is intended to encourage new persons to become involved in farming.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

INHERITANCE TAX

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

The inheritance tax is imposed on the value of the decedent's estate transferred to beneficiaries by will or intestacy. Inheritance tax on the transfer of non-jointly held property to spouses is levied at 0 percent. Transfers between parents and their children 21 years of age or younger are taxed at a rate of 0 percent. All other transfers to lineal heirs are taxed at the rate of 4.5 percent. Transfers to siblings are subject to a tax rate of 12 percent, while transfers to all other persons are taxed at a rate of 15 percent.

Inheritance tax payments are due upon the death of the decedent and become delinquent nine months after the individual's death. If inheritance taxes are paid within three months of the decedent's death, a five percent discount is allowed.

Administrative Costs: Costs to administer the inheritance tax expenditures are included in the personal income tax administrative cost estimates. Costs incurred to administer the multiple tax expenditures associated with inheritance tax cannot be separately identified.

FAMILY RELATED EXEMPTIONS AND EXCLUSIONS

PREFERENTIAL RATE FOR TRANSFERS TO LINEAL BENEFICIARIES

Description: Effective July 1, 2000, assets transferred to lineal beneficiaries are taxed at a 4.5 percent rate rather than the 15 percent rate for assets transferred to non-lineal heirs. Lineal beneficiaries include grandparents, parents, and lineal descendants (including adopted or stepchildren). Prior to July 1, 2000, transfers to lineal beneficiaries were taxed at a rate of six percent.

Purpose: This provision reduces the tax burden on the immediate family members of the decedent.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$1,445.3	\$1,439.6	\$1,465.8	\$1,481.7	\$1,503.3	\$1,524.6	\$1,546.6

Beneficiaries: Approximately 38,000 estates benefit from this tax expenditure.

TRANSFERS OF PROPERTY TO SPOUSE

Description: Property passing to a spouse of a decedent is exempt from inheritance tax. This estimate is based on the difference between taxing all assets transferred between spouses at the lineal rate of 4.5 percent and the spousal rate of zero percent.

Purpose: This provision prevents an undue tax burden on a surviving spouse especially when assets cannot be jointly owned. It allows spouses to maintain homes and other assets without being subject to inheritance tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$2,492.0	\$2,482.2	\$2,527.4	\$2,554.8	\$2,592.0	\$2,628.8	\$2,666.6

Beneficiaries: Approximately 34,000 estates benefit from this tax expenditure.

General Fund Tax Expenditures

EXEMPTION FOR TRANSFERS OF PROPERTY FROM A CHILD TO PARENT

Description: Property passing from a child twenty-one years of age or younger to a parent is subject to a zero percent tax rate. This estimate measures the difference between taxing child to parent transfers at the lineal rate of 4.5 percent and the child to parent rate of zero percent.

Purpose: This provision reduces the tax burden on families receiving assets due to the untimely death of a child. The transfer of assets to parents was previously taxed as a lineal transfer. This rate change, authorized by Act 23 of 2000, is effective for decedents dying July 1, 2000 or later.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.9	\$ 0.9	\$ 0.9	\$ 0.9

Beneficiaries: Approximately 70 estates benefit from this tax expenditure.

PREFERENTIAL RATE FOR TRANSFERS TO SIBLINGS

Description: Effective July 1, 2000, assets transferred to siblings, defined as brothers or sisters with at least one parent in common, by blood or adoption, are taxed at a rate of 12 percent rather than the rate of 15 percent for assets transferred to non-lineal heirs. Prior to July 1, 2000, transfers to siblings were taxed at a rate of 15 percent.

Purpose: This provision reduces the tax burden on estates that transfer assets to a sibling of the decedent. It recognizes that a sibling is often a decedent's closest relative and that transfers to siblings should be taxed at a lower rate than transfers to unrelated beneficiaries.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 29.4	\$ 29.3	\$ 29.9	\$ 30.2	\$ 30.6	\$ 31.1	\$ 31.5

Beneficiaries: Approximately 4,600 estates benefit from this tax expenditure.

LIFE INSURANCE PROCEEDS

Description: Life insurance proceeds, whether or not payable to the estate of the decedent, are exempt from inheritance tax.

Purpose: This provision lessens the tax burden on the insurance beneficiaries of the decedent, who are likely to be family members. A common reason for purchasing life insurance is to assist with the payment of inheritance and estate taxes.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 149.7	\$ 156.6	\$ 163.8	\$ 171.4	\$ 179.2	\$ 187.5	\$ 196.1

Beneficiaries: Estates of the decedents associated with approximately 79,000 life insurance policies benefit from this expenditure.

General Fund Tax Expenditures

FEDERAL WAR RISK INSURANCE AND NATIONAL SERVICE LIFE INSURANCE PROCEEDS

Description: Proceeds of federal war risk insurance, national service life insurance, or other similar governmental insurance are exempt from inheritance tax.

Purpose: This provision lessens the tax burden on beneficiaries of U.S. military personnel and dependents who receive increased insurance when stationed in an area where military conflict is possible.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: The families of fallen Pennsylvanians benefit from this tax expenditure.

FAMILY EXEMPTION

Description: A \$3,500 family exemption from inheritance tax is permitted for the decedent's surviving spouse, children, or parents living in the decedent's household at the time of death.

Purpose: This provision allows a small tax-free transfer of property to immediate family members residing with the decedent. Smaller taxable estates benefit to a greater extent.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 1.8	\$ 1.8	\$ 1.8	\$ 1.8	\$ 1.8	\$ 1.9	\$ 1.9

Beneficiaries: Approximately 7,700 families benefit from this tax expenditure.

EXEMPTION FOR TRANSFERS FROM A PARENT TO CHILD 21 OR YOUNGER

Description: Property passing from a parent to a child twenty-one years of age or younger is subject to a zero percent tax rate. This estimate measures the difference between taxing parent to child transfers at the lineal rate of 4.5 percent and the parent to child twenty-one or younger rate of zero percent.

Purpose: This provision reduces the tax burden on families receiving assets due to the death of a parent. The transfer of assets to a child twenty-one or younger was previously taxed as a lineal transfer. This rate change, authorized by Act 13 of 2019, is effective for decedents dying January 1, 2020 or later.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 3.3	\$ 12.5	\$ 13.9	\$ 14.7	\$ 14.9	\$ 15.1	\$ 15.3

Beneficiaries: Approximately 500 estates benefit from this tax expenditure.

General Fund Tax Expenditures

PERSONAL EXCLUSIONS AND DEDUCTIONS

EMPLOYMENT BENEFITS

Description: Employment benefits that the decedent did not have the right to possess, enjoy, assign, or anticipate before death are exempt from inheritance tax. Exempt benefits include pensions, stock-bonuses, profit-sharing plans, Keoghs, Individual Retirement Accounts, and other retirement plans. If the decedent did have the right to possess, enjoy, assign, or anticipate the benefits, they are exempt from Pennsylvania inheritance tax only to the same extent they are exempt from the federal estate tax.

Purpose: This provision limits inheritance tax on employment benefits to which the decedent did not have full rights. An individual is presumed to have full rights to these employment benefits after age 59 ½, the age at which someone may utilize at least a portion of these funds without penalty under the Internal Revenue Code.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 10.0	\$ 10.5	\$ 11.1	\$ 11.7	\$ 12.3	\$ 13.0	\$ 13.6

Beneficiaries: Estates of the approximately 6,000 decedents of working age and under 59½ at death may benefit from this tax expenditure.

ESTATE ADMINISTRATION EXPENSES

Description: Expenses for attorney fees, funeral and burial expenses, tombstones and grave markers, and other expenses incurred in administering the estate are deductible from the taxable estate.

Purpose: This provision allows for the deduction of reasonable and necessary expenses associated with managing the estate.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 60.3	\$ 61.2	\$ 62.0	\$ 62.9	\$ 63.8	\$ 64.8	\$ 65.7

Beneficiaries: Approximately 46,900 estates benefit from this tax expenditure.

DEBTS AND LIABILITIES OF THE DECEDENT

Description: A deduction from the gross estate is allowed for debts and liabilities of the decedent.

Purpose: This provision increases the fairness of the tax by ensuring that property is included in the taxable estate based on its net value. For example, a mortgage is deducted from the value of real property to properly value the decedent's interest in that property.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 68.0	\$ 68.9	\$ 69.9	\$ 70.9	\$ 71.9	\$ 73.0	\$ 74.0

Beneficiaries: Approximately 35,500 estates benefit from this tax expenditure.

General Fund Tax Expenditures

SOCIAL SECURITY DEATH PAYMENTS

Description: The lump-sum social security death benefit is exempt from inheritance tax.

Purpose: This provision helps limit the impact of the tax on poorer beneficiaries. The social security death benefit could comprise the majority of assets for many small taxable estates.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0

Beneficiaries: As many as 60,600 estates may benefit from this tax expenditure.

RAILROAD RETIREMENT BURIAL BENEFITS

Description: The lump-sum railroad retirement burial benefit is exempt from inheritance tax.

Purpose: This provision helps limit the impact of the tax on poorer beneficiaries. The railroad retirement burial benefit could comprise the majority of assets for many small taxable estates.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: An estimated 100 estates receive lump sum benefit payments from the U.S. Railroad Retirement Board.

ADVANCEMENTS

Description: Transfers made as an advancement of or on account of an intestate share or in satisfaction or partial satisfaction of a gift by will are exempt unless the gift was made within one year of death and gifts to the transferee exceeded \$3,000 during that calendar year.

Purpose: Gifts, as long as they are not made within one year of the date of death, are exempt from inheritance tax. This provision provides that these advancements be treated as gifts that are not intended to avoid the tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: Approximately 60,600 estates might benefit from this tax expenditure.

General Fund Tax Expenditures

PROPERTY SUBJECT TO POWER OF APPOINTMENT

Description: Property left to a trust by the decedent (grantor) subject to a power of appointment (by a grantee), whether or not exercised and notwithstanding any blending of such property with property of the grantee, is exempt from inheritance tax in the estate of the grantee.

Purpose: Pennsylvania taxes the transfer of these assets subject to a power of appointment at the time the interest is created (when the grantor dies). The grantee may have a life interest in the estate with any remainder passing to some other person. This provision prevents taxation when the property is subsequently distributed upon the death of the grantee, having already been taxed in the estate of the grantor.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

NOMINAL OWNERSHIP OF PROPERTY

Description: Property held in the name of a decedent who held no beneficial interest in the property is exempt from inheritance tax.

Purpose: This provision prevents property in which the decedent had no real interest from being included in the taxable estate.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

BUSINESS RELATED EXCLUSIONS AND DEDUCTIONS

PREFERENTIAL VALUATION OF FARMLAND

Description: Farmland which was devoted to agricultural use for the three years preceding the death of the decedent, and is not less than 10 contiguous acres or has an anticipated yearly gross income derived from agricultural use of \$2,000 or more, is valued based on its current use rather than its highest use.

Purpose: This provision helps to maintain family farms since land currently devoted to agricultural use is often more valuable if developed.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

SMALL BUSINESS INTEREST TRANSFER EXTENDED PAYMENT SCHEDULE

Description: The inheritance tax due on the transfer of a qualified small business interest may be paid in twenty consecutive quarterly installments beginning nine months after the decedent's death. Each installment payment bears interest of nine percent per annum.

Purpose: This provision helps protect small businesses upon the death of the owner from a sudden tax burden. Payments are spread out over time so that asset sales can be avoided.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

PREFERENTIAL VALUATION OF AGRICULTURAL CONSERVATION EASEMENTS

Description: An agricultural conservation easement is a deed restriction landowners voluntarily place on their property to protect productive agricultural land. They are used to authorize a qualified conservation organization or public agency to monitor and enforce the restrictions set forth in the agreement. Act 67 of 2006 provided that the value of an agricultural conservation easement is set at 50 percent of what the land would otherwise be valued for purposes of inheritance tax assessments.

Purpose: This provision helps to maintain family farms and increase participation in the preservation of the commonwealth's farmland.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.6	\$ 0.6	\$ 0.7	\$ 0.7	\$ 0.8	\$ 0.8	\$ 0.9

Beneficiaries: The owners of 53,000 farms might benefit from this tax expenditure.

General Fund Tax Expenditures

AGRICULTURAL TRANSFERS TO FAMILY MEMBERS

Description: A transfer of real estate devoted to the business of agriculture between members of the same family is exempt from inheritance tax, provided that after the transfer the real estate continues to be devoted to the business of agriculture for a period of seven years beyond the decedent's date of death and the real estate derives a yearly gross income of at least \$2,000. A transfer of an agricultural commodity, agricultural conservation easement, agricultural reserve, agricultural use property or a forest reserve to lineal descendants or siblings is also exempt from inheritance tax.

Purpose: This provision helps to maintain family farms and increase participation in the preservation of the commonwealth's farmland.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 6.2	\$ 6.3	\$ 6.5	\$ 6.8	\$ 7.0	\$ 7.2	\$ 7.4

Beneficiaries: The owners of 53,000 farms might benefit from this tax expenditure.

FAMILY-OWNED BUSINESS TRANSFERS TO FAMILY MEMBERS

Description: A transfer of a family-owned, small business interest to or for the benefit of members of the same family is exempt from inheritance tax, provided that after the transfer, the family-owned business interest continues to be owned by members of the same family or a trust whose beneficiaries are comprised solely of members of the same family for a minimum of seven years beyond the decedent's date of death. The exemption is limited to qualified family-owned business interests, defined as having fewer than 50 full-time equivalent employees, a net book value of assets less than \$5 million, and being in existence for at least five years, as of the decedent's date of death. The exemption does not apply to property transferred into the business within one year of the decedent's date of death.

Purpose: This provision helps to maintain family-owned, small businesses.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 6.2	\$ 6.2	\$ 6.3	\$ 6.4	\$ 6.5	\$ 6.5	\$ 6.6

Beneficiaries: The owners of 187,000 family-owned, small businesses might benefit from this tax expenditure.

OTHER EXCLUSIONS

TRANSFERS TO GOVERNMENTS

Description: Intervivos transfers and bequests to governments are exempt from inheritance tax.

Purpose: This exemption is an indirect means of assistance to governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5

Beneficiaries: Approximately 3,300 estates benefit from this tax expenditure.

General Fund Tax Expenditures

TRANSFERS TO CHARITABLE AND FRATERNAL ORGANIZATIONS

Description: Intervivos transfers and bequests to charitable and fraternal organizations are exempt from inheritance tax.

Purpose: Charitable and fraternal organizations provide public services that are believed to benefit citizens. This exemption represents an indirect means of assistance to these entities and may increase the money available for charitable purposes.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 133.8	\$ 135.7	\$ 137.7	\$ 139.7	\$ 141.7	\$ 143.7	\$ 145.8

Beneficiaries: An estimated 32,100 charitable and fraternal organizations might benefit from this tax expenditure.

TABLE GAME TAXES

Authorization: Chapter 13A of Title 4 of the Pennsylvania Consolidated Statutes.

Act 1 of 2010 imposed table game taxes on gross table game revenue of licensed gaming entities in Pennsylvania.

The table game taxes are imposed on gross table game revenue, which is defined as total cash or cash equivalents received in the playing of table games, contest or tournament fees or payments, and total amount of rakes collected minus cash or cash equivalents paid out, paid to purchase annuities to fund prizes, and paid for personal property distributed to patrons as a result of playing a table game. The revenue from these taxes is deposited in the General Fund until such time as, on the last day of the fiscal year, the balance in the Budget Stabilization Reserve Fund is certified by the Secretary of the Budget to exceed \$750,000,000. Thereafter, the funds from these taxes are deposited in the Property Tax Relief Fund.

The current rate is 14 percent of gross table game revenue, which is set to expire on August 1, 2021. Thereafter, the rate will be 12 percent. Additionally, the rate on gross table game revenue from table games played on fully automated electronic gaming tables is 34 percent.

PROMOTIONAL ITEM DEDUCTION

Description: The deduction of promotional items from gross table game revenue includes the cost of personal property awarded to a player as a result of playing a table game. This deduction does not include travel expenses, food, refreshments, lodging, or services.

Purpose: This deduction removes from the tax base the value of prizes awarded as a result of table game play.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 3.3	\$ 3.5	\$ 3.2	\$ 3.2	\$ 3.3	\$ 3.3	\$ 3.4

Beneficiaries: All licensed gaming entities in Pennsylvania operating table games may benefit from this tax expenditure.

Motor License Fund Tax Expenditures

OIL COMPANY FRANCHISE TAX

Authorization: Chapter 95 of Title 75 of the Pennsylvania Consolidated Statutes.

Act 3 of 1997 imposed a tax of 153.5 mills for all taxable liquid fuels and 208.5 mills for all taxable fuels on oil companies conducting business in Pennsylvania. Act 89 of 2013 added additional mills beginning in 2014, ending with 39 mills in 2018 and each calendar year thereafter. The oil company franchise tax is calculated annually by multiplying the average wholesale price (established by the Department of Revenue) by the millage rates above. The resulting product is the effective tax rate that is multiplied by the total taxable gallons of fuels and liquid fuels. Act 89 of 2013 ultimately uncapped the average wholesale price in 2017 and thereafter. There is also a statutory average wholesale price floor set at \$2.99 for 2017 and each year thereafter. The tax rate for calendar year 2021 is 57.6 cents per gallon for liquid fuels and 74.1 cents per gallon for fuels. Receipts from 57 mills of the tax on liquid fuels and fuels are deposited as unrestricted Motor License Fund revenue, along with the mills added by Act 89 of 2013. However, 4.17 percent of the mills added by Act 89 are transferred to the Liquid Fuels Tax Fund. The estimated expenditures herein include the impact on both unrestricted and restricted Motor License Fund revenue.

Administrative Costs: Costs to administer the multiple tax expenditures associated with the oil company franchise tax cannot be separately identified from the other motor fuel taxes deposited into the Motor License Fund. Tax expenditures are a significant factor associated with the need for more compliance audits and the increased complexity of such audits.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.7

POLITICAL SUBDIVISIONS

Description: Fuels purchased by political subdivisions of the commonwealth are exempt from the tax.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 55.9	\$ 56.4	\$ 56.5	\$ 56.1	\$ 56.1	\$ 55.7	\$ 55.4

Beneficiaries: Approximately 3,130 governmental units benefit from these tax expenditures.

VOLUNTEER EMERGENCY VEHICLES

Description: Fuel purchased by a volunteer fire company, volunteer ambulance service, or volunteer rescue squad, and used solely in official vehicles, is exempt from the tax.

Purpose: Volunteer emergency organizations provide public services that are perceived to benefit citizens. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 15.1	\$ 15.2	\$ 15.3	\$ 15.2	\$ 15.2	\$ 15.1	\$ 15.0

Beneficiaries: Approximately 1,800 volunteer fire departments and an unknown number of other volunteer organizations benefit from these tax expenditures.

Motor License Fund Tax Expenditures

NONPROFIT NONPUBLIC SCHOOLS

Description: Fuel purchased by any nonprofit nonpublic school in which a commonwealth resident may legally fulfill compulsory school attendance requirements is granted an exemption from the tax.

Purpose: Since state government indirectly subsidizes transporting public school children, this exemption provides similar treatment to nonprofit nonpublic schools.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3

Beneficiaries: As many as 2,900 nonprofit nonpublic schools may benefit from these tax expenditures.

SECOND CLASS COUNTY PORT AUTHORITIES

Description: Purchases of fuel by second class county port authorities are exempt from the tax.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: One second class county port authority benefits from this tax expenditure.

ELECTRIC COOPERATIVES

Description: Fuel purchases for vehicles operated by electric cooperatives are exempt from the tax.

Purpose: These cooperatives are nonprofit corporations organized to engage in rural electrification and are perceived to provide a public benefit. This exemption permits this service to be rendered at a reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2

Beneficiaries: There are 13 electric cooperatives in the commonwealth that benefit from these tax expenditures.

Motor License Fund Tax Expenditures

AGRICULTURAL USE

Description: A full refund of tax paid is granted for fuel consumed in agricultural use relating to the actual production of farm products. Fuel used in farm machinery or equipment engaged in the production or harvesting of agricultural products is exempt from taxation under these provisions.

Purpose: This exemption allows farmers to provide agricultural products at a reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 4.8	\$ 4.9	\$ 4.9	\$ 4.9	\$ 4.9	\$ 4.8	\$ 4.8

Beneficiaries: Individuals operating approximately 53,000 farms benefit from these tax expenditures.

TRUCK REFRIGERATION UNITS

Description: A full refund of tax paid is granted for undyed diesel fuel used in truck refrigeration units when the tank that fuels the refrigeration unit is used solely for that purpose and is separate from that which powers the vehicle.

Purpose: This provision allows a refund for fuel consumed in an off-road manner when such use can be clearly documented.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 3.9	\$ 4.0	\$ 4.0	\$ 3.9	\$ 3.9	\$ 3.9	\$ 3.9

Beneficiaries: Approximately 330 entities benefit from these tax expenditures.

POWER TAKE-OFF

Description: A full refund of tax paid is granted for undyed fuel consumed in a power take-off unit used to load or unload farm feed, feed products, lime, or limestone products for agricultural use at a farm. Tax paid will be refunded provided that the fuel usage is documented by an electronic monitoring device used in conjunction with an electronically controlled engine.

Purpose: This provision allows a refund for fuel consumed in an off-road manner when such use can be clearly documented.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

Beneficiaries: Approximately 20 taxpayers benefit from these tax expenditures.

Motor License Fund Tax Expenditures

DISCOUNT

Description: A distributor is permitted a variable percentage discount based on the gross tax due on the oil company franchise tax mills added by Act 89 of 2013. Returns and payments are generally due on or before the 20th day of each month for the preceding month's sales.

Purpose: This discount is intended to defray the cost of preparing and remitting the tax reports and payments.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 5.3	\$ 5.3	\$ 5.4	\$ 5.3	\$ 5.3	\$ 5.3	\$ 5.3

Beneficiaries: Approximately 830 distributors benefit from these tax expenditures.

FOREIGN DIPLOMATS

Description: Fuel purchased by foreign diplomats whose countries have entered into a treaty with the United States is exempt from payment of the tax.

Purpose: The commonwealth grants this exemption administratively at the request of the federal government.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of foreign diplomats benefiting from these tax expenditures is unknown but presumed to be nominal.

BUSES

Description: A bus company is entitled to a refund equal to 55 mills of the oil company franchise tax imposed on fuels consumed by motorbuses within this commonwealth.

Purpose: Act 3 of 1997 repealed the 6 cent surtax imposed on all motor carriers and replaced it with a 55 mill increase in the oil company franchise tax imposed on fuels. Since buses were historically exempt from the surtax, they have been granted a refund for the 55 mill surtax replacement effective January 1, 1999.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5

Beneficiaries: Approximately 80 bus companies benefit from this tax expenditure.

Motor License Fund Tax Expenditures

MOTOR CARRIERS ROAD TAX / IFTA

Authorization: Chapter 96 of Title 75 of the Pennsylvania Consolidated Statutes.

The motor carriers road tax is equal to the current Pennsylvania oil company franchise tax or alternative fuels tax rate per gallon. Effective January 1, 1996, under Act 75 of 1995, Pennsylvania implemented the provisions of the International Fuel Tax Agreement (IFTA). Under IFTA, fuel consumed in “qualified motor vehicles” is subject to taxation at current rates. A qualified motor vehicle is a motor vehicle, other than a recreational vehicle, which is used, designed, or maintained for transportation of persons or property and which has two axles and a registered gross weight exceeding 26,000 pounds, three axles or more regardless of weight, or used in combination when the registered gross weight exceeds 26,000 pounds. IFTA provisions do not distinguish taxable use by vehicle types, only by weight and axle configuration. The following estimates reflect the full tax rate imposed.

Administrative Costs: Costs to administer the multiple tax expenditures associated with motor carrier road tax/IFTA cannot be identified separately. Tax expenditures are not believed to be a significant factor associated with the need for more compliance audits and contribute minimally to the length of time necessary to complete such audits.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.7	\$ 0.7	\$ 0.7

POLITICAL SUBDIVISIONS

Description: Vehicles operated by political subdivisions are exempt from the requirements of the motor carriers road tax.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 36.0	\$ 36.0	\$ 36.0	\$ 36.0	\$ 36.1	\$ 36.3	\$ 36.6

Beneficiaries: Approximately 3,130 governmental units benefit from this tax expenditure.

FARM VEHICLES

Description: Qualified motor vehicles bearing a Pennsylvania farm truck registration operating under restricted use, and farm vehicles exempt from registration, are exempt from the motor carriers road tax.

Purpose: This exemption allows farmers to provide agricultural products at a reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 9.2	\$ 9.1	\$ 9.2	\$ 9.1	\$ 9.2	\$ 9.2	\$ 9.3

Beneficiaries: Individuals operating approximately 53,000 farms benefit from this tax expenditure.

Motor License Fund Tax Expenditures

EMERGENCY VEHICLES

Description: Fire, rescue, ambulance, and select other emergency vehicles are exempt from the motor carriers road tax.

Purpose: Emergency organizations provide public services that are perceived to benefit citizens. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 16.9	\$ 16.9	\$ 16.9	\$ 16.9	\$ 16.9	\$ 17.1	\$ 17.2

Beneficiaries: Approximately 1,800 fire departments and an unknown number of other organizations benefit from this tax expenditure.

SPECIAL MOBILE EQUIPMENT

Description: Vehicles not designed or used primarily for the transportation of persons or property and that only incidentally operate or move over a highway, such as ditch digging apparatus, well-boring apparatus, earth moving and road construction machinery, are exempt from the motor carriers road tax.

Purpose: Exemption is granted to these vehicles because of their specialized off-highway use.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: The owners of approximately 2,100 special mobile equipment vehicles benefit from this tax expenditure.

IMPLEMENTS OF HUSBANDRY

Description: A vehicle designed or adapted to be used exclusively for agricultural operations is exempt from the motor carriers road tax.

Purpose: This exemption allows the farmer to provide agricultural products at a reduced price.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: The owners of approximately 190 implements of husbandry vehicles benefit from this tax expenditure.

Motor License Fund Tax Expenditures

CHARITABLE AND RELIGIOUS ORGANIZATIONS

Description: Vehicles operated by charitable and religious organizations are exempt from the motor carriers road tax.

Purpose: These organizations provide services which are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 2.6	\$ 2.6	\$ 2.6	\$ 2.6	\$ 2.6	\$ 2.7	\$ 2.7

Beneficiaries: Approximately 25,200 charitable and religious organizations may benefit from this tax expenditure.

CHURCHES

Description: A motorbus owned by and registered to a church, exempt under section 1901 of Title 75, is exempt from the motor carriers road tax.

Purpose: These organizations provide services which are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: As many as 15,500 churches may benefit from this tax expenditure.

ELECTRIC COOPERATIVES

Description: Qualified motor vehicles operated by electric cooperatives are exempt from the motor carriers road tax.

Purpose: These cooperatives are nonprofit corporations organized to engage in rural electrification and are perceived to provide a public benefit. This exemption permits this service to be rendered at a reduced cost to the rate payers.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The 13 electric cooperatives in the commonwealth benefit from this tax expenditure.

Motor License Fund Tax Expenditures

VEHICLES NEEDING EMERGENCY REPAIRS

Description: A qualified motor vehicle needing emergency repairs, which was granted authorization from the Pennsylvania State Police to enter this commonwealth, is exempt from the motor carriers road tax.

Purpose: This exemption was granted due to the temporary emergency nature of the vehicle entering Pennsylvania for needed repairs.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of individuals benefiting from this tax expenditure is unknown.

VEHICLES SECURING REPAIRS OR RECONDITIONING

Description: Exemption from the motor carriers road tax is provided for unladen or towed motor vehicles or unladen trailers entering Pennsylvania solely for the purpose of securing repairs or reconditioning.

Purpose: This exemption was granted so as to not discourage vehicle owners from obtaining repairs or reconditioning of a vehicle from a Pennsylvania business.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this tax expenditure is unknown.

SCHOOL BUSES

Description: Buses designed to carry 11 or more passengers used for the transportation of preprimary, primary, or secondary school students to or from public, private, or parochial schools, or school-related activities or events are exempt from the motor carriers road tax.

Purpose: Since state government subsidizes transporting school children, this exemption decreases state educational subsidy costs.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 14.6	\$ 14.6	\$ 14.6	\$ 14.6	\$ 14.6	\$ 14.7	\$ 14.8

Beneficiaries: Approximately 6,100 schools benefit from this tax expenditure.

Motor License Fund Tax Expenditures

RECREATIONAL VEHICLES

Description: Qualified motor vehicles, such as motor homes, pickup trucks with attached campers, and buses when used exclusively for personal pleasure by individuals, are exempt from the motor carriers road tax.

Purpose: The motor carrier road tax/IFTA requirements are intended to apply to selected commercial vehicles. This provision exempts personal use only vehicles which would otherwise be subject to these taxing requirements.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The number of taxpayers benefiting from this tax expenditure is unknown.

Motor License Fund Tax Expenditures

MOTOR VEHICLE CODE

Authorization: Title 75 of the Pennsylvania Consolidated Statutes.

The Motor Vehicle Code, enacted by Act 81 of 1976, became effective July 1, 1977. This amended Act 32 of 1959 known as The Vehicle Code. Contained in the Motor Vehicle Code are provisions for the titling, registration and licensing of vehicles, operation of vehicles, vehicle characteristics, and the administration and enforcement of the code.

Administrative Costs: Costs to administer the motor vehicle code tax expenditures are borne by the Department of Transportation and cannot be separately identified.

(Dollar Amounts in Millions)

Estimates:	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

VEHICLE REGISTRATIONS

Description: Specific entities that request the authority to operate a motor vehicle are granted a full or partial exemption from the registration fee. Not shown below are exempt categories with unknown numbers of vehicles which include, for example, mobile/modular homes and off road construction vehicles.

Purpose: This exemption provides relief to the organizations or individuals cited below. Many of those cited are dependent upon charitable contributions or augmented incomes. This exemption is also an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

Estimates:	Disabled/Severely Disabled Veterans:						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.3	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4

Beneficiaries: The owners of approximately 6,100 vehicles benefit from this tax expenditure.

Charitable Organizations:

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 1.5	\$ 1.5	\$ 1.6	\$ 1.6	\$ 1.7	\$ 1.7	\$ 1.7

Beneficiaries: The owners of approximately 17,300 vehicles benefit from this tax expenditure.

Former Prisoners of War:

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: The owners of approximately 120 vehicles benefit from this tax expenditure.

Farm Trucks:

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 5.0	\$ 5.1	\$ 5.2	\$ 5.3	\$ 5.5	\$ 5.5	\$ 5.7

Beneficiaries: The owners of approximately 7,500 farm trucks benefit from this tax expenditure.

Commercial Implements of Husbandry:

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2

Beneficiaries: The owners of approximately 200 commercial implements of husbandry vehicles benefit from this tax expenditure.

Motor License Fund Tax Expenditures

Emergency Vehicles:

<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
\$ 8.2	\$ 8.3	\$ 8.5	\$ 8.6	\$ 8.9	\$ 9.0	\$ 9.3

Beneficiaries: Organizations owning approximately 13,600 vehicles benefit from this tax expenditure.

Political Subdivisions:

<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
\$ 27.4	\$ 27.6	\$ 28.4	\$ 28.7	\$ 29.7	\$ 30.0	\$ 31.1

Beneficiaries: Approximately 3,130 governmental units benefit from this tax expenditure.

Older Pennsylvanians:

<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
\$ 4.2	\$ 4.4	\$ 4.7	\$ 5.0	\$ 5.4	\$ 5.6	\$ 6.1

Beneficiaries: Older Pennsylvanians owning approximately 106,000 vehicles benefit from this tax expenditure.

CARNIVAL TRUCKS/TRUCK TRACTORS

Description: Owners who document with the Department of Transportation that the truck or tractor is used exclusively for the purpose of transporting circus or carnival personnel, equipment, or machinery are granted a reduced registration fee.

Purpose: The reduced registration fee provides partial relief for those vehicles being used only between April 1 and September 30.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: The owners of approximately 60 carnival vehicles benefit from this tax expenditure.

BRIDGE PERMITS

Description: Bridges on state owned rights-of-way need periodic maintenance and construction work. Permits are issued, for a fee, by the state to perform such work. The commonwealth administratively grants an exemption from the permit fee to political subdivisions who are performing work for the state.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: As many as 3,130 political subdivisions may benefit from this tax expenditure.

Motor License Fund Tax Expenditures

HAULING PERMITS

Description: Permits, for which a fee is charged, are issued to firms that wish to haul loads that exceed the maximum size or weight specifications of certain highways and bridges. The commonwealth administratively grants an exemption from the permit fee to political subdivisions.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: As many as 3,130 political subdivisions may benefit from this tax expenditure.

POLICE ACCIDENT REPORTS

Description: Traffic accident reports are generated as a result of any accident where there is bodily injury or death or if one or more vehicles must be towed from the scene. A fee is charged to obtain a copy of the police accident report. The commonwealth administratively grants an exemption for paying an accident report fee to political subdivisions.

Purpose: This exemption provides local prosecuting officials an aid in law enforcement.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	Nominal						

Beneficiaries: As many as 3,130 political subdivisions may benefit from this tax expenditure.

UNEMPLOYMENT COMPENSATION INSURANCE TAX

Administrative Costs: The costs of administering the tax expenditure associated with the unemployment compensation insurance tax are nominal.

LIMITATION OF THE TAXABLE WAGE BASE

Authorization: Act of December 5, 1936 (2nd special session, 1937 P.L. 2897, No. 1), 4(x)(1), as amended, 43 P.S. 753(x)(1).

The purpose of the tax is to provide a fund from which compensation is paid to workers who have become unemployed through no fault of their own. Contributions are required to be made by all employers who pay wages to individuals working in Pennsylvania and whose services are covered under the unemployment compensation law. This tax may include employee contributions withheld by employers from each employee's gross wages. The Pennsylvania Unemployment Compensation Law is administered by the Department of Labor and Industry.

Description: The commonwealth's unemployment compensation law provides for a limitation of the taxable wage base to the first \$10,000 of wages paid to each employee during a calendar year by an employer. This amount has increased annually from \$8,000 in calendar year 2012 to its current level, set in 2018. All state governments are required by the federal government to tax at least the first \$7,000 of subject wages. Many states, including Pennsylvania, have chosen to keep their bases close to the federal minimum. The estimate represents the cost of this limitation as measured by the difference between contributions based on taxable wages and contributions based on total wages. In 1988, legislation was enacted which provides for a "trigger" mechanism to regulate employer and employee contributions. The trigger mechanism, working in conjunction with the experience rating system, would change tax rates in response to a change in the taxable wage base. The methodology used for this estimate does not incorporate the changes that would occur to the tax rates as a result of tax base changes. Projected tax rates were used to estimate contributions based on currently taxable wages. The same tax rates were used to estimate contributions based on total wages paid by contributory employers. Due to an expected decrease in unemployment compensation debt repayment expenses in 2020, out year tax expenditure figures decline.

Purpose: The limitation on taxable wages limits growth in employer tax liabilities that would otherwise occur as wages rise.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$8,500.0	\$7,771.4	\$8,010.2	\$8,314.3	\$8,617.0	\$8,946.0	\$9,287.6

Beneficiaries: Pennsylvania's unemployment compensation tax system is intended to generate a sufficient amount of revenue to meet annual benefit payments. In general, under the current system, an employer with higher wage employees pays on a smaller percentage of total wages. If the taxable wage base were total wages paid to employees, the employer with the higher employee wages would have to pay a greater amount in taxes.

As of the first quarter of 2019, there were 282,461 contributory employers to the Unemployment Compensation Fund. The following is a breakdown of these employers according to major industry division¹:

Natural Resources and Mining	3,289	Financial Activities.....	19,396
Construction	28,832	Professional and Business Services	57,639
Manufacturing	13,347	Education and Health Services	42,652
Trade.....	46,125	Leisure and Hospitality	27,767
Transportation, Warehousing, Utilities....	8,394	Other Services	29,621
Information	4,144	Local Government.....	1,246

¹Based on NAICS industry classification. Data may not add to totals due to the unavailability of industry classification for some employers.

PUBLIC TRANSPORTATION ASSISTANCE FUND

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

The Public Transportation Assistance Fund provides for the capital, asset maintenance, and certain other transportation needs of the commonwealth's public transit entities.

Fund revenues are derived from a motor vehicle lease tax; a motor vehicle rental fee; a fee on the sale of new tires; 0.44 percent of total sales and use tax receipts in lieu of the repealed periodicals tax; 0.09 percent of total sales and use tax receipts in lieu of the repealed lease tax on class four and above motor carriers; and 0.417 percent of sales and use tax in lieu of transfers from the public utility realty tax (PURTA) and the utilities gross receipts tax. By provisions of Act 46 of 2003, beginning in fiscal year 2003-04, revenues associated with the 7.6 mills of PURTA, previously transferred to this fund, will remain in the General Fund. Act 138 of 1996 (electric competition) provided for transfers from the utility gross receipts tax to the Public Transportation Assistance Fund beginning in fiscal year 1998-99. Act 46 of 2003 repealed this transfer effective for fiscal year 2003-04 and forward. Certain entities and transactions are exempt from these taxes and fees. With the exception of the fee on tires and the class 4 and above motor carrier tax expenditure, the remaining tax expenditures parallel those in the General Fund sales and use tax expenditures.

Administrative Costs: Administrative costs are believed to be nominal.

MOTOR VEHICLE LEASE TAX AND MOTOR VEHICLE RENTAL FEE

The commonwealth levies a three percent tax on the total price charged for each lease of a motor vehicle subject to tax under Article II of the Tax Reform Code of 1971.

A fee of \$2 per day is imposed on each rental of a motor vehicle subject to tax under Article II of the Tax Reform Code of 1971, with exceptions for carsharing rates. Act 43 of 2017 allows for a prorated fee for partial day carsharing service rentals using the following schedule: 25 cents for a period of less than two hours, 50 cents for a period of two to three hours, and \$1.25 cents for a period of three to four hours. Any rental period over four hours would incur the full \$2.00 per day fee for vehicle rentals.

COMMON CARRIERS

Description: Vehicles leased or rented by a public utility, engaged in business as a common carrier, to be used in rendering utility services, are exempt from taxation. Since the enactment of the Federal Aviation Act, effective January 1, 1995, Pennsylvania has recognized contract carriers as common carriers. Household goods carriers and private carriers remain taxable.

Purpose: Without this exemption, the tax would be built into the rate base of these types of public utility services and, ultimately, passed on to consumers. Therefore, this exemption reduces the overall cost of utility services that are considered to be basic necessities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<i>Motor Vehicle Leases:</i>						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA
	<i>Motor Vehicle Rentals:</i>						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: Approximately 7,500 common carriers could benefit from this tax expenditure.

Special Fund Tax Expenditures

SCHOOL BUSES

Description: The lease or rental of school buses is exempt from taxation. These buses must be used exclusively for the transportation of children for school purposes. The provision is extended to persons who have contracts with school districts to transport children. For the purposes of this analysis, the majority of these contracts are assumed to be leases.

Purpose: The costs of transporting school children are directly borne by school districts and indirectly by state government through subsidy programs. This exemption, while limiting state Public Transportation Assistance Fund revenues, decreases state educational subsidy costs.

(Dollar Amounts in Millions)

Estimates:	Motor Vehicle Leases:						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 2.9	\$ 2.9	\$ 2.9	\$ 2.9	\$ 2.9	\$ 2.9	\$ 2.9
	Motor Vehicle Rentals:						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

Beneficiaries: Approximately 6,100 schools may benefit from this tax expenditure.

MOTOR CARRIERS (CLASS 4 AND ABOVE)

Description: Motor carriers in vehicle classes 4 and above are exempt from the motor vehicle lease tax.

Purpose: This exemption benefits those entities engaged in commercial leasing. Presumably, many of these vehicles are operated as common carriers that are normally treated as a utility service.

(Dollar Amounts in Millions)

Estimates:	Motor Vehicle Leases:						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: The owners of approximately 469,000 motor carrier vehicles (class 4 and above) could benefit from this tax expenditure.

EXEMPT ORGANIZATIONS

Description: The lease or rental of personal property to or for use by any charitable organization, volunteer fireman's organization, nonprofit educational institution, or religious organization is exempt from taxation. Transactions unrelated to the trade or business of such organizations are taxable.

Purpose: These organizations provide public and charitable services that are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Millions)

Estimates:	Motor Vehicle Leases:						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA
	Motor Vehicle Rentals:						
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	NA	NA	NA	NA	NA	NA	NA

Beneficiaries: Approximately 32,200 organizations may benefit from this tax expenditure.

Special Fund Tax Expenditures

EXEMPT GOVERNMENTAL UNITS

Description: The lease or rental of personal property to or for use by the federal government, the commonwealth, or its instrumentalities or political subdivisions is exempt from taxation. Based on the criteria adopted to define tax expenditures, federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent local government tax expenditures.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

Estimates:

Motor Vehicle Leases:						
<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
\$ 1.5	\$ 1.6	\$ 1.6	\$ 1.7	\$ 1.7	\$ 1.8	\$ 1.9

Motor Vehicle Rentals:						
<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.6	\$ 0.6	\$ 0.6

Beneficiaries: Approximately 3,130 political subdivisions may benefit from this tax expenditure.

VENDOR DISCOUNT

Description: A licensed vendor is permitted a one percent discount as a credit against the gross amount of tax collected provided that a tax return, with full payment due the department, is filed or postmarked on or before the due date. Nearly all tax returns are due 20 days after the end of a collection period.

Purpose: This provision is intended to defray the vendor's cost of collecting and remitting the motor vehicle lease tax and motor vehicle rental fee.

(Dollar Amounts in Millions)

Estimates:

<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
\$ 1.5	\$ 1.6	\$ 1.7	\$ 1.8	\$ 1.9	\$ 2.0	\$ 2.1

Beneficiaries: Approximately 900 vendors may benefit from this tax expenditure.

TIRE FEE

The commonwealth imposes a \$1 fee per tire on each sale of new tires intended for highway use.

EXEMPT GOVERNMENTAL UNITS

Description: The sale of new tires to or for use by the federal government, the commonwealth, or its instrumentalities or political subdivisions is exempt from taxation. Based on the criteria adopted to define tax expenditures, federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent only local government tax expenditures.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

Estimates:

<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
Nominal						

Beneficiaries: Approximately 3,130 political subdivisions may benefit from this tax expenditure.

Special Fund Tax Expenditures

VENDOR DISCOUNT

Description: A licensed vendor is permitted a one percent discount as a credit against the gross amount of tax collected provided that a tax return, with full payment due the department, is filed or postmarked on or before the due date. Nearly all tax returns are due 20 days after the end of a collection period.

Purpose: This provision is intended to defray the vendor's cost of collecting and remitting the tire fee.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.2	\$ 0.2	\$ 0.2

Beneficiaries: Approximately 4,310 vendors may benefit from this tax expenditure.

RACING FUND

Authorization: Article XXVIII-D of the Administrative Code of 1929 (P.L. 177, No. 175), as amended.

The Racing Fund, a special revenue fund, is comprised of monies received from taxes, licenses and fees, and miscellaneous revenues collected by the State Racing Commissions derived from the regulation of harness and horse racing. Prior to December 30, 1983, thoroughbred racing tax revenues consisted of wagering, breakage, and admissions taxes. Harness racing tax revenues consisted of wagering and admissions taxes as assessed by the Race Horse Industry Reform Act (Act 135 of December 17, 1981). The Harness Racing Fund and the Horse Racing Fund were combined into the Racing Fund by Act 93 of 1983. This act also amended portions of the Race Horse Industry Reform Act relating to taxation. Act 7 of 2016, amending the Administrative Code of 1929, repealed the Race Horse Industry Reform Act (Act 135 of 1981) and replaced it with Article XXVIII- D, Race Horse Industry Reform.

The Racing Fund contains no tax expenditures as defined by this tax expenditure analysis.



Commonwealth of Pennsylvania

Governor's Executive Budget

DEPARTMENT PRESENTATIONS

This section provides detailed expenditure information by agency, program and funding source. Each department presentation includes a Summary by Fund and Appropriation, Program Funding Summary, program subcategory information and Program Measures.

The Summary by Fund and Appropriation presentation is organized by fund, character of expenditures, state appropriation and the federal funds, augmentations and other funds that supplement the activities funded by each state appropriation. Three fiscal years are displayed. The Program Funding Summary presents general, special, federal and other funding organized by program subcategory. Each program subcategory includes a program objective, a narrative describing program activities and services, funding recommendations that identify increases or decreases over available year funding, and a list of state appropriations that support the activities within the program. Program Measures is the last section in the agency presentation and is a seven-year presentation of performance measures that identify program activities and outcomes and the impact the proposed budget is expected to have on those activities and outcomes.

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GOVERNOR'S OFFICE

The [governor](#) directs and coordinates the work of state government and guides the programs of the agencies in the direction that ensures compliance with existing law, definable needs and administration goals.

Programs and Goals

Executive Direction: *To provide an effective administrative system through which the substantive program goals of the commonwealth can be accomplished.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
Governor's Office.....	\$ 6,872	\$ 6,706	\$ 6,706
(A)Office of Performance through Excellence (OPE)	2,216	2,153	2,205
Subtotal - State Funds	\$ 6,872	\$ 6,706	\$ 6,706
Subtotal - Augmentations.....	2,216	2,153	2,205
Total - General Government	\$ 9,088	\$ 8,859	\$ 8,911
STATE FUNDS.....	\$ 6,872	\$ 6,706	\$ 6,706
AUGMENTATIONS	2,216	2,153	2,205
GENERAL FUND TOTAL	\$ 9,088	\$ 8,859	\$ 8,911

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
EXECUTIVE DIRECTION							
GENERAL FUND.....	\$ 6,872	\$ 6,706	\$ 6,706	\$ 6,832	\$ 6,832	\$ 6,832	\$ 6,832
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	2,216	2,153	2,205	2,205	2,205	2,205	2,205
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 9,088	\$ 8,859	\$ 8,911	\$ 9,037	\$ 9,037	\$ 9,037	\$ 9,037
ALL PROGRAMS:							
GENERAL FUND.....	\$ 6,872	\$ 6,706	\$ 6,706	\$ 6,832	\$ 6,832	\$ 6,832	\$ 6,832
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	2,216	2,153	2,205	2,205	2,205	2,205	2,205
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
DEPARTMENT TOTAL	\$ 9,088	\$ 8,859	\$ 8,911	\$ 9,037	\$ 9,037	\$ 9,037	\$ 9,037

Program: Executive Direction

Goal: To provide an effective administrative system through which the substantive program goals of the commonwealth can be accomplished.

The Pennsylvania Constitution vests the executive authority of the commonwealth in the governor. It is the duty of the governor to ensure that the laws of the commonwealth are faithfully executed. The governor submits an annual budget to the general assembly and performs all other functions required of this office as delegated by the state constitution and in law.

This program also provides for the [Governor's Residence](#). The Residence is used for state functions and is available as a domicile for the governor and the first family. The expenses for official functions, as well as those essential to managing a household, are paid from the Governor's Office appropriation, while maintenance of the Residence is primarily the responsibility of the Department of General Services. Equipment, supplies (except food) and housekeeping services are provided by the department.

Roles of the [Governor's Office](#) include:

- Faithfully executing commonwealth law;
- Acting as Commander-in-Chief of military forces of the commonwealth;
- Appointing agency heads and officers and filling vacancies;
- Signing or vetoing bills passed by legislature;
- Convening special legislative sessions for specific purposes; and
- Making policy recommendations.

The office is focused on leading the executive branch to accomplish government that works, schools that teach and jobs that pay. Many of these initiatives have led to government reform, school investment, job growth, improvements in health care, senior protection, infrastructure improvement, battling opioid abuse, supporting veterans, environmental protection, agriculture growth, strengthening public safety and reforming the criminal justice system.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Governor's Office is recommended at the current year funding level.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Governor's Office.....	\$ 6,872	\$ 6,706	\$ 6,706	\$ 6,832	\$ 6,832	\$ 6,832	\$ 6,832



LIEUTENANT GOVERNOR

The mission of the [lieutenant governor](#) is to perform legislative and administrative functions as delegated by the Pennsylvania Constitution and the governor.

The lieutenant governor serves as President of the Senate and Chairman of the Board of Pardons. In case of the death, conviction on impeachment, failure to qualify or resignation of the governor, the lieutenant governor will become governor for the remainder of the term. In case of the disability of the governor, the powers, duties and emoluments of the office will transfer to the lieutenant governor until the disability is removed.

Programs and Goals

Executive Direction: To provide an effective administrative system through which substantive programs of the agency can be accomplished.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
Lieutenant Governor's Office	\$ 1,394	\$ 1,330	\$ 1,137
Board of Pardons	1,437	906	928
Total - General Government.....	\$ 2,831	\$ 2,236	\$ 2,065
GENERAL FUND TOTAL	\$ 2,831	\$ 2,236	\$ 2,065

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
EXECUTIVE DIRECTION							
GENERAL FUND.....	\$ 2,831	\$ 2,236	\$ 2,065	\$ 2,117	\$ 2,117	\$ 2,117	\$ 2,117
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 2,831	\$ 2,236	\$ 2,065	\$ 2,117	\$ 2,117	\$ 2,117	\$ 2,117
ALL PROGRAMS:							
GENERAL FUND.....	\$ 2,831	\$ 2,236	\$ 2,065	\$ 2,117	\$ 2,117	\$ 2,117	\$ 2,117
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
DEPARTMENT TOTAL	\$ 2,831	\$ 2,236	\$ 2,065	\$ 2,117	\$ 2,117	\$ 2,117	\$ 2,117

Program: Executive Direction

Goal: To provide an effective administrative system through which substantive programs of the agency can be accomplished.

The duties of the Office of Lieutenant Governor, as prescribed by the state constitution, include presiding over the Senate; assuming the Office of Governor for the remainder of governor's term, if necessary, as a result of the death, conviction on impeachment, failure to qualify or resignation of the governor; and serving as chairman of the Pennsylvania [Board of Pardons](#), which reviews applications for reprieve, commutation of sentences and pardons. Through statute, the lieutenant governor also serves as a

member of the [Pennsylvania Military Community Enhancement Commission](#) and has served as the chairman. Also, under statute, the lieutenant governor serves as chairperson of the [Local Government Advisory Committee](#), which advises the Center for Local Government Services in the Department of Community and Economic Development and the governor's administration on the needs and concerns of local government entities.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Lieutenant Governor's Office		Board of Pardons	
\$ -193	—to continue current program.	\$ 22	—to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
GENERAL FUND:							
Lieutenant Governor's Office.....	\$ 1,394	\$ 1,330	\$ 1,137	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160
Board of Pardons.....	1,437	906	928	957	957	957	957
TOTAL GENERAL FUND.....	\$ 2,831	\$ 2,236	\$ 2,065	\$ 2,117	\$ 2,117	\$ 2,117	\$ 2,117



EXECUTIVE OFFICES

The mission of the Executive Offices is to assist the governor in the administration of state government.

The Office of Administration performs central management duties and provides coordinated information technology strategies. The Office of the Budget performs central financial management duties, prepares the annual Governor's Executive Budget and provides comptroller services for most commonwealth agencies. The Office of General Counsel provides legal counsel for state agencies. The Office of State Inspector General investigates suspected improper use of state resources and recovers funds disbursed as a result of welfare benefits fraud or overpayment. The Human Relations Commission promotes equal opportunities in employment, housing, public accommodations and education. The Council on the Arts promotes the development of the arts in Pennsylvania. The Juvenile Court Judges' Commission provides technical and financial assistance to county court juvenile probation programs.

Programs and Goals

Executive Direction: *To provide an effective administrative system through which the substantive programs of the commonwealth can be executed.*

Legal Services: *To provide legal advice to the governor and the cabinet, and to supervise, coordinate and administer legal services for the commonwealth.*

Prevention and Elimination of Discriminatory Practices: *To ensure equal opportunities and participation for all individuals regardless of race, religion, color, creed, handicap or disability, ancestry, national origin, familial status, age or sex in all areas of employment, housing, credit, commercial property, public accommodations and education.*

Development of Artists and Audiences: *To strengthen the cultural, educational, and economic vitality of Pennsylvania's communities through the arts.*

Reintegration of Juvenile Delinquents: *To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
General Government:			
Office of Administration	\$ 9,724	\$ 9,647	\$ 9,556
(F)JNET AOPC E-Filing Rewrite (EA).....	441	-	-
(F)JNET NCHIP (EA).....	1,190	-	-
(F)JNET Recidivator (EA).....	150	-	-
(F)Homeland Security Grant Program (EA).....	134	-	-
(A)HR Shared Services.....	82,088	83,350	83,350
(A)Temporary Clerical Pool.....	4,744	6,178	6,411
(A)Benefit Administration.....	3,274	4,018	4,018
(A)Workplace Support Division (SEAP).....	3,450	3,450	3,450
(A)Agency Services.....	1,179	1,227	1,227
(A)Managing for Government Responsiveness Training.....	73	325	325
(A)CDL Drug and Alcohol Testing.....	303	375	360
(A)Group Life Insurance Program Commissions.....	100	100	100
(A)Leadership Development Institute.....	80	98	98
(A)IT Shared Services.....	228,638	232,000	270,000 ^a
(A)Integrated Enterprise System.....	44,267	39,829	39,829
(A)Software Services.....	22,652	22,300	1,120 ^a
(R)Agency IT Projects (EA).....	17,023	21,000	20,000
Subtotal.....	<u>\$ 419,510</u>	<u>\$ 423,897</u>	<u>\$ 439,844</u>
Civil Service Commission:			
(R)Fees from Agencies.....	3,670	3,756	3,756
(R)Special Merit System Services.....	70	144	144
Subtotal.....	<u>\$ 3,740</u>	<u>\$ 3,900</u>	<u>\$ 3,900</u>
Office of State Inspector General	4,450	4,369	4,276
(A)Reimbursements for Special Fund Investigations.....	1,111	1,111	1,111
Subtotal.....	<u>\$ 5,561</u>	<u>\$ 5,480</u>	<u>\$ 5,387</u>
Office of State Inspector General - Welfare Fraud	12,027	11,799	11,799
(F)SNAP - Program Accountability.....	7,000	7,000	7,000
(F)Medical Assistance - Program Accountability.....	5,500	5,500	5,500
(F)TANFBG - Program Accountability.....	1,500	1,500	1,500
(F)CCDFBG - Subsidized Day Care Fraud.....	905	905	905
Subtotal.....	<u>\$ 26,932</u>	<u>\$ 26,704</u>	<u>\$ 26,704</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Office of the Budget	19,199	18,788	18,788
(A)Support for Comptroller Services	34,711	36,079	36,079
(A)Support for Commonwealth Payroll Operations	6,712	6,713	6,713
(A)Support for PLCB Comptroller's Office	6,025	6,025	6,025
(A)Comptroller Single Audit.....	3,459	3,334	3,334
(A)BOA - Single Audit.....	726	800	781
(A)RACP - eGrant System	160	160	160
Subtotal.....	<u>\$ 70,992</u>	<u>\$ 71,899</u>	<u>\$ 71,880</u>
Audit of the Auditor General	-	99	-
Office of General Counsel	5,673	5,529	5,838
(A)Settlement Cost Recovery.....	8	-	-
(A)Reimbursements for Services	-	250	250
(A)CLE Registration Fees	83	126	126
Subtotal.....	<u>\$ 5,764</u>	<u>\$ 5,905</u>	<u>\$ 6,214</u>
Human Relations Commission	10,307	10,088	9,713
(F)EEOC - Special Project Grant	900	900	900
(F)HUD - Special Project Grant.....	500	500	500
(A)Miscellaneous Revenues.....	8	5	5
Subtotal.....	<u>\$ 11,715</u>	<u>\$ 11,493</u>	<u>\$ 11,118</u>
Council on the Arts	884	867	867
(F)NEA - Grants to the Arts - Administration	980	980	1,031
(F)COVID-NEA - Grants to the Arts - Administration (EA)	527	-	-
(A)Creative Aging - Grants to the Arts.....	-	-	60
Subtotal.....	<u>\$ 2,391</u>	<u>\$ 1,847</u>	<u>\$ 1,958</u>
Juvenile Court Judges' Commission	3,043	2,980	2,980
(F)PA JCMS Assessment Evaluation (EA).....	161	200	-
Subtotal.....	<u>\$ 3,204</u>	<u>\$ 3,180</u>	<u>\$ 2,980</u>
Transfer to Census Outreach - Complete Count	4,000	-	-
Transfer to Nonprofit Security Grant Fund	5,000	5,000	-
Transfer to Commonwealth Financing Authority	-	5,000	-
Loan to Video Gaming Fund (EA)	1,192	-	-
Subtotal - State Funds.....	<u>\$ 75,499</u>	<u>\$ 74,166</u>	<u>\$ 63,817</u>
Subtotal - Federal Funds.....	19,888	17,485	17,336
Subtotal - Augmentations	443,851	447,853	464,932
Subtotal - Restricted Revenues	20,763	24,900	23,900
Total - General Government.....	<u>\$ 560,001</u>	<u>\$ 564,404</u>	<u>\$ 569,985</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Grants and Subsidies:			
Juvenile Probation Services	\$ 18,945	\$ 18,945	\$ 18,945
Law Enforcement Activities	3,000	3,000	3,000
Grants to the Arts	9,590	9,590	9,590
Total - Grants and Subsidies	\$ 31,535	\$ 31,535	\$ 31,535
STATE FUNDS	\$ 107,034	\$ 105,701	\$ 95,352
FEDERAL FUNDS	19,888	17,485	17,336
AUGMENTATIONS	443,851	447,853	464,932
RESTRICTED REVENUES	20,763	24,900	23,900
GENERAL FUND TOTAL	\$ 591,536	\$ 595,939	\$ 601,520

^a Funding shift of software licensing to IT Shared Services.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
EXECUTIVE DIRECTION							
GENERAL FUND.....	\$ 58,592	\$ 57,702	\$ 47,419	\$ 48,069	\$ 48,168	\$ 48,069	\$ 48,069
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	16,981	15,105	14,905	14,905	14,905	14,905	14,905
AUGMENTATIONS	443,752	447,472	464,491	475,976	475,976	475,976	475,976
RESTRICTED.....	20,763	24,900	23,900	24,097	24,097	24,097	24,097
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 540,088	\$ 545,179	\$ 550,715	\$ 563,047	\$ 563,146	\$ 563,047	\$ 563,047
LEGAL SERVICES							
GENERAL FUND.....	\$ 5,673	\$ 5,529	\$ 5,838	\$ 5,941	\$ 5,941	\$ 5,941	\$ 5,941
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	91	376	376	376	376	376	376
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 5,764	\$ 5,905	\$ 6,214	\$ 6,317	\$ 6,317	\$ 6,317	\$ 6,317
PREVENTION AND ELIMINATION OF DISCRIMINATORY PRACTICES							
GENERAL FUND.....	\$ 10,307	\$ 10,088	\$ 9,713	\$ 9,922	\$ 9,922	\$ 9,922	\$ 9,922
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,400	1,400	1,400	1,400	1,400	1,400	1,400
AUGMENTATIONS	8	5	5	5	5	5	5
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 11,715	\$ 11,493	\$ 11,118	\$ 11,327	\$ 11,327	\$ 11,327	\$ 11,327

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
DEVELOPMENT OF ARTISTS AND AUDIENCES							
GENERAL FUND.....	\$ 10,474	\$ 10,457	\$ 10,457	\$ 10,471	\$ 10,471	\$ 10,471	\$ 10,471
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,507	980	1,031	1,031	1,031	1,031	1,031
AUGMENTATIONS	-	-	60	60	60	60	60
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 11,981	\$ 11,437	\$ 11,548	\$ 11,562	\$ 11,562	\$ 11,562	\$ 11,562
REINTEGRATION OF JUVENILE DELINQUENTS							
GENERAL FUND.....	\$ 21,988	\$ 21,925	\$ 21,925	\$ 21,982	\$ 21,982	\$ 21,982	\$ 21,982
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 21,988	\$ 21,925	\$ 21,925	\$ 21,982	\$ 21,982	\$ 21,982	\$ 21,982
ALL PROGRAMS:							
GENERAL FUND.....	\$ 107,034	\$ 105,701	\$ 95,352	\$ 96,385	\$ 96,484	\$ 96,385	\$ 96,385
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	19,888	17,485	17,336	17,336	17,336	17,336	17,336
AUGMENTATIONS	443,851	447,853	464,932	476,417	476,417	476,417	476,417
RESTRICTED.....	20,763	24,900	23,900	24,097	24,097	24,097	24,097
OTHER FUNDS.....	-	-	-	-	-	-	-
DEPARTMENT TOTAL	\$ 591,536	\$ 595,939	\$ 601,520	\$ 614,235	\$ 614,334	\$ 614,235	\$ 614,235

Program: Executive Direction

Goal: To provide an effective administrative system through which the substantive programs of the commonwealth can be executed.

Administration

The [Office of Administration](#) (OA) provides administrative, talent and technology services and oversight to support and improve operations of agencies under the governor's jurisdiction. OA provides human resource (HR) and information technology (IT) services that support agencies under the governor's jurisdiction through a shared services model, which reduces costs and streamlines operations. Independent agencies, boards and commissions also utilize these services.

The [Office for Human Resource Management](#) provides policy direction and support for HR services through classification, pay, benefits, workers' compensation systems, negotiating and administering bargaining agreements, recruiting, training in management and supervisory skills and administering equal employment opportunity programs for all agencies under the governor's jurisdiction. The six HR Delivery Centers serve as shared service organizations for mission-aligned agencies.

The [Office of Continuity and Records Information Management](#) provides guidance for the continuance of essential government services during a disruption or emergency. It serves as a liaison to independent agencies, the legislature and the judiciary. The office also provides comprehensive statements of policy and procedures on matters that affect agencies and employees of the executive branch.

The [Office for Information Technology](#) develops and administers statewide policies and standards governing the commonwealth's information technology resources and supporting enterprise shared services. The office also oversees telecommunications infrastructure and cyber security, builds and maintains enterprise and web-based applications, establishes policy and IT standards, provides project management and promotes standardization of commonwealth business processes. Six IT Delivery Centers serve as shared service organizations for mission-aligned agencies.

The [State Civil Service Commission](#) ensures compliance with the merit service employment provisions of Act 71 of 2018. It conducts fair and impartial civil service appeal hearings; performs high quality merit service and veterans' preference employment audits; and reviews requests to exempt jobs from the classified service.

Fraud Detection and Prevention

The [Office of State Inspector General](#) (OSIG), which was originally created by Executive Order in 1987 and codified by [Act 29 of 2017](#), ensures integrity, accountability

and public confidence in Pennsylvania government by preventing, investigating and eliminating fraud, waste, abuse and misconduct in agencies under the governor's jurisdiction. In addition, OSIG investigates and prosecutes welfare fraud and conducts collection activities for the public benefits programs administered by the Department of Human Services (DHS). Annual reports, statistics and investigative case summaries can be found on the [OSIG website](#).

Within the OSIG, the [Bureau of Special Investigations](#) (BSI) investigates allegations of fraud, waste, abuse and misconduct in agencies under the governor's jurisdiction, including the mismanagement of state monies, employee misconduct and contract fraud and irregularities. BSI receives its [complaints](#) from private citizens, state employees and commonwealth officials. BSI also conducts program reviews when problems are suspected in a work process or program. These program reviews can occur as a result of a related investigation or can be requested by an agency's executive-level management.

The OSIG's [Bureau of Fraud Prevention and Prosecution](#) (BFPP) investigates and prosecutes [welfare fraud](#) and conducts collection activities for DHS. BFPP investigates the following DHS programs: Temporary Aid to Needy Families; General Assistance; Medical Assistance, including Long Term Care; Supplemental Nutrition Assistance Program (SNAP), including the trafficking of SNAP benefits; Subsidized Child Care; Medical Assistance Transportation Program; Low Income Home Energy Assistance Program; and Special Allowance Programs.

Commonwealth Budget and Accounting

The [Office of the Budget](#) assists the governor in formulating fiscal policies and procedures and preparing the [commonwealth budget](#) for delivery to the General Assembly. The office also establishes authorized complement levels for agencies under the governor's jurisdiction, prepares fiscal notes and reviews proposed regulations.

In addition, the [Office of Comptroller Operations](#) (OCO) within the Office of the Budget is a shared service organization that performs professional accounting and financial reporting services – including accounts payable, accounts receivable, payroll and employee travel. OCO also implements quality assurance and process improvements, internal audits, service contract reviews and other financial functions for agencies under the governor's jurisdiction and other independent agencies, boards and commissions.

Program: Executive Direction, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	Office of Administration		Transfer to Nonprofit Security Grant Fund
\$ -91	—to continue current program.	\$ -5,000	—nonrecurring transfer.
	Office of State Inspector General		Transfer to Commonwealth Financing Authority
\$ -93	—to continue current program.	\$ -5,000	—nonrecurring transfer.
	Audit of the Auditor General		
\$ -99	—triennial audit of the Department of the Auditor General.		

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
GENERAL FUND	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Office of Administration.....	\$ 9,724	\$ 9,647	\$ 9,556	\$ 9,626	\$ 9,626	\$ 9,626	\$ 9,626
Office of State Inspector General	4,450	4,369	4,276	4,349	4,349	4,349	4,349
Office of State Inspector General - Welfare Fraud	12,027	11,799	11,799	12,022	12,022	12,022	12,022
Office of the Budget	19,199	18,788	18,788	19,072	19,072	19,072	19,072
Audit of the Auditor General .	-	99	-	-	99	-	-
Transfer to Census Outreach - Complete Count.....	4,000	-	-	-	-	-	-
Transfer to Nonprofit Security Grant Fund.....	5,000	5,000	-	-	-	-	-
Transfer to Commonwealth Financing Authority	-	5,000	-	-	-	-	-
Loan to Video Gaming Fund (EA).....	1,192	-	-	-	-	-	-
Law Enforcement Activities...	3,000	3,000	3,000	3,000	3,000	3,000	3,000
TOTAL GENERAL FUND	\$ 58,592	\$ 57,702	\$ 47,419	\$ 48,069	\$ 48,168	\$ 48,069	\$ 48,069

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Office of Administration							
Maintain and improve the level of customer satisfaction with delivery of HR and IT services to customer agencies.							
Overall customer satisfaction (HR&IT combined)	N/A	N/A	N/A	50%	62%	60%	60%

Program: Executive Direction, continued

Program Measures, continued

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain and improve the overall health of projects within the IT portfolio.							
Project portfolio health	N/A	N/A	N/A	N/A	89%	90%	90%
Maintain and expand knowledge of cybersecurity best practices.							
Security Awareness Web-based Training (SAWT) completion.....	N/A	N/A	N/A	83%	92%	90%	90%
Maintain and improve the timeliness of filling positions in the commonwealth's workforce.							
Time to hire (days).....	N/A	N/A	N/A	72	75	65	65
Maintain and expand the delivery of cost-effective, high-quality human resource services to employees and agencies through the centralized Human Resource Service Center.							
Number of transactions processed by the HR Service Center	N/A	N/A	N/A	92,262	90,899	92,000	92,000
Office of the Budget							
Improve the commonwealth's accounting and financial reporting system.							
Average cycle time for purchase order invoices (days)	N/A	N/A	34.1	33.9	34.4	34.6	34.5
Average cycle time for non-purchase order invoices (days).....	N/A	N/A	35.5	34.7	32.3	34.2	34.0
Value of improper payments identified and recovered (in thousands)	N/A	N/A	\$5,579	\$3,319	\$5,529	\$500	\$1,500
Office of State Inspector General - Welfare Fund							
Prevent, detect and deter fraud prior to an agency's authorization of an individual for program benefits.							
Percentage of cases referred to OSIG by DHS where investigative findings have resulted in an ineligible individual not being authorized for public benefits, or having their benefits reduced or closed	N/A	N/A	47%	45%	44%	37%	40%

Program: Executive Direction, continued

Program Measures, continued:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Office of State Inspector General							
Ensure all complaints of fraud, waste, abuse, and misconduct in executive agencies under the governor's jurisdiction are promptly evaluated so that appropriate action can be taken.							
Percentage of complaints to the Bureau of Special Investigation that are closed or an investigation has been initiated within 10 days.....	N/A	N/A	78%	74%	89%	89%	90%
Maintain the integrity of public benefits programs through effective enforcement.							
Percentage of prosecution cases that resulted in a successful adjudication against an ineligible individual.....	N/A	N/A	96%	97%	92%	93%	93%
Amount of overpaid benefits collected by OSIG from individuals who were ineligible to receive public benefits (in thousands)	N/A	N/A	\$26,132	\$26,875	\$22,244	\$23,000	\$23,500
Increase law enforcement agencies' awareness of the joint investigative opportunities available with the Office of State Inspector General.							
Number of statewide cooperative agreements and partnerships with local law enforcement agencies to enhance awareness and efficiency in OSIG Fraud Control programs.....	N/A	N/A	N/A	100	51	25	30

Program: Legal Services

Goal: To provide legal advice to the governor and the cabinet, and to supervise, coordinate and administer legal services for the commonwealth.

The [Office of General Counsel](#) (OGC) was created by Act 164 of 1980. The general counsel serves as the chief legal advisor to the governor and appoints deputies general counsel, chief counsel and assistant counsel to assist in the performance of the responsibilities of OGC. The office represents the commonwealth, the governor, cabinet members and more than 30 agencies that conduct the business of the commonwealth. The office also reviews and approves for form and legality all commonwealth deeds, leases, contracts, rules and regulations. The office provides advice to the governor on pending legislative matters and reviews for constitutionality and legality all legislation presented to the governor for approval.

OGC is responsible for initiating appropriate actions or defending the commonwealth when the Attorney General declines to initiate appropriate proceedings or delegates that responsibility to OGC. Upon request by the governor, the office also has the authority to intervene in any action by or against an agency under the governor’s jurisdiction.

In addition, the general counsel serves as a member of the [Board of Commissioners on Uniform State Laws](#), the [Pennsylvania Emergency Management Agency](#), the [Joint Committee on Documents](#), the [Board of Property](#), the Local Government Records Committee, the Medical Advisory Board, the [Board of Finance and Revenue](#) and the Civil Disorder Commission.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Office of General Counsel
 \$ 309 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Office of General Counsel	\$ 5,673	\$ 5,529	\$ 5,838	\$ 5,941	\$ 5,941	\$ 5,941	\$ 5,941

Program: Prevention and Elimination of Discriminatory Practices

Goal: To ensure equal opportunities and participation for all individuals regardless of race, religion, color, creed, handicap or disability, ancestry, national origin, familial status, age or sex in all areas of employment, housing, credit, commercial property, public accommodations and education.

The [Pennsylvania Human Relations Commission](#) (PHRC) is a law enforcement agency responsible for identifying, preventing and eliminating illegal discriminatory practices as defined by the [Pennsylvania Human Relations Act](#) and the [Pennsylvania Fair Educational Opportunities Act](#). The commission uses two primary methods to secure compliance with these laws. First, it investigates complaints of discrimination that might result in legal proceedings. Second, it provides educational and technical assistance to schools, police organizations, businesses, governmental bodies and individuals. The educational and technical assistance is intended to inform the public of their statutory protections, promote voluntary compliance with the laws and prevent civil tensions. The commission’s Education and Outreach Services Division focuses on ensuring all students have equal access to education by eliminating the

disparities that exist in schools that are based on race, color, national origin or disability. The commission and its [local advisory councils](#) also offer outreach programs to provide information to community leaders and public officials regarding their civil rights, the importance of fair housing, the value of a diverse workforce and preventing cyberbullying and hate crimes.

Federal funds are received for investigating certain complaints that are dual-filed with the commission and the [Equal Employment Opportunity Commission](#) or the [U.S. Department of Housing and Urban Development](#). The commission fast-tracks cases to bring relief to victims of discrimination and those unjustly accused. To protect more Pennsylvanians from unlawful discrimination, PHRC monitors statewide trends and when warranted, initiates investigations of systemic discrimination.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Human Relations Commission
 \$ -375 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Human Relations Commission	<u>\$ 10,307</u>	<u>\$ 10,088</u>	<u>\$ 9,713</u>	<u>\$ 9,922</u>	<u>\$ 9,922</u>	<u>\$ 9,922</u>	<u>\$ 9,922</u>

Program: Prevention and Elimination of Discriminatory Practices, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Reduce case processing time to conclude investigations and resolve cases more quickly.							
Percentage of cases that are still under investigation that are more than two years old.....	15%	18%	15%	12%	9%	6%	9%
Percentage of cases closed within one year	48%	47%	48%	52%	53%	54%	64%
Average case age statewide (in days)	496	527	426	400	400	380	365
Increase public awareness of civil rights and equal opportunity laws through education outreach.							
Number of community meetings and outreach events	90	160	100	105	110	115	145

Program: Development of Artists and Audiences

Goal: To strengthen the cultural, educational, and economic vitality of Pennsylvania’s communities through the arts.

Established by the General Assembly in 1966, the [Pennsylvania Council on the Arts](#) (PCA) is charged with identifying how Pennsylvania’s artistic and cultural resources can best serve the cultural needs and aspirations of the citizens of the commonwealth and assisting communities in originating and creating their own cultural and artistic progress.

By leveraging the immense potential of Pennsylvania’s vibrant arts sector, the PCA supports economic vitality, builds community, motivates learning and promotes the commonwealth nationally and internationally.

The PCA [addresses its mission](#) through a combination of [grants to the arts](#), partnerships, initiatives that leverage new opportunities and information and technical assistance.

The PCA’s [Preserving Diverse Cultures](#) (PDC) Division is one of the most comprehensive programs serving diverse communities in the nation. Established in 1979, the division supports the creation, development and stabilization of organizations, programs and projects whose mission is deeply rooted in and reflective of the African American, Latinx, Asian, Native American and Hispanic perspectives.

The arts are part of a vibrant and livable Pennsylvania that is competitive for retaining youth, workforce and attracting businesses. The PCA’s long-range strategic plan includes objectives to engage the full potential of the arts. Communities that mobilize strategies with arts at the core enhance quality of life, attract businesses and support local economic and revitalization efforts.

Working with its regional Arts in Education Partners, the PCA places teaching artists in schools and community settings. The PCA successfully leverages its arts in education infrastructure and teaching artists through new inter agency collaborations. [Art Sparks](#), a collaboration with the Pennsylvania Turnpike Commission, places student-created works of public art in service plazas across the 550-mile roadway. The PCA’s partnership with the Department of Military and Veterans Affairs, modeled on earlier work with the Department of Aging, developed [Creative Communities of Care](#), training activities staff at all six PA Veterans’ Homes to conduct arts activities tailored to residents with dementia.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND							
Council on the Arts	\$ 884	\$ 867	\$ 867	\$ 881	\$ 881	\$ 881	\$ 881
Grants to the Arts.....	9,590	9,590	9,590	9,590	9,590	9,590	9,590
TOTAL GENERAL FUND	\$ 10,474	\$ 10,457	\$ 10,457	\$ 10,471	\$ 10,471	\$ 10,471	\$ 10,471

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated

Strengthen Pennsylvania communities through the arts.

Investment granted to rural and Black, Indigenous, and People of Color (BIPOC) communities.....	N/A	N/A	N/A	\$770,708	\$934,383	\$953,070	\$972,132
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Program: Reintegration of Juvenile Delinquents

Goal: To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.

The [Juvenile Court Judges' Commission](#) (JCJC) is responsible for advising juvenile court judges regarding the development and improvement of juvenile probation services throughout the commonwealth. These services focus on the protection of the community, the imposition of accountability for offenses committed and the development of competencies to enable children to become responsible and productive members of the community. The provision of statewide juvenile justice training, graduate education, research, statistical information, development and implementation of evidence-based practices and a statewide quality assurance initiative have significantly improved the commonwealth's juvenile justice system.

Since 1993, the JCJC has collected outcome measures on all cases closed within juvenile probation departments in the commonwealth.

The JCJC coordinates the ongoing implementation of [Pennsylvania's Juvenile Justice System Enhancement Strategy](#) (JJSES), which is designed to enhance the capacity of Pennsylvania's juvenile justice system by employing evidence-based practices with fidelity at every stage of the juvenile justice process and collecting and analyzing the data necessary to measure the results of these efforts. Eligibility for all county Juvenile Probation Services grants is dependent on measurable evidence-based practices.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Juvenile Court Judges' Commission	\$ 3,043	\$ 2,980	\$ 2,980	\$ 3,037	\$ 3,037	\$ 3,037	\$ 3,037
Juvenile Probation Services .	18,945	18,945	18,945	18,945	18,945	18,945	18,945
TOTAL GENERAL FUND	\$ 21,988	\$ 21,925	\$ 21,925	\$ 21,982	\$ 21,982	\$ 21,982	\$ 21,982

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Assist those involved in the juvenile justice system to acquire the knowledge and skills they need to become productive, connected and law-abiding members of their communities.							
Percentage of juveniles who successfully completed supervision without a new offense resulting in a Consent Decree, Adjudication of Delinquency, Accelerated Rehabilitation Disposition, Nolo Contendere, or finding of guilt in a criminal proceeding.....	83.8%	84.0%	83.8%	85.4%	85.3%	85.7%	86.1%

Program: Reintegration of Juvenile Delinquents, continued

Program Measures: (continued)

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Percentage of juveniles with a judicial finding of technical violations of probation while under supervision.....	20.3%	20.3%	19.6%	16.7%	17.2%	16.6%	15.9%
Percentage of juveniles employed or engaged in an educational/vocational activity at case closing.....	84.4%	84.5%	84.9%	87.3%	91.4%	90.6%	91.8%
Percentage of juveniles who complete their assigned community service obligations.....	96.7%	95.0%	94.6%	95.2%	97.0%	96.2%	96.4%
Percentage of juveniles who successfully completed a victim awareness curriculum/program while under supervision	96.2%	96.4%	95.7%	95.6%	97.7%	96.6%	96.6%
Percentage of juveniles who made full restitution to their victim(s).....	83.2%	82.9%	82.4%	84.3%	88.6%	86.8%	87.6%
Percentage of juveniles who paid Crime Victim's Compensation Fund costs in full	90.2%	87.7%	88.4%	89.7%	91.0%	89.6%	89.6%



COMMISSION ON CRIME AND DELINQUENCY

The mission of the Commission on Crime and Delinquency is to enhance the quality, coordination and planning within the criminal and juvenile justice systems, to facilitate the delivery of services to victims of crime and to increase the safety of our communities.

The Commission on Crime and Delinquency supports programs and practices that promote justice for all citizens and communities of Pennsylvania.

Programs and Goals

Criminal and Juvenile Justice Planning and Coordination: *To provide leadership in system-wide coordination and in building collaboration among public servants and private citizens representing all aspects of the criminal and juvenile justice systems and victim services.*

Commission on Crime and Delinquency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22
	ACTUAL	AVAILABLE	BUDGET
GENERAL FUND:			
General Government:			
Commission on Crime and Delinquency	\$ 9,735	\$ 9,627	\$ 9,627
(F)Plan for Juvenile Justice	150	150	150
(F)Justice Assistance Grants	10,000	10,000	11,500
(F)COVID-Justice Assistance Grants (EA)	17,629	-	-
(F)Justice Assistance Grants - Administration	1,100	1,000	1,000
(F)Statistical Analysis Center	250	300	400
(F)Criminal Identification Technology	4,000	8,000	10,500
(F)Crime Victims Compensation Services	8,500	8,500	8,500
(F)Crime Victims Assistance	130,000	130,000	120,000
(F)Violence Against Women	7,000	7,000	7,000
(F)Violence Against Women - Administration	600	600	600
(F)Residential Substance Abuse Treatment Program	1,400	1,400	1,700
(F)Crime Victims Assistance (VOCA) - Admin/Operations	5,000	5,000	5,000
(F)Juvenile Justice and Delinquency Prevention	3,000	3,000	3,000
(F)Assault Services Program	600	600	700
(F)Second Chance Act - Juvenile Offender Reentry	1,000	1,000	-
(F)Project Safe Neighborhoods	750	1,050	1,000
(F)Forensic Science Program	1,500	1,500	1,500
(F)Justice Reinvestment Initiative	1,000	-	-
(F)Adam Walsh Implementation Support	750	1,000	1,000
(F)Byrne Competitive Program	300	450	450
(F)Comprehensive Opioid Abuse Site-Based Program	1,200	2,200	3,200
(F)Pennsylvania NCS-X Implementation	550	550	550
(F)Body Worn Camera Policy and Implementation	1,400	1,000	2,000
(F)Justice and Mental Health Collaboration	600	-	-
(F)VOCA Training	-	600	600
(F)Prosecutor and Defender Incentives	117	160	180
(F)STOP School Violence	-	777	777
(F)State Delinquency Prevention Programs	-	200	200
(F)Prosecuting Cold Cases Using DNA	-	446	446
(F)Targeted Violence and Terrorism Prevention	-	525	525
(F)NICS Act Record Improvement Program (NARIP)	-	245	-
(F)PA Youth Survey - DDAP (EA)	50	-	75
(F)Substance Abuse Prevention - DDAP (EA)	382	281	281
(F)Drug Court Operations (EA)	1,000	-	-
(F)Children's Justice Act (EA)	286	166	120
(F)PA State Opioid Response (EA)	8,700	14,514	8,589

Commission on Crime and Delinquency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(F)Antiterrorism and Emergency Assistance Program (EA).....	3,864	-	3,315
(F)Emergency Federal Law Enforcement Assistance Program (EA).....	-	3,547	3,547
(A)Interagency Agreements	1,309	8,814	1,920
(R)Victim & Witness Services.....	5,734	5,800	5,800
(R)Crime Victims Reimbursements	10,179	10,100	10,100
(R)Constables Education and Training	1,230	1,255	1,280
(R)Sheriff & Deputy Sheriff Education and Training.....	2,231	1,000	2,321
(R)Children's Advocacy Centers	2,273	2,500	2,500
(R)First Chance Trust Fund.....	-	-	445
(R)Nonprofit Security Grant Fund.....	21	2,000	2,000
(R)Firearms Education and Training Commission	-	150 ^a	392
Subtotal	<u>\$ 245,390</u>	<u>\$ 247,007</u>	<u>\$ 234,790</u>
Violence and Delinquency Prevention Programs.....	4,039	4,033	4,033
(A)Interagency Agreements	6,742	6,971	3,000
Subtotal.....	<u>\$ 10,781</u>	<u>\$ 11,004</u>	<u>\$ 7,033</u>
Office of Safe Schools Advocate	-^b	379	379
Subtotal - State Funds.....	\$ 13,774	\$ 14,039	\$ 14,039
Subtotal - Federal Funds.....	212,678	205,761	198,405
Subtotal - Augmentations.....	8,051	15,785	4,920
Subtotal - Restricted Revenues	<u>21,668</u>	<u>22,805</u>	<u>24,838</u>
Total - General Government.....	<u>\$ 256,171</u>	<u>\$ 258,390</u>	<u>\$ 242,202</u>
Grants and Subsidies:			
Improvement of Adult Probation Services	\$ -	\$ 16,222^c	\$ 16,222
Victims of Juvenile Offenders	1,300	1,300	1,300
Intermediate Punishment Treatment Programs.....	18,167	18,167	18,167
Total - Grants and Subsidies.....	<u>\$ 19,467</u>	<u>\$ 35,689</u>	<u>\$ 35,689</u>
STATE FUNDS.....	\$ 33,241	\$ 49,728	\$ 49,728
FEDERAL FUNDS.....	212,678	205,761	198,405
AUGMENTATIONS	8,051	15,785	4,920
RESTRICTED REVENUES	<u>21,668</u>	<u>22,805</u>	<u>24,838</u>
GENERAL FUND TOTAL	<u>\$ 275,638</u>	<u>\$ 294,079</u>	<u>\$ 277,891</u>
OTHER FUNDS:			
JUSTICE REINVESTMENT FUND:			
Innovative Policing Grants	\$ 357	\$ 544 ^d	\$ -
MONETARY PENALTY ENDOWMENTS TRUST FUND:			
(R)NCAA - Penn State Settlement (EA)	\$ 4,800	\$ 4,800	\$ 4,800

Commission on Crime and Delinquency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
SUBSTANCE ABUSE EDUCATION AND DEMAND REDUCTION FUND:			
Substance Abuse Education & Demand Reduction Programs (EA).....	\$ 7,042	\$ 6,162	\$ 5,500
Substance Abuse Education & Demand Reduction - Admin (EA).....	300	300	300
SUBSTANCE ABUSE EDUCATION AND DEMAND REDUCTION FUND TOTAL....	\$ 7,342	\$ 6,462	\$ 5,800
SCHOOL SAFETY AND SECURITY FUND:			
School Safety and Security (EA)	\$ 60,000	\$ 66,000	\$ 25,874
(F)COVID-RF School Safety and Security Program	149,274	-	-
(F)COVID-ESSER-PCCD (EA).....	-	49,762 ^e	-
SCHOOL SAFETY AND SECURITY FUND TOTAL.....	\$ 209,274	\$ 115,762	\$ 25,874
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 33,241	\$ 49,728	\$ 49,728
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS.....	212,678	205,761	198,405
AUGMENTATIONS	8,051	15,785	4,920
RESTRICTED.....	21,668	22,805	24,838
OTHER FUNDS.....	221,773	127,568	36,474
TOTAL ALL FUNDS	\$ 497,411	\$ 421,647	\$ 314,365

^a Program moved from the Department of Criminal Justice to the Commission in December 2020 by Act 115 of 2019.

^b Funding previously appropriated in the Department of Education.

^c Program moved from the Department of Criminal Justice to the Commission by Act 114 of 2019.

^d Reflects recommended appropriation reduction of \$12,000.

^e Act 23 of 2020 provided for a \$49,762,000 subgrant of the Elementary and Secondary School Emergency Relief (ESSER) from the Department of Education.

Commission on Crime and Delinquency

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
CRIMINAL AND JUVENILE JUSTICE PLANNING AND COORDINATION							
GENERAL FUND.....	\$ 33,241	\$ 49,728	\$ 49,728	\$ 49,846	\$ 49,846	\$ 49,846	\$ 49,846
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	212,678	205,761	198,405	198,405	198,405	198,405	198,405
AUGMENTATIONS	8,051	15,785	4,920	4,920	4,920	4,920	4,920
RESTRICTED.....	21,668	22,805	24,838	24,838	24,838	24,838	24,838
OTHER FUNDS.....	221,773	127,568	36,474	33,207	33,942	33,890	40,976
SUBCATEGORY TOTAL....	\$ 497,411	\$ 421,647	\$ 314,365	\$ 311,216	\$ 311,951	\$ 311,899	\$ 318,985
ALL PROGRAMS:							
GENERAL FUND.....	\$ 33,241	\$ 49,728	\$ 49,728	\$ 49,846	\$ 49,846	\$ 49,846	\$ 49,846
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	212,678	205,761	198,405	198,405	198,405	198,405	198,405
AUGMENTATIONS	8,051	15,785	4,920	4,920	4,920	4,920	4,920
RESTRICTED.....	21,668	22,805	24,838	24,838	24,838	24,838	24,838
OTHER FUNDS.....	221,773	127,568	36,474	33,207	33,942	33,890	40,976
DEPARTMENT TOTAL	\$ 497,411	\$ 421,647	\$ 314,365	\$ 311,216	\$ 311,951	\$ 311,899	\$ 318,985

Program: Criminal and Juvenile Justice Planning and Coordination

Goal: To provide leadership in system-wide coordination and in building collaboration among public servants and private citizens representing all aspects of the criminal and juvenile justice systems and victim services.

Established in 1978, the [Pennsylvania Commission on Crime and Delinquency](#) (PCCD) is the justice planning and policymaking agency for the commonwealth. The mission of the commission is to enhance quality, coordination and planning within the criminal and juvenile justice systems, facilitate the delivery of services to victims of crime and increase the safety of our communities. The members of the commission are justice system professionals who are assisted by advisory committees, task forces, planning groups and PCCD staff.

Criminal Justice

PCCD is tasked with coordinating the functions of the criminal justice system to run more efficiently and effectively. To that end, PCCD provides planning assistance, promotes digital technology, funds innovative projects, supports the development and implementation of best practices, coordinates information sharing and facilitates collaboration among key criminal justice stakeholders throughout the commonwealth.

The commission compiles crime, corrections and sentencing [data](#); develops unified population projections for sentencing, corrections and probation and parole; provides objective, independent and comprehensive policy analysis; and responds to special justice research and data requests from federal, state and local agencies, as well as from the general public.

PCCD works with local leadership to improve county justice and local law enforcement systems. The commission has been responsible for institutionalizing [County Criminal Justice Advisory Boards](#) (CJABs), which consist of top-level county officials who address criminal justice issues from a systemic and policy perspective, study best practices in the administration and delivery of criminal justice, engage in strategic planning, make recommendations and establish consensus among the members to improve the effectiveness and efficiency of the county's criminal justice system.

Act 114 of 2019 established the [County Adult Probation and Parole Advisory Committee](#) within PCCD. Among other duties, the committee is tasked with the development of a funding plan that includes the Improvement of Adult Probation Services program. The plan will include disbursements generated through the implementation of the second phase of the Justice Reinvestment Initiative. The County Intermediate Punishment program will continue to make resources available to support county probation services. Additionally, Act 115 of 2019 transitions the responsibility and funding of the Firearms Education and Training Commission to PCCD.

PCCD oversees several justice-training programs, including the legislatively mandated basic and continuing education training of sheriffs, deputy sheriffs, constables and deputy constables.

The commission provides quality, relevant and current job-related training for local justice practitioners and provides grants and assistance to communities in order to prevent gun violence through the Office of Gun Violence Prevention.

Juvenile Justice

Since 1978, the commission has served as the commonwealth's designated state planning agency for juvenile justice and delinquency prevention. The [Juvenile Justice and Delinquency Prevention Committee](#) (JJJPC) is comprised of representatives from the Juvenile Court Judges' Commission, juvenile court judges, law enforcement, chief juvenile probation officers, non-profit prevention and treatment service providers, special education specialists, youth and other related stakeholders. JJJPC is tasked by law to develop a [comprehensive plan](#) relating to juvenile justice and delinquency prevention for the commonwealth.

The commission administers the Violence and Delinquency Prevention Program, which provides resources and technical assistance to communities who have implemented evidence-based violence and delinquency prevention programs that address risk and protective factors identified through sources such as the [Pennsylvania Youth Survey](#).

Victims Services' and Child Advocacy

PCCD's Victims' Services has three components: Victims' Compensation Assistance Program (VCAP), [Victims' Services Program](#) (VSP) and the Children's Advocacy Center (CAC) initiative.

VCAP responds to financial losses incurred by victims of crime, through the Pennsylvania's Crime Victims Fund. This fund is supported primarily by costs assessed against certain convicted offenders, as well as restitution, donations, reimbursements from victims who are awarded civil settlements and federal Victims of Crime Act funds.

VSP administers a variety of state and federal funds designed to assist victims of crime. These funds support services such as: courtroom accompaniment, victim rights notification, assistance with victim impact statements, crisis intervention, shelter, counseling, emergency services and long-term services designed to return a victim to their pre-victimization status.

Commission on Crime and Delinquency

Program: Criminal and Juvenile Justice Planning and Coordination, continued

Finally, PCCD administers a program to increase the availability of localized [CAC services](#). CACs provide state-of-the-art treatment for the child victims of sexual and physical abuse. They coordinate medical care, treatment and other social services for victims while gathering evidence, through age-appropriate forensic interviewing and other methods employed by multi-disciplinary investigative teams, to build an effective case against the alleged offender.

School Safety and Security

PCCD supports the [Office of Safe Schools Advocate](#) in the School District of Philadelphia, which provides victim advocacy for students and staff who are victims of school-based violence and crimes committed on school property. The office ensures the school district's compliance with all

laws, regulations and reporting requirements pertaining to school safety and discipline.

PCCD's role in school safety and security expanded as a result of Act 44 of 2018, which established the School Safety and Security Grant Program within PCCD and contained multiple provisions for school safety and security preparedness, including the creation of a [School Safety and Security Committee](#). The committee provides financial resources to school entities to improve school safety and reduce community violence as well as technical resources related to the development of trauma-informed education plans, safety assessment criteria and completion, threat assessment training and best practices.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Commission on Crime and Delinquency	\$ 9,735	\$ 9,627	\$ 9,627	\$ 9,739	\$ 9,739	\$ 9,739	\$ 9,739
Violence and Delinquency Prevention Programs	4,039	4,033	4,033	4,039	4,039	4,039	4,039
Office of Safe School Advocate	-	379	379	379	379	379	379
Improvement of Adult Probation Services	-	16,222	16,222	16,222	16,222	16,222	16,222
Victims of Juvenile Offenders	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Intermediate Punishment Treatment Programs	18,167	18,167	18,167	18,167	18,167	18,167	18,167
TOTAL GENERAL FUND	\$ 33,241	\$ 49,728	\$ 49,728	\$ 49,846	\$ 49,846	\$ 49,846	\$ 49,846

Commission on Crime and Delinquency

Program: Criminal and Juvenile Justice Planning and Coordination, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Promote the appropriate use and measure the effectiveness of promising approaches and dispositional alternatives.							
Number of individuals diverted from a county or state prison sentence as a result of their participation in the County Intermediate Punishment Program	5,182	4,825	4,073	4,399	3,646	4,800	4,800
Increase the utilization of evidence-based programs and practices to prevent delinquency and other problem behaviors.							
Percentage of youth participating in research-based programs with a demonstrated improvement related to the program's targeted behavioral outcome	52%	49%	51%	53%	51%	52%	54%
Enhance the quality and the availability of services for victims of crime.							
Number of victims served by victim service programs throughout Pennsylvania utilizing PCCD state and federal funding	385,754	470,416	430,951	438,157	375,688	440,000	450,000



ATTORNEY GENERAL

The Commonwealth Attorneys Act establishes the Attorney General as the chief legal and law enforcement officer of the commonwealth and defines the following fundamental duties and responsibilities of the Office of Attorney General:

- To prosecute organized crime and public corruption. This law enforcement program includes a criminal investigations unit and drug law enforcement program as well as direction of statewide and multi-county investigating grand juries and a Medicaid Fraud Control Section.
- To represent the commonwealth and all commonwealth agencies and, upon request, the Auditor General, State Treasurer and Public Utility Commission in any action brought by or against the commonwealth or its agencies.
- To furnish, upon request, legal advice to the governor or the head of any commonwealth agency.
- To review for form and legality all proposed rules and regulations for commonwealth agencies.
- To review for form and legality all commonwealth deeds, leases and contracts to be executed by commonwealth agencies.
- To collect, by suit or otherwise, all debts, taxes and accounts due to the commonwealth which shall be referred to and placed with the Attorney General.
- To administer the provisions relating to consumer protection and appoint the Advisory Committee.
- To represent the commonwealth and its residents in any action brought for violation of the Antitrust Laws of the United States and the commonwealth.

Programs and Goals

Public Protection and Law Enforcement: *To enforce the criminal laws of the commonwealth; to protect the interests of Pennsylvania residents in areas of consumer protection, antitrust enforcement, operation of charitable trusts and organizations, and civil rights; and to provide legal services to commonwealth agencies.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2019-20 2020-21 2021-22
 ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

General Government Operations	\$ 47,496	\$ 46,657	\$ 47,408
(F)Medicaid Fraud.....	9,586	9,567	9,375
(F)Innovative Prosecution Program (EA)	180	191	115
(F)Project Safe Neighborhoods (EA)	275	287	121
(F)Project Safe Neighborhoods - SW Philadelphia (EA).....	-	100	117
(F)Project Safe Neighborhoods - Citywide (EA).....	-	-	178
(F)COVID-Emergency Supplemental Funding (EA).....	-	189	-
(A)Recovery of Overtime Costs.....	113	100	100
(A)MAGLOCLEN Non-Profit.....	307	171	-
(A)Reimbursements	5	15	15
(A)Miscellaneous.....	29	11	11
(R)Public Protection Law Enforcement	10,862	14,054	11,274
(R)Judicial Fee Account	5,191	5,000	5,000
(R)Collection Administration Account.....	2,213	2,500	2,500
(R)Seized/Forfeited Property - U.S. Homeland Security.....	348	700	665
(R)Coroner's Education Board	61	-	122
(R)Home Improvement Consumer Protection.....	2,733	2,893	2,893
(R)Investigative Funds - Outside Sources	7,190	9,054	8,909
Subtotal.....	<u>\$ 86,589</u>	<u>\$ 91,489</u>	<u>\$ 88,803</u>
(R)Office of Consumer Advocate	6,025	6,204	6,204
Drug Law Enforcement	49,682	49,054	49,455
(F)High Intensity Drug Trafficking Areas	5,308	5,308	5,308
(F)COPS Anti-Heroin Task Force (EA)	1,000	1,000	892
(F)COPS Anti-Methamphetamine Program (EA)	500	500	436
(A)Recovery of Narcotics Investigation Overtime Costs	202	125	125
(A)Miscellaneous.....	1	-	-
(R)Seized/Forfeited Property - State Court Awarded.....	7,478	12,542	13,295
(R)Seized/Forfeited Property - U.S. Department of Justice	303	1,580	2,514
(R)Seized/Forfeited Property - U.S. Treasury Department	26	40	125
(R)Community Drug Abuse Prevention Program	179	840	840
Subtotal.....	<u>\$ 64,679</u>	<u>\$ 70,989</u>	<u>\$ 72,990</u>
Joint Local-State Firearm Task Force.....	6,878	6,815	6,815
Witness Relocation.....	1,215	1,215	1,215
Child Predator Interception	5,375	5,280	5,755
Tobacco Law Enforcement	1,648	1,489	1,353
School Safety	1,696	1,664	1,666

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Subtotal - State Funds.....	\$ 113,990	\$ 112,174	\$ 113,667
Subtotal - Federal Funds.....	16,849	17,142	16,542
Subtotal - Augmentations.....	657	422	251
Subtotal - Restricted Revenues	42,609	55,407	54,341
Total - General Government.....	<u>\$ 174,105</u>	<u>\$ 185,145</u>	<u>\$ 184,801</u>
Grants and Subsidies:			
County Trial Reimbursement.....	\$ 200	\$ 200	\$ 200
(R)Reimbursement to Counties - Full Time District Attorney (EA)	7,579	7,724 ^a	7,724
Subtotal - State Funds.....	\$ 200	\$ 200	\$ 200
Subtotal - Federal Funds.....	-	-	-
Subtotal - Restricted Revenues	7,579	7,724	7,724
Total - Grants and Subsidies.....	<u>\$ 7,779</u>	<u>\$ 7,924</u>	<u>\$ 7,924</u>
STATE FUNDS.....	\$ 114,190	\$ 112,374	\$ 113,867
FEDERAL FUNDS.....	16,849	17,142	16,542
AUGMENTATIONS	657	422	251
RESTRICTED REVENUES	50,188	63,131	62,065
GENERAL FUND TOTAL	<u>\$ 181,884</u>	<u>\$ 193,069</u>	<u>\$ 192,725</u>
OTHER FUNDS:			
CIGARETTE FIRE SAFETY AND FIREFIGHTER PROTECTION ACT FUND:			
Cigarette Fire Safety & Firefighter Protection Enforcement	\$ 100	\$ 100	\$ 50
STATE GAMING FUND:			
(R)Gaming Enforcement	\$ 1,460	\$ 1,355	\$ 1,405
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 114,190	\$ 112,374	\$ 113,867
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS.....	16,849	17,142	16,542
AUGMENTATIONS	657	422	251
RESTRICTED.....	50,188	63,131	62,065
OTHER FUNDS.....	1,560	1,455	1,455
TOTAL ALL FUNDS	<u>\$ 183,444</u>	<u>\$ 194,524</u>	<u>\$ 194,180</u>

^a Includes recommended supplemental executive authorization of \$24,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PUBLIC PROTECTION AND LAW ENFORCEMENT							
GENERAL FUND.....	\$ 114,190	\$ 112,374	\$ 113,867	\$ 115,549	\$ 115,549	\$ 115,549	\$ 115,549
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	16,849	17,142	16,542	16,304	16,304	16,304	16,304
AUGMENTATIONS	657	422	251	251	251	251	251
RESTRICTED.....	50,188	63,131	62,065	62,316	62,316	62,316	62,316
OTHER FUNDS.....	1,560	1,455	1,455	1,455	1,455	1,455	1,455
SUBCATEGORY TOTAL....	\$ 183,444	\$ 194,524	\$ 194,180	\$ 195,875	\$ 195,875	\$ 195,875	\$ 195,875
ALL PROGRAMS:							
GENERAL FUND.....	\$ 114,190	\$ 112,374	\$ 113,867	\$ 115,549	\$ 115,549	\$ 115,549	\$ 115,549
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	16,849	17,142	16,542	16,304	16,304	16,304	16,304
AUGMENTATIONS	657	422	251	251	251	251	251
RESTRICTED.....	50,188	63,131	62,065	62,316	62,316	62,316	62,316
OTHER FUNDS.....	1,560	1,455	1,455	1,455	1,455	1,455	1,455
DEPARTMENT TOTAL	\$ 183,444	\$ 194,524	\$ 194,180	\$ 195,875	\$ 195,875	\$ 195,875	\$ 195,875

Program: Public Protection and Law Enforcement

Goal: To enforce the criminal laws of the commonwealth; to protect the interests of Pennsylvania citizens in areas of consumer protection, antitrust enforcement, operation of charitable trusts and organizations, and civil rights; and to provide legal services to commonwealth agencies.

The [Attorney General](#), as the chief law enforcement officer of the commonwealth, is charged with the responsibility of investigating and prosecuting organized crime and public corruption. The agency investigates and prosecutes criminal activity and uses statewide investigative grand juries as appropriate. The Office of Attorney General works with the State Police and local law enforcement to curtail drug abuse in the commonwealth by apprehending illegal drug traffickers and stopping the diversion of prescription drugs for illicit purposes. The agency protects the children of Pennsylvania against predators by identifying, investigating and capturing online child predators using proactive, undercover operations. The Office of Attorney General also prosecutes and investigates online child predators, [insurance fraud](#), [Medicaid fraud](#), environmental crimes and cases referred by district attorneys across the state that have a conflict of interest or lack the resources to prosecute certain crimes.

The Office of Attorney General plays an important role [protecting the public](#) from fraud and deceptive business practices; securing and recovering damages owed to the commonwealth and its citizens; encouraging free enterprise and competition; and investigating and prosecuting consumer fraud, unfair trade practices, antitrust violations, civil rights violations and charitable scams. Additionally, the agency enforces the Tobacco Settlement Agreement Act, defends enforcement in arbitration proceedings and polices the Master Settlement Agreement fully and aggressively.

The Office of Attorney General represents the commonwealth in any action brought by or against the commonwealth or its agencies, particularly tort claims. Through its [civil division](#), the agency upholds the laws of the commonwealth and defends its agencies in various legal proceedings.

The [Joint Local-State Firearm Task Force](#) comprised of the Philadelphia District Attorney's Office, the Philadelphia Police Department and the Office of Attorney General, was established to fight gun violence in the Philadelphia area. The Strategic Response Team provides deployment of resources and experience in combating organized drug trafficking and drug-related violent crimes from targeted neighborhoods and municipalities.

The Municipal Drug Task Force program contributes to Pennsylvania's efforts in combating both local and widespread drug trafficking operations. Municipal police officers are trained in drug enforcement procedures and benefit from the expertise provided by the Bureau of Narcotics Investigations.

The Safe2Say Something program teaches students, educators, and administrators how to recognize the signs and signals of individuals who may be at risk of hurting themselves or others, and operates an anonymous reporting app, website, and 24/7 Crisis Center Hotline.

The Home Improvement Consumer Protection Act requires home improvement contractors to register with the [Bureau of Consumer Protection](#). The agency investigates alleged violations regarding home improvement contractors. The Homeowner Assistance Settlement Act authorizes the agency to provide housing consumer protection programs.

The County Code provides for full-time district attorneys under certain conditions. The annual salary for a full-time district attorney is set at \$1,000 less than a common pleas court judge in that county. The commonwealth reimburses counties for 65 percent of the salary for the full-time district attorney through court document surcharge revenues deposited into the Criminal Justice Enhancement Account.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND			Tobacco Law Enforcement
	General Government Operations	\$ -136	—reduction in administrative costs.
\$ 751	—to continue current program.		
	Drug Law Enforcement	\$ 2	School Safety
\$ 401	—to continue current program.		—to continue current program.
	Child Predator Interception		
\$ 475	—to continue current program.		

All other appropriations and executive authorizations, including those from restricted accounts, are recommended at the current year funding levels.

Program: Public Protection and Law Enforcement, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
General Government Operations	\$ 47,496	\$ 46,657	\$ 47,408	\$ 48,247	\$ 48,247	\$ 48,247	\$ 48,247
Drug Law Enforcement	49,682	49,054	49,455	50,083	50,083	50,083	50,083
Joint Local-State Firearm Task Force ..	6,878	6,815	6,815	6,878	6,878	6,878	6,878
Witness Relocation ...	1,215	1,215	1,215	1,215	1,215	1,215	1,215
Child Predator Interception	5,375	5,280	5,755	5,850	5,850	5,850	5,850
Tobacco Law Enforcement	1,648	1,489	1,353	1,378	1,378	1,378	1,378
School Safety.....	1,696	1,664	1,666	1,698	1,698	1,698	1,698
County Trial Reimbursement	200	200	200	200	200	200	200
TOTAL GENERAL FUND.....	\$ 114,190	\$ 112,374	\$ 113,867	\$ 115,549	\$ 115,549	\$ 115,549	\$ 115,549

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Curtail drug abuse in the commonwealth by apprehending illegal drug traffickers.							
Local drug task force arrests.....	7,008	7,778	6,294	5,520	3,315	3,500	3,500
Drug arrests resulting from Grand Jury presentments	202	59	124	77	72	72	72
Increase compliance by estates, charities, nonprofits and health care conversions with established rules and regulations.							
Review of estates, charities, nonprofits, and health care conversions for compliance with rules and regulations	2,205	2,109	1,816	1,829	1,748	1,925	1,950
Decrease incidence of fraud and deceptive business practices and secure the recovery of damages to the commonwealth and its citizens.							
Consumer complaints concerning business practices that were mediated	20,736	20,230	22,976	25,774	27,327	29,000	27,000
Dollar value of recoupment to consumers regarding business practices (in thousands)	\$ 2,940	\$ 2,881	\$ 3,016	\$ 4,160	\$ 4,656	\$ 4,700	\$ 4,700

Program: Public Protection and Law Enforcement, continued

Program Measures, continued:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Legal actions resulting from consumer tips, complaints, and other sources	115	114	80	156	97	150	100
Dollar value of relief awarded on behalf of consumers related to legal actions (in thousands)	\$ 8,116	\$ 368	\$ 3,216	\$ 46,227	\$ 47,808	\$ 22,000	\$ 10,000
Consumer complaints concerning business practices - health care industry	2,153	1,939	1,863	2,157	2,202	1,850	1,800
Dollar value of recoupment to consumers regarding business practices - health care industry (in thousands)	\$ 1,825	\$ 2,172	\$ 893	\$ 1,280	\$ 1,059	\$ 900	\$ 850
Increase the number of investigations and arrests related to sexual solicitation of a minor and child pornography.							
Child predator arrests	N/A	46	90	87	100	100	100
Increase the number of investigations, firearm related arrests and number of firearms recovered.							
Firearm related arrests	133	99	121	107	98	100	100
Firearms recovered...	173	140	129	179	297	300	300

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AUDITOR GENERAL

The mission of the [Auditor General](#) is to post-audit the affairs of state government agencies and certain local government agencies, officials and organizations.

The objective is to ensure conformance with established legislative and administrative regulations and to assure that all money has been disbursed legally and properly. In addition, the Auditor General examines the accounts of revenue collecting agents to ensure that all money due the commonwealth was reported and transmitted properly.

Programs and Goals

Auditing: To ensure that all revenue to which the commonwealth is entitled is deposited in the State Treasury and that public money is disbursed legally and properly.

Municipal Pension Systems: To assist municipal pension systems through review and audit of their pension funds.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
<u>GENERAL FUND:</u>			
<i>General Government:</i>			
Auditor General's Office.....	\$ 36,455	\$ 35,681	\$ 35,681
(A) Auditing Service Reimbursements	12,525	10,845	11,359
Special Financial Audits	500	500	-
Subtotal.....	\$ 49,480	\$ 47,026	\$ 47,040
Board of Claims	1,910	1,880	1,880
Subtotal - State Funds.....	\$ 38,865	\$ 38,061	\$ 37,561
Subtotal - Augmentations	12,525	10,845	11,359
Total - General Government.....	\$ 51,390	\$ 48,906	\$ 48,920
STATE FUNDS.....	\$ 38,865	\$ 38,061	\$ 37,561
AUGMENTATIONS	12,525	10,845	11,359
GENERAL FUND TOTAL	\$ 51,390	\$ 48,906	\$ 48,920
<u>OTHER FUNDS:</u>			
MUNICIPAL PENSION AID FUND:			
(R) Municipal Pension Aid.....	\$ 331,341	\$ 327,087	\$ 325,735
(R) Post-Retirement	1,169	1,052	934
MUNICIPAL PENSION AID FUND TOTAL	\$ 332,510	\$ 328,139	\$ 326,669
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 38,865	\$ 38,061	\$ 37,561
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	12,525	10,845	11,359
RESTRICTED	-	-	-
OTHER FUNDS	332,510	328,139	326,669
TOTAL ALL FUNDS	\$ 383,900	\$ 377,045	\$ 375,589

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
AUDITING							
GENERAL FUND.....	\$ 38,865	\$ 38,061	\$ 37,561	\$ 38,493	\$ 38,408	\$ 38,408	\$ 38,408
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS.....	12,525	10,845	11,359	11,359	11,359	11,359	11,359
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 51,390	\$ 48,906	\$ 48,920	\$ 49,852	\$ 49,767	\$ 49,767	\$ 49,767
MUNICIPAL PENSION SYSTEMS							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS.....	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	332,510	328,139	326,669	329,005	332,295	335,618	338,974
SUBCATEGORY TOTAL....	\$ 332,510	\$ 328,139	\$ 326,669	\$ 329,005	\$ 332,295	\$ 335,618	\$ 338,974
ALL PROGRAMS:							
GENERAL FUND.....	\$ 38,865	\$ 38,061	\$ 37,561	\$ 38,493	\$ 38,408	\$ 38,408	\$ 38,408
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS.....	12,525	10,845	11,359	11,359	11,359	11,359	11,359
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	332,510	328,139	326,669	329,005	332,295	335,618	338,974
DEPARTMENT TOTAL	\$ 383,900	\$ 377,045	\$ 375,589	\$ 378,857	\$ 382,062	\$ 385,385	\$ 388,741

Program: Auditing

Goal: To ensure that all revenue to which the commonwealth is entitled is deposited in the State Treasury and that public money is disbursed legally and properly.

The [Department of the Auditor General](#) is provided authority through the Fiscal Code to [audit the financial affairs and the performance](#) of state government, as well as the affairs of certain local government entities. The department is also authorized to perform audits of any entity receiving funds from the commonwealth or any entity collecting funds that belong to the commonwealth.

Each year, the department performs thousands of [regular and performance audits](#) of commonwealth agencies, boards, commissions and state institutions, such as state higher education and correctional facilities, to ensure money is disbursed legally and properly. The department also examines and audits accounts of revenue collecting agents, including local government officials such as those in the magisterial district courts and county row offices, to ensure that all funds due to the commonwealth have been reported and transmitted properly and that the commonwealth's financial statements conform to Generally Accepted Accounting Principles. Finally, the department conducts audits of public entities that receive state funds, including local educational agencies, municipal pension plans, the Delaware and Susquehanna River Basin Commissions and volunteer firefighters' relief associations.

The Single Audit, which is a single financial/compliance audit of the commonwealth's federal aid programs and the commonwealth's Comprehensive Annual Financial Report, is jointly performed each year by the department and an

independent certified public accounting firm.

In accordance with Section 402 of the Fiscal Code, special audits, including performance audits, may be made at any time when, in the Auditor General's judgment, they appear to be necessary and are required to be conducted in accordance with Generally Accepted Government Auditing Standards. Special audits must also be conducted by the Auditor General at the Governor's request. The Auditor General also has the authority to demand and compel the production of documents.

The Auditor General has a variety of other responsibilities imposed by law. For example, the Auditor General is a signatory, along with the Governor and State Treasurer, for approval of short-term and long-term borrowing by state government. The Auditor General is also a statutory member of the [Pennsylvania Higher Educational Facilities Authority](#), the [State Public School Building Authority](#), the [Delaware River Port Authority](#), the Local Government Records Committee and the Joint Interstate Bridge Commission.

The department also provides administrative services for the [Board of Claims](#). The Board of Claims operates within this program as an independent judicial and administrative body with jurisdiction to hear and determine claims against the commonwealth that equal or exceed \$300.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Special Financial Audits

\$ -500 —program elimination.

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Auditor General's Office	\$ 36,455	\$ 35,681	\$ 35,681	\$ 36,505	\$ 36,505	\$ 36,505	\$ 36,505
Special Financial Audits	500	500	-	-	-	-	-
Security and Other Expenses - Outgoing Governor	-	-	-	85	-	-	-
Board of Claims	1,910	1,880	1,880	1,903	1,903	1,903	1,903
TOTAL GENERAL FUND	\$ 38,865	\$ 38,061	\$ 37,561	\$ 38,493	\$ 38,408	\$ 38,408	\$ 38,408

Program: Municipal Pension Systems

Goal: To assist municipal pension systems through review and audit of their pension funds.

In 1984, the General Assembly passed Act 205, known as the Municipal Pension Plan Funding Standard and Recovery Act. The act establishes criteria for determination of actuarial soundness and the amount of state-financed support that will be provided. The Auditor General is responsible for audits of approximately 2,600 governing units with approximately 2,700 municipal pension plans, for both uniformed and non-uniformed employees that receive state aid.

The Auditor General administers the [General Municipal Pension Systems State Aid Program](#), established by Act 205 to distribute funding to municipal pension plans for police officers, paid firefighters and other full-time municipal non-uniformed employees. The program is funded through the Municipal Pension Aid Fund, which receives all

proceeds of the Foreign Casualty Insurance Premiums Tax and a portion of the Foreign Fire Insurance Premiums Tax. The Auditor General is also responsible for distributing proceeds from the Fire Insurance Tax Fund to municipalities for payment to volunteer firefighter relief associations.

In 2016, the Auditor General absorbed the duties relating to municipal pension reporting and analysis under Act 205 of 1984 and Act 293 of 1972 that were formerly conducted by the Public Employee Retirement Commission (PERC), which was abolished by Act 100 of 2016. The duties were fully transitioned to the newly created [Municipal Pension Reporting Program](#) (MPRP) within the Department of the Auditor General's Office of Budget and Financial Management.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

MUNICIPAL PENSION AID FUND		Post-Retirement	
Municipal Pension Aid			
\$ -1,352	—to continue current program.	\$ -118	—to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MUNICIPAL PENSION AID FUND:							
(R)Municipal Pension Aid.....	\$ 331,341	\$ 327,087	\$ 325,735	\$ 328,171	\$ 331,552	\$ 334,955	\$ 338,383
(R)Post-Retirement...	1,169	1,052	934	834	743	663	591
TOTAL MUNICIPAL PENSION AID FUND	<u>\$ 332,510</u>	<u>\$ 328,139</u>	<u>\$ 326,669</u>	<u>\$ 329,005</u>	<u>\$ 332,295</u>	<u>\$ 335,618</u>	<u>\$ 338,974</u>

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TREASURY DEPARTMENT

The Treasury Department is responsible for receiving all commonwealth monies and for depositing such monies in state depositories approved by the Board of Finance and Revenue, for managing all securities in its custody to the best advantage of the commonwealth, for pre-auditing all requisitions for the expenditures of funds and for disbursement of all state monies upon proper authorization to those entitled to receive payment.

Programs and Goals

Disbursement: To receive and safeguard the monies of the commonwealth, to manage the funds to the best advantage of the commonwealth and to ensure that all disbursements of funds are legal and proper.

Interstate Relations: To promote interstate cooperation and progress through participation in various associations, commissions and organizations both regionally and nationally.

Debt Service: To provide for interest and principal requirements of notes and bonds issued by the commonwealth and other expenses related to debt service.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
General Government Operations	\$ 36,593	\$ 35,715	\$ 35,715
(A)Unemployment Compensation Service Reimbursements	1,902	4,710	4,900
(A)Administrative Service Fees	1,694	1,973	2,235
(A)Unclaimed Property Service Fees	2,746	925	715
Subtotal	\$ 42,935	\$ 43,323	\$ 43,565
Board of Finance and Revenue	2,931	2,877	2,877
Divestiture Reimbursement	40	83	300
Publishing Monthly Statements	10	5	5
Intergovernmental Organizations	1,128	1,168	1,152
Information Technology Cyber Security	1,000	1,000	1,000
Subtotal - State Funds	\$ 41,702	\$ 40,848	\$ 41,049
Subtotal - Augmentations	6,342	7,608	7,850
Total - General Government	\$ 48,044	\$ 48,456	\$ 48,899
<i>Grants and Subsidies:</i>			
Law Enforcement & Emergency Response Personnel Death Benefit	\$ 2,980	\$ 2,980	\$ 2,980
Transfer to ABLE Fund	1,130	900	900
Total - Grants and Subsidies	\$ 4,110	\$ 3,880	\$ 3,880
<i>Debt Service:</i>			
Loan and Transfer Agent	\$ 40	\$ 40	\$ 40
Tax Note Expenses (EA)	-	338	-
Interest on Tax Anticipation Notes (EA)	-	3,000 ^a	-
Cash Management Loan Interest (EA)	7,315	- ^b	1,500
General Obligation Debt Service	1,144,000	1,143,433 ^c	1,260,000
Total - Debt Service	\$ 1,151,355	\$ 1,146,811	\$ 1,261,540
STATE FUNDS	\$ 1,197,167	\$ 1,191,539	\$ 1,306,469
AUGMENTATIONS	6,342	7,608	7,850
GENERAL FUND TOTAL	\$ 1,203,509	\$ 1,199,147	\$ 1,314,319
MOTOR LICENSE FUND:			
<i>General Government:</i>			
Administration Refunding Liquid Fuels Tax	\$ 533	\$ 551	\$ 551
<i>Refunds:</i>			
Refunding Liquid Fuels Taxes - State Share (EA)	\$ 5,000	\$ 5,000	\$ 4,800
Refunding Liquid Fuels Taxes - Agriculture (EA)	4,700	4,500	5,000
Refunding Liquid Fuels Taxes - Political Subdivisions (EA)	5,000	5,000	5,000
Refunding Liquid Fuels Taxes - Volunteer Services (EA)	600	800	700
Refunding Liquid Fuels Taxes - Snowmobiles & ATVs (EA)	1,000	1,000	1,000

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Refunding Liquid Fuels Taxes - Boat Fund (EA)	12,223	12,300	12,300
Total - Refunds	\$ 28,523	\$ 28,600	\$ 28,800
Debt Service:			
Capital Debt Transportation Projects	\$ 35,661	\$ 35,736	\$ 35,779
General Obligation Debt Service	17,748	18,459 ^d	18,266
(R)Capital Bridge Debt Service (EA)	51,156	56,565	71,369
Loan and Transfer Agent	40	40	40
Subtotal - State Funds	\$ 53,449	\$ 54,235	\$ 54,085
Subtotal - Restricted Revenues	51,156	56,565	71,369
Total - Debt Service	\$ 104,605	\$ 110,800	\$ 125,454
STATE FUNDS	\$ 82,505	\$ 83,386	\$ 83,436
RESTRICTED REVENUES	51,156	56,565	71,369
MOTOR LICENSE FUND TOTAL	\$ 133,661	\$ 139,951	\$ 154,805
OTHER FUNDS:			
ACHIEVING A BETTER LIFE EXPERIENCE FUND:			
General Operations	\$ 1,130	\$ 1,130	\$ 1,130
ENVIRONMENTAL STEWARDSHIP FUND:			
Debt Service for Growing Greener (EA)	\$ 20,000	\$ 13,777 ^e	\$ 13,795
LIQUID FUELS TAX FUND:			
Refunding Liquid Fuels Taxes - Boat Fund (EA)	\$ 105	\$ 110	\$ 110
TUITION ACCOUNT GUARANTEED SAVINGS PROGRAM FUND:			
Tuition Account Program Bureau	\$ 3,039	\$ 3,339	\$ 3,339
(A)Application Fees	1,999	1,870	2,120
TUITION ACCOUNT GUARANTEED SAVINGS PROGRAM FUND TOTAL	\$ 5,038	\$ 5,209	\$ 5,459
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 1,197,167	\$ 1,191,539	\$ 1,306,469
MOTOR LICENSE FUND	82,505	83,386	83,436
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	6,342	7,608	7,850
RESTRICTED	51,156	56,565	71,369
OTHER FUNDS	26,273	20,226	20,494
TOTAL ALL FUNDS	\$ 1,363,443	\$ 1,359,324	\$ 1,489,618

^a Includes recommended supplemental executive authorization reduction of \$3,100,000.^b Includes recommended supplemental executive authorization reduction of \$1,400,000.^c Reflects recommended appropriation reduction of \$39,000,000. This includes a \$6,500,000 increase in debt service requirements due to GEDTF cash flow constraints along with a reduction of \$45,000,000 from expedited debt service payments from PENNVEST. Act 114 of 2020 authorized transfers to the General Fund from various special fund balances. Act 114 requires a total of \$45,500,000 in transfers from PENNVEST funds. This budget proposes that the entire \$45,500,000 from PENNVEST funds be eliminated and replaced with an equal transfer from the PENNVEST Trustee as expedited debt service payments directed under the 2010 Trust Indenture and Repayment Agreement. Trustee transfers shall be received into the Capital Debt Fund, with General Obligation Debt Service reimbursements paid into the PENNVEST Redemption Fund over a four-year period.^d Includes recommended supplemental appropriation of \$600,000.^e Includes recommended supplemental executive authorization reduction of \$5,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
DISBURSEMENT							
GENERAL FUND.....	\$ 44,674	\$ 43,555	\$ 43,772	\$ 44,704	\$ 44,704	\$ 44,704	\$ 44,704
MOTOR LICENSE FUND...	29,056	29,151	29,351	29,351	29,351	29,351	29,351
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS.....	6,342	7,608	7,850	7,850	7,850	7,850	7,850
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	6,273	6,449	6,699	6,589	6,589	6,589	6,589
SUBCATEGORY TOTAL....	\$ 86,345	\$ 86,763	\$ 87,672	\$ 88,494	\$ 88,494	\$ 88,494	\$ 88,494
INTERSTATE RELATIONS							
GENERAL FUND.....	\$ 1,128	\$ 1,168	\$ 1,152	\$ 1,152	\$ 1,152	\$ 1,152	\$ 1,152
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS.....	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 1,128	\$ 1,168	\$ 1,152	$ 1,152	$ 1,152	$ 1,152	$ 1,152
DEBT SERVICE							
GENERAL FUND.....	\$ 1,151,365	\$ 1,146,816	\$ 1,261,545	\$ 1,297,309	\$ 1,380,281	\$ 1,397,829	\$ 1,492,390
MOTOR LICENSE FUND...	53,449	54,235	54,085	53,743	47,712	47,553	45,447
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS.....	-	-	-	-	-	-	-
RESTRICTED.....	51,156	56,565	71,369	71,862	72,713	73,099	72,125
OTHER FUNDS.....	20,000	13,777	13,795	12,605	10,826	10,874	10,931
SUBCATEGORY TOTAL....	\$ 1,275,970	\$ 1,271,393	\$ 1,400,794	\$ 1,435,519	\$ 1,511,532	\$ 1,529,355	\$ 1,620,893

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
ALL PROGRAMS:							
GENERAL FUND.....	\$ 1,197,167	\$ 1,191,539	\$ 1,306,469	\$ 1,343,165	\$ 1,426,137	\$ 1,443,685	\$ 1,538,246
MOTOR LICENSE FUND...	82,505	83,386	83,436	83,094	77,063	76,904	74,798
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	6,342	7,608	7,850	7,850	7,850	7,850	7,850
RESTRICTED	51,156	56,565	71,369	71,862	72,713	73,099	72,125
OTHER FUNDS.....	26,273	20,226	20,494	19,194	17,415	17,463	17,520
DEPARTMENT TOTAL	\$ 1,363,443	\$ 1,359,324	\$ 1,489,618	\$ 1,525,165	\$ 1,601,178	\$ 1,619,001	\$ 1,710,539

Program: Disbursement

Goal: To receive and safeguard the monies of the commonwealth, to manage the funds to the best advantage of the commonwealth and to ensure that all disbursements of funds are legal and proper.

The [Treasury Department](#) is required to receive and deposit all monies of the commonwealth, invest any commonwealth monies that accumulate beyond the daily needs of the various funds, manage to the best possible advantage all securities in its custody, pre-audit requisitions for the expenditure of funds and disburse all state monies upon proper authorization to those entitled to receive payment.

The Treasury Department also maintains accounting controls and disburses all checks to recipients of public assistance. This includes pre-auditing, printing and mailing checks to individual recipients and banks. Deposits are kept in about 48 financial institutions throughout Pennsylvania, including approximately 9 banks that also function as active depositories. The State Treasurer is Chairman of the [Board of Finance and Revenue](#) which is charged with reviewing and deciding tax appeals concerning settlements made between the commonwealth and persons, associations and corporations. The board also administers the program for refunding liquid fuels taxes to groups exempt by legislation from these taxes.

The Treasury Department is required to pay death benefits, adjusted annually for inflation, to the surviving spouse or children of public safety workers, firefighters or law enforcement officers of the commonwealth killed in the performance of their duties and to reimburse political

subdivisions for such payments made to survivors of local firefighters or law enforcement officers.

The Treasury Department administers the [Tuition Account Program](#) (PA 529), which provides two programs for postsecondary educational savings. The Tuition Account [Guaranteed Savings Program](#) Fund provides for the advance purchase of tuition credits for students who will attend institutions of higher education. Savings for higher education may also be made through the Tuition Account [Investment Program](#) Fund.

The State Treasurer is responsible for the administration and enforcement of the commonwealth's abandoned and [unclaimed property laws](#). Tangible and intangible property that has remained unclaimed for three or more years is reported and remitted to the Treasury Department by holders in possession of the property. The commonwealth maintains perpetual custody of the property until it is claimed by the rightful owner. Revenues generated by collection of unclaimed property are deposited directly to the General Fund.

The Treasury Department administers the [Achieving a Better Life Experience Fund](#) (ABLE), which provides qualifying individuals with disabilities and their families with a tax-free option to save for disability-related expenses while maintaining government benefits.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND		MOTOR LICENSE FUND	
Divestiture Reimbursement		Refunding Liquid Fuels Taxes - State Share (EA)	
\$ 217	—increase in program requirements.	\$ -200	—based on most recent projection of program requirements.
			Refunding Liquid Fuels Taxes - Agriculture (EA)
		\$ 500	—based on most recent projection of program requirements.
			Refunding Liquid Fuels Taxes - Volunteer Services (EA)
		\$ -100	—based on most recent projection of program requirements.

All other appropriations and executive authorizations are recommended at the current year funding levels.

Program: Disbursement, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
General Government Operations	\$ 36,593	\$ 35,715	\$ 35,715	\$ 36,593	\$ 36,593	\$ 36,593	\$ 36,593
Board of Finance and Revenue	2,931	2,877	2,877	2,931	2,931	2,931	2,931
Divestiture Reimbursement ..	40	83	300	300	300	300	300
Information Technology Cyber Security	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Law Enforcement & Emergency Response Personnel Death Benefit	2,980	2,980	2,980	2,980	2,980	2,980	2,980
Transfer to ABLE Fund	1,130	900	900	900	900	900	900
TOTAL GENERAL FUND	\$ 44,674	\$ 43,555	\$ 43,772	\$ 44,704	\$ 44,704	\$ 44,704	\$ 44,704
MOTOR LICENSE FUND:							
Administration Refunding Liquid Fuels Tax	\$ 533	\$ 551	\$ 551	\$ 551	\$ 551	\$ 551	\$ 551
Refunding Liquid Fuels Taxes - State Share (EA)	5,000	5,000	4,800	4,800	4,800	4,800	4,800
Refunding Liquid Fuels Taxes - Agriculture (EA)	4,700	4,500	5,000	5,000	5,000	5,000	5,000
Refunding Liquid Fuels Taxes - Political Subdivisions (EA)	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Refunding Liquid Fuels Taxes - Volunteer Services (EA)	600	800	700	700	700	700	700
Refunding Liquid Fuels Taxes - Snowmobiles & ATVs (EA)	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Refunding Liquid Fuels Taxes - Boat Fund (EA)	12,223	12,300	12,300	12,300	12,300	12,300	12,300
TOTAL MOTOR LICENSE FUND	\$ 29,056	\$ 29,151	$ 29,351	$ 29,351	$ 29,351	$ 29,351	\$ 29,351

Program: Interstate Relations

Goal: To promote interstate cooperation and progress through participation in various associations, commissions and organizations both regionally and nationally.

Pennsylvania promotes interstate cooperation and progress through participation in various associations, commissions and organizations with other states and units of government. As a member of the [Council of State Governments, National Conference of State Legislatures](#) and the [National Governors' Association](#), Pennsylvania helps coordinate ideas on programs, interstate progress, budgets, federal-state relations, education, labor, research, and general information with other states, United States Congress and the federal Executive Branch.

The State and Local Legal Center provides for

Pennsylvania's participation in a center to advance and defend the interests of state and local governments in matters involving federal preemption, state taxing and spending powers, [the Tenth Amendment to the United States Constitution](#) and other issues.

This program also covers Pennsylvania's cost of the [Great Lakes Commission](#) and the [Council of Great Lakes Governors](#). These organizations were established to plan and promote a unified and balanced strategy for the development, use and conservation of Great Lakes Basin water resources.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Intergovernmental Organizations

\$ -16 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND							
Intergovernmental Organizations.....	\$ 1,128	\$ 1,168	\$ 1,152	\$ 1,152	\$ 1,152	\$ 1,152	\$ 1,152

Program: Debt Service

Goal: To provide for interest and principal requirements of notes and bonds issued by the commonwealth and other expenses related to debt service.

The commonwealth, through the [Treasury Department](#), is obligated to meet principal and interest requirements and other expenses related to debt service.

Long-term bonds are issued by the state to finance the cost of public improvements that represent a heavy financial burden which cannot be funded through current revenues. These bond issues provide funds for the acquisition and

development of public recreation and historic sites and facilities; economic revitalization efforts; low-cost loans for water supply and sewage treatment improvements; and a wide variety of construction and renovation projects for hospitals, higher education facilities, state parks, flood control, correctional institutions and various public buildings.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND		MOTOR LICENSE FUND	
Tax Note Expenses (EA)		Capital Debt Transportation Projects	
\$ -338	—reduction in short-term financing costs.	\$ 43	—the net effect on principal and interest requirements.
Interest on Tax Anticipation Notes (EA)		General Obligation Debt Service	
\$ -3,000	—reduction in short-term financing costs.	\$ -193	—the net effect on principal and interest requirements.
Cash Management Loan Interest (EA)		ENVIRONMENTAL STEWARDSHIP FUND	
\$ 1,500	—short-term financing costs.	Debt Service for Growing Greener (EA)	
		\$ 12	—the net effect on principal and interest requirements.
General Obligation Debt Service			
\$ 116,567	—the net effect on principal and interest requirements.		

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Publishing Monthly Statements.....	\$ 10	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
Loan and Transfer Agent	40	40	40	40	40	40	40
Tax Note Expenses (EA).....	-	338	-	-	-	-	-
Interest on Tax Anticipation Notes (EA).....	-	3,000	-	-	-	-	-
Cash Management Loan Interest (EA).....	7,315	-	1,500	1,500	1,500	1,500	1,500
General Obligation Debt Service	1,144,000	1,143,433	1,260,000	1,295,764	1,378,736	1,396,284	1,490,845
TOTAL GENERAL FUND	\$ 1,151,365	\$ 1,146,816	\$ 1,261,545	\$ 1,297,309	\$ 1,380,281	\$ 1,397,829	\$ 1,492,390

Program: Debt Service, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MOTOR LICENSE FUND:							
Capital Debt Transportation Projects	\$ 35,661	\$ 35,736	\$ 35,779	\$ 35,826	\$ 35,873	\$ 35,920	\$ 35,942
General Obligation Debt Service	17,748	18,459	18,266	17,877	11,799	11,593	9,465
Loan and Transfer Agent	40	40	40	40	40	40	40
TOTAL MOTOR LICENSE FUND	\$ 53,449	\$ 54,235	\$ 54,085	\$ 53,743	\$ 47,712	\$ 47,553	\$ 45,447
ENVIRONMENTAL STEWARDSHIP FUND:							
Debt Service for Growing Greener (EA).....	\$ 20,000	\$ 13,777	\$ 13,795	\$ 12,605	\$ 10,826	\$ 10,874	\$ 10,931



DEPARTMENT OF AGING

The mission of the Department of Aging is to promote independence, purpose, and well-being in the lives of older adults through advocacy, service, and protection.

The department facilitates programs, services, and advocacy for older Pennsylvanians and provides a single point of contact through which older Pennsylvanians can address their concerns to state government.

Statewide services are provided through the local Area Agencies on Aging, and include home and community-based services, nutrition, senior employment, transportation, domiciliary care, ombudsman, caregiver support, and protective services. Additionally, the department manages the pharmaceutical assistance program for older Pennsylvanians.

Programs and Goals

Community Services for Older Pennsylvanians: *To enable older Pennsylvanians to maintain active and independent lives in their own homes or alternative community living arrangements.*

Pharmaceutical Assistance: *To assist eligible older Pennsylvanians who experience difficulty meeting the cost of prescription drugs necessary to maintain healthy lives.*

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	ACTUAL	AVAILABLE	BUDGET
GENERAL FUND:			
General Government:			
(F)Programs for the Aging - Title III - Administration.....	\$ 1,781	\$ 1,781	\$ 1,781
(F)Programs for the Aging - Title V - Administration	127	127	127
(F)Medical Assistance - Administration	2,272	888	888
(F)Programs for the Aging - Title VII - Administration	352	352	352
Subtotal.....	<u>\$ 4,532</u>	<u>\$ 3,148</u>	<u>\$ 3,148</u>
Total - General Government.....	<u>\$ 4,532</u>	<u>\$ 3,148</u>	<u>\$ 3,148</u>
Grants and Subsidies:			
(F)Programs for the Aging - Title III.....	\$ 52,000	\$ 52,000	\$ 52,000
(F)COVID-Programs for the Aging - Title III (EA)	30,589	7,137 ^a	-
(F)Programs for the Aging - Nutrition	10,000	10,000	10,000
(F)COVID-Programs for the Aging - Title III - Supportive Services (EA).....	11,896	-	-
(F)Programs for the Aging - Title V - Employment	8,000	8,000	8,000
(F)Programs for the Aging - Title VII - Elder Rights Protection	4,700	7,800	7,800
(F)COVID-Programs for Aging - Title VII - Elder Rights Protect (EA)	888	-	-
(F)Medical Assistance - Attendant Care.....	23,222	69	-
(F)COVID-Medical Assistance - Attendant Care (EA).....	186	10	-
(F)Medical Assistance Support	9,000	9,000	9,000
(F)Medical Assistance Nursing Home Transition Administration	700	700	700
(F)Pre-Admission Assessment.....	4,000	4,000	4,000
(F)Programs for the Aging - Title III - Caregiver Support	10,000	10,000	10,000
(F)COVID-Programs for Aging - Title III - Caregiver Support (EA)	4,326	-	-
(F)Overdose Data to Action (EA)	525	700	700
Subtotal.....	<u>\$ 170,032</u>	<u>\$ 109,416</u>	<u>\$ 102,200</u>
Total - Grants and Subsidies.....	<u>\$ 170,032</u>	<u>\$ 109,416</u>	<u>\$ 102,200</u>
GENERAL FUND TOTAL	<u>\$ 174,564</u>	<u>\$ 112,564</u>	<u>\$ 105,348</u>
LOTTERY FUND:			
General Government:			
General Government Operations	\$ 8,743	\$ 9,966	\$ 10,171
(A)Day Care Licensure.....	8	11	11
(A)Digital Fingerprint Fees	72	69	69
Subtotal.....	<u>\$ 8,823</u>	<u>\$ 10,046</u>	<u>\$ 10,251</u>
Subtotal - State Funds.....	8,743	9,966	10,171
Subtotal - Augmentations.....	80	80	80
Total - General Government.....	<u>\$ 8,823</u>	<u>\$ 10,046</u>	<u>\$ 10,251</u>
Grants and Subsidies:			
PENNCARE.....	\$ 292,857	\$ 285,726	\$ 281,993

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	ACTUAL	AVAILABLE	BUDGET
(A)Attendant Care Patient Fees	312	356	356
(A)Adult Protective Services.....	369	369	369
Subtotal.....	\$ 293,538	\$ 286,451	\$ 282,718
Pre-Admission Assessment	8,750	8,750	8,750
Caregiver Support	12,103	12,103	12,103
Alzheimer's Outreach	250	250	250
Transfer to Pharmaceutical Assistance Fund.....	140,000	155,000	155,000
Grants to Senior Centers	2,000	2,000	2,000
Subtotal - State Funds.....	\$ 455,960	\$ 463,829	\$ 460,096
Subtotal - Augmentations.....	681	725	725
Total - Grants and Subsidies.....	\$ 456,641	\$ 464,554	\$ 460,821
STATE FUNDS.....	\$ 464,703	\$ 473,795	\$ 470,267
AUGMENTATIONS	761	805	805
LOTTERY FUND TOTAL	\$ 465,464	\$ 474,600	\$ 471,072
OTHER FUNDS:			
PHARMACEUTICAL ASSISTANCE FUND:			
PACE Contracted Services (EA)	\$ 9,904 ^b	\$ - ^b	\$ - ^b
(A)Dept of Criminal Justice Claims	775	790	790
Administration of PACE (EA).....	\$ 1,280	\$ 1,311	\$ 1,224
(F)Diabetes Prevention (EA)	\$ -	\$ 115	\$ 60
PHARMACEUTICAL ASSISTANCE FUND TOTAL.....	\$ 11,959	\$ 2,216	\$ 2,074
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	464,703	473,795	470,267
FEDERAL FUNDS.....	174,564	112,564	105,348
AUGMENTATIONS	761	805	805
RESTRICTED	-	-	-
OTHER FUNDS.....	11,959	2,216	2,074
TOTAL ALL FUNDS	\$ 651,987	\$ 589,380	\$ 578,494

^a Includes recommended supplemental executive authorization of \$7,137,000, which represents an estimate of federal grant distributions.

^b The PACE Contracted Services (EA) for 2019-20 Actual is \$149,904,000, 2020-21 Available is \$147,507,000, and 2021-22 Budget is \$137,698,000. Lottery Fund transfer to Pharmaceutical Assistance Fund not added to the total to avoid double counting.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
COMMUNITY SERVICES FOR OLDER PENNSYLVANIANS							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	324,703	318,795	315,267	315,495	315,726	315,958	316,192
FEDERAL FUNDS.....	174,039	111,864	104,648	104,648	104,648	104,648	104,648
AUGMENTATIONS	761	805	805	805	805	805	805
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 499,503	\$ 431,464	\$ 420,720	\$ 420,948	\$ 421,179	\$ 421,411	\$ 421,645
PHARMACEUTICAL ASSISTANCE							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	140,000	155,000	155,000	150,000	145,000	135,000	135,000
FEDERAL FUNDS.....	525	700	700	700	700	700	700
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	11,959	2,216	2,074	2,074	2,074	2,074	2,074
SUBCATEGORY TOTAL....	\$ 152,484	\$ 157,916	\$ 157,774	\$ 152,774	\$ 147,774	\$ 137,774	\$ 137,774
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	464,703	473,795	470,267	465,495	460,726	450,958	451,192
FEDERAL FUNDS.....	174,564	112,564	105,348	105,348	105,348	105,348	105,348
AUGMENTATIONS	761	805	805	805	805	805	805
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	11,959	2,216	2,074	2,074	2,074	2,074	2,074
DEPARTMENT TOTAL	\$ 651,987	\$ 589,380	\$ 578,494	\$ 573,722	\$ 568,953	\$ 559,185	\$ 559,419

Program: Community Services for Older Pennsylvanians

Goal: To enable older Pennsylvanians to maintain active and independent lives in their own homes or alternative community living arrangements.

The commonwealth's commitment to supporting older Pennsylvanians is demonstrated by a continuum of services ranging from independent living with the support of home and community-based services to institutional care. The commonwealth currently has over 3.2 million Pennsylvanians age 60 and older, and over 334,000 who are age 85 and older.

The [Department of Aging](#) has established a network of in-home and community-based services to address the varying needs of older Pennsylvanians. These programs enrich the lives and enable at-risk older Pennsylvanians to delay or avoid institutionalization. The 52 [Area Agencies on Aging](#) (AAAs), serving all 67 counties, provide aging services at the local level. The AAAs inform older Pennsylvanians of available supports, arrange transportation services, provide job placement services and sponsor more than 510 senior centers. The senior centers provide a full range of social, recreational, and educational activities. Congregate meals, served by the centers, provide participating older Pennsylvanians with a nutritionally-balanced meal.

At-risk older Pennsylvanians require more extensive and personalized services to remain in their homes and communities and avoid relocating to an institutional setting such as a nursing facility. The department provides counseling to individuals to apprise them of choices in the continuum of care from community services to nursing facilities. Counseling is also provided to assist individuals

currently residing in nursing facilities to transition to community services when their needs can be safely met in the community. A continuum of services is available based on the functional and financial qualifications of the participant, ranging from home-delivered meals to intensive in-home services for older Pennsylvanians needing the level of care available in institutional settings. Services are designed to provide the least restrictive alternative to meet the individual's need. Persons with higher incomes share in the cost of services.

Additionally, under the [Older Adult Protective Services Act](#), protective services are provided to older Pennsylvanians who are at imminent risk of abuse, neglect, exploitation or abandonment. The department, through the AAAs, investigates reports of need and develops individualized plans to eliminate or mitigate the risks.

Attendant care services are maintained for adults with disabilities transitioning at age 60 from the [Department of Human Services' Long-Term Living program](#). The enhanced level of personal care services is provided until health changes indicate that a change in service level is appropriate.

The department assists families who support older, at-risk individuals in their home through the [Caregiver Support program](#). Working through the AAAs, the program provides benefits counseling and, depending on income, financial assistance, including supplies, services, and home adaptations and devices.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

LOTTERY FUND

General Government Operations

\$ 205 —to continue current program.

PENNCARE

\$ -3,670 —to continue current program.

-63 —reflects transfer to Community HealthChoices.

\$ -3,733 *Appropriation Decrease*

All other appropriations are recommended at the current year funding levels.

Program: Community Services for Older Pennsylvanians, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
LOTTERY FUND:							
General Government Operations	\$ 8,743	\$ 9,966	\$ 10,171	\$ 10,171	\$ 10,171	\$ 10,171	\$ 10,171
PENNCARE	292,857	285,726	281,993	282,221	282,452	282,684	282,918
Pre-Admission Assessment	8,750	8,750	8,750	8,750	8,750	8,750	8,750
Caregiver Support.....	12,103	12,103	12,103	12,103	12,103	12,103	12,103
Alzheimer's Outreach	250	250	250	250	250	250	250
Grants to Senior Centers	2,000	2,000	2,000	2,000	2,000	2,000	2,000
TOTAL LOTTERY FUND.....	\$ 324,703	\$ 318,795	\$ 315,267	\$ 315,495	\$ 315,726	\$ 315,958	\$ 316,192

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Ensure that older Pennsylvanians who are in need of protective or ombudsman services are receiving those services.							
Reports of need	27,740	31,902	33,519	35,950	38,730	41,510	43,585
Percentage of investigative reports of need substantiated	34.2%	33.7%	35.7%	33.4%	33.9%	33.8%	33.0%
Percentage of facility complaints resolved to resident satisfaction by ombudsman	82%	85%	81%	86%	83%	83%	80%
Increase services and support for caregivers in the Caregiver Support Program and develop a tool to better assess caregiver needs across the commonwealth.							
Number of families receiving caregiver support.....	5,189	5,112	5,168	5,250	5,350	5,450	5,559
Ensure the department's services, programs, and supports reach Pennsylvania older adults who need them.							
Number of congregate meals served.....	114,868	111,481	109,372	105,210	102,850	100,500	96,480
Home-delivered meals.....	43,568	47,462	61,543	66,310	69,430	72,540	76,167

Program: Pharmaceutical Assistance

Goal: To assist eligible older Pennsylvanians who experience difficulty meeting the cost of prescription drugs necessary to maintain healthy lives.

The [Pharmaceutical Assistance Contract for the Elderly \(PACE\)](#) program provides a comprehensive pharmacy benefit to qualified older Pennsylvanians who are 65 years of age and older and who face the burden of the cost of drugs required to maintain healthy, productive lives.

The program has two components, PACE and PACE Needs Enhancement Tier (PACENET). The traditional PACE program is for older Pennsylvanians with an annual income at or below \$14,500 for single persons and \$17,700 for married persons. The PACENET program is for older Pennsylvanians with an annual income between \$14,500 and \$27,500 for single persons and between \$17,700 and \$35,500 for married persons.

The PACE/PACENET benefit wraps around federal Medicare Part D and covers Part D deductibles, prescriptions during the coverage gap phase, drugs excluded under Part D, drugs not on a plan’s formulary, and copayment differentials between the Part D plan coverage and the PACE/PACENET copayments.

The department is responsible for ensuring compliance with the program requirements. In addition to careful review of eligibility, including income verification by matching with Pennsylvania income tax returns, the department audits providers to detect and deter fraud and has established both a prospective and a retrospective drug utilization review system to monitor and correct misuse of drug therapies.

The department also serves as the administrative and fiscal agent for other commonwealth-sponsored drug reimbursement programs. It processes and adjudicates claims, conducts cardholder/provider enrollment and

outreach, and collects drug rebates from pharmaceutical manufacturers.

The department encourages providers, prescribing physicians and Medicare Part D partner plans to use more cost-efficient medications to ensure that enrollees have access to less expensive, therapeutic equivalent medications. In September 2019, the PACE Academic Detailing program went state-wide with the aid of a three-year grant from the Centers for Disease Control to provide interactive, evidence-based training for physicians on managing pain without the overuse of opioids.

In addition to the administration of commonwealth-sponsored pharmacy programs, the PACE Program conducts extensive outreach activities to enroll Pennsylvanians into PACE and into other federal and state benefits. This outreach and benefit enrollment support are offered through two points of contact: the PACE Application Center and the Clearinghouse. These centers have experienced outreach specialists who assist adult Pennsylvanians with the cost of prescription drugs by applying them for pharmacy benefits, as well as other public and private health care benefits and social services, such as transportation, housing, and employment.

The PACE Application Center also completes applications for low-income PACE enrollees who are eligible for the federal Medicare Part D Low Income Subsidy, which provides significant savings on enrollee out-of-pocket costs and dramatically reduces the state share of PACE outlays.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

The Transfer to Pharmaceutical Assistance Fund appropriation is recommended at the current year funding level.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
LOTTERY FUND:							
Transfer to Pharmaceutical Assistance Fund	\$ 140,000	\$ 155,000	\$ 155,000	\$ 150,000	\$ 145,000	\$ 135,000	\$ 135,000

Program: Pharmaceutical Assistance, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Ensure that eligible older Pennsylvanians who need help in paying for medications are enrolled in PACE/PACENET.							
Number of older Pennsylvanians enrolled (average) in PACE.....	101,436	92,731	84,418	75,351	70,312	66,057	60,303
Total prescriptions per year - PACE	2,872,800	2,410,326	2,147,594	1,745,129	1,429,657	1,431,215	1,203,338
Number of older Pennsylvanians enrolled (average) in PACENET.....	155,186	152,500	148,588	153,637	154,371	155,218	158,229
Total prescriptions per year - PACENET	4,690,301	4,364,233	4,101,029	3,779,470	3,398,782	3,504,021	3,272,308



DEPARTMENT OF AGRICULTURE

The Pennsylvania Department of Agriculture exists to ensure a vibrant economy, a successful future for Pennsylvania agriculture and to safeguard the public through:

- Targeted investments to grow opportunities and remove barriers.
- Protecting human, animal, environmental and plant health through regulatory oversight.
- Promotion of and education about Pennsylvania's agriculture products and sectors.
- Conserving farmland and natural resources for the prosperity of Pennsylvania.

Pennsylvania's farm families continue to be the stewards of more than 7.3 million acres of farmland. With \$6.8 billion in cash receipts annually from production agriculture, Pennsylvania farmers and agribusinesses are the leading economic drivers in our state.

In addition to production agriculture, the industry also raises revenue and supplies jobs through support services such as food processing, marketing, and transportation farm equipment. In total, production agriculture and agribusiness contribute nearly \$136 billion to Pennsylvania's economy.

Programs and Goals

Protection and Development of Agricultural Industries: *To facilitate agriculture's continued economic vitality and assure the health and safety of consumers, animals and plants while protecting the environment through agricultural stewardship of natural resources.*

Horse Racing Regulation: *To prevent consumer fraud in the racing industry.*

Emergency Food Assistance: *To distribute surplus and donated food through institutions and counties or designated lead agencies to individuals and families who are dependent or disadvantaged to support minimum standards of living and economic independence.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
General Government Operations	\$ 33,731	\$ 33,128	\$ 34,452
Transfer to Dog Law Administration.....	-	1,200	1,500 ^a
(F)Plant Pest Detection System	1,300	1,300	1,300
(F)Poultry Grading Service.....	100	100	100
(F)Medicated Feed Mill Inspection	200	200	200
(F)National School Lunch Administration	1,700	1,700	1,700
(F)Emergency Food Assistance	10,000	11,500	11,500
(F)COVID-Emergency Food Assistance (EA)	9,400	3,255	-
(F)COVID-RF Food Access Initiative	9,810	-	-
(F)COVID-RF Dairy Assistance Program.....	12,618	-	-
(F)Pesticide Control.....	1,000	1,000	1,000
(F)Agricultural Risk Protection.....	1,000	1,000	1,000
(F)Commodity Supplemental Food	3,500	3,500	3,500
(F)Organic Cost Distribution.....	650	650	650
(F)Animal Disease Control	4,000	4,000	4,000
(F)Food Establishment Inspections.....	3,500	4,500	4,500
(F)Integrated Pest Management	250	250	250
(F)Johne's Disease Herd Project	2,000	2,000	2,000
(F)Avian Influenza Surveillance.....	25,000	25,000	25,000
(F)Scrapie Disease Control.....	60	60	60
(F)Foot and Mouth Disease Monitoring.....	150	150	150
(F)Innovative Nutrient and Sediment Reduction	750	750	750
(F)Animal Identification.....	2,000	2,000	2,000
(F)Specialty Crops.....	3,500	3,500	3,500
(F)Emerald Ash Borer Mitigation.....	800	800	800
(F)Farmland Protection	6,000	6,000	6,000
(F)Crop Insurance	2,000	2,000	2,000
(F)Spotted Lanternfly.....	12,000	12,000	12,000
(F)Animal Feed Regulatory Program	2,000	2,000	2,000
(F)Conservation Partnership Farmland Preservation.....	6,500	6,500	6,500
(F)Invasive Plant Suppression (EA)	60	-	60
(F)Food Contamination Investigation (EA).....	283	-	-
(F)Chesapeake Bay Pollution Abatement (EA).....	-	3,848	-
(A)Lime Control Fees	17	10	13
(A)Lime Registration Fees.....	3	4	4

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(A)Commercial Feed Facility Inspections.....	39	40	40
(A)Commercial Feed Inspections.....	681	630	650
(A)Milk Plant Inspections.....	19	20	20
(A)Administrative Services.....	5,374	5,722	5,698
(A)Pesticide Regulation.....	741	700	725
(A)Training Rides and Attractions.....	26	30	25
(A)Apiary Registration and Fees.....	21	15	17
(A)Consumer Fireworks License.....	598	600	600
(A)Taxidermy Permit Registrations.....	93	100	95
(A)Transfer from Fertilizer Account.....	14	14	14
(A)Transfer from Environmental Stewardship Fund.....	370	339	351
(A)Transfer from Education.....	131	100	125
(A)Transfer from Other State Agencies.....	472	360	375
(A)Farm Show Revenue Sponsor.....	2	-	-
(A)Conference Registration Fees.....	3	-	-
(A)Vet Lab Diagnostic Fees.....	609	800	700
(A)Domestic Animal Dealer License.....	78	55	75
(A)Food Site Inspection, License and Registration Fees.....	27	30	25
(A)Certificates of Free Sale.....	170	150	150
Subtotal.....	<u>\$ 165,350</u>	<u>\$ 143,610</u>	<u>\$ 138,174</u>
(R)Dog Law Administration.....	7,601	8,606	8,685
(R)Pesticide Regulation.....	3,365	4,878	5,130
(R)Agriculture Farm Operations.....	512	639	541
(R)Plant Pest Management.....	447	572	574
(R)Agronomic Regulatory Account.....	412	470	462
(R)Fruit and Vegetable Inspection and Grading.....	339	146	143
(R)Cervidae Livestock Operations.....	26	70	70
(R)National School Lunch.....	51	70	60
Agricultural Preparedness and Response.....	4,000	3,000	3,000
(R) Rapid Response Disaster Readiness.....	-	-	-
Agricultural Excellence.....	2,800	2,800	2,800
Agricultural Business and Workforce Investment.....	4,500	4,500	4,500
(R) Agricultural Business Development Center Fund.....	-	-	-
(R) Specialty Crop Block Grant Fund.....	-	-	-
Farmers' Market Food Coupons.....	2,079	2,079	2,079
(F)Farmers' Market Food Coupons.....	3,500	3,500	3,500
(F)Senior Farmers' Market Nutrition.....	2,200	2,200	2,200

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Agricultural Research	2,187	2,187	-
Agricultural Promotion, Education and Exports	553	553	-
Hardwoods Research and Promotion	474	474	-
Subtotal - State Funds.....	\$ 50,324	\$ 49,921	\$ 48,331
Subtotal - Federal Funds.....	127,831	105,263	98,220
Subtotal - Augmentations.....	9,488	9,719	9,702
Subtotal - Restricted Revenues	12,753	15,451	15,665
Total - General Government.....	<u>\$ 200,396</u>	<u>\$ 180,354</u>	<u>\$ 171,918</u>
Grants and Subsidies:			
Livestock and Consumer Health Protection	\$ 1,000	\$ 1,000	\$ -
Animal Health and Diagnostic Commission	2,000	2,000	-
Livestock Show	215	215	-
Open Dairy Show	215	215	-
Youth Shows	169	169	169
State Food Purchase	19,688	19,688	18,188
(F)COVID-RF State Food Purchase Program.....	20,000	-	-
Pennsylvania Agricultural Surplus System	-	-	2,500
Food Marketing and Research	494	494	-
(F)Market Improvement.....	250	250	250
Transfer to Nutrient Management Fund	6,200	6,200	6,200
Transfer to Conservation District Fund	869	869	869
Transfer to Agricultural College Land Scrip Fund	54,960	54,960	54,960
PA Preferred Program Trademark Licensing	3,205	3,205	3,205
University of Pennsylvania - Veterinary Activities	31,660	31,660	31,660
University of Pennsylvania - Center for Infectious Disease	295	295	295
Subtotal - State Funds.....	\$ 120,970	\$ 120,970	\$ 118,046
Subtotal - Federal Funds.....	20,250	250	250
Total - Grants and Subsidies.....	<u>\$ 141,220</u>	<u>\$ 121,220</u>	<u>\$ 118,296</u>
STATE FUNDS.....	\$ 171,294	\$ 170,891	\$ 166,377
FEDERAL FUNDS.....	148,081	105,513	98,470
AUGMENTATIONS	9,488	9,719	9,702
RESTRICTED REVENUES	12,753	15,451	15,665
GENERAL FUND TOTAL	<u>\$ 341,616</u>	<u>\$ 301,574</u>	<u>\$ 290,214</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
<u>MOTOR LICENSE FUND:</u>			
<i>General Government:</i>			
Weights & Measures Administration	\$ 5,228	\$ 5,817	\$ 5,817
<i>Grants and Subsidies:</i>			
Dirt, Gravel and Low Volume Roads	\$ 28,000	\$ 28,000	\$ 28,000
MOTOR LICENSE FUND TOTAL	\$ 33,228	\$ 33,817	\$ 33,817
<u>OTHER FUNDS:</u>			
AGRICULTURAL COLLEGE LAND SCRIP FUND:			
Agricultural Research Programs and Extension Services	\$ -	^f \$ -	^f \$ -
AGRICULTURAL CONSERVATION EASEMENT PURCHASE FUND:			
Purchase of County Easements (EA)	\$ 40,000	\$ 40,000	\$ 40,000
CONSERVATION DISTRICT FUND:			
Conservation District Grants (EA)	\$ 2,905	\$ 2,992	\$ 3,200
ENVIRONMENTAL STEWARDSHIP FUND:			
Transfer to Agricultural Conservation Easement Program (EA)	\$ 12,167	\$ 13,579	^g \$ 14,026
FARM PRODUCTS SHOW FUND:			
General Operations (EA)	\$ 14,042	\$ 9,515	\$ 13,000
NUTRIENT MANAGEMENT FUND:			
Planning, Loans, Grants and Technical Assistance (EA)	\$ 2,912	\$ 2,887	\$ 2,887
Nutrient Management - Administration (EA)	1,409	1,369	1,369
NUTRIENT MANAGEMENT FUND TOTAL	\$ 4,321	\$ 4,256	\$ 4,256
PA RACE HORSE DEVELOPMENT TRUST FUND:			
(R)Animal Health and Diagnostic Commission	\$ 5,350	\$ 5,350	\$ 5,350
(R)Payments to Pennsylvania Fairs	4,000	4,000	4,000
(R)Pennsylvania Veterinary Lab	5,309	5,309	5,309
(R)Transfer to Farm Products Show Fund	5,000	5,000	5,000
PA RACE HORSE DEVELOPMENT TRUST FUND TOTAL	\$ 19,659	\$ 19,659	\$ 19,659
RACING FUND:			
State Racing Commission	\$ 7,796	\$ 7,365	\$ 7,180
Equine Toxicology and Research Laboratory	13,769	13,065	13,251
(A)Reimbursements - Out-of-State Testing	13	55	10
Horse Racing Promotion	2,393	1,711	1,972
(R)Sire Stakes Fund	8,863	9,539	6,411
(R)Breeders' Fund	15,514	10,856	9,440
(R)PA Standardbred Breeders Development Fund	6,339	7,250	2,334
RACING FUND TOTAL	\$ 54,687	\$ 49,841	\$ 40,598

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 171,294	\$ 170,891	\$ 166,377
MOTOR LICENSE FUND	33,228	33,817	33,817
LOTTERY FUND	-	-	-
FEDERAL FUNDS	148,081	105,513	98,470
AUGMENTATIONS	9,488	9,719	9,702
RESTRICTED	12,753	15,451	15,665
OTHER FUNDS	147,781	139,842	134,739
TOTAL ALL FUNDS	\$ 522,625	\$ 475,233	\$ 458,770

a Includes recommended supplemental appropriation of \$1,200,000.

b Includes recommended supplemental executive authorization of \$3,255,000, which represents an estimate of federal grant distributions.

c Transfer from Agricultural Preparedness and Response not added to avoid double counting; 2019-20 Actual is \$4,000,000, 2020-21 Available is \$3,000,000 and 2021-22 Budget is \$3,000,000.

d Transfer from Agricultural Business and Workforce Investment not added to avoid double counting; 2019-20 Actual is \$2,000,000, 2020-21 Available is \$2,000,000 and 2021-22 Budget is \$2,000,000.

e Transfer from Agricultural Business and Workforce Investment not added to avoid double counting; 2019-20 Actual is \$500,000; 2020-21 Available is \$500,000 and 2021-22 Budget is \$500,000.

f Not added to avoid double counting; 2019-20 Actual is \$54,960,000, 2020-21 Available is \$54,960,000 and 2021-22 Budget is \$54,960,000.

g Includes recommended supplemental executive authorization increase of \$2,173,000.

h This budget proposes to eliminate Pennsylvania Race Horse Development Trust Fund restricted racing proceeds. Recommendation reflects appropriation from estimated 2020-21 fiscal year end restricted racing program account balances along with remaining restricted revenue sources.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PROTECTION AND DEVELOPMENT OF AGRICULTURAL INDUSTRIES							
GENERAL FUND.....	\$ 149,527	\$ 149,124	\$ 143,610	\$ 144,224	\$ 144,224	\$ 144,224	\$ 144,224
MOTOR LICENSE FUND...	33,228	33,817	33,817	33,817	33,817	33,817	33,817
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	96,671	78,748	74,960	74,960	74,960	74,960	74,960
AUGMENTATIONS.....	9,488	9,719	9,702	9,716	9,729	9,744	9,758
RESTRICTED.....	12,753	15,451	15,665	15,665	15,665	15,665	15,665
OTHER FUNDS.....	93,094	90,001	94,141	90,895	91,429	92,012	92,602
SUBCATEGORY TOTAL....	\$ 394,761	\$ 376,860	\$ 371,895	\$ 369,277	\$ 369,824	\$ 370,422	\$ 371,026
HORSE RACING REGULATION							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS.....	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	54,687	49,841	40,598	14,151	12,577	12,233	11,921
SUBCATEGORY TOTAL....	\$ 54,687	\$ 49,841	\$ 40,598	\$ 14,151	\$ 12,577	\$ 12,233	\$ 11,921
EMERGENCY FOOD ASSISTANCE							
GENERAL FUND.....	\$ 21,767	\$ 21,767	\$ 22,767	\$ 22,767	\$ 22,767	\$ 22,767	\$ 22,767
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	51,410	26,765	23,510	23,510	23,510	23,510	23,510
AUGMENTATIONS.....	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 73,177	\$ 48,532	\$ 46,277	$ 46,277	$ 46,277	$ 46,277	$ 46,277

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
ALL PROGRAMS:							
GENERAL FUND.....	\$ 171,294	\$ 170,891	\$ 166,377	\$ 166,991	\$ 166,991	\$ 166,991	\$ 166,991
MOTOR LICENSE FUND...	33,228	33,817	33,817	33,817	33,817	33,817	33,817
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	148,081	105,513	98,470	98,470	98,470	98,470	98,470
AUGMENTATIONS	9,488	9,719	9,702	9,716	9,729	9,744	9,758
RESTRICTED	12,753	15,451	15,665	15,665	15,665	15,665	15,665
OTHER FUNDS.....	147,781	139,842	134,739	105,046	104,006	104,245	104,523
DEPARTMENT TOTAL	\$ 522,625	\$ 475,233	\$ 458,770	\$ 429,705	\$ 428,678	\$ 428,932	\$ 429,224

Program: Protection and Development of Agricultural Industries

Goal: To facilitate agriculture's continued economic vitality and assure the health and safety of consumers, animals and plants while protecting the environment through agricultural stewardship of natural resources.

In its strategic plan for the development and protection of agricultural industries, the department identified three public-facing goals. The first, to facilitate agriculture's continued economic vitality, led to new grant programs for constituencies like very small meat processors, the emerging hemp industry, and urban agriculture. The second, to assure the health and safety of consumers, plants, and animals, reflects the department's core regulatory functions in such critical areas as food safety, animal health, amusement ride and fireworks safety, and protecting plants from invasive pests like the [Spotted Lanternfly](#). The third, to assure agricultural stewardship of natural resources, reflects ongoing commitments to the preservation of land and improvements to the quality of soil and water essential to agriculture's continued success.

In recognition of the importance of the need to continue to facilitate agriculture's continued economic vitality and assure the health and safety of consumers, animals, plants, and the environment, and agricultural stewardship of natural resources, Governor Wolf made a bold, aggressive and necessary investment in Pennsylvania agriculture by creating the first-ever [Pennsylvania Farm Bill](#) (PA Farm Bill). The related funding supports the department's efforts to achieve the goals outlined in our core business and strategic plans.

Strong, Accessible and Diverse Agriculture and Food Industry

Even before the [2017 Census of Agriculture data](#) confirmed that Pennsylvania had lost about 10 percent of its farms over the prior five years, it was clear that a concerted effort was needed to help farmers increase market opportunities and expand profitability through diversification; plan for transition to the next generation or a new owner; strengthen the agricultural workforce; and to develop more processing capacity in areas of consumer demand.

Increase Market Opportunities and Transition to More Profitable Enterprises

For years, the department has helped farmers, food processors, and other agribusinesses build awareness of Pennsylvania agricultural products and reach domestic and international markets. The [PA Preferred® program](#) has offered marketing and promotional support for members who grow or process locally produced agricultural products. Funds appropriated to the PA Farm Bill allow additional marketing and advertising going beyond business-to-business connections to reach consumers.

The General Assembly has also appropriated funding for a new PA Specialty Crops grant to supplement federal funding received from the USDA. This program targets certain crops that are not eligible for the federal program, but are either important sectors in Pennsylvania agriculture, such as [hardwoods](#), or appear to offer new market opportunities, such as [industrial hemp](#). Further, the PA Farm Bill included funds to support transition to organic production and processing, given consumer demand for these products and increases over the last few years in the number of farms and acres dedicated to organic production in PA.

Finally, the department continues to partner with the Department of Community and Economic Development to allocate financing for the [Next Generation Farmer Loan Program](#) to certify beginning farmers for the Beginning Farmer Realty Transfer Tax Exemption and to assist farmers and processors with accessing [DCED's affordable financing for small businesses](#).

Plan for Transition

Legislation enacted as the PA Farm Bill created the [Agricultural Business Development Center](#) with funding to build technical assistance capacity and help farmers find technical assistance providers who can help them with their business, financial, marketing, and other planning, including succession planning. Priority is being placed on the roughly 10 percent of farms that are in the [Farmland Preservation Program](#) with easements requiring that the land stay in agricultural production in perpetuity. This included another provision expanding a waiver of realty transfer taxes on sales of preserved farms within a family to also include sales of preserved farms to any beginning farmer.

Strengthen the Agricultural Workforce

Two programs aimed at youth exploring agricultural opportunities and careers were created in the PA Farm Bill, a Farm to School program and a revision to the Agriculture and Rural Youth program, both providing grants for individual projects and both funded at \$500,000.

Develop Additional Processing Capacity

The department's Bureau of Food Safety and Laboratory Services regulates the food processing sector to help ensure the safety of Pennsylvania's food supply. That access to processors gives the department an opportunity to market resources available from the commonwealth.

Program: Protection and Development of Agricultural Industries, continued**Celebrating Agriculture**

The department also supports Pennsylvania's 108 county and community [fairs](#), and it operates the [Pennsylvania Farm Show Complex and Exposition Center](#). The complex hosts the state's three sponsored shows: the annual Pennsylvania Farm Show, the All-American Dairy Show and the Keystone International Livestock Exposition. The department also distributes funding for fair-related activities to 4-H programs in more than 60 counties and FFA chapters in 40 counties.

Protected and Educated Public and Industry

The department works to ensure public safety and protect consumers through its work to safeguard the food supply and the environment; assist low-income consumers with accessing nutritious foods; and assure the integrity of the horse and harness racing industries and weighing and measuring devices.

As part of the department's work to preserve the integrity of Pennsylvania's [food system](#), it inspects more than 45,000 retail food facilities annually, making this information readily [available to the public](#). The number of facilities the department must inspect has grown in recent years as municipalities eliminate local inspection programs, transferring responsibility to the state. The shift in inspection work has driven up the average number of inspections per inspector to well above federal recommendations.

The PA Farm Bill established the PA Rapid Response Disaster Readiness Account to assist the department in acting quickly to respond to an outbreak of foodborne illness, [foreign animal disease](#), or plant disease to limit the scope of any such emergency to the extent possible.

The department also guards against potentially devastating [invasive pests and diseases](#); oversees the sale, use and handling of [pesticides](#); and monitors [seeds](#), [feed](#) and [fertilizer](#) for safety and accurate labeling. Whether inspecting [nurseries](#), surveying for Spotted Lanternfly populations, or regulating the cultivation of hemp, the department is ensuring the health of Pennsylvania's ecology—and, in turn, its people.

The department also verifies the accuracy of [meters and scales](#) and inspects [amusement rides](#). As with the number of food establishments, the number of weighing and measuring devices and attractions considered amusement rides continues to increase while fewer counties and municipalities support inspection programs. The department is working to accommodate this shifting workload by partnering with certified professionals from the private sector to ensure the weights and volumes of products consumers purchase are accurate. In addition, the department has updated and enhanced their use of mobile technology to improve productivity and ensure more devices are inspected according to their compliance schedule.

The department supports a comprehensive research and diagnostic laboratory system to protect against

diseases, provide service to production agriculture operations, and maintain the integrity and safety of the food system. [Pennsylvania Animal Diagnostic Laboratory System](#) (PADLS) and the [Animal Health and Diagnostic Commission](#) work to detect, identify, contain and eradicate livestock and poultry diseases. PADLS includes the Pennsylvania Veterinary Laboratory, which is part of a nationwide network of state and federal laboratories that provide rapid and accurate diagnostic services to clients, maintain a bio-secure environment, and offer state-of-the-art testing methods for surveillance and detection. Important partners include the Pennsylvania State University, as well as the University of Pennsylvania's School of Veterinary Medicine. The department also supports Penn State's Extension program through the Agricultural College Land Scrip Fund to share research with those in the field and the general public.

The department also is responsible for ensuring the welfare of breeding dogs and puppies in commercial breeding kennels. The department regulates activities pertaining to dogs that are classified as dangerous and oversees annual licensure and rabies vaccinations for dogs.

Healthy, Sustainable Natural Resources

Pennsylvania leads the nation in number of farms and number of acres preserved, with totals surpassing 5,600 farms and more than 574,000 acres, respectively. The department works to protect this land and future farms from the threat of development and to keep these operations in production agriculture. Roughly 1,400 farms await preservation.

The department also maintains administrative responsibility for the [State Conservation Commission](#). Under the concurrent authority of the Pennsylvania departments of [Environmental Protection](#) and Agriculture, the commission's primary mission is ensuring stewardship of Pennsylvania's natural resources, protecting and restoring the environment through soil and water conservation practices, working with county conservation districts that assist farmers with meeting nutrient and manure management requirements, and supporting rural communities as they prevent runoff through improved dirt, gravel and low-volume roads.

In the PA Farm Bill, the State Conservation Commission received new and expanded program funding, including an additional \$3 million in [Resource Enhancement and Protection](#) (REAP) tax credits and \$500,000 for interest rate reductions on loans to implement Best Management Practices (BMPs) under the Agri-Link program. The Commission also received \$2.5 million in funding to operate a new Conservation Excellence Grant Program of financial and technical assistance for farmers to implement BMPs in accordance with their farm plan. BMPs offer dual benefits of improved water and soil quality and economic savings by reducing inputs and preserving valuable resources.

Program: Protection and Development of Agricultural Industries, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND			
General Government Operations			Livestock and Consumer Health Protection
\$ 1,324	—to continue current program.	\$ -1,000	—program elimination.
Transfer to Dog Law Administration			Animal Health and Diagnostic Commission
\$ 300	—to supplement insufficient license fee revenues to cover dog law enforcement costs.	\$ -2,000	—program elimination.
Agricultural Research		\$ -215	Livestock Show
\$ -2,187	—program elimination.		—program elimination.
Agricultural Promotion, Education and Exports		\$ -215	Open Dairy Show
\$ -553	—program elimination.		—program elimination.
Hardwoods Research and Promotion		\$ -494	Food Marketing and Research
\$ -474	—program elimination.		—program elimination.

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
GENERAL FUND:							
General Government Operations	\$ 33,731	\$ 33,128	\$ 34,452	\$ 35,066	\$ 35,066	\$ 35,066	\$ 35,066
Transfer to Dog Law Administration	-	1,200	1,500	1,500	1,500	1,500	1,500
Agricultural Preparedness and Response	4,000	3,000	3,000	3,000	3,000	3,000	3,000
Agricultural Excellence	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Agricultural Business and Workforce Investment	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Agricultural Research	2,187	2,187	-	-	-	-	-
Agricultural Promotion, Education and Exports	553	553	-	-	-	-	-
Hardwoods Research and Promotion	474	474	-	-	-	-	-
Livestock and Consumer Health Protection	1,000	1,000	-	-	-	-	-
Animal Health and Diagnostic Commission	2,000	2,000	-	-	-	-	-
Livestock Show	215	215	-	-	-	-	-
Open Dairy Show	215	215	-	-	-	-	-
Youth Shows	169	169	169	169	169	169	169
Food Marketing and Research	494	494	-	-	-	-	-

Program: Protection and Development of Agricultural Industries, continued

Appropriations within this Program, continued

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Transfer to Nutrient Management Fund.....	6,200	6,200	6,200	6,200	6,200	6,200	6,200
Transfer to Conservation District Fund.....	869	869	869	869	869	869	869
Transfer to Agricultural College Land Scrip Fund	54,960	54,960	54,960	54,960	54,960	54,960	54,960
PA Preferred Program Trademark Licensing	3,205	3,205	3,205	3,205	3,205	3,205	3,205
University of Pennsylvania - Veterinary Activities	31,660	31,660	31,660	31,660	31,660	31,660	31,660
University of Pennsylvania - Center for Infectious Disease	295	295	295	295	295	295	295
TOTAL GENERAL FUND	\$ 149,527	\$ 149,124	\$ 143,610	\$ 144,224	\$ 144,224	\$ 144,224	\$ 144,224

MOTOR LICENSE FUND:

Weights & Measures Administration	\$ 5,228	\$ 5,817	\$ 5,817	\$ 5,817	\$ 5,817	\$ 5,817	\$ 5,817
Dirt, Gravel and Low Volume Roads	28,000	28,000	28,000	28,000	28,000	28,000	28,000
TOTAL MOTOR LICENSE FUND	\$ 33,228	$ 33,817	$ 33,817	$ 33,817	$ 33,817	$ 33,817	\$ 33,817

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Decrease threats to animal and human health in Pennsylvania through inspections and laboratory testing.							
Number of tests conducted by the Pennsylvania Animal Diagnostic Lab System (PADLS) to support access to markets (domestic and international) (in thousands)	580	600	620	620	620	621	630
Annual percentage completion of required regulatory inspections conducted by the Bureau of Animal Health and Diagnostic Services.....	N/A	N/A	N/A	N/A	75%	80%	80%
Enforcing all dog-related laws and regulations in order to protect the public's health and safety.							
Percentage of dogs licensed compared to the estimated total dog population in Pennsylvania	N/A	N/A	57%	47%	49%	51%	53%
Reduce foodborne illness threats through more efficient inspections.							
Number of retail food facility inspections conducted annually to prevent foodborne illnesses.....	38,817	39,638	39,728	38,254	34,465	40,040	40,100
Number of retail food safety inspections conducted per food inspector	723	558	560	676	431	700	700

Program: Protection and Development of Agricultural Industries, continued

Program Measures, continued:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Decrease the risk to Pennsylvania consumers when engaging in commercial transactions.							
Number of weights and measures device and system inspections (in thousands)	150	147	147	149	135	155	158
Percentage of weighing and measuring devices inspected within their approved time interval	N/A	N/A	58%	55%	60%	65%	70%
Preserve a minimum of 200 farms annually over the next five years in advance of escalating real estate values.							
Annual number of farm acres protected through meeting the goal of preserving 200 or more farms each year	14,160	17,500	20,000	17,066	14,605	16,000	16,000
Decrease nutrient runoff and conserve Pennsylvania's natural resources through increased opportunities and incentives in addition to Best Management Practices.							
Number of farm acres covered by approved Nutrient Management Plans (in thousands)	474	455	457	457	455	460	465
Assure agricultural stewardship of natural resources.							
Number of Best Management Practices implemented as a result of the Resource Enhancement and Protection program (REAP)	N/A	N/A	N/A	476	725	650	650
Continue to grow Pennsylvania agriculture's international trade program by increasing opportunities for Pennsylvania farmers and agribusinesses to market their products overseas and by encouraging foreign companies to invest in Pennsylvania agriculture.							
Dollar value of Pennsylvania food and agricultural exports, excluding hardwoods (in millions), due to growth in the department's international trade related activities .	\$ 2,200	\$ 2,300	\$ 2,300	\$ 1,882	\$ 1,891	\$ 1,850	\$ 1,900
Decrease threats to plant health in Pennsylvania through survey, inspection and lab testing.							
Percentage of plant industry businesses licensed in compliance with the Spotted Lanternfly Quarantine Order through execution and receipt of a quarantine zone travel compliance permit	N/A	N/A	N/A	13%	14%	15%	20%
Facilitate introduction of industrial hemp as a viable food and fiber crop.							
Number of permits issued to persons wishing to grow hemp	N/A	N/A	N/A	324	522	650	800
Ensure that local municipalities, private sector consultants and service providers in the agricultural community have adequate training and accreditation tools to expand the pool of qualified individuals to support agricultural producers and local municipal officials in meeting environmental protection requirements.							
Number of trained and accredited agricultural consultants, agricultural support service personnel and municipal staff	N/A	N/A	1,093	2,070	1,790	2,100	2,130
Number of training hours provided to accredited agricultural consultants, agricultural support service personnel and municipal staff	N/A	N/A	22,650	19,550	11,200	14,000	14,000

Program: Protection and Development of Agricultural Industries, continued

Program Measures, continued:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Facilitate agriculture's continued economic vitality.							
Number of preserved farms with a transition, succession or business plan	N/A	N/A	N/A	N/A	60	100	100
Percent increase in the number of certified or transitioning to certified organic operations	N/A	N/A	N/A	N/A	3%	3%	3%
Percent increase in the number of people participating as gardeners and/or volunteers in the funded programs.....	N/A	N/A	N/A	N/A	N/A	10%	15%
Broaden workforce development and education opportunities.							
Percent increase in the number of youths benefitting from an Ag and Youth Development grant-funded educational opportunity.....	N/A	N/A	N/A	N/A	N/A	2%	4%
Number of youth events held at the Pennsylvania Farm Show Complex & Expo Center annually	N/A	N/A	N/A	13	14 ^a	3 ^a	20
Capitalize on branding and marketing opportunities.							
Percent increase in the number of members of the Farmer Veterans Coalition Homegrown By Heroes Program who become members of the PA Preferred® Homegrown By Heroes Program as a result of targeted outreach.....	N/A	N/A	N/A	N/A	55%	95%	95%
Dollar value of the economic impact of the Pennsylvania Farm Show Complex & Expo Center (in millions)	N/A	N/A	N/A	\$ 300	\$ 255 ^b	\$ 10 ^b	\$ 150 ^b

^a Activity reduced due to COVID-19 closing of Farm Show Complex.

^b Economic impact for Actual and Estimated Years based on current estimates of impact due to COVID-19.

Program: Horse Racing Regulation

Goal: To prevent consumer fraud in the racing industry.

The department maintains administrative responsibilities for the [State Horse Racing Commission](#) making it responsible for the integrity of horse racing in Pennsylvania. Emphasis is placed on protecting those engaged in equine racing and those who wager on it. The commission supports the [Pennsylvania Equine Toxicology and Research Laboratory](#) (PETRL) to ensure legitimacy of race results with both testing of samples from each race and out-of-competition testing.

This lab performs equine blood and urine testing to ensure that no foreign, performance-enhancing substances have been introduced to race horses which would undermine the integrity and legitimacy of results. PETRL also engages in cutting edge research to identify new substances that could adversely affect the legitimacy of live horse races in Pennsylvania.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

RACING FUND			
State Racing Commission		Horse Racing Promotion	
\$ -185	—to continue current program.	\$ 261	—to continue current program.
Equine Toxicology and Research Laboratory			
\$ 186	—to continue current program.		

This budget proposes to eliminate Pennsylvania Race Horse Development Trust Fund restricted racing proceeds. Recommendations for restricted appropriations reflect estimated fiscal year end restricted racing program balances along with remaining restricted revenue sources.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
RACING FUND:							
State Racing Commission	\$ 7,796	\$ 7,365	\$ 7,180	\$ 7,430	\$ 7,430	\$ 7,430	\$ 7,430
Equine Toxicology and Research Laboratory.....	13,769	13,065	13,251	2,629	1,684	1,343	1,015
Horse Racing Promotion.....	2,393	1,711	1,972	2,392	2,353	2,350	2,366
(R)Sire Stakes Fund	8,863	9,539	6,411	1,395	1,100	1,100	1,100
(R)Breeders' Fund	15,514	10,856	9,440	295	-	-	-
(R)PA Standardbred Breeders Development Fund	6,339	7,250	2,334	-	-	-	-
TOTAL RACING FUND	\$ 54,674	\$ 49,786	\$ 40,588	\$ 14,141	\$ 12,567	\$ 12,223	\$ 11,911

Program: Emergency Food Assistance

Goal: To distribute surplus and donated food through institutions and counties or designated lead agencies to individuals and families who are dependent or disadvantaged to support minimum standards of living and economic independence.

Protecting public health includes ensuring adequate nutrition to low-income consumers at risk of hunger. The department administers federal and state programs that provide more Pennsylvanians with ready [access to healthy and nutritious foods](#). The department works to ensure that the [State Food Purchase Program](#) (SFPP), [The Emergency Food Assistance Program](#) (TEFAP) and the [Farmers Market Nutrition Programs](#) (FMNPs) reach eligible residents and the programs function efficiently and effectively. Since 2015, the department has managed the [Pennsylvania](#)

[Agricultural Surplus System](#) (PASS), an innovative program that connects the state’s farmers and food manufacturers with the charitable food system, focusing on increasing the number of farms contributing food to the system and ensuring that food goes to serve each county of the commonwealth. With more than 1.8 million Pennsylvanians considered food insecure, these programs are vital in helping to move food from the farm to the dinner table.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND		Pennsylvania Agricultural Surplus System	
State Food Purchase			
\$ -1,500	—funding shift to new Pennsylvania Agricultural Surplus System appropriation.	\$ 1,500	—funding shift from State Food Purchase appropriation.
		1,000	—Initiative—to further address food insecurity and increase access to healthy meals.
		<u>2,500</u>	<i>Appropriation increase</i>

The Farmers' Market Food Coupons appropriation is recommended at the current year funding level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Farmers' Market Food Coupons	\$ 2,079	\$ 2,079	\$ 2,079	\$ 2,079	\$ 2,079	\$ 2,079	\$ 2,079
State Food Purchase	19,688	19,688	18,188	18,188	18,188	18,188	18,188
Pennsylvania Agricultural Surplus System	-	-	2,500	2,500	2,500	2,500	2,500
TOTAL GENERAL FUND	<u>\$ 21,767</u>	<u>\$ 21,767</u>	<u>\$ 22,767</u>				

Program: Emergency Food Assistance, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Providing all Pennsylvanians with access to healthy, nutritious food, which will improve their well-being, health and independence.							
Pounds of food distributed annually through the Pennsylvania Agricultural Surplus System (PASS) (in millions).....	2.2	2.7	2.7	2.7	2.3	7.0	3.0
Dollar value of Senior Farmers Market Nutrition Program vouchers redeemed (in millions)	N/A	N/A	N/A	\$ 2.6	\$ 2.5	\$ 2.7	\$ 2.8
Dollar value of Women, Infants, and Children (WIC) Farmers Market Nutrition Program (FMNP) vouchers redeemed (in millions)....	N/A	N/A	N/A	\$ 1.3	\$ 1.2	\$ 1.5	\$ 1.6
Capitalize on branding and marketing opportunities.							
Number of producers from whom product is sourced annually for the Pennsylvania Agricultural Surplus System (PASS).....	N/A	N/A	N/A	127	140	170	175

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DEPARTMENT OF BANKING AND SECURITIES

The [mission](#) of the [Department of Banking and Securities](#) is to regulate financial services and work to ensure consumers and businesses are well-informed about the marketplace.

Programs and Goals

Financial Services Industry Regulation: To preserve and protect the integrity of the financial services marketplace and promote public confidence in the commonwealth's financial services.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
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GENERAL FUND:

General Government:

(R)Securities Operations (EA).....	\$ 10,006	\$ 9,477	\$ 9,477
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OTHER FUNDS:

BANKING FUND:

General Government Operations.....	\$ 24,848	\$ 23,786	\$ 23,786
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Transfer to Institution Resolution Account (EA).....	3,000	3,000	3,000
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BANKING FUND TOTAL.....	\$ 27,848	\$ 26,786	\$ 26,786
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND.....	\$ -	\$ -	\$ -
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MOTOR LICENSE FUND.....	-	-	-
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LOTTERY FUND.....	-	-	-
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FEDERAL FUNDS.....	-	-	-
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AUGMENTATIONS.....	-	-	-
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RESTRICTED.....	10,006	9,477	9,477
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OTHER FUNDS.....	27,848	26,786	26,786
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TOTAL ALL FUNDS.....	\$ 37,854	\$ 36,263	\$ 36,263
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Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
FINANCIAL SERVICES INDUSTRY REGULATION							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	10,006	9,477	9,477	9,477	9,477	9,477	9,477
OTHER FUNDS.....	27,848	26,786	26,786	26,786	26,786	26,786	26,786
SUBCATEGORY TOTAL....	\$ 37,854	\$ 36,263	$ 36,263	$ 36,263	$ 36,263	$ 36,263	$ 36,263
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	10,006	9,477	9,477	9,477	9,477	9,477	9,477
OTHER FUNDS.....	27,848	26,786	26,786	26,786	26,786	26,786	26,786
DEPARTMENT TOTAL	\$ 37,854	\$ 36,263	$ 36,263	$ 36,263	$ 36,263	$ 36,263	$ 36,263

Program: Financial Services Industry Regulation

Goal: To preserve and protect the integrity of the financial services marketplace and promote public confidence in the commonwealth's financial services.

The [Department of Banking and Securities](#) works to preserve and promote public confidence in the commonwealth's financial services industries by ensuring an economically sound and competitive system of depository financial institutions, non-depository financial services institutions and securities entities. The agency seeks to protect consumers in the financial marketplace and investors engaged in securities transactions. The department is funded solely by assessments, fees, licenses, fines and penalties paid by entities under its jurisdiction. It is accredited by the Conference of State Bank Supervisors, the American Association of Residential Mortgage Regulators and the National Association of State Credit Union Supervisors.

The department works to preserve and protect the integrity of the financial services marketplace and promote

public confidence in the commonwealth's financial services through its oversight of:

[Depository institutions](#) such as state-chartered banks, credit unions and independent trust companies;

[Non-depository institutions](#) including residential mortgage lenders, brokers and originators, check cashers, consumer discount companies, auto sales finance companies, pawnbrokers, debt management companies, debt settlement companies and money transmitters; and

[Securities-related](#) business in the state by broker-dealers, broker-dealer agents, investment advisers, investment adviser representatives and investment adviser notice filers.

As of June 30, 2020, the department provided regulation and oversight for the following:

Financial Institutions		Non-Depository Licenses		Securities Industry	
Credit unions	50	Mortgage originators	16,394	Broker-dealer agents	210,292
Banks	74	Installment sellers	2,772	Investment adviser representatives	22,805
Bank and trust companies	39	Mortgage lenders	2,229	Investment adviser and notice filers	3,553
Non-depository trust companies	13	Sales finance companies	1,150	Broker-dealers	1,897
Total Financial Institutions	176	Check cashers	681	Total Securities Industry	238,547
		Mortgage brokers	740		
		Debt management services	139		
		Mortgage discount companies	17		
		Mortgage Servicing Companies	281		
		Other licensees	990		
		Total Non-Depository Licensees	25,393		

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

BANKING FUND

The General Government Operations appropriation is recommended at the current year funding level.

This budget continues the annual \$3,000,000 transfer to the Institutional Resolution Account.

In addition, \$9,477,000 for Securities Operations is provided for securities regulation from the General Fund restricted account.

Program: Financial Services Industry Regulation, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
BANKING FUND:							
General Government Operations	\$ 24,848	\$ 23,786	\$ 23,786	\$ 23,786	\$ 23,786	\$ 23,786	\$ 23,786
Transfer to Institution Resolution Account (EA).....	3,000	3,000	3,000	3,000	3,000	3,000	3,000
TOTAL BANKING FUND	\$ 27,848	\$ 26,786	$ 26,786	$ 26,786	$ 26,786	$ 26,786	$ 26,786

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Complete independent depository examinations in a timely manner.							
Average number of days for turnaround of independent depository institution examinations	29.46	34.96	31.55	30.85	24.80	30.00	30.00
Develop highly skilled workforce.							
Percentage of depository and non-depository examiners with the highest certification available for their level of experience	100.00%	100.00%	90.00%	100.00%	98.27%	90.00%	90.00%
Examine non-depository licensees on a regular basis.							
Percentage of all non-depository licensees examined	22.40%	22.90%	26.00%	24.00%	24.00%	20.00%	20.00%
Examine Securities Investment Adviser registrants on an annual basis.							
Percentage of Securities Investment Adviser registrants examined on an annual basis.....	18.87%	20.26%	16.83%	17.98%	16.77%	20.00%	20.00%
Respond to consumer complaints in a timely and fair manner.							
Average number of days to respond to consumer complaints.....	4.73	5.29	4.23	3.94	3.83	10.00	10.00

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DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

The mission of the Department of Community and Economic Development (DCED) is to encourage the shared prosperity of all Pennsylvanians by supporting good stewardship and sustainable development initiatives across the commonwealth. With a keen eye toward diversity and inclusiveness, the department acts as an advisor and advocate, providing strategic technical assistance, training, and financial resources to help our communities and industries flourish.

Programs and Goals

Job Creation, Workforce Training, Business Growth and Attraction: To stimulate business growth and attraction to create “jobs that pay” and ensure a high-quality workforce through targeted job training.

Pennsylvania Innovation Economy: To provide technical support and access to capital to Pennsylvania’s emerging technology-based companies and entrepreneurial community through strategic partners and networks, while leveraging other sources of capital, including private and federal funds, to increase the competitiveness of Pennsylvania’s entrepreneurial ecosystem and to advance Pennsylvania’s growing technology sector.

Pennsylvania Worldwide: To leverage the state’s overseas network and local partnerships to increase DCED-facilitated export sales, foreign direct investments and global opportunities in targeted markets, ultimately creating and retaining jobs in the commonwealth.

Pennsylvania Happiness: To inspire the investment of time, labor and financial resources in the state by building Pennsylvania’s image as a destination to visit, a place to grow a business, a community to call home and a state to feel proud of thanks to a strong quality of work and life.

Pennsylvania Communities: To provide resources and technical assistance and make impactful investments that enhance the performance and quality of Pennsylvania’s local governments and communities.

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2019-20 2020-21 2021-22
 ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

General Government Operations	\$ 19,509	\$ 19,083	\$ 19,832
(F)DOE - Weatherization Administration	3,800	6,000	6,000
(F)SCDBG - Administration	4,000	4,000	4,000
(F)SCDBG - Disaster Recovery Administration	1,500	1,500	1,500
(F)SCDBG - Neighborhood Stabilization Administration	800	800	800
(F)SCDBG/HUD Special Projects	2,000	2,000	2,000
(F)COVID-CDBG Administration (EA)	1,964	3,781	-
(F)CSBG - Administration	1,607	1,607	1,607
(F)COVID-CSBG Administration (EA)	1,117	1,000	-
(F)LIHEABG - Administration	1,500	1,500	1,500
(F)COVID-LIHEAP Administration (EA)	22	140	-
(F)EMG Solutions Administration	1,000	1,000	1,000
(F)COVID-ESG Administration (EA)	397	1,347	-
(F)Economic Adjustment Assistance	5,000	5,000	5,000
(F)ARC - Technical Assistance	1,000	1,000	1,000
(F)Continuum of Care Planning Grant	2,000	2,000	2,000
(F)Federal Grant Initiatives	4,000	4,000	10,000
(F)ARC Area Development	-	-	6,000
(F)Recovery Housing Administration	-	-	1,000
(A)Commonwealth Financing Authority	3,809	3,750	3,750
(A)Pennsylvania Industrial Development Authority	1,620	1,600	1,600
(A)Pennsylvania Economic Development Financing Authority	672	650	650
(A)Governmental Transfers	3,091	1,385	815
(A)Local Match	42	80	80
(A)Community Development Bank	53	50	50
Subtotal	<u>\$ 60,503</u>	<u>\$ 63,273</u>	<u>\$ 70,184</u>
(R)Small Business Advocate - Utilities	1,795	1,896	1,896
Center for Local Government Services	4,287	4,217	4,217
(A)Reimbursements	165	165	165
Office of Open Records	3,356	3,299	3,299
Office of International Business Development	5,871	5,830	5,830
(F)SBA State Trade and Export Promotion (STEP)	950	1,500	1,500
Marketing to Attract Tourists	17,339	17,826	4,054
(A)Travel Advertisements	178	60	60
(A)Film Tax Credit App	70	50	50
(A)Reimbursements	-	10	10
(R)Marketing to Attract Tourists	2,467	5,000	5,000

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Marketing to Attract Business	2,027	2,016	2,016
(A)Census Outreach.....	4,000	-	-
Base Realignment and Closure	562	556	1,056
Subtotal - State Funds.....	\$ 52,951	\$ 52,827	\$ 40,304
Subtotal - Federal Funds.....	32,657	38,175	44,907
Subtotal - Augmentations.....	13,700	7,800	7,230
Subtotal - Restricted Revenues	4,262	6,896	6,896
Total - General Government.....	<u>\$ 103,570</u>	<u>\$ 105,698</u>	<u>\$ 99,337</u>
Grants and Subsidies:			
Transfer to Municipalities Financial Recovery Revolving Fund	\$ 4,500	\$ 4,500	\$ 4,500
Transfer to Ben Franklin Tech. Development Authority Fund	14,500	14,500	14,500
Intergovernmental Cooperation Authority - 3rd Class Cities	100	100	100
Pennsylvania First	32,000	20,000	12,000
(A)Hospital Emergency Loan Program	190,921	-	-
WEDnetPA	-	-	8,000
Municipal Assistance Program	546	546	546
(F)FEMA Technical Assistance.....	450	450	450
(F)FEMA - Mapping.....	200	-	-
Keystone Communities	21,075	24,225	6,357
(F)Community Services Block Grant.....	50,000	50,000	50,000
(F)COVID-CSBG Program (EA).....	40,216	-	-
(F)LIHEABG - Weatherization Program.....	48,000	48,000	48,000
(F)COVID-LIHEAP Program (EA)	5,078	-	-
(F)DOE - Weatherization.....	19,000	26,000	26,000
(F)SCDBG - Disaster Recovery Grant	56,000	56,000	56,000
(F)SCDBG - Neighborhood Stabilization Program.....	17,000	5,000	5,000
(F)SCDBG Program	6,000	6,000	6,000
(F)COVID-CDBG Program (EA).....	90,440	-	-
(F)EMG Solutions Program.....	12,000	12,000	12,000
(F)COVID-ESG Program (EA).....	38,108	-	-
(F)ARC Construction - RSBA Program	-	6,000	20,000
(F)EDA Power Grant	3,000	3,000	3,000
(F)Recovery Housing Program.....	-	-	5,000
(F)COVID-RF County Block Grant	625,000	-	-
(F)COVID-RF Cultural and Museum Preservation.....	19,674	-	-
(F)COVID-RF Statewide Small Business Assistance	225,000	-	-
(F)COVID-RF Hazard Pay.....	35,841	-	-
(F)COVID-RF Vaccine, Treatment & Therapy Devel for Qualified Biotech.....	10,000	-	-
(F)COVID-RF Mortgage and Rental Assistance	65,448	-	-

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
State Facility Closure Transition Program	-	5,000	-
Partnerships for Regional Economic Performance	9,880	9,880	9,880
Manufacturing PA	12,000	12,000	15,000
Strategic Management Planning Program	2,367 ^a	2,367	2,367
Tourism - Accredited Zoos	800	800	-
Infrastructure Technology Assistance Program	2,000	2,000	-
Super Computer Center	500	500	-
Powdered Metals	100	100	-
Rural Leadership Training	100	100	-
Infrastructure and Facilities Improvement Grants	10,000	10,000	10,000
Public Television Technology	750	750	-
Food Access Initiative	1,000	1,000	-
Local Municipal Relief	14,217	20,450	-
(R)Industrial Sites Environmental Assessment Fund	1,298	10,500	3,000
(R)Industrialized Housing	212	350	350
(R)Unserved High-Speed Broadband	-	5,000	-
Subtotal - State Funds	\$ 126,435	\$ 128,818	\$ 83,250
Subtotal - Federal Funds	1,366,455	212,450	231,450
Subtotal - Augmentations	190,921	-	-
Subtotal - Restricted Revenues	1,510	15,850	3,350
Total - Grants and Subsidies	\$ 1,685,321	\$ 357,118	\$ 318,050
STATE FUNDS	\$ 179,386	\$ 181,645	\$ 123,554
FEDERAL FUNDS	1,399,112	250,625	276,357
AUGMENTATIONS	204,621	7,800	7,230
RESTRICTED REVENUES	5,772	22,746	10,246
GENERAL FUND TOTAL	\$ 1,788,891	\$ 462,816	\$ 417,387
<u>MOTOR LICENSE FUND:</u>			
<i>General Government:</i>			
Appalachian Regional Commission	\$ 500	\$ 500	\$ 500
<u>OTHER FUNDS:</u>			
BEN FRANKLIN TECHNOLOGY DEVELOPMENT AUTHORITY FUND:			
Ben Franklin Technology	\$ 30,000	\$ 35,000	\$ 35,000
HOME INVESTMENT TRUST FUND:			
(F)Affordable Housing Act Administration	\$ 4,000	\$ 4,000	\$ 4,000
INDUSTRIAL SITES CLEANUP FUND:			
Industrial Sites Cleanup - Administration (EA)	\$ 314	\$ 314	\$ 314
Industrial Sites Cleanup - Projects (EA)	6,105	5,300	6,000
INDUSTRIAL SITES CLEANUP FUND TOTAL	\$ 6,419	\$ 5,614	\$ 6,314

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
LOCAL GOVERNMENT CAPITAL PROJECT LOAN FUND:			
Local Government Capital Project Loans (EA)	\$ 1,000	\$ 1,000	\$ 1,000
MACHINERY AND EQUIPMENT LOAN FUND:			
General Operations (EA).....	\$ 778	\$ 778	\$ 778
Machinery and Equipment Loans (EA)	11,000	21,000	11,000
MACHINERY AND EQUIPMENT LOAN FUND TOTAL	\$ 11,778	\$ 21,778	\$ 11,778
MINORITY BUSINESS DEVELOPMENT FUND:			
General Operations (EA).....	\$ 330	\$ 340	\$ 340
Minority Business Development Loans (EA).....	1,000	1,000	1,000
MINORITY BUSINESS DEVELOPMENT FUND TOTAL.....	\$ 1,330	\$ 1,340	\$ 1,340
MUNICIPALITIES FINANCIAL RECOVERY REVOLVING AID FUND:			
Distressed Community Assistance (EA).....	\$ 6,500	\$ 7,350	\$ 7,350
SMALL BUSINESS FIRST FUND:			
Administration (EA)	\$ 658	\$ 1,958	\$ 1,958
Loans (EA)	67,182	13,042	5,042
Community Economic Development Loans (EA)	394	5,000	3,000
SMALL BUSINESS FIRST FUND TOTAL	\$ 68,234	\$ 20,000	\$ 10,000
TOBACCO SETTLEMENT FUND:			
Life Sciences Greenhouses	\$ 3,000	\$ 3,000	\$ 3,000
WORKMEN'S COMPENSATION ADMINISTRATION FUND:			
(R)Small Business Advocate - Workers' Compensation	\$ 280	\$ 280	\$ 280
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 179,386	\$ 181,645	\$ 123,554
MOTOR LICENSE FUND	500	500	500
LOTTERY FUND	-	-	-
FEDERAL FUNDS	1,399,112	250,625	276,357
AUGMENTATIONS	204,621	7,800	7,230
RESTRICTED	5,772	22,746	10,246
OTHER FUNDS	132,541	99,362	80,062
TOTAL ALL FUNDS	\$ 1,921,932	\$ 562,678	\$ 497,949

^a Formerly titled Early Intervention for Distressed Municipalities.

Community and Economic Development

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
JOB CREATION, WORKFORCE TRAINING, BUSINESS GROWTH AND ATTRACTION							
GENERAL FUND.....	\$ 64,865	\$ 57,382	\$ 53,131	\$ 53,562	\$ 53,562	\$ 53,562	\$ 53,562
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,182,512	32,675	39,407	39,407	39,407	39,407	39,407
AUGMENTATIONS	200,208	7,515	6,945	6,945	6,945	6,945	6,945
RESTRICTED.....	3,093	17,396	4,896	4,896	4,896	4,896	4,896
OTHER FUNDS.....	88,041	49,012	29,712	29,712	29,712	29,712	29,712
SUBCATEGORY TOTAL....	\$ 1,538,719	\$ 163,980	\$ 134,091	\$ 134,522	\$ 134,522	\$ 134,522	\$ 134,522
PENNSYLVANIA INNOVATION ECONOMY							
GENERAL FUND.....	\$ 39,730	\$ 39,730	\$ 39,380	\$ 39,380	\$ 39,380	\$ 39,380	\$ 39,380
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	33,000	38,000	38,000	38,000	38,000	38,000	38,000
SUBCATEGORY TOTAL....	\$ 72,730	\$ 77,730	\$ 77,380	$ 77,380	$ 77,380	$ 77,380	$ 77,380
PENNSYLVANIA WORLDWIDE							
GENERAL FUND.....	\$ 5,871	\$ 5,830	\$ 5,830	\$ 5,870	\$ 5,870	\$ 5,870	\$ 5,870
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	950	1,500	1,500	1,500	1,500	1,500	1,500
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 6,821	\$ 7,330	\$ 7,330	\$ 7,370	\$ 7,370	\$ 7,370	\$ 7,370

Community and Economic Development

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PENNSYLVANIA HAPPINESS							
GENERAL FUND.....	\$ 20,166	\$ 20,642	\$ 6,070	\$ 6,095	\$ 6,095	\$ 6,095	\$ 6,095
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	4,248	120	120	120	120	120	120
RESTRICTED	2,467	5,000	5,000	5,000	5,000	5,000	5,000
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 26,881	\$ 25,762	\$ 11,190	\$ 11,215	\$ 11,215	\$ 11,215	\$ 11,215
PENNSYLVANIA COMMUNITIES							
GENERAL FUND.....	\$ 48,754	\$ 58,061	\$ 19,143	\$ 19,243	\$ 19,143	\$ 19,143	\$ 19,143
MOTOR LICENSE FUND ...	500	500	500	500	500	500	500
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	215,650	216,450	235,450	235,450	235,450	235,450	235,450
AUGMENTATIONS	165	165	165	165	165	165	165
RESTRICTED	212	350	350	350	350	350	350
OTHER FUNDS	11,500	12,350	12,350	12,350	12,350	12,350	12,350
SUBCATEGORY TOTAL....	\$ 276,781	\$ 287,876	\$ 267,958	\$ 268,058	\$ 267,958	\$ 267,958	\$ 267,958
ALL PROGRAMS:							
GENERAL FUND.....	\$ 179,386	\$ 181,645	\$ 123,554	\$ 124,150	\$ 124,050	\$ 124,050	\$ 124,050
MOTOR LICENSE FUND ...	500	500	500	500	500	500	500
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	1,399,112	250,625	276,357	276,357	276,357	276,357	276,357
AUGMENTATIONS	204,621	7,800	7,230	7,230	7,230	7,230	7,230
RESTRICTED	5,772	22,746	10,246	10,246	10,246	10,246	10,246
OTHER FUNDS	132,541	99,362	80,062	80,062	80,062	80,062	80,062
DEPARTMENT TOTAL	\$ 1,921,932	\$ 562,678	\$ 497,949	\$ 498,545	\$ 498,445	\$ 498,445	\$ 498,445

Program: Job Creation, Workforce Training, Business Growth and Attraction

Goal: To stimulate business growth and attraction to create “jobs that pay” and ensure a high-quality workforce through targeted job training.

Pennsylvania First (PA First)

[PA First](#) is a comprehensive program that offers grants for job creation and retention, infrastructure projects, and workforce development by providing the commonwealth the flexibility necessary to rapidly respond to companies' needs, increasing investment in the state and enabling Pennsylvania to compete more effectively with other states. [Eligible uses](#) for PA First funding include job training, land and building acquisition and construction, purchase and upgrade of machinery and equipment, construction and rehabilitation of infrastructure, working capital, and environmental assessment and remediation.

[WEDnetPA](#) is Pennsylvania's incumbent worker training program. WEDnetPA provides funding to Pennsylvania companies for essential skills and advanced technology training. WEDnetPA is a job training alliance of 26 partners, which includes nine universities in the Pennsylvania State System of Higher Education, Pennsylvania's community colleges, Pennsylvania College of Technology, North Central PA Regional Planning & Development Commission, and the University of Pittsburgh at Bradford. WEDnetPA alliance partners seek the input of local workforce development boards and key economic development organizations to determine the target industries and training priorities in their regions. Since its inception, this program has trained more than one million Pennsylvania workers, including almost 107,000 in advanced technology skills.

Pennsylvania Business One-Stop Shop (PA BOSS)

The [Pennsylvania Business One-Stop Shop](#) makes it simple for businesses to start and expand in Pennsylvania, by serving as the sole source to guide aspiring entrepreneurs and established businesses through all stages of development, including planning, registering, operating and growing. Services and resources are available through a website, toll-free number and dedicated program office housed in the department. This program is an interagency, collaborative effort involving the Departments of State, Revenue, and Labor and Industry and actively engages DCED's Partnerships for Regional Economic Performance, local governments, state legislators and many other economic development organizations and networks to promote the program's services and resources across the commonwealth.

Pennsylvania Industrial Development Authority (PIDA)

[PIDA](#) provides low-interest loans and lines of credit for a wide range of commonwealth businesses including manufacturing, industrial, health care, agricultural, research and development, hospitality, defense conversion, information technology, construction, day care, retail, and service enterprises as well as for the development of industrial parks and multi-tenant facilities. Eligible costs include real estate acquisitions, construction and renovation projects, machinery and equipment acquisitions, and working capital costs. The interest savings realized through the PIDA program enables the recipient companies to invest the savings back into the business and its workforce to remain competitive.

Infrastructure and Facilities Improvement Program (IFIP)

The [Infrastructure and Facilities Improvement Program](#) awards multi-year grants to debt-issuing authorities for debt service and related costs for economic development projects. Unlike local tax increment financing projects, where incremental tax revenues generated by a project are collected and deposited into a debt service reserve fund for the payment of debt, under this program, annual grants are awarded based on the incremental amount of state personal income tax, sales tax, and hotel occupancy tax generated by the project.

Energy

The Pennsylvania Office of Energy at DCED leverages Pennsylvania's massive stake in global energy to develop “home grown” energy resources and attract energy intensive industries to the state, attracting investments that enhance Pennsylvania's manufacturing base by utilizing energy assets.

Pennsylvania has historically been a leader in coal production and in the last decade has rapidly become a leader in natural gas production. A marked decline in coal-fired electric generation has led to retirements of plants across the commonwealth. These sites have premier access to rivers, roads, rail, utilities, and transmission, which demands a comprehensive statewide effort to market and incentivize these sites for repositioning and redevelopment. Utilizing “Pennsylvania Energy Horizons” to obtain feedback from stakeholders allows the department to refine where Pennsylvania should focus its energy efforts and support the commonwealth's interest in redeveloping decommissioned coal-fired power plants.

Community and Economic Development

Program: Job Creation, Workforce Training, Business Growth and Attraction, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations		WEDnetPA	
\$ 749	—to continue current program.	\$ 8,000	—funding shift from Pennsylvania First appropriation.
Pennsylvania First		State Facility Closure Transition Program	
\$ -8,000	—funding shift to new WEDnetPA appropriation.	\$ -5,000	—nonrecurring costs.

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 19,509	\$ 19,083	\$ 19,832	\$ 20,208	\$ 20,208	\$ 20,208	\$ 20,208
Office of Open Records	3,356	3,299	3,299	3,354	3,354	3,354	3,354
Pennsylvania First	32,000	20,000	12,000	12,000	12,000	12,000	12,000
WEDnetPA.....	-	-	8,000	8,000	8,000	8,000	8,000
State Facility Closure Transition Program ...	-	5,000	-	-	-	-	-
Infrastructure and Facilities Improvement Grants .	10,000	10,000	10,000	10,000	10,000	10,000	10,000
TOTAL GENERAL FUND	\$ 64,865	\$ 57,382	\$ 53,131	\$ 53,562	\$ 53,562	\$ 53,562	\$ 53,562

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated

To stimulate business growth and attraction to create “jobs that pay,” and ensure a high-quality workforce through targeted job training.

Jobs pledged to be created.....	6,801	10,754	5,530	8,005	15,686	16,157	16,641
Jobs pledged to be retained.....	11,182	43,726	23,897	12,828	39,439	40,622	41,841
Private funds leveraged (in thousands)	\$ 606,201	\$ 3,389,397	\$ 572,312	\$ 1,193,335	\$ 4,043,580	\$ 4,164,887	\$ 4,289,834
Businesses assisted .	4,610	4,983	4,820	3,961	3,774	3,887	4,004
Number of trainings to PA workers (WEDnetPA, PREP, LGTP and CSBG)	107,369	136,883	96,243	93,889	86,482	89,076	91,749

Program: Pennsylvania Innovation Economy

Goal: To provide technical support and access to capital to Pennsylvania's emerging technology-based companies and entrepreneurial community through strategic partners and networks, while leveraging other sources of capital, including private and federal funds, to increase the competitiveness of Pennsylvania's entrepreneurial ecosystem and to advance Pennsylvania's growing technology sector.

Ben Franklin Technology Development Authority

The [Ben Franklin Technology Development Authority](#) (BFTDA) ensures that Pennsylvania technology-enabled companies, entrepreneurs, and innovators have the necessary tools to build their businesses. The BFTDA supports the advance of technologies in traditional and emerging industries through a series of programs that are flexible, dynamic, and built to proactively respond to changing markets in key industry sectors.

The BFTDA's current funded programs are:

- Ben Franklin Technology Partners, which are strategically located throughout the commonwealth and are designed to advance the commercialization of new technologies and support company growth; and
- Venture Investment, which provides risk capital to venture partnerships that invest in Pennsylvania-based companies.

The Pennsylvania Life Sciences Greenhouse Initiative

Since 2002, Pennsylvania's three [Life Sciences Greenhouses](#) have been stimulating economic growth and job creation by providing critical capital to university-based researchers, emerging companies, and companies seeking to expand. Investments by the greenhouses are designed to advance the life sciences and stimulate economic growth, focusing on the health and welfare of Pennsylvanians, commercialization of new health care technologies, and creation of high-quality, sustainable jobs.

Partnerships for Regional Economic Performance

[Partnerships for Regional Economic Performance](#) (PREP) supports the coordination and collaboration of over 100 economic development organizations in 10 regions across Pennsylvania. Core partners include the Industrial Development Organizations (IDOs), Local Development

Districts (LDDs), and the Small Business Development Centers (SBDCs). PREP is designed to integrate these networks by encouraging regional coordination of economic development efforts and provide customer service to the business community resulting in a comprehensive, efficient statewide economic development delivery strategy.

PREP partner organizations deliver a wide array of coordinated business development services designed to encourage the creation of new companies and increase the capacity of Pennsylvania businesses to compete successfully in the global economy. Partners also collaborate to provide the necessary infrastructure (broadband, business sites, incubators, etc.) needed to attract, retain, and expand businesses.

[Engage!](#) is a Pennsylvania statewide business retention and expansion program designed to regularly and proactively interact with targeted companies. The overall goal of Engage! is to retain existing businesses in a community and to help them grow and expand by building solid relationships with business owners or key decision makers and economic development partners. Engage! provides grants to identify and target companies, engages those companies through various outreach methods, assesses their needs and assists through referrals and direct technical assistance.

Manufacturing PA

Launched in 2017, [Manufacturing PA](#) is a multi-faceted initiative designed to support Pennsylvania's manufacturing community, with an emphasis on small to medium-sized manufacturers. Manufacturing PA supports Pennsylvania's manufacturing community through the department's strategic partners including Industrial Resource Centers (IRCs), Pennsylvania's colleges, universities, technical schools, and nonprofit organizations that provide critical training and workforce development opportunities.

Community and Economic Development

Program: Pennsylvania Innovation Economy, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	Manufacturing PA				Super Computer Center
\$ 1,500	—Initiative—for competitive grants to PREP organizations to foster partnerships with institutions of higher education.		\$ -500		—program elimination.
1,500	—Initiative—for competitive grants to Industrial Resource Centers for innovative service delivery.		\$ -100		Powdered Metals
	<i>Appropriation Increase</i>				—program elimination.
\$ 3,000			\$ -750		Public Television Technology
	Infrastructure Technology Assistance Program				—program elimination.
\$ -2,000	—program elimination.				

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Transfer to Ben Franklin Tech. Development Authority Fund	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500
Partnerships for Regional Economic Performance	9,880	9,880	9,880	9,880	9,880	9,880	9,880
Manufacturing PA	12,000	12,000	15,000	15,000	15,000	15,000	15,000
Infrastructure Technology Assistance Program..	2,000	2,000	-	-	-	-	-
Super Computer Center	500	500	-	-	-	-	-
Powdered Metals	100	100	-	-	-	-	-
Public Television Technology	750	750	-	-	-	-	-
TOTAL GENERAL FUND	\$ 39,730	\$ 39,730	$ 39,380	$ 39,380	$ 39,380	$ 39,380	\$ 39,380

Community and Economic Development

Program: Pennsylvania Innovation Economy, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
<p>To provide technical support and access to capital to Pennsylvania's emerging technology-based companies and entrepreneurial community through strategic partners and networks, while leveraging other sources of capital, including private and federal funds, to increase the competitiveness of Pennsylvania's entrepreneurial ecosystem and to advance Pennsylvania's growing technology sector.</p>							
Jobs created	2,350	3,068	3,261	3,172	2,602	2,362	2,362
Jobs retained	5,373	13,566	16,837	14,837	16,632	16,773	16,773
New technology companies established.....	130	210	167	157	104	93	93
Businesses assisted .	18,227	15,916	17,215	21,013	29,375	10,253	10,561
Private funds leveraged (in thousands)	\$ 1,948,731	\$ 845,524	\$ 771,786	\$ 863,049	\$ 717,262	\$ 666,661	\$ 666,661

Program: Pennsylvania Worldwide

Goal: To leverage the state's overseas network and local partnerships to increase DCED-facilitated export sales, foreign direct investments and global opportunities in targeted markets, ultimately creating and retaining jobs in the commonwealth.

Office of International Business Development

The [Office of International Business Development](#) (OIBD) is tasked with two main objectives which utilize a network of Authorized International Representatives and local economic development partners. First, OIBD works to attract foreign investments to Pennsylvania. The office informs international companies of Pennsylvania's strengths, including universities and research institutions, diverse industry information, our competitive business environment, skilled workforce and supply chains and other custom site search and research, all which showcase the resources available to enter the market and grow in Pennsylvania.

Second, OIBD works to promote Pennsylvania exports in key international markets. By increasing export capacity and establishing new connections between Pennsylvania companies, universities and partners worldwide, Pennsylvania businesses will continue to become more competitive in the global marketplace. At the same time, Pennsylvania communities will become increasingly successful in competing for international investment projects that support existing and new jobs across the commonwealth.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

The Office of International Business Development appropriation is recommended at the current year funding level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Office of International Business Development.....	\$ 5,871	\$ 5,830	\$ 5,830	\$ 5,870	\$ 5,870	\$ 5,870	\$ 5,870

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Leverage the state's overseas network and local partnerships to increase DCED-facilitated export sales, foreign direct investments and global opportunities in targeted markets, ultimately creating and retaining jobs in the commonwealth.							
Estimated state and local tax revenues generated (in thousands)	\$ 43,360	\$ 55,414	\$ 46,869	\$ 46,616	\$ 42,651	\$ 43,078	\$ 43,508
Amount of export sales facilitated (in thousands)	\$ 613,026	\$ 769,787	\$ 813,962	\$ 650,106	\$ 541,124	\$ 546,535	\$ 552,001
Jobs supported	6,434	9,025	6,649	6,223	7,302	7,375	7,449
Foreign direct investments (FDI): projects completed....	12	20	20	19	16	16	17
Businesses assisted .	1,118	967	1,009	928	707	714	721

Community and Economic Development

Program: Pennsylvania Happiness

Goal: To inspire the investment of time, labor, and financial resources in the state by building Pennsylvania's image as a destination to visit, a place to grow a business, a community to call home, and a state to feel proud of thanks to a strong quality of work and life.

Marketing to Attract Tourists

Tourism is a key industry for Pennsylvania, injecting an estimated \$45 billion annually into the commonwealth's economy and generating close to \$5 billion in tax revenues each year. The [Pennsylvania Tourism Office's](#) marketing activities provide exposure to out-of-state markets for the many small Pennsylvania tourism businesses that lack the resources to advertise beyond their local areas.

[Marketing to Attract Tourists](#) provides funding for a marketing agenda including the popular [visitPA.com](#) website, social media channels, media relations activities, travel guide, and a small targeted paid advertising campaign. The tourism office encourages public-private partnerships within the industry to maximize Pennsylvania's presence on the national and global travel and tourism stage. The tourism office leverages social media communities including [Facebook](#), [Instagram](#), [Twitter](#), [YouTube](#), [Pinterest](#), and others to provide highly customized, personalized, and targeted information directly to travelers, extending the reach of the office's traditional marketing efforts.

Marketing to Attract Business

Attracting and retaining businesses and talent is a priority for any location seeking industry growth and economic stability. The [Pennsylvania Marketing Office](#) encourages business decision makers and individuals to locate or stay in Pennsylvania by promoting the competitive advantages of working and living in Pennsylvania. The office also promotes DCED's many programs for technical assistance, financial resources, and training for businesses, communities, local governments, nonprofits, and residents.

Marketing to Attract Business provides the funding to support the office's marketing initiatives. This includes the [Work Smart. Live Happy](#) microsite and content, [dced.pa.gov](#) and [Business One-Stop Shop](#) websites, proactive media relations, DCED's social media channels (including [LinkedIn](#), [Twitter](#), and [Facebook](#)), limited paid advertising, and targeted events. The office collaborates with local and regional economic development organizations community partners, and workforce development professionals to maximize the reach of collective marketing efforts.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Marketing to Attract Tourists	Tourism - Accredited Zoos
\$ -13,772 —funding reduction.	\$ -800 —program elimination.

The Marketing to Attract Business appropriation is recommended at the current year funding level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Marketing to Attract Tourists	\$ 17,339	\$ 17,826	\$ 4,054	\$ 4,068	\$ 4,068	\$ 4,068	\$ 4,068
Marketing to Attract Business	2,027	2,016	2,016	2,027	2,027	2,027	2,027
Tourism - Accredited Zoos	800	800	-	-	-	-	-
TOTAL GENERAL FUND	\$ 20,166	\$ 20,642	\$ 6,070	\$ 6,095	\$ 6,095	\$ 6,095	\$ 6,095

Community and Economic Development

Program: Pennsylvania Happiness, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
To inspire the investment of time, labor, and financial resources in the state by building Pennsylvania's image as a destination to visit, a place to grow a business, a community to call home, and a state to feel proud of thanks to a strong quality of work and life.							
Number of hotel rooms sold (in thousands)	30,494	31,322	33,181	33,683	33,685	33,853	34,192
Travelers' expenditures (in thousands)	\$ 41,214,000	\$ 42,450,000	\$ 43,723,000	\$ 44,385,000	\$ 44,388,000	\$ 44,610,000	\$ 45,056,000
Tax revenues generated (in thousands)	\$ 4,388,000	\$ 4,520,000	\$ 4,656,000	\$ 4,726,000	\$ 4,726,000	\$ 4,750,000	\$ 4,798,000

Program: Pennsylvania Communities

Goal: To provide resources and technical assistance and make impactful investments that enhance the performance and quality of Pennsylvania's local governments and communities.

Keystone Communities

The [Keystone Communities program](#) is designed to encourage public-private partnerships that support initiatives to grow and improve the stability of neighborhoods and communities, promote social and economic diversity and provide a strong and secure quality of life. The program offers designation opportunities and financial resources to assist communities in achieving revitalization goals and making physical improvements.

The Keystone Communities program offers [four designation types](#) and [several grant types](#). Any community may apply and receive designation or grant funding in whatever order the community deems appropriate depending on its local needs and circumstances. Priority is given to communities administering designated programs. Designation also offers some benefits that may assist a community in non-financial ways, such as providing a roadmap and a process to guide a community's revitalization efforts. These partnerships create more attractive places to live and encourage business, job expansion, and retention in Pennsylvania.

Small Cities Community Development Block Grant

The federal [Small Cities Community Development Block Grant program](#), commonly known as the Community Development Block Grant program, provides financial assistance to:

- Expand low- and moderate-income housing opportunities;
- Enhance economic development and job opportunities for low- and moderate-income individuals;
- Correct deficiencies in water and sewer systems;
- Address blight; and
- Improve streets, streetscapes, recreational facilities and public facilities to strengthen a pro-growth and pro-business environment.

HOME Investment Partnership Program

The [HOME Investment Partnership Program](#) provides municipalities with grant and technical assistance to expand the supply of safe, code compliant, and affordable housing for low- and very low-income Pennsylvanians. The department awards these funds on a [competitive basis](#) to projects which leverage other resources and demonstrate significant community impact.

The program prioritizes funding in the following areas:

- Development of rental housing for low-income households;

- Preservation of existing low-income housing units through rehabilitation of owner-occupied homes;
- Expanding the capacity of certified Community Housing Development Organizations to develop affordable housing; and
- Assistance to low-income homebuyers to acquire newly constructed or existing homes.

Emergency Solutions Grant (ESG) Program

The [ESG program](#) is the first step for self-sufficiency for homeless individuals and families, while also assisting other households in avoiding the causes of homelessness. ESG funds support households and individuals that earn less than 30 percent of median income. DCED awards ESG funds through a competitive application process to eligible entities in the following priority areas:

- Rapid re-housing (services to remove individuals/families from their homeless status quickly and move them into stable permanent housing);
- Homelessness prevention (services to assist individuals/families at risk of becoming homeless);
- Street outreach services;
- Emergency shelters (includes renovations, operational costs and essential services); and
- Homeless Management Information Systems.

Community Services Block Grant

The [Community Services Block Grant](#) (CSBG) aims to reduce poverty in a community or those areas of a community where poverty is a particularly acute problem. There are 43 entities that receive CSBG funds as determined by federal guidelines. Addressing the causes and conditions of poverty requires community engagement activities which remove obstacles that block self-sufficiency, such as employment and training resources; community stakeholder collaboration; literacy activities; affordable housing issues; grassroots activities that provide intervention to the causes of poverty; addressing the needs of youth through programming or coordination; and increased engagement in community planning and improvement activities.

Weatherization Assistance Program

The U.S. Department of Energy's (DOE) Weatherization Assistance Program (WAP) assists low-income families who lack resources to invest in energy efficiency. Funds are used to improve the energy efficiency of low-income homes using the most advanced technologies and testing protocols available in the housing industry.

Program: Pennsylvania Communities, continued

The [Pennsylvania WAP](#), funded by DOE and the Low Income Heating and Energy Assistance Program (LIHEAP), provides direct weatherization and crisis interface heating services through a network of public and non-profit agencies operating in all 67 counties within the commonwealth. Weatherization services primarily involve diagnostic assessment of air leakage, health and safety repairs, electric baseload measures, and client energy education. Crisis interface provides heating solutions to LIHEAP clients' heating emergencies.

Municipal Assistance Program

The [Municipal Assistance Program](#) was created to help local governments plan for and effectively implement a variety of services, improvements, and soundly-managed development. The program provides funding for three groups of activities:

- Shared service activities – regionalization, consolidation or merging of services; shared personnel; high impact projects serving many municipalities or large areas; and boundary change efforts;
- Community planning – comprehensive plans; community revitalization plans; zoning and subdivision ordinances; and Transit Revitalization Investment District (TRID) planning studies; and
- Floodplain management – reimbursements to municipalities for costs incurred in the preparation, enactment, administration and enforcement of floodplain management regulations.

Strategic Management Planning Program

In order to assist municipalities interested in improving their fiscal position, the [Strategic Management Planning Program](#) provides financial assistance to municipal and county governments for the development and implementation of five-year financial management plans and departmental operational overviews. The plans supply both short-term and long-term strategies to promote best management practices and ultimately avert financial distress.

The department's [Center for Local Government Services](#) has developed an approach to identify at-risk municipalities called the [Early Warning System](#). The system looks at multiple financial factors to determine which municipalities may be experiencing fiscal difficulties. This approach, combined with the resources available under the Strategic Management Planning program, provides tools that aid in keeping governments from an Act 47 Municipalities Financial Recovery Program filing.

Municipalities Financial Recovery Program – Act 47

The Center for Local Government Services has a responsibility to assist local governments facing potential financial insolvency. When a [municipality is declared distressed](#) by the department, the [Municipalities Financial Recovery](#) program is used to provide technical assistance in the fields of financial management and public administration, as well as financial assistance through the Distressed Municipalities Revolving Fund. Act 47 also empowers the governor to issue a declaration of fiscal emergency, enabling the department to prepare an emergency action plan and to appoint a receiver to prepare a recovery plan to be confirmed by Commonwealth Court.

Transportation Projects

Funding is transferred annually to the Commonwealth Financing Authority to assist with the implementation of a variety of [transportation projects](#) including: projects that coordinate local land use with transportation assets to enhance existing communities; projects related to streetscape, lighting, sidewalk enhancement, and pedestrian safety; projects that will improve connectivity or the use of existing transportation assets; and projects related to transit-oriented development. Financial assistance provided by the authority is matched by local funding.

Community and Economic Development

Program: Pennsylvania Communities, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND

Base Realignment and Closure		Rural Leadership Training	
\$ 500	—Initiative—to help prevent negative impacts to military communities from base realignment and closures.	\$ -100	—program elimination.
Keystone Communities		Food Access Initiative	
\$ -17,868	—funding reduction.	\$ -1,000	—program elimination.
		Local Municipal Relief	
		\$ -20,450	—program elimination.

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Center for Local Government Services	\$ 4,287	\$ 4,217	\$ 4,217	\$ 4,311	\$ 4,311	\$ 4,311	\$ 4,311
Base Realignment and Closure	562	556	1,056	1,062	1,062	1,062	1,062
Transfer to Municipalities Financial Recovery Revolving Fund	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Intergovernmental Cooperation Authority - 3rd Class Cities	100	100	100	100	-	-	-
Municipal Assistance Program	546	546	546	546	546	546	546
Keystone Communities	21,075	24,225	6,357	6,357	6,357	6,357	6,357
Strategic Management Planning Program	2,367	2,367	2,367	2,367	2,367	2,367	2,367
Rural Leadership Training	100	100	-	-	-	-	-
Food Access Initiative	1,000	1,000	-	-	-	-	-
Local Municipal Relief	14,217	20,450	-	-	-	-	-
TOTAL GENERAL FUND	\$ 48,754	\$ 58,061	\$ 19,143	\$ 19,243	\$ 19,143	\$ 19,143	\$ 19,143
MOTOR LICENSE FUND:							
Appalachian Regional Commission	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500

Community and Economic Development

Program: Pennsylvania Communities, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Provide resources and technical assistance and make impactful investments that enhance the performance and quality of Pennsylvania's local governments and communities.							
Participants in Strategic Management Planning Program	15	24	25	25	28	70	101
Number of designated distressed communities in Act 47.....	21	18	17	16	16	43	62
Keystone Communities projects	23	74	102	147	88	90	150
Municipal Assistance Program: number of local governments assisted	349	298	152	238	240	250	275
Homes weatherized	880	3,485	2,029	2,307	1,366	2,026	2,026

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DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

The mission of the Department of Conservation and Natural Resources is to maintain, improve and preserve state parks; to manage state forest lands to assure their long-term health, sustainability and economic use; to provide information on ecological and geologic resources; and to administer grant and technical assistance programs that will benefit river conservation, trails and greenways, local recreation, regional heritage conservation and environmental education programs across the commonwealth.

Programs and Goals

Parks and Forests Management: *To manage state park and forest lands for their long-term use and enjoyment; provide the resources and expertise to help conserve and protect all the commonwealth's natural resources; and help create and sustain economically vibrant communities through quality recreational resources and investments.*

Conservation and Natural Resources

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	\$ 25,804	\$ 26,717	\$ 28,350
(F)Land and Water Conservation Fund.....	12,000	14,000	14,000
(F)Highlands Conservation Program.....	7,500	7,500	7,500
(F)Regional Conservation Partnership Program	-	1,500	-
(F)Chesapeake Bay Gateway Network	300	600	600
(F)Topographic and Geologic Survey Grants	400	800	700
(F)U.S. Endowment - Healthy Watershed	200	200	200
(F)PA Recreation Trails (EA).....	7,000	7,000	7,500
(A)Key 93 Administrative Costs.....	3,179	2,812	2,812
(A)Environmental Stewardship Administrative Costs.....	495	464	464
(A)Payment for Department Services	34	-	18
(A)Internet Record Imaging System.....	50	80	30
(A)Water Well Drillers.....	45	30	90
Subtotal.....	<u>\$ 57,007</u>	<u>\$ 61,703</u>	<u>\$ 62,264</u>
State Parks Operations	\$ 55,311	\$ 54,326	\$ 57,604
(F)Port Security Grant Program	1,200	1,200	1,200
(F)Coastal Zone Management Special Projects (EA)	150	150	150
(F)Disaster Relief (EA)	8,000	8,000	8,000
(A)State Parks User Fees	24,000	30,500	25,000
(A)Reimbursement for Services	4,312	4,292	3,775
(A)Sale of Vehicles - Parks	51	53	51
Subtotal.....	<u>\$ 93,024</u>	<u>\$ 98,521</u>	<u>\$ 95,780</u>
State Forests Operations	\$ 25,742	\$ 40,635	\$ 44,187
(F)Forest Fire Protection and Control.....	2,000	2,500	2,500
(F)Forestry Incentives and Agriculture Conservation	50	50	50
(F)Forest Management and Processing.....	6,500	4,000	4,000
(F)Great Lakes Restoration.....	1	-	-
(F)Aid to Volunteer Fire Companies.....	850	1,100	1,100
(F)Natural Resource Conservation Service	200	200	200
(F)Forest Insect and Disease Control	4,000	4,000	3,000
(F)National Fish and Wildlife Foundation	1,300	700	500
(F)Wetland Protection Fund	300	300	300
(F)EPA Chesapeake Bay Grant	-	1,500	1,500
(F)USDA Good Neighbor Agreement.....	-	500	500
(F)Cooperative Endangered Species	28	40	40
(F)Wetlands Program Development (EA)	250	250	250

Conservation and Natural Resources

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(F)PA Adoptive Toolbox for Conservation Saturation (EA)	75	75	-
(F)Eradication of Spotted Lanternfly (EA)	200	200	-
(F)Chesapeake Bay Program (EA)	900	1,200	400
(A)Transfer in for Environmental Programs	8,000 ^a	-	-
(A)Timber Sales	12,500	15,603	13,000
(A)Reimbursement - Forest Fires.....	978	1,000	1,000
(A)Reimbursement for Services	636	677	677
(A)Sale of Vehicles - Forests.....	136	100	100
(A)Miscellaneous Tickets and Fines	25	2	25
Subtotal.....	<u>\$ 64,671</u>	<u>\$ 74,632</u>	<u>\$ 73,329</u>
Parks and Forests Infrastructure Projects	\$ 900	\$ 900	\$ -
(R)ATV Management (EA)	3,015	3,709	3,700
(R)Snowmobile Management (EA).....	655	755	625
(R)Forest Regeneration (EA)	3,190	3,800	4,500
(R)Forestry Research.....	185	153	-
Subtotal.....	<u>\$ 7,045</u>	<u>\$ 8,417</u>	<u>\$ 8,825</u>
Subtotal - State Funds.....	<u>\$ 107,757</u>	<u>\$ 122,578</u>	<u>\$ 130,141</u>
Subtotal - Federal Funds.....	<u>53,404</u>	<u>57,565</u>	<u>54,190</u>
Subtotal - Augmentations	<u>54,441</u>	<u>55,613</u>	<u>47,042</u>
Subtotal - Restricted Revenues	<u>7,045</u>	<u>8,417</u>	<u>8,825</u>
Total - General Government.....	<u>\$ 222,647</u>	<u>\$ 244,173</u>	<u>\$ 240,198</u>
Grants and Subsidies:			
Heritage and Other Parks.....	\$ 1,025	\$ 3,852	\$ 2,250
(A)Transfer in for Environmental Programs	3,405 ^a	-	-
Annual Fixed Charges - Flood Lands	70	70	70
Annual Fixed Charges - Project 70	88	88	88
Annual Fixed Charges - Forest Lands	7,808	7,812	7,851
Annual Fixed Charges - Park Lands	430	430	430
(R)Keystone Tree Account	-	100	100
Total - Grants and Subsidies.....	<u>\$ 12,826</u>	<u>\$ 12,352</u>	<u>\$ 10,789</u>
STATE FUNDS	<u>\$ 117,178</u>	<u>\$ 134,830</u>	<u>\$ 140,830</u>
FEDERAL FUNDS	<u>53,404</u>	<u>57,565</u>	<u>54,190</u>
AUGMENTATIONS	<u>57,846</u>	<u>55,613</u>	<u>47,042</u>
RESTRICTED REVENUES	<u>7,045</u>	<u>8,517</u>	<u>8,925</u>
GENERAL FUND TOTAL	<u>\$ 235,473</u>	<u>\$ 234,331</u>	<u>\$ 197,241</u>

Conservation and Natural Resources

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
<u>MOTOR LICENSE FUND:</u>			
General Government:			
Dirt and Gravel Roads	\$ 7,000	\$ 7,000	\$ 7,000
Grants and Subsidies:			
(R)Forestry Bridges - Excise Tax (EA)	\$ 11,000	\$ 13,388	\$ 9,976
STATE FUNDS	\$ 7,000	\$ 7,000	\$ 7,000
RESTRICTED REVENUES	11,000	13,388	9,976
MOTOR LICENSE FUND TOTAL	\$ 18,000	\$ 20,388	\$ 16,976
<u>OTHER FUNDS:</u>			
ENVIRONMENTAL EDUCATION FUND:			
General Operations (EA)	\$ 300	\$ 350	\$ 583
ENVIRONMENTAL STEWARDSHIP FUND:			
Parks & Forest Facility Rehabilitation (EA)	\$ 13,392	\$ 15,262 ^b	\$ 15,515
Community Conservation Grants (EA)	6,120	6,550	7,000
Natural Diversity Conservation Grants (EA)	300	300	325
ENVIRONMENTAL STEWARDSHIP FUND TOTAL	\$ 19,812	\$ 22,112	\$ 22,840
KEYSTONE RECREATION, PARK AND CONSERVATION FUND:			
Parks & Forest Facility Rehabilitation (EA)	\$ 29,347	\$ 29,307 ^c	\$ 29,476
Grants for Local Recreation (EA)	24,456	24,422 ^d	24,563
Grants to Land Trusts (EA)	9,782	9,769 ^e	9,825
KEYSTONE RECREATION, PARK AND CONSERVATION FUND TOTAL	\$ 63,585	\$ 63,498	\$ 63,864
OIL AND GAS LEASE FUND:			
General Government Operations	\$ 37,786	\$ 14,827	\$ 14,790
State Parks Operations	17,706	17,000	20,000
State Forests Operations	14,282	17,000	16,500
Transfer to Marcellus Legacy Fund (EA)	15,000	15,000	15,000
OIL AND GAS LEASE FUND TOTAL	\$ 84,774	\$ 63,827	\$ 66,290
STATE GAMING FUND:			
Payments in Lieu of Taxes (EA)	\$ 5,312	\$ 5,314	\$ 5,340
WILD RESOURCE CONSERVATION FUND:			
General Operations (EA)	\$ 132	\$ 132	\$ 132

Conservation and Natural Resources

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 117,178	\$ 134,830	\$ 140,830
MOTOR LICENSE FUND	18,000	20,388	16,976
LOTTERY FUND	-	-	-
FEDERAL FUNDS	53,404	57,565	54,190
AUGMENTATIONS	57,846	55,613	47,042
RESTRICTED	7,045	8,517	8,925
OTHER FUNDS	<u>173,915</u>	<u>155,233</u>	<u>159,049</u>
TOTAL ALL FUNDS	<u>\$ 427,388</u>	<u>\$ 432,146</u>	<u>\$ 427,012</u>

^a Includes special fund transfers to support agency operations.

^b Includes recommended supplemental executive authorization of \$3,539,000.

^c Includes recommended supplemental executive authorization of \$6,355,000.

^d Includes recommended supplemental executive authorization of \$5,295,000.

^e Includes recommended supplemental executive authorization of \$2,118,000.

Conservation and Natural Resources

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PARKS AND FORESTS MANAGEMENT							
GENERAL FUND.....	\$ 117,178	\$ 134,830	\$ 140,830	\$ 148,338	\$ 151,838	\$ 155,838	\$ 155,838
MOTOR LICENSE FUND...	7,000	7,000	7,000	7,000	7,000	7,000	7,000
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	53,404	57,565	54,190	54,190	54,190	54,190	54,190
AUGMENTATIONS	57,846	55,613	47,042	47,042	47,042	47,042	47,042
RESTRICTED.....	18,045	21,905	18,901	19,107	19,118	19,106	19,066
OTHER FUNDS.....	173,915	155,233	159,049	153,275	148,832	144,982	135,621
SUBCATEGORY TOTAL....	\$ 427,388	\$ 432,146	\$ 427,012	\$ 428,952	\$ 428,020	\$ 428,158	\$ 418,757
ALL PROGRAMS:							
GENERAL FUND.....	\$ 117,178	\$ 134,830	\$ 140,830	\$ 148,338	\$ 151,838	\$ 155,838	\$ 155,838
MOTOR LICENSE FUND...	7,000	7,000	7,000	7,000	7,000	7,000	7,000
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	53,404	57,565	54,190	54,190	54,190	54,190	54,190
AUGMENTATIONS	57,846	55,613	47,042	47,042	47,042	47,042	47,042
RESTRICTED.....	18,045	21,905	18,901	19,107	19,118	19,106	19,066
OTHER FUNDS.....	173,915	155,233	159,049	153,275	148,832	144,982	135,621
DEPARTMENT TOTAL	\$ 427,388	\$ 432,146	\$ 427,012	\$ 428,952	\$ 428,020	\$ 428,158	\$ 418,757

Program: Parks and Forests Management

Goal: To manage state park and forest lands for their long-term use and enjoyment; to provide the resources and expertise to help conserve and protect all the commonwealth's natural resources; and help create and sustain economically vibrant communities through quality recreational resources and investments.

Management of State Park and Forest Lands

The Department of Conservation and Natural Resources (DCNR) manages 2.6 million acres of state parks and state forest land across the commonwealth. State forests are managed for multiple uses, including protection of streams, drinking water, clean air, and conservation of many important plant and animal communities. [State forests](#) offer exceptional opportunities for low-density outdoor recreation, including hunting, fishing, hiking, mountain biking and critical scientific research. Our forestlands support Pennsylvania's \$35 billion forest products industry with a steady supply of forest products. Our 121 [state parks](#) protect many natural, aesthetic, geologic, scenic and historical treasures that make the commonwealth unique and diverse. About 40 million people visit state parks annually to camp, learn about and enjoy nature. Numerous studies reinforce that parks, forests and outdoor recreation provide essential physical and mental health benefits. In addition, these resources support Pennsylvania's \$29.1 billion outdoor recreation industry, which draws out-of-state visitors and tourism dollars to Pennsylvania providing income for local businesses and communities.

The department maintains more than 4,700 structures, thousands of road miles, bridges, dams, treatment plants and other infrastructure within the park and forest systems. DCNR is actively working to [reduce its carbon footprint](#) and save money by incorporating [energy-saving features](#) in existing and new buildings, water-saving measures in landscapes and using recycled building materials. DCNR manages forestlands to limit impacts from development, maintain a balanced and healthy deer population, and incorporate sustainable forestry practices that strengthen the forest's ability to regenerate and combat invasive species outbreaks that threaten ash and hemlock trees.

Stewardship of Natural Resources

DCNR uses adaptive management in its efforts to conserve the state's forests, streams and natural communities. DCNR provides leadership and guidance through technical assistance, ecological and geologic

information and grant funding for research, planning, project development and land acquisition. The department's conservation science programs and [topographic and geologic resources](#), including digital maps, data and geographic information systems, help communities and industry make land use decisions that support sustainable development. Bureau geologists map the surface and subsurface geology and analyze the state's geological resources to disseminate impartial information essential to environmental stewardship, human health and safety, infrastructure development, and economic growth. The department, through its service foresters, provides hands-on assistance to private forest landowners, who own three-quarters of all forestland in the state. The department's goal is to reduce forest fragmentation and loss by conserving additional forest acres and planting additional trees. DCNR is expanding its work to help the Chesapeake Bay and local streams by funding [riparian forest buffer projects](#) across the commonwealth. DCNR is also a trustee under Article 1, Section 27 of the state constitution, and uses this responsibility to ensure the highest level of natural resource conservation for current and future generations of Pennsylvanians.

Improve Communities Through Access to Conservation and Recreation Resources

The [Community Conservation Partnerships Program](#) provides staff-level technical assistance and matching grants for community parks and trails, snowmobile and ATV trails and parks, land conservation, river conservation, forested buffers and rails-to-trails projects. These grants have assisted every Pennsylvania county and reached more than half of the commonwealth's communities.

DCNR also directly supports jobs through its [PA Outdoor Corps](#), with 6-week summer youth corps and 10-month crews made up of older youth gaining on-the-job skills by working outdoors. Projects include building trails and shelters, combatting invasive species, and learning planning and design skills. Promoting conservation as a career creates a pipeline of young people interested in restoration and recreation, helping to diversify and strengthen the next generation of conservation stewards.

Conservation and Natural Resources

Program: Parks and Forests Management, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND:			
General Government Operations		State Forests Operations	
\$ 1,915	—to continue current program.	\$ -3,162	—nonrecurring costs.
-228	—increased utilization of Oil and Gas Lease funds for current operating costs.	3,634	—to continue current program.
		500	—decreased utilization of Oil and Gas Lease funds for current operating costs.
-54	—to reflect change in other revenue.		—to reflect change in other revenue.
<u>\$ 1,633</u>	<i>Appropriation Increase</i>	<u>2,580</u>	<i>Appropriation Increase</i>
		\$ 3,552	
State Parks Operations		Parks and Forests Infrastructure Projects	
\$ -3,667	—nonrecurring costs.	\$ -900	—program elimination.
3,926	—to continue current program.		
6,019	—to reflect change in other revenue.		
-3,000	—increased utilization of Oil and Gas Lease funds for current operating costs.	\$ -1,602	Heritage and Other Parks
<u>\$ 3,278</u>	<i>Appropriation Increase</i>		—funding reduction.
			Annual Fixed Charges - Forest Lands
		\$ 39	—for increased in lieu of tax payments in accordance with Act 85 of 2016.

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 25,804	\$ 26,717	\$ 28,350	\$ 28,779	\$ 28,779	\$ 28,779	\$ 28,779
State Parks Operations...	55,311	54,326	57,604	62,839	64,339	65,339	65,339
State Forests Operations	25,742	40,635	44,187	46,031	48,031	51,031	51,031
Parks and Forests Infrastructure Projects.....	900	900	-	-	-	-	-
Heritage and Other Parks	1,025	3,852	2,250	2,250	2,250	2,250	2,250
Annual Fixed Charges - Flood Lands	70	70	70	70	70	70	70
Annual Fixed Charges - Project 70.....	88	88	88	88	88	88	88
Annual Fixed Charges - Forest Lands	7,808	7,812	7,851	7,851	7,851	7,851	7,851
Annual Fixed Charges - Park Lands.....	430	430	430	430	430	430	430
TOTAL GENERAL FUND	<u>\$ 117,178</u>	<u>\$ 134,830</u>	<u>\$ 140,830</u>	<u>\$ 148,338</u>	<u>\$ 151,838</u>	<u>\$ 155,838</u>	<u>\$ 155,838</u>

Conservation and Natural Resources

Program: Parks and Forests Management, continued

Appropriations within this Program, continued:

	(Dollar Amounts in Thousands)						
	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
MOTOR LICENSE FUND:							
Dirt and Gravel Roads	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000

Program Measures:

	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated	2021-22 Estimated
Benefit communities and citizens through investments in conservation and recreation.							
Land conservation through acquisition and easement (acres) - includes additions to parks, forests, and grants to communities	5,636	6,181	6,132	9,620	5,860	8,000	8,000
Number of miles of trail improved/constructed in communities, state parks, and state forests	N/A	N/A	N/A	N/A	36	40	40
Total Community Grant Funding (in millions) .	N/A	N/A	N/A	\$ 43.6	\$ 48.6	\$ 55.8	\$ 50.0
Promote responsible stewardship of the commonwealth's natural resources							
Number of youth trained and employed through the Pennsylvania Outdoor Corps.....	62	195	226	220	65	250	250
Enhance the stewardship and management of state parks and forests, operating effectively and efficiently.							
Annual State Park Visitors (in millions)	40.5	40.2	38.3	37.1	40.7	41.7	42
Green energy savings.....	N/A	N/A	N/A	\$ 40,622	\$ 52,131	\$ 62,083	\$ 524,158

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DEPARTMENT OF CRIMINAL JUSTICE

The mission of the Department of Criminal Justice is to reduce recidivism and promote public safety by providing individualized treatment and education to offenders, utilizing sound decision making practices that include evidence-based approaches, employing effective methods to aid offenders in reentering society, addressing the needs of crime victims and improving county adult probation and parole services.

The department maintains a state system for the custody and rehabilitation of individuals sentenced to incarceration. Included within this system are residential programs to provide supervision, counseling and treatment, enabling them to satisfactorily adjust to society. The department further supervises persons on parole, helping them to continue to reintegrate within society. The Pennsylvania Board of Probation and Parole ensures citizen safety through careful selection of individuals to be paroled. The Office of Victim Advocate administers the victim service programs by representing rights and interests of crime victims. The Sexual Offenders Assessment Board is responsible for the review of registration of sexual offenders and conducting assessments of convicted sex offenders.

Programs and Goals

Incarcerated Individuals: *To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.*

Reentry Into Communities: *To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>Institutional:</i>			
Medical Care.....	\$ 308,710	\$ 236,486	\$ 331,486
(F)COVID-RF Medical Care	-	99,000	-
(F)SORNA Notifications (EA)	60	100	99
(F)PA State Opioid Response (EA).....	5,200	4,200	4,200
(F)Electronic Health Record Integration (EA).....	90	-	-
(A)AIDS SPBP Rebates	17,500	-	-
(A)Medical Reimbursements	390	424	424
Subtotal.....	<u>\$ 331,950</u>	<u>\$ 340,210</u>	<u>\$ 336,209</u>
Correctional Education and Training.....	42,601	41,621	42,597
(F)Correctional Education	750	850	850
(F)Improving Reentry Education	324	-	-
Subtotal.....	<u>\$ 43,675</u>	<u>\$ 42,471</u>	<u>\$ 43,447</u>
State Correctional Institutions	2,043,718	1,130,038	2,083,044
(F)COVID-RF State Correctional Institutions	-	1,098,534	-
(F)Reimbursement for Incarcerated Aliens	3,800	4,992	5,000
(F)Naloxone Reentry Tracking Program	947	947	915
(F)Criminal Justice and Mental Health Collaboration	106	41	33
(F)Second Chance Act.....	-	681	-
(F)SABG - Drug and Alcohol Programs (EA)	1,965	1,965	1,965
(F)Residential Substance Abuse Treatment Program (EA)	502	218	465
(F)COVID-Emergency Supplemental Funding (EA).....	-	3,895	-
(A)Reimbursements from Other Jurisdictions	13,335	4,335	335
(A)Institutional Reimbursements	344	339	339
(A)Community Service Centers.....	150	150	150
(A)Social Security.....	163	163	163
(A)Miscellaneous.....	39	39	39
(R)Rockview Farm Program (EA).....	211	247	250
Subtotal.....	<u>\$ 2,065,280</u>	<u>\$ 2,246,584</u>	<u>\$ 2,092,698</u>
Subtotal - State Funds.....	\$ 2,395,029	\$ 1,408,145	\$ 2,457,127
Subtotal - Federal Funds.....	13,744	1,215,423	13,527
Subtotal - Augmentations.....	31,921	5,450	1,450
Subtotal - Restricted Revenues	211	247	250
Total - Institutional	<u>\$ 2,440,905</u>	<u>\$ 2,629,265</u>	<u>\$ 2,472,354</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
General Government:			
General Government Operations	\$ 45,035	\$ 44,268	\$ 41,493
(A)County Training	149	160	160
(A)Miscellaneous.....	-	4	4
Subtotal.....	<u>\$ 45,184</u>	<u>\$ 44,432</u>	<u>\$ 41,657</u>
(R)Firearms Education and Training Commission	378	185	- ^a
State Field Supervision	140,602	141,527	144,356
(F)Smart Supervision	441	720	225
(F)Swift Certain and Fair	505	488	384
(A)State Parole Supervision Fees	4,157	4,157	4,157
(A)Interstate Supervision Fees.....	92	90	90
Subtotal.....	<u>\$ 145,797</u>	<u>\$ 146,982</u>	<u>\$ 149,212</u>
Pennsylvania Parole Board	12,104	11,859	12,121
Office of Victim Advocate	-	-	2,775
(F)OVA Victim Voices Post Conviction (EA)	465	416	-
(F)OVA Trauma Informed Retrofitting and Juvenile Justice (EA)	450	544	100
(F)OVA Dialogue Program (EA)	123	124	27
(F)OVA Technological Upgrades and Training (EA)	110	110	54
(F)OVA Post Conviction Victims Rights and Services (EA)	-	360 ^b	486
(F)OVA Sex Offender Registration and Notification (EA).....	43	-	-
(F)OVA STOP Grant Training & Technical Assistance (EA)	70	70	20
(F)OVA Victim Notification (EA)	95	-	-
Subtotal.....	<u>\$ 1,356</u>	<u>\$ 1,624</u>	<u>\$ 3,462</u>
Sexual Offenders Assessment Board	6,691	6,582	6,582
Subtotal - State Funds.....	<u>\$ 204,432</u>	<u>\$ 204,236</u>	<u>\$ 207,327</u>
Subtotal - Federal Funds.....	2,302	2,832	1,296
Subtotal - Augmentations.....	4,398	4,411	4,411
Subtotal - Restricted Revenues	<u>378</u>	<u>185</u>	<u>-</u>
Total - General Government.....	<u>\$ 211,510</u>	<u>\$ 211,664</u>	<u>\$ 213,034</u>
Grants and Subsidies:			
Improvement of Adult Probation Services	\$ 16,222	\$ -^c	\$ -

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(R)County Parole Supervision Fees.....	18,983	19,000	19,000
Subtotal - State Funds.....	\$ 16,222	\$ -	\$ -
Subtotal - Restricted Revenues	18,983	19,000	19,000
Total - Grants and Subsidies.....	\$ 35,205	\$ 19,000	\$ 19,000
STATE FUNDS.....	\$ 2,615,683	\$ 1,612,381	\$ 2,664,454
FEDERAL FUNDS.....	16,046	1,218,255	14,823
AUGMENTATIONS	36,319	9,861	5,861
RESTRICTED REVENUES	19,572	19,432	19,250
GENERAL FUND TOTAL	\$ 2,687,620	\$ 2,859,929	\$ 2,704,388
OTHER FUNDS:			
MANUFACTURING FUND:			
General Operations (EA).....	\$ 94,800	\$ 94,333	\$ 97,111
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 2,615,683	\$ 1,612,381	\$ 2,664,454
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS.....	16,046	1,218,255	14,823
AUGMENTATIONS	36,319	9,861	5,861
RESTRICTED	19,572	19,432	19,250
OTHER FUNDS	94,800	94,333	97,111
TOTAL ALL FUNDS	\$ 2,782,420	\$ 2,954,262	\$ 2,801,499

^a Program moved to the Pennsylvania Commission on Crime and Delinquency from the Department of Criminal Justice in December 2020 by Act 115 of 2019.

^b Includes recommended supplemental executive authorization of \$360,000.

^c Program moved to the Pennsylvania Commission on Crime and Delinquency from the Department of Criminal Justice by Act 114 of 2019.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
INCARCERATED INDIVIDUALS							
GENERAL FUND.....	\$ 2,440,064	\$ 1,452,413	\$ 2,498,620	\$ 2,400,104	\$ 2,400,051	\$ 2,399,999	\$ 2,406,685
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	14,134	1,215,867	13,528	13,528	13,528	13,528	13,528
AUGMENTATIONS	32,070	5,614	1,614	1,614	1,614	1,614	1,614
RESTRICTED.....	211	247	250	250	250	250	250
OTHER FUNDS.....	94,800	94,333	97,111	97,553	97,553	97,553	97,553
SUBCATEGORY TOTAL....	\$ 2,581,279	\$ 2,768,474	\$ 2,611,123	\$ 2,513,049	\$ 2,512,996	\$ 2,512,944	\$ 2,519,630
REENTRY INTO COMMUNITIES							
GENERAL FUND.....	\$ 175,619	\$ 159,968	\$ 165,834	\$ 171,232	\$ 171,232	\$ 171,232	\$ 171,232
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,912	2,388	1,295	1,295	1,295	1,295	1,295
AUGMENTATIONS	4,249	4,247	4,247	4,247	4,247	4,247	4,247
RESTRICTED.....	19,361	19,185	19,000	19,000	19,000	19,000	19,000
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 201,141	\$ 185,788	\$ 190,376	\$ 195,774	\$ 195,774	\$ 195,774	\$ 195,774
ALL PROGRAMS:							
GENERAL FUND.....	\$ 2,615,683	\$ 1,612,381	\$ 2,664,454	\$ 2,571,336	\$ 2,571,283	\$ 2,571,231	\$ 2,577,917
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	16,046	1,218,255	14,823	14,823	14,823	14,823	14,823
AUGMENTATIONS	36,319	9,861	5,861	5,861	5,861	5,861	5,861
RESTRICTED.....	19,572	19,432	19,250	19,250	19,250	19,250	19,250
OTHER FUNDS.....	94,800	94,333	97,111	97,553	97,553	97,553	97,553
DEPARTMENT TOTAL	\$ 2,782,420	\$ 2,954,262	\$ 2,801,499	\$ 2,708,823	\$ 2,708,770	\$ 2,708,718	\$ 2,715,404

Program: Incarcerated Individuals

Goal: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

The department protects the public by confining individuals in [state correctional institutions](#) for the period of time specified by the courts and the Parole Board. The department is charged with maintaining safe and humane institutions while providing opportunities to the prison population for growth and change. Given that 90 percent of individuals incarcerated in the commonwealth's state correctional institutions will eventually be released into the community, the department emphasizes programs that prepare them for responsible, crime free community living. These reentry programs include [drug and alcohol treatment programs](#), [educational/vocational programs](#), and [reentry and transitional services](#). The department performs and promotes rigorous [statistics and evaluations](#) on the institutional and reentry programs and processes to ensure data-driven decisions are made when allocating resources to reduce recidivism.

Institutional Operations

In addition to protecting the public, the department emphasizes the safety and security of its staff, volunteers, incarcerated persons, and visitors to institutions. All individuals undergo a diagnostic and classification process to determine the appropriate security classification, medical needs, and programs needed for reentry into society. Two of the largest support services needed to operate the institutions are food service and facility maintenance. Staff and incarcerated individuals perform most of these functions, giving people an opportunity to learn a trade, while constructively occupying their time. Another large support service is health care provided by a combination of staff and contractors. Renal dialysis, geriatric services, infectious care treatment, and other necessary services are offered. Mental health services are also provided, including special needs units in most institutions and licensed mental health units in six institutions.

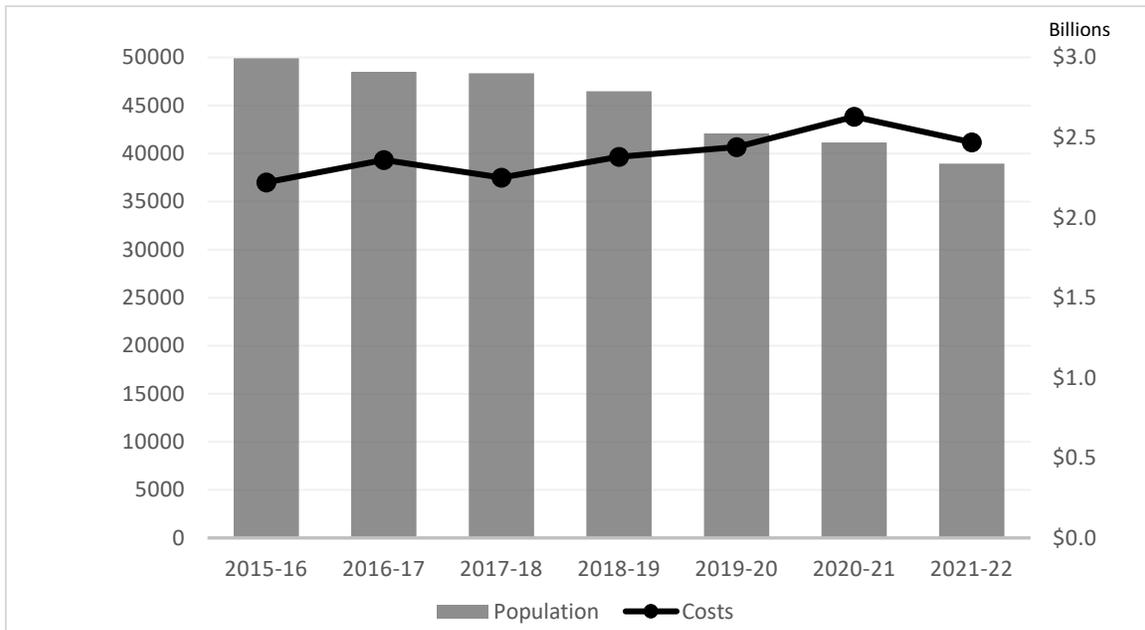
Individual Programs and Reentry

The department provides programming which will enable individuals to leave prison better prepared to adjust to life in the community. In order to increase public safety, secure parole violator centers are used for certain reentrants. These centers provide the means to reduce the number of technical parole violators returned to a state correctional institution yet maintain a secure environment for parolees assigned to the centers. Preparation for reentry begins when an individual enters the department's diagnostic and classification center. The center conducts a comprehensive assessment of the individual's risk or probability of reoffending. This assessment data is used to develop a meaningful correctional plan which details the recommended treatment and education programs for each individual and sets expectations for behavior and work performance throughout incarceration. [Prosocial connections](#) are also important to the reentrant and the department. Another treatment option is the [State Drug Treatment Program](#) where eligible individuals, including those with less serious offenses, participate in structured alcohol and drug treatment programs while in an institution, followed by treatment in the community. Employment in institutional jobs and [correctional industries](#) provide individuals with the opportunity to learn responsibility as well as work habits and skills that can be used to find employment after release.

Community Corrections

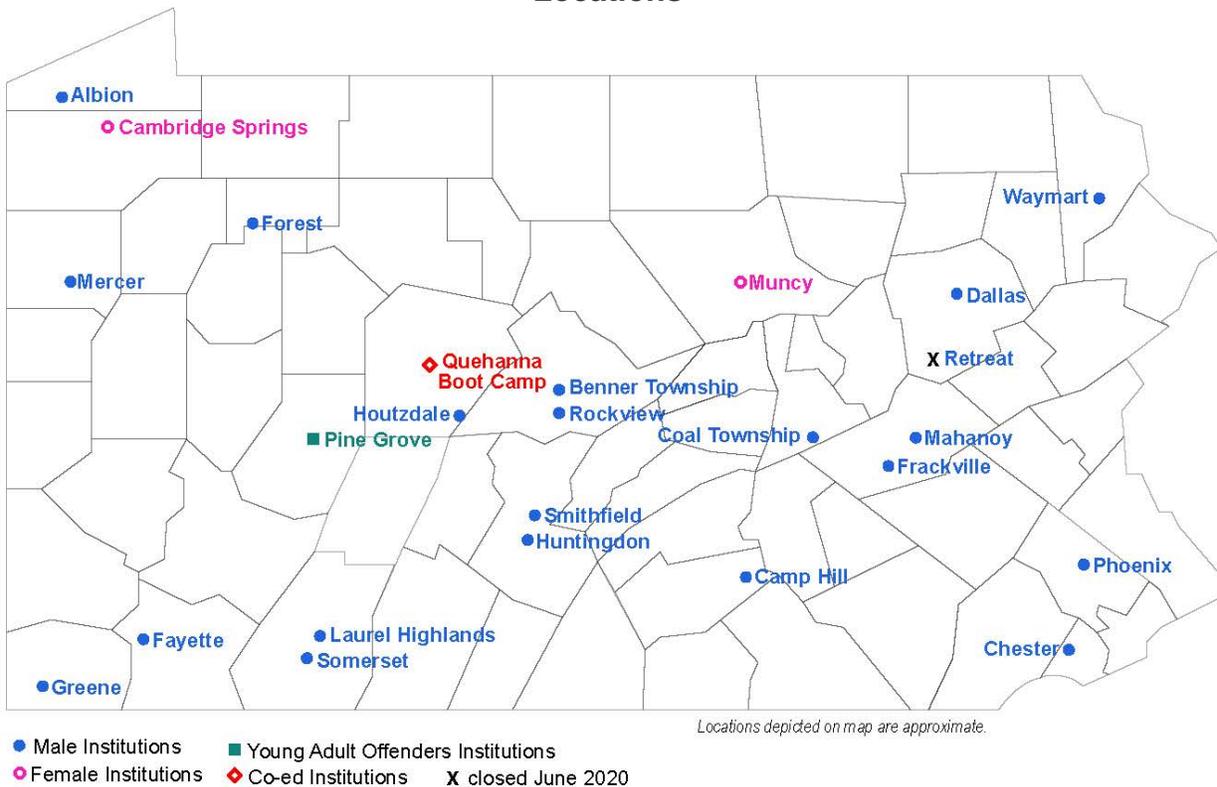
The last step in reentry treatment is [community corrections](#). Community corrections centers permit highly screened individuals, who meet established criteria, to live in housing in the community. At these centers, reentrants receive 24-hour supervision and can utilize counseling services while working or attending school. The centers also offer alcohol and drug treatment services, employment assistance, specialized counseling for hard-to-place individuals, and other services.

State Correctional Institutions Population and Operating Costs



The cost of operating the state correctional institution system is estimated to increase from \$2.22 billion in 2015-16 to \$2.47 billion in 2021-22, an average annual increase of less than two percent. Since June 2016, the population has declined from 49,913 to a projected 38,953 based on legislative changes and recidivism reduction initiatives.

Locations



Program: Incarcerated Individuals, continued

Population by Institution	Population		Estimated	Estimated
	Institutions	June 2019	June 2020	June 2021	June 2022
Albion	2,225	2,199	2,153	2,035
Benner Township.....	1,983	2,019	1,976	1,868
Cambridge Springs.....	1,230	1,046	1,024	968
Camp Hill	3,386	1,993	1,951	1,844
Chester	1,117	978	957	905
Coal Township	2,153	2,120	2,075	1,962
Dallas.....	2,088	2,138	2,093	1,979
Fayette	2,067	2,006	1,964	1,856
Forest	2,149	2,390	2,340	2,212
Frackville	1,183	1,208	1,183	1,118
Graterford/Phoenix	2,920	2,745	2,686	2,539
Greene.....	1,728	1,747	1,710	1,617
Houtzdale	2,440	2,441	2,390	2,259
Huntingdon	2,031	1,856	1,817	1,718
Laurel Highlands	1,536	1,240	1,214	1,148
Mahanoy	2,315	2,323	2,274	2,150
Mercer.....	1,370	1,352	1,324	1,251
Muncy	1,380	1,133	1,109	1,048
Pine Grove.....	995	1,048	1,026	970
Quehanna Boot Camp	555	465	455	430
Retreat	1,093	-	-	-
Rockview	2,271	1,963	1,922	1,817
Smithfield	1,346	1,350	1,322	1,249
Somerset	2,297	2,298	2,250	2,127
Waymart.....	1,470	1,165	1,140	1,078
Community Centers.....	835	873	800	800
Other Jurisdictions.....	319	5	5	5
Total	46,482	42,101	41,160	38,953

Other jurisdictions capacity includes contract county jail beds and federal beds. Estimated population reflects current trends and proposed Justice Reinvestment Phase II legislation.

Program: Incarcerated Individuals, continued

Expenditures by Institution: (Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Budget		2019-20 Actual	2020-21 Available	2021-22 Budget
Albion				Graterford/Phoenix			
State Funds.....	\$ 87,436	\$ 50,082	\$ 86,761	State Funds	\$ 166,678	\$ 91,678	\$ 168,320
Federal Funds	23	47,234	-	Federal Funds.....	-	89,491	-
Augmentations	30	38	38	Augmentations.....	62	68	68
TOTAL	\$ 87,489	\$ 97,354	\$ 86,799	TOTAL.....	\$ 166,740	\$ 181,237	\$ 168,388
Benner Township				Greene			
State Funds.....	\$ 83,468	\$ 46,466	\$ 83,067	State Funds	\$ 106,016	\$ 56,013	\$ 106,133
Federal Funds	-	45,097	-	Federal Funds.....	-	60,383	-
Augmentations	41	44	44	Augmentations.....	18	24	24
TOTAL	\$ 83,509	\$ 91,607	\$ 83,111	TOTAL.....	\$ 106,034	\$ 116,420	\$ 106,157
Cambridge Springs				Houtzdale			
State Funds.....	\$ 56,354	\$ 32,474	\$ 55,990	State Funds	\$ 88,674	\$ 52,118	\$ 89,152
Federal Funds	1	28,924	24	Federal Funds.....	14	48,194	24
Augmentations	34	33	33	Augmentations.....	31	32	32
TOTAL	\$ 56,389	\$ 61,431	\$ 56,047	TOTAL.....	\$ 88,719	\$ 100,344	\$ 89,208
Camp Hill				Huntingdon			
State Funds.....	\$ 144,301	\$ 80,452	\$ 146,870	State Funds	\$ 95,919	\$ 51,097	\$ 94,150
Federal Funds	15	76,570	25	Federal Funds.....	-	52,369	-
Augmentations	54	49	49	Augmentations.....	32	34	34
TOTAL	\$ 144,370	\$ 157,071	\$ 146,944	TOTAL.....	\$ 95,951	\$ 103,500	\$ 94,184
Chester				Laurel Highlands			
State Funds.....	\$ 62,585	\$ 37,804	\$ 64,115	State Funds	\$ 101,371	\$ 60,739	\$ 98,356
Federal Funds	-	33,537	-	Federal Funds.....	-	47,663	-
Augmentations	31	29	29	Augmentations.....	31	35	35
TOTAL	\$ 62,616	\$ 71,370	\$ 64,144	TOTAL.....	\$ 101,402	\$ 108,437	\$ 98,391
Coal Township				Mahanoy			
State Funds.....	\$ 77,813	\$ 46,730	\$ 76,920	State Funds	\$ 89,295	\$ 53,551	\$ 94,844
Federal Funds	15	42,201	15	Federal Funds.....	23	49,346	-
Augmentations	44	42	42	Augmentations.....	51	53	53
TOTAL	\$ 77,872	\$ 88,973	\$ 76,977	TOTAL.....	\$ 89,369	\$ 102,950	\$ 94,897
Dallas				Mercer			
State Funds.....	\$ 94,713	\$ 61,874	\$ 111,982	State Funds	\$ 72,048	\$ 38,416	\$ 73,656
Federal Funds	1	57,403	27	Federal Funds.....	-	41,773	-
Augmentations	36	40	40	Augmentations.....	22	23	23
TOTAL	\$ 94,750	\$ 119,317	\$ 112,049	TOTAL.....	\$ 72,070	\$ 80,212	\$ 73,679
Fayette				Muncy			
State Funds.....	\$ 112,715	\$ 61,791	\$ 110,527	State Funds	\$ 87,125	\$ 51,966	\$ 89,707
Federal Funds	-	57,997	-	Federal Funds.....	9	45,120	19
Augmentations	23	21	21	Augmentations.....	47	56	56
TOTAL	\$ 112,738	\$ 119,809	\$ 110,548	TOTAL.....	\$ 87,181	\$ 97,142	\$ 89,782
Forest				Pine Grove			
State Funds.....	\$ 96,565	\$ 52,174	\$ 97,684	State Funds	\$ 70,905	\$ 36,022	\$ 69,135
Federal Funds	14	55,730	24	Federal Funds.....	362	39,047	256
Augmentations	28	34	34	Augmentations.....	12	14	14
TOTAL	\$ 96,607	\$ 107,938	\$ 97,742	TOTAL.....	\$ 71,279	\$ 75,083	\$ 69,405
Frackville				Quehanna Boot Camp			
State Funds.....	\$ 59,600	\$ 35,321	\$ 64,114	State Funds	\$ 31,250	\$ 15,877	\$ 34,358
Federal Funds	-	35,505	-	Federal Funds.....	161	18,789	163
Augmentations	14	13	13	Augmentations.....	13	16	16
TOTAL	\$ 59,614	\$ 70,839	\$ 64,127	TOTAL.....	\$ 31,424	\$ 34,682	\$ 34,537

Program: Incarcerated Individuals, continued

Expenditures by Institution: (Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Budget		2019-20 Actual	2020-21 Available	2021-22 Budget
Retreat				Community Centers			
State Funds.....	\$ 32,423	\$ 6,632	\$ -	State Funds	\$ 104,888	\$ 86,980	\$ 100,112
Federal Funds	7	3,902	-	Federal Funds.....	81	20,856	32
Augmentations	14	-	-	Augmentations.....	150	150	150
TOTAL	<u>\$ 32,444</u>	<u>\$ 10,534</u>	<u>\$ -</u>	TOTAL.....	<u>\$ 105,119</u>	<u>\$ 107,986</u>	<u>\$ 100,294</u>
Rockview				Training Academy			
State Funds.....	\$ 104,152	\$ 58,302	\$ 97,687	State Funds	\$ 5,714	\$ 5,916	\$ 4,771
Federal Funds	1	54,636	19	Federal Funds.....	-	-	-
Augmentations	41	38	38	Augmentations.....	-	-	-
TOTAL	<u>\$ 104,194</u>	<u>\$ 112,976</u>	<u>\$ 97,744</u>	TOTAL.....	<u>\$ 5,714</u>	<u>\$ 5,916</u>	<u>\$ 4,771</u>
Smithfield				Central Office			
State Funds.....	\$ 73,973	\$ 39,292	\$ 72,727	State Funds	\$ 90,325 ^a	\$ 85,400 ^a	\$ 159,759 ^a
Federal Funds	-	43,081	-	Federal Funds.....	12,878	13,123	12,717
Augmentations	12	11	11	Augmentations.....	30,998	4,498	498
TOTAL	<u>\$ 73,985</u>	<u>\$ 82,384</u>	<u>\$ 72,738</u>	TOTAL.....	<u>\$ 134,201</u>	<u>\$ 103,021</u>	<u>\$ 172,974</u>
Somerset				Other Jurisdictions			
State Funds.....	\$ 93,132	\$ 52,478	\$ 92,485	State Funds	\$ 4,120	\$ 5,872	\$ 5,499
Federal Funds	8	49,309	23	Federal Funds.....	-	-	-
Augmentations	22	27	27	Augmentations.....	-	-	-
TOTAL	<u>\$ 93,162</u>	<u>\$ 101,814</u>	<u>\$ 92,535</u>	TOTAL.....	<u>\$ 4,120</u>	<u>\$ 5,872</u>	<u>\$ 5,499</u>
Waymart							
State Funds.....	\$ 101,471	\$ 54,628	\$ 108,246				
Federal Funds	131	58,143	159				
Augmentations	30	28	28				
TOTAL	<u>\$ 101,632</u>	<u>\$ 112,799</u>	<u>\$ 108,433</u>				

^a Expenditures include annual maintenance costs for closed institutions.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Medical Care		State Correctional Institutions
\$ 95,000	—to replace federal funding received in 2020-21 under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.	\$ 968,000 —to replace federal funding received in 2020-21 under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.
		-27,494 —nonrecurring costs.
		4,000 —reduction of revenues from housing out-of-state individuals.
		3,000 —to establish memory loss unit at SCI Rockview.
		2,500 —to establish a traditional housing unit and a treatment unit for mental health and the intellectually and developmentally disabled at SCI Albion.
		2,000 —to establish a state drug treatment program at SCI Laurel Highlands.
		1,000 —to expand the personal care unit at SCI Waymart.
		<u>\$ 953,006</u> <i>Appropriation Increase</i>
		General Government Operations
		\$ -2,775 —transferred to Office of Victim Advocate for program support.

Program: Incarcerated Individuals, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Medical Care.....	\$ 308,710	\$ 236,486	\$ 331,486	\$ 334,279	\$ 334,279	\$ 334,279	\$ 334,279
Correctional Education and Training.....	42,601	41,621	42,597	43,527	43,527	43,527	43,527
State Correctional Institutions.....	2,043,718	1,130,038	2,083,044	1,971,983	1,971,983	1,971,983	1,971,983
General Government Operations	45,035	44,268	41,493	41,852	41,852	41,852	41,852
Transfer to Justice Reinvestment Fund (EA).....	-	-	-	8,463	8,410	8,358	15,044
TOTAL GENERAL FUND	\$ 2,440,064	\$ 1,452,413	\$ 2,498,620	\$ 2,400,104	\$ 2,400,051	\$ 2,399,999	\$ 2,406,685

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Reduce violence rates.							
In-institution violence rate (on staff and on other persons combined) per 1,000	52.0	53.0	53.4	53.5	59.0	52.0	51.0
Decrease population.							
Population.....	49,913	48,510	48,353	46,482	42,101	41,160	38,953
Reduce recidivism.							
One-year recidivism rate.....	41.0%	43.0%	43.0%	41.3%	40.0%	40.0%	39.5%
Three-year recidivism rate	63.0%	61.0%	64.0%	64.4%	64.7%	61.8%	61.3%

Program: Reentry into Communities

Goal: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior

The primary goal is to protect the safety of the public through effective [parole decisions](#) and proper supervision of individuals returning to their communities. Successful reentry can reduce the likelihood of recidivism. This includes making parole decisions and supervising adult parolees; revoking the parole of technical parole violators who continue to violate parole conditions; revoking the parole of violators convicted of new crimes; and discharging parolees who have fulfilled their sentences in compliance with the conditions of parole.

Parole Decisions

[Individuals](#) must serve their minimum sentence before becoming eligible for parole. To prepare people for reentry while incarcerated, the department develops a correctional plan to address drug and alcohol treatment needs, educational opportunities, vocational training, counseling services and employment opportunities within the institution.

Reentry Preparation

To fulfill the mission of community safety, the department focuses on preparing individuals for parole release and providing continued support during the critical initial period of readjustment following a person's return to the community. The institutional reentry staff work to identify employment, housing and other obstacles or challenges to successful reentry. Upon release, an individual's needs are reassessed every six months or more frequently, if necessary.

Supervision and Case Management

The [reentry of an individual](#) into the community requires effective supervision, which includes a balance of monitoring and enforcement of parole conditions coupled with effective case management. As part of the department's responsibility to public safety, field agents use problem-solving case management and other evidence-based strategies to reduce the risk of reoffending. Supervision staff also help with challenges regarding job, residence, continuity of care or other issues. Management of technical parole violators through alternative, community-based interventions and specialized support programs safely and effectively allow for continued supervision in the community.

Other Probation and Parole Programs

The [Office of Victim Advocate](#) represents the interests of crime victims before the board or the department. The [Sexual Offenders Assessment Board](#) is responsible for conducting court-ordered assessments of convicted sexual offenders. The assessments are provided to district attorneys and assist in determining those offenders who may be found by the court to be sexually violent predators. The board's role relating to sexual offenders includes updating and verifying the registry information for any offenders under board supervision.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

State Field Supervision		Office of Victim Advocate	
\$ -2,200	—nonrecurring costs.	\$ 2,775	—provide for Office of Victim Advocate program support.
<u>5,029</u>	—to continue current program.		
\$ 2,829	<i>Appropriation Increase</i>		
Pennsylvania Parole Board			
\$ 262	—to continue current program.		

The Sexual Offenders Assessment Board is recommended at the current year funding level.

Program: Reentry into Communities, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
State Field Supervision	\$ 140,602	\$ 141,527	\$ 144,356	\$ 149,344	\$ 149,344	\$ 149,344	\$ 149,344
Pennsylvania Parole Board	12,104	11,859	12,121	12,345	12,345	12,345	12,345
Office of Victim Advocate	-	-	2,775	2,852	2,852	2,852	2,852
Sexual Offenders Assessment Board....	6,691	6,582	6,582	6,691	6,691	6,691	6,691
Improvement of Adult Probation Services....	16,222	-	-	-	-	-	-
TOTAL GENERAL FUND	\$ 175,619	\$ 159,968	\$ 165,834	\$ 171,232	\$ 171,232	\$ 171,232	\$ 171,232

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase the number of individuals identified as appropriate for parole based on reduced risk of committing another crime.							
State parolees and probationers supervised at fiscal year end	41,500	42,057	41,777	41,459	41,219	42,559	43,259
Decrease the percentage of supervised individuals who return to prison upon release from prison.							
One-year parole recommitment rate...	18%	18%	16%	16%	15%	15%	15%
Three-year parole recommitment rate	42%	42%	41%	42%	41%	41%	41%

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DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS

The mission of the Department of Drug and Alcohol Programs is to engage, coordinate, and lead the commonwealth's effort to prevent and reduce drug, alcohol and gambling addiction and abuse; and to promote recovery, thereby reducing the human and economic impact of the disease.

The department develops and implements programs to reduce substance abuse and dependency through prevention, intervention, rehabilitation, and treatment programs. These programs are designed to educate all population segments on the effects and dangers drug and alcohol abuse and dependency pose to public health and to mitigate the economic impact of substance abuse for the citizens of Pennsylvania.

Programs and Goals

Drug and Alcohol Abuse Prevention and Treatment: *To provide education, intervention, and treatment programs to reduce drug, alcohol and gambling addiction, abuse, and dependence.*

Drug and Alcohol Programs

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	\$ 2,657	\$ 2,620	\$ 2,997
(F)SABG - Administration and Operation	8,782	9,657	8,785
(F)COVID-SABG - Administration and Operation	-	2,000 ^a	-
(F)Substance Abuse Special Projects - Admin & Operation	3,824	4,821	4,617
(F)Opioid - State Targeted Response Administration	1,358	-	-
(F)State Opioid Response Administration	4,256	6,997	6,058
(F)DUI Intervention Project (EA)	100	-	-
(R)Recovery House Certification	-	-	450
Subtotal	<u>\$ 20,977</u>	<u>\$ 26,095</u>	<u>\$ 22,907</u>
Subtotal - State Funds	\$ 2,657	\$ 2,620	\$ 2,997
Subtotal - Federal Funds	18,320	23,475	19,460
Subtotal - Restricted Revenues	-	-	450
Total - General Government	<u>\$ 20,977</u>	<u>\$ 26,095</u>	<u>\$ 22,907</u>
Grants and Subsidies:			
Assistance to Drug and Alcohol Programs	\$ 44,732	\$ 44,732	\$ 44,732
(F)SABG - Drug and Alcohol Services	79,859	81,956	79,870
(F)COVID-SABG - Drug and Alcohol Services	-	53,000 ^b	-
(F)Substance Abuse Special Projects Grants	23,703	28,331	25,413
(F)Opioid - State Targeted Response	26,634	-	-
(F)State Opioid Response	114,717	182,669	178,261
(A)Community Restitution Payments	-	2	1
Subtotal	<u>\$ 289,645</u>	<u>\$ 390,690</u>	<u>\$ 328,277</u>
Subtotal - State Funds	\$ 44,732	\$ 44,732	\$ 44,732
Subtotal - Federal Funds	244,913	345,956	283,544
Subtotal - Augmentations	-	2	1
Total - Grants and Subsidies	<u>\$ 289,645</u>	<u>\$ 390,690</u>	<u>\$ 328,277</u>
STATE FUNDS	\$ 47,389	\$ 47,352	\$ 47,729
FEDERAL FUNDS	263,233	369,431	303,004
AUGMENTATIONS	-	2	1
RESTRICTED REVENUES	-	-	450
GENERAL FUND TOTAL	<u>\$ 310,622</u>	<u>\$ 416,785</u>	<u>\$ 351,184</u>
OTHER FUNDS:			
COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND:			
Drug and Alcohol Treatment Services (EA)	\$ 3,100	\$ 4,287 ^c	\$ 4,676
(R)Compulsive and Problem Gambling Treatment (EA)	5,598	6,369	5,800
COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND TOTAL	<u>\$ 8,698</u>	<u>\$ 10,656</u>	<u>\$ 10,476</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
STATE STORES FUND:			
Alcohol Abuse Programs (EA).....	\$ 3,821	\$ 4,175	\$ 4,175
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 47,389	\$ 47,352	\$ 47,729
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS.....	263,233	369,431	303,004
AUGMENTATIONS	-	2	1
RESTRICTED	-	-	450
OTHER FUNDS.....	12,519	14,831	14,651
TOTAL ALL FUNDS	\$ 323,141	\$ 431,616	\$ 365,835

^a Includes recommended supplemental executive authorization of \$2,000,000, which represents an estimate of federal grant distributions.

^b Includes recommended supplemental executive authorization of \$53,000,000, which represents an estimate of federal grant distributions.

^c Includes recommended supplemental executive authorization of \$859,000, which represents estimated revenues.

Drug and Alcohol Programs

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
DRUG AND ALCOHOL ABUSE PREVENTION AND TREATMENT							
GENERAL FUND.....	\$ 47,389	\$ 47,352	\$ 47,729	\$ 47,772	\$ 47,772	\$ 47,772	\$ 47,772
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	263,233	369,431	303,004	303,004	303,004	303,004	303,004
AUGMENTATIONS	-	2	1	1	1	1	1
RESTRICTED.....	-	-	450	900	900	900	900
OTHER FUNDS.....	12,519	13,972	14,651	14,881	20,190	20,231	20,274
SUBCATEGORY TOTAL....	\$ 323,141	\$ 430,757	\$ 365,835	\$ 366,558	\$ 371,867	\$ 371,908	\$ 371,951
ALL PROGRAMS:							
GENERAL FUND.....	\$ 47,389	\$ 47,352	\$ 47,729	\$ 47,772	\$ 47,772	\$ 47,772	\$ 47,772
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	263,233	369,431	303,004	303,004	303,004	303,004	303,004
AUGMENTATIONS	-	2	1	1	1	1	1
RESTRICTED.....	-	-	450	900	900	900	900
OTHER FUNDS.....	12,519	13,972	14,651	14,881	20,190	20,231	20,274
DEPARTMENT TOTAL	\$ 323,141	\$ 430,757	\$ 365,835	\$ 366,558	\$ 371,867	\$ 371,908	\$ 371,951

Program: Drug and Alcohol Abuse Prevention and Treatment

Goal: To provide education, intervention, and treatment programs to reduce drug, alcohol and gambling addiction, abuse, and dependence.

The [Department of Drug and Alcohol Programs](#) is tasked with the development and implementation of a comprehensive plan to reduce substance abuse and dependency. While treatment is much of the department's immediate focus, interdepartmental collaborations and external partnerships emphasize four areas: prevention and intervention, treatment and recovery support, quality assurance and workforce development.

Prevention and Intervention

The department's prevention programs aim to reduce the risk factors associated with substance use through educational sessions, workshops, media presentations, and information dissemination. Intervention services provide support to individuals affected by substance use problems. Services include information hotlines, drop-in centers, alcohol safety programs, and employee and student assistance programs.

The department provides county-based agencies, [Single County Authorities](#) (SCAs), with funding to ensure delivery of single and recurring prevention programs. SCAs prepare prevention and intervention plans, as well as treatment plans, tailored to meet the needs of their respective communities. The department approves these plans and formulates a statewide plan based on the findings.

Treatment and Recovery Support

The department provides the SCAs with funding to deliver or purchase drug and alcohol treatment and recovery support services for uninsured and underinsured Pennsylvanians. Treatment services may be received in hospitals, residential facilities, outpatient programs, or correctional settings.

The department established a 365 days per year 24/7 [toll-free call center](#) to provide confidential referral services to the people of Pennsylvania seeking drug and alcohol treatment, as well as families experiencing difficulty as a result of drug and alcohol use/abuse.

Additionally, the department provides [community resources](#) to first responders, friends, family, health care providers, and educators on the use of Naloxone to temporarily reverse the effects of an opioid overdose.

The department also provides public education, awareness, training, and call center services relative to [compulsive and problem gambling](#), as well as prevention and treatment services to individuals with gambling addiction.

Quality Assurance

The department conducts over 900 annual [inspections](#) of licensed drug and alcohol treatment facilities and programs, including the investigation of incident reports and complaints. Inspections are conducted to determine compliance with state and federal standards and regulations as a condition of receiving federal Medicare and Medicaid financial support.

The department will begin licensing drug and alcohol [recovery houses](#) in 2021. Recovery houses offer individuals recovering from drug and alcohol addiction a safe and supportive substance-free environment.

Workforce Development

The department's focus on workforce development includes [education and training](#) on prevention, intervention, treatment, and recovery support services for substance use disorder and human services professionals, and efforts to create a career ladder for growth in this field.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	General Government Operations
\$ 377	—to continue current program.

Assistance to Drug and Alcohol Programs is recommended at the current year funding level.

Drug and Alcohol Programs

Program: Drug and Alcohol Abuse Prevention and Treatment, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
GENERAL FUND:							
General Government Operations	\$ 2,657	\$ 2,620	\$ 2,997	\$ 3,040	\$ 3,040	\$ 3,040	\$ 3,040
Assistance to Drug and Alcohol Programs	44,732	44,732	44,732	44,732	44,732	44,732	44,732
TOTAL GENERAL FUND	\$ 47,389	\$ 47,352	\$ 47,729	\$ 47,772	\$ 47,772	\$ 47,772	\$ 47,772

Program Measures:

	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated	2021-22 Estimated
Provide drug and alcohol treatment services.							
Pennsylvania's Get Help Now Hotline calls.....	N/A	12,251	17,051	16,095	13,714	13,000	13,000
Number of individuals admitted to treatment.....	N/A	28,040	29,068	28,508	28,290	28,290	28,290
Licensure and/or federal certification surveys completed.							
Licensed inpatient drug and alcohol facilities	186	194	205	222	228	228	228
Inpatient capacity	8,822	9,113	9,755	10,493	10,955	10,955	10,955
Licensed outpatient drug and alcohol facilities	540	575	647	638	643	643	643
Outpatient capacity	93,521	98,446	114,988	117,609	118,835	118,835	118,835



DEPARTMENT OF EDUCATION

The mission of the [Department of Education](#) is to ensure that every learner has access to a world-class education system that academically prepares children and adults to succeed as productive citizens. Further, the department seeks to establish a culture that is committed to improving opportunities throughout the commonwealth by ensuring that technical support, resources and optimal learning environments are available for all students, whether children or adults.

The department establishes standards and measures aimed at continuous improvement of school curriculum and manages staff development and research dissemination systems to ensure that all educational institutions can select from proven practices to boost student achievement. Local school districts, school boards and other educational institutions receive technical assistance via a network of intermediate units. The department operates a major research library and leads the development of the state's public, school, academic and special libraries to meet the information, education and enrichment needs of citizens. The department supports the improvement of Pennsylvania's higher education and community colleges via educational programs, funding to support students and direct resources for facility development.

Programs and Goals

Education Support Services: *To provide customers with accurate, useful, timely and cost-effective services that support meaningful programs critical for preparing lifelong learners to become productive citizens.*

PreK–12 Education: *To prepare all students to graduate high school college-ready and career-ready and to be engaged citizens of the commonwealth.*

Library Services: *To support, develop and provide library services for learning and advancement.*

Higher Education: *To promote access, affordability and performance in higher education through strategies to expand opportunity for students and align with employer needs, and to support the commonwealth's public institutions of higher education in achieving these goals.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	\$ 28,323	\$ 25,359	\$ 29,981
(F)Adult Basic Education - Administration.....	1,500	1,500	2,000
(F)Education of Exceptional Children.....	12,000	12,000	12,000
(F)Special Education - State Personnel Development.....	2,500	2,500	2,500
(F)ESEA - Title I - Administration	12,333	12,333	12,333
(F)State Approving Agency (VA).....	1,800	1,800	1,800
(F)Food and Nutrition Service	21,000	21,000	21,000
(F)Migrant Education - Administration.....	700	700	700
(F)Vocational Education - Administration.....	3,910	3,910	3,910
(F)Improving Teacher Quality - Title II - Administration/State	7,400	7,400	7,400
(F)Homeless Assistance	4,870	4,870	4,870
(F)Preschool Grant.....	940	960	960
(F)School Health Education Programs.....	100	100	100
(F)Preschool Development Grants.....	30,000	30,000	-
(F)Medical Assistance - Nurses' Aide Training	670	670	670
(F)State and Community Highway Safety	1,000	1,500	1,500
(F)Title IV - 21st Century Community Learning Centers - Admin.....	4,000	4,000	4,000
(F)National Assessment of Educational Progress (NAEP)	148	148	165
(F)Migrant Education Coordination Program	130	130	130
(F)School Improvement Grants.....	20,000	20,000	12,000
(F)Student Support and Academic Enrichment-Administration.....	2,200	2,200	2,200
(F)Troops to Teachers.....	400	400	400
(F)Pennsylvania Project AWARE	1,800	1,800	1,800
(F)Education Innovation and Research Program.....	4,000	4,000	-
(F)Emergency Impact Aid Program.....	2,000	2,000	2,000
(F)Assistance for Homeless Children and Youth	13,000	21	-
(F)Refugee School Impact Development (EA)	850	520	520
(F)COVID - Training and Outreach (EA)	-	22	-
(A)Teacher Certification Fees	1,564	1,482	1,502
(A)PlanCon.....	1,380	1,000	1,018
(A)Approved Private Schools	581	926	926
(A)EPSDT Administration.....	350	350	350
(A)Services to Nonpublic Schools - Administration.....	879	879	879
(A)Nonpublic Textbook Administration.....	981	981	981
(A)Alternative Education.....	8	108	56
(A)SARA Reciprocity	75	135	121

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(A)Higher Education Fees	-	135	79
(A)Teacher Certification - Printable Certificates	28	20	20
(A)Management Services.....	6	-	-
Subtotal.....	\$ 183,426	\$ 167,859	\$ 130,871
(R)Private Licensed Schools	581	736	773
Recovery Schools.....	250	250	250
Office of Safe Schools Advocate	379	- ^a	- ^a
Information and Technology Improvement.....	3,740	3,740	3,740
(F)Statewide Longitudinal Data Systems	5,110	5,110	5,110
PA Assessment.....	48,990	41,540	48,990
(F)Title VI - Part A State Assessments.....	15,000	15,000	15,000
Transfer to Empowerment	-	-	7,000
State Library	2,280	2,238	2,238
(F)LSTA - Library Development	8,500	8,500	8,500
(F)COVID-LSTA - Library Development Emergency Relief (EA)	1,157	-	-
(A)Keystone Fund	101	103	103
(A)Penalties and Reimbursements	-	1	1
Subtotal - State Funds.....	\$ 83,962	\$ 73,127	\$ 92,199
Subtotal - Federal Funds.....	179,018	165,094	123,568
Subtotal - Augmentations.....	5,953	6,120	6,036
Subtotal - Restricted Revenues	581	736	773
Total - General Government.....	\$ 269,514	\$ 245,077	\$ 222,576
Institutional:			
Youth Development Centers - Education	\$ 8,285	\$ 8,283	\$ 8,283
Subtotal.....	\$ 8,285	\$ 8,283	\$ 8,283
Grants and Subsidies:			
Support of Public Schools:			
Basic Education Funding.....	\$ 6,742,838 ^b	\$ 6,810,389 ^b	\$ 8,133,774 ^b
Ready to Learn Block Grant	268,000	268,000	268,000
Pre-K Counts	217,284	217,284	242,284
(F)COVID-RF Pre-K Counts.....	6,960	-	-
Head Start Supplemental Assistance	64,178	64,178	69,178
(F)COVID-RF Head Start Supplemental Assistance.....	1,996	-	-
Mobile Science and Math Education Programs.....	4,714	4,714	-
Teacher Professional Development.....	5,309	5,044	5,044
Adult and Family Literacy	12,475	12,475	11,675
(F)Adult Basic Education - Local	21,500	22,000	23,000

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Career and Technical Education	99,000	99,000	99,000
(F)Vocational Education Act - Local	49,000	49,000	49,000
Career and Technical Education Equipment Grants	5,550	5,550	5,550
Authority Rentals and Sinking Fund Requirements	10,500	10,500	201,303
Pupil Transportation	706,097	605,765	622,408
Nonpublic and Charter School Pupil Transportation	79,442	79,442	79,442
Special Education	1,186,815	1,186,815	1,386,815
(F)Individuals with Disabilities Education - Local	470,000	470,000	470,000
Early Intervention	314,500	325,500	336,500
(F)Individuals with Disabilities Education	16,000	16,000	16,000
Tuition for Orphans and Children Placed in Private Homes	48,000	48,000	50,747
Payments in Lieu of Taxes	168	170	170
Education of Migrant Laborers' Children	853	853	853
PA Chartered Schools for the Deaf and Blind	54,584	57,557	57,057
Special Education - Approved Private Schools	114,738	122,656	122,656
School Food Services	30,000	30,000	30,000
(F)Food and Nutrition - Local	795,869	795,869	795,869
(F)COVID-Food and Nutrition Emergency Relief (EA)	196,611	120,000	-
School Employees' Social Security	64,568	73,643 ^c	70,593
School Employees' Retirement	2,628,000	2,702,000	2,734,000
(F)ESEA - Title I - Local	800,000	850,000	875,000
(F)Improving Teacher Quality - Title II - Local	105,000	105,000	105,000
(F)Title IV 21st Century Community Learning Centers - Local	90,000	90,000	90,000
(F)Title III - Language Instruction for LEP & Immigrant Student	24,000	24,000	24,000
(F)Title VI - Rural & Low Income School - Local	1,830	1,830	1,830
(F)Student Support and Academic Enrichment - Local	60,000	60,000	60,000
(F)TANFBG - Teenage Parenting Education (EA)	14,200	13,784	13,784
(F)COVID-Governor's Emergency Education Relief Fund	104,743	197,098 ^d	-
(F)COVID-ESSER - LEA (EA)	471,427	2,224,965 ^e	-
(F)COVID-ESSER - SEA (EA)	49,762 ^f	-	-
(F)COVID-ESSER - SEA Administration (EA)	2,620	-	-
Subtotal	<u>\$ 15,939,131</u>	<u>\$ 17,769,081</u>	<u>\$ 17,050,532</u>
Other Grants and Subsidies:			
Services to Nonpublic Schools	87,939	87,939	87,939
Textbooks, Materials and Equipment for Nonpublic Schools	26,751	26,751	26,751
Public Library Subsidy	59,470	59,470	59,470
Library Services for the Visually Impaired and Disabled	2,567	2,567	2,567

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Library Access	3,071	3,071	3,071
Job Training and Education Programs	37,920	36,420	-
Safe School Initiative	11,000	11,000	11,000
Trauma-Informed Education	750	750	-
Subtotal	<u>\$ 229,468</u>	<u>\$ 227,968</u>	<u>\$ 190,798</u>
(R)Empowerment School Districts	9,207	7,000	-
(R)Medical Assistance Reimbursements	127,096	200,000	200,000
Higher Education - Other Grants and Subsidies:			
Community Colleges	243,855	243,855	245,240
Transfer to Community College Capital Fund	48,869	48,869	52,078
Regional Community Colleges Services	2,136	2,136	2,136
Northern PA Regional College	7,000	7,000	7,000
Community Education Councils	2,393	2,393	2,393
Sexual Assault Prevention	1,000	1,000	1,000
Thaddeus Stevens College of Technology	18,701	18,701	18,701
Subtotal	<u>\$ 323,954</u>	<u>\$ 323,954</u>	<u>\$ 328,548</u>
State System of Higher Education:			
State Universities	477,470	477,470	477,470
(F)COVID-RF State System of Higher Education	30,000	-	-
Subtotal	<u>\$ 507,470</u>	<u>\$ 477,470</u>	<u>\$ 477,470</u>
The Pennsylvania State University:			
General Support	242,096	242,096	242,096
Pennsylvania College of Technology	26,736	26,736	26,736
Subtotal	<u>\$ 268,832</u>	<u>\$ 268,832</u>	<u>\$ 268,832</u>
University of Pittsburgh:			
General Support	151,507	151,507	151,507
Rural Education Outreach	3,346	3,346	3,346
Subtotal	<u>\$ 154,853</u>	<u>\$ 154,853</u>	<u>\$ 154,853</u>
Temple University:			
General Support	158,206	158,206	158,206
Subtotal	<u>\$ 158,206</u>	<u>\$ 158,206</u>	<u>\$ 158,206</u>
Lincoln University:			
General Support	15,166	15,166	15,166
Subtotal	<u>\$ 15,166</u>	<u>\$ 15,166</u>	<u>\$ 15,166</u>
Subtotal - State Funds	<u>\$ 14,285,562</u>	<u>\$ 14,355,984</u>	<u>\$ 16,120,922</u>
Subtotal - Federal Funds	3,311,518	5,039,546	2,523,483
Subtotal - Restricted Revenues	<u>136,303</u>	<u>207,000</u>	<u>200,000</u>
Total - Grants and Subsidies	<u>\$ 17,733,383</u>	<u>\$ 19,602,530</u>	<u>\$ 18,844,405</u>

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
STATE FUNDS	\$ 14,377,809	\$ 14,437,394	\$ 16,221,404
FEDERAL FUNDS	3,490,536	5,204,640	2,647,051
AUGMENTATIONS	5,953	6,120	6,036
RESTRICTED REVENUES	136,884	207,736	200,773
GENERAL FUND TOTAL	\$ 18,011,182	\$ 19,855,890	\$ 19,075,264
<u>MOTOR LICENSE FUND:</u>			
<i>Grants and Subsidies:</i>			
Safe Driving Course	\$ 650	\$ 1,100	\$ 1,100
<u>OTHER FUNDS:</u>			
COMMUNITY COLLEGE CAPITAL FUND:			
Community College Capital	\$ 983 ^g	\$ 2,722 ^g	\$ 41 ^g
GOV. CASEY ORGAN & TISSUE DONATION AWARENESS FUND:			
Governor Casey Organ and Tissue Donation Awareness Fund (EA)	\$ 165	\$ 165	\$ 165
KEYSTONE RECREATION, PARK AND CONSERVATION FUND:			
Local Libraries Rehabilitation and Development (EA)	\$ 3,913	\$ 3,907 ^h	\$ 3,930
SSHE - Deferred Maintenance (EA)	17,608	17,583 ⁱ	17,686
KEYSTONE RECREATION, PARK AND CONSERVATION FUND TOTAL	\$ 21,521	\$ 21,490	\$ 21,616
PA RACE HORSE DEVELOPMENT TRUST FUND:			
(R)Nellie Bly Tuition Program	\$ -	\$ -	\$ 199,203
PROPERTY TAX RELIEF FUND:			
Property Tax Relief Payments (EA)	\$ 620,500	\$ 621,000	\$ 621,000
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 14,377,809	\$ 14,437,394	\$ 16,221,404
MOTOR LICENSE FUND	650	1,100	1,100
LOTTERY FUND	-	-	-
FEDERAL FUNDS	3,490,536	5,204,640	2,647,051
AUGMENTATIONS	5,953	6,120	6,036
RESTRICTED	136,884	207,736	200,773
OTHER FUNDS	643,169	645,377	842,025
TOTAL ALL FUNDS	\$ 18,655,001	\$ 20,502,367	\$ 19,918,389

^a Funding shift to the Commission on Crime and Delinquency.

^b Includes funding for school district Social Security payments: 2019-20 Actual is \$487,759,000, 2020-21 Available is \$550,875,000, and 2021-22 Budget is \$526,639,000. 2020-21 Available includes recommended supplemental appropriation of \$4,435,000.

^c Includes recommended supplemental appropriation of \$175,000.

^d Includes recommended supplemental appropriation of \$197,098,000, which represents an estimate of federal grant distributions.

^e Includes recommended supplemental executive authorization of \$2,224,965,000, which represents an estimate of federal grant distributions.

^f Act 23 of 2020 provided for a \$49,762,000 subgrant of the Elementary and Secondary School Emergency Relief (ESSER) to the Commission on Crime and Delinquency.

^g The Community College Capital spend for 2019-20 Actual is \$49,852,000; 2020-21 Available is \$51,591,000; and 2021-22 Budget is \$52,119,000. The General Fund Transfer to Community College Capital Fund not added to avoid double counting.

^h Includes recommended supplemental executive authorization of \$847,000.

ⁱ Includes recommended supplemental executive authorization of \$3,812,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
EDUCATION SUPPORT SERVICES							
GENERAL FUND.....	\$ 32,063	\$ 29,099	\$ 33,721	\$ 34,097	\$ 34,097	\$ 34,097	\$ 34,097
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	154,361	141,594	100,068	89,068	88,068	88,068	88,068
AUGMENTATIONS	5,852	6,016	5,932	6,014	6,102	6,191	6,285
RESTRICTED.....	581	736	773	773	773	773	773
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 192,857	\$ 177,445	\$ 140,494	\$ 129,952	\$ 129,040	\$ 129,129	\$ 129,223
PREK-12 EDUCATION							
GENERAL FUND.....	\$12,879,877	\$12,942,468	\$14,717,262	\$14,925,755	\$15,059,349	\$15,192,250	\$15,373,369
MOTOR LICENSE FUND...	650	1,100	1,100	1,100	1,100	1,100	1,100
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	3,296,518	5,054,546	2,538,483	2,538,483	2,538,483	2,538,483	2,538,483
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	136,303	207,000	200,000	200,000	200,000	200,000	200,000
OTHER FUNDS.....	621,648	623,887	621,206	621,206	621,206	621,206	621,206
SUBCATEGORY TOTAL....	\$ 16,934,996	\$ 18,829,001	\$ 18,078,051	\$ 18,286,544	\$ 18,420,138	\$ 18,553,039	\$ 18,734,158
LIBRARY SERVICES							
GENERAL FUND.....	\$ 67,388	\$ 67,346	\$ 67,346	\$ 67,388	\$ 67,388	\$ 67,388	\$ 67,388
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	9,657	8,500	8,500	8,500	8,500	8,500	8,500
AUGMENTATIONS	101	104	104	104	104	104	104
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	3,913	3,907	3,930	3,827	3,769	3,777	3,810
SUBCATEGORY TOTAL....	\$ 81,059	\$ 79,857	\$ 79,880	\$ 79,819	\$ 79,761	\$ 79,769	\$ 79,802

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
HIGHER EDUCATION							
GENERAL FUND.....	\$ 1,398,481	\$ 1,398,481	\$ 1,403,075	\$ 1,403,075	\$ 1,403,075	\$ 1,403,075	\$ 1,403,075
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	30,000	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	17,608	17,583	216,889	221,938	221,426	223,002	224,481
SUBCATEGORY TOTAL....	\$ 1,446,089	\$ 1,416,064	\$ 1,619,964	\$ 1,625,013	\$ 1,624,501	\$ 1,626,077	\$ 1,627,556
ALL PROGRAMS:							
GENERAL FUND.....	\$14,377,809	\$14,437,394	\$16,221,404	\$16,430,315	\$16,563,909	\$16,696,810	\$16,877,929
MOTOR LICENSE FUND...	650	1,100	1,100	1,100	1,100	1,100	1,100
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	3,490,536	5,204,640	2,647,051	2,636,051	2,635,051	2,635,051	2,635,051
AUGMENTATIONS	5,953	6,120	6,036	6,118	6,206	6,295	6,389
RESTRICTED.....	136,884	207,736	200,773	200,773	200,773	200,773	200,773
OTHER FUNDS.....	643,169	645,377	842,025	846,971	846,401	847,985	849,497
DEPARTMENT TOTAL	\$18,655,001	\$20,502,367	\$19,918,389	\$20,121,328	\$20,253,440	\$20,388,014	\$20,570,739

Program: Education Support Services

Goal: To provide customers with accurate, useful, timely and cost-effective services that support meaningful programs critical for preparing lifelong learners to become productive citizens.

Education Support Services provides operational support to programs within the [Department of Education](#) for the achievement of [departmental and commonwealth objectives](#). The program seeks to provide robust, cost-effective services and to improve the operational efficiency of the department through enhanced information technology support and improved fiscal applications.

In addition to providing operational support to the executive, budget, communications and legal offices of the department, this program also provides staff support to the [State Board of Education](#) and other administrative boards and commissions. These include boards for private, academic, business and trade schools and the Professional Standards and Practices Commission.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations

\$	2,002	—to continue current program.
	<u>2,620</u>	—to replace federal funding received under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.
\$	4,622	<i>Appropriation Increase</i>

Information and Technology Improvement is recommended at the current year funding level.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 28,323	\$ 25,359	\$ 29,981	\$ 30,357	\$ 30,357	\$ 30,357	\$ 30,357
Information and Technology Improvement.....	3,740	3,740	3,740	3,740	3,740	3,740	<u>3,740</u>
TOTAL GENERAL FUND.....	\$ 32,063	\$ 29,099	\$ 33,721	\$ 34,097	\$ 34,097	\$ 34,097	\$ 34,097

Program: PreK–12 Education

Goal: To prepare all students to graduate high school college-ready and career-ready and to be engaged citizens of the commonwealth.

Basic Education Funding

Pennsylvania's public education system serves more than 1.7 million PreK-12 students at over 2,900 schools in the [commonwealth's 500 school districts](#). Each school district is a local governing unit, elected or appointed pursuant to state statute and local ordinance, and separate from the commonwealth. Both the commonwealth and local school districts contribute to the financing of public elementary and secondary education, with [state funding](#) provided to the school districts – including federal education funding – to supplement the funds raised locally.

The [Basic Education Funding appropriation](#) is the largest subsidy the commonwealth provides to local school districts. To increase academic achievement, school districts are encouraged to invest in evidence-based strategies, including high-quality early childhood education, extended time learning, career and technical education, professional development for educators and personalized learning. The Department of Education supports continuous improvement and high-quality, well-rounded education opportunities for all students through targeted initiatives and provides technical assistance to schools and districts through its statewide system of support. The commonwealth's 29 intermediate units also provide professional development and technical assistance to school districts. Since 2015-16, new funding has been distributed through the new fair funding formula.

Early Childhood Learning

High-quality early learning for Pennsylvania's youngest learners facilitates their short-term and long-term academic and social success. [Early childhood programs](#) supported through the Department of Education appropriations include:

[Pre-K Counts](#). This program provides high-quality early childhood education to income-eligible Pennsylvania children in diverse settings, ranging from school-based programs, [Keystone STARS](#) 3 and 4 child care centers, private academic preschools and Head Start agencies.

[Head Start Supplemental Assistance Program](#). Pennsylvania's Head Start Supplemental Assistance Program is based on the federal model of Head Start, providing services to three- and four-year-old children and their families with family incomes up to 130 percent of the federal poverty guidelines. The Head Start model provides comprehensive education, health, nutrition and parent involvement services.

College and Career-Ready

[Pennsylvania Core Standards](#). The commonwealth strives to help school districts create academic programs

that are rigorous, results-focused, data informed and personalized through systems, technology and other supports.

The State Board of Education has adopted academic standards in 12 subject areas. These standards are the benchmark measures that define what students should know and be able to do at specified grade levels beginning in grade three. The State Board has adopted core standards in [English Language Arts](#), [Mathematics](#), and [Reading and Writing in History and Social Studies](#) and [Reading and Writing in Science and Technology](#). The Pennsylvania State System of Assessments (PSSAs) are fully aligned to these core standards. The [assessments](#) in English Language Arts and Mathematics are given to students in grades three through eight, and students in grades four and eight are administered the Science assessment. [Keystone Exams](#) are end-of-course exams in Literature, Algebra I, and Biology aligned to core standards given to students to assess academic achievement in high school.

To better support student achievement of college and career standards, students and teachers have access to the [Standards Aligned System](#), a web-based portal created and maintained by the department, which contains standards-aligned curriculum, instructional resources, and assessment information and tools.

Career and Technical Education

[Career and Technical Education](#) serves 68,105 secondary students enrolled in [approved career and technical education programs of study](#) at high schools, charter schools and career and technical centers. Career and Technical Education programs are required to provide rigorous academic coursework to students while delivering skilled technical education designed in collaboration with workers and employers in high-demand occupations and industries. Career and Technical Education students have the opportunity to pursue career pathways in which students can earn high-value industry certifications and college credits through dual enrollment with postsecondary providers.

Special Education

[Special education](#) programs are administered by all school districts and charter schools, and may be directly operated by the districts or under contract with other school districts, intermediate units or other providers. If appropriate public education is not available, individualized education plan teams may determine that an appropriate public education can only be provided by department-approved private schools or other private agencies.

Program: PreK–12 Education, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND			Pupil Transportation
	PA Assessment	\$ 16,643	—to continue current program.
\$ 7,450	—to continue current program.		
	Transfer to Empowerment	\$ 200,000	Special Education
\$ 7,000	—funding for transfer to Empowerment Restricted Account.		—Initiative—to provide increased resources for school district special education instruction.
	Basic Education Funding	\$ 11,000	Early Intervention
\$ -28,671	—to continue current program funding for school district Social Security payments.		—Initiative—to provide services to additional children from ages 3 through 5.
1,152,056	—Initiative—to distribute all basic education funding through the Fair Funding Formula with no negative funding impacts to school districts.	\$ 2,747	Tuition for Orphans and Children Placed in Private Homes
200,000	—Initiative—to continue sustained investment in school district basic education programs.		—to continue current program.
<hr/>		\$ -500	PA Chartered Schools for the Deaf and Blind
\$ 1,323,385	<i>Appropriation Increase</i>		—funding reduction.
	Pre-K Counts	\$ -3,050	School Employees' Social Security
\$ 25,000	—Initiative—to invest in high-quality early childhood education for 3- and 4-year olds.		—to continue current program.
	Head Start Supplemental Assistance	\$ 32,000	School Employees' Retirement
\$ 5,000	—Initiative—to invest in high-quality early childhood education for 3- and 4-year olds.		—to continue current program.
	Mobile Science and Math Education Programs	\$ -36,420	Job Training and Education Programs
\$ -4,714	—program elimination.		—program elimination.
	Adult and Family Literacy	\$ -750	Trauma-Informed Education
\$ -800	—funding reduction.		—program elimination.
	Authority Rentals and Sinking Fund Requirements		All other appropriations are recommended at the current year funding levels.
\$ 190,803	—to provide reimbursement for existing school construction projects and charter leases to reduce reliance on debt.		
			MOTOR LICENSE FUND
			The Safe Driving Course appropriation is recommended at the current year funding level.

Program: PreK–12 Education, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Recovery Schools	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
Office of Safe Schools Advocate	379	-	-	-	-	-	-
PA Assessment ...	48,990	41,540	48,990	56,422	50,054	47,527	47,527
Transfer to Empowerment.....	-	-	7,000	7,000	7,000	7,000	7,000
Youth Development Centers - Education	8,285	8,283	8,283	8,285	8,285	8,285	8,285
Basic Education Funding	6,742,838	6,810,389	8,133,774	8,144,307	8,155,050	8,166,009	8,177,186
Ready to Learn Block Grant	268,000	268,000	268,000	268,000	268,000	268,000	268,000
Pre-K Counts	217,284	217,284	242,284	242,284	242,284	242,284	242,284
Head Start Supplemental Assistance	64,178	64,178	69,178	69,178	69,178	69,178	69,178
Mobile Science and Math Education Programs	4,714	4,714	-	-	-	-	-
Teacher Professional Development.....	5,309	5,044	5,044	5,044	5,044	5,044	5,044
Adult and Family Literacy	12,475	12,475	11,675	11,675	11,675	11,675	11,675
Career and Technical Education	99,000	99,000	99,000	99,000	99,000	99,000	99,000
Career and Technical Education Equipment Grants	5,550	5,550	5,550	5,550	5,550	5,550	5,550
Authority Rentals and Sinking Fund Requirements	10,500	10,500	201,303	192,561	193,340	193,340	228,784
Pupil Transportation.....	706,097	605,765	622,408	622,408	622,408	622,408	622,408
Nonpublic and Charter School Pupil Transportation.....	79,442	79,442	79,442	79,442	79,442	79,442	79,442

Program: PreK–12 Education, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Special Education	1,186,815	1,186,815	1,386,815	1,386,815	1,386,815	1,386,815	1,386,815
Early Intervention	314,500	325,500	336,500	336,500	336,500	336,500	336,500
Tuition for Orphans and Children Placed in Private Homes	48,000	48,000	50,747	50,747	50,747	50,747	50,747
Payments in Lieu of Taxes	168	170	170	170	170	170	170
Education of Migrant Laborers' Children	853	853	853	853	853	853	853
PA Chartered Schools for the Deaf and Blind	54,584	57,557	57,057	69,076	69,076	69,076	69,076
Special Education - Approved Private Schools	114,738	122,656	122,656	148,493	148,493	148,493	148,493
School Food Services	30,000	30,000	30,000	30,000	30,000	30,000	30,000
School Employees' Social Security	64,568	73,643	70,593	72,005	73,445	74,914	76,412
School Employees' Retirement	2,628,000	2,702,000	2,734,000	2,894,000	3,021,000	3,144,000	3,277,000
Services to Nonpublic Schools	87,939	87,939	87,939	87,939	87,939	87,939	87,939
Textbooks, Materials and Equipment for Nonpublic Schools	26,751	26,751	26,751	26,751	26,751	26,751	26,751
Job Training and Education Programs	37,920	36,420	-	-	-	-	-
Safe School Initiative	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Trauma-Informed Education	750	750	-	-	-	-	-
TOTAL GENERAL FUND	\$ 12,879,877	\$ 12,942,468	\$ 14,717,262	\$ 14,925,755	\$ 15,059,349	\$ 15,192,250	\$ 15,373,369
MOTOR LICENSE FUND:							
Safe Driving Course	\$ 650	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100

Program: PreK–12 Education, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Improve access to high-quality early learning programs for all Pennsylvania children and families.							
Students in state-funded Head Start Supplemental.....	5,728	5,703	5,549	6,112	7,790	7,790	8,261
Students in PA Pre-K Counts program	18,133	18,249	21,029	23,128	26,461	26,461	29,261
Number of children participating in Early Intervention.....	52,811	54,650	56,447	57,500	59,000	61,000	63,000
Increase the number of K-12 students who have demonstrated proficiency in key academic subjects and are on track for postsecondary success.							
Percentage of students proficient or advanced in mathematics.....	42.0%	45.0%	45.4%	47.6%	49.8%	52.0%	54.2%
Percentage of students proficient or advanced in English language arts.....	62.1%	62.6%	63.1%	64.6%	66.1%	67.6%	69.1%
Percentage of students proficient or advanced in science	70.2%	63.6%	65.0%	66.4%	67.8%	69.2%	70.6%
Increase collaboration between early childhood, K-12, and postsecondary education as well as business and industry partners to align instruction with Pennsylvania’s current and emerging workforce needs and emphasize the value of career and technical skills.							
Number of students enrolled in PDE-approved career and technical education (CTE) programs of study....	67,648	67,294	67,248	67,236	68,105	67,841	68,990

Program: Library Services

Goal: To support, develop and provide library services for learning and advancement.

Public Library Subsidy

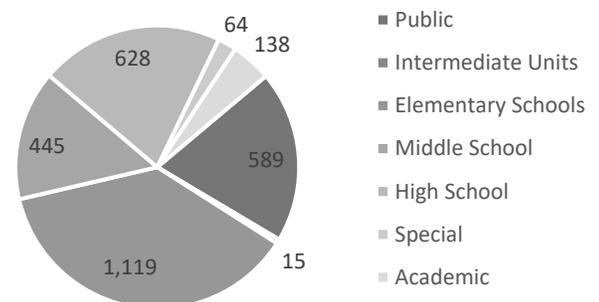
The commonwealth helps defray the cost of basic operations of Pennsylvania's more than 600 local public libraries that had more than 41 million visitors who borrowed nearly 62 million books and other materials. This funding provides every Pennsylvanian with access to the resources of four major research libraries: the [State Library of Pennsylvania](#), the [Carnegie Library of Pittsburgh](#), the [Free Library of Philadelphia](#) and the [libraries of The Pennsylvania State University](#).

Library Access

Pennsylvania is committed to ensuring that all Pennsylvanians can easily access the library resources that exist not only in their own communities but also across the commonwealth. The interlibrary delivery service makes it affordable for all state-supported libraries to participate in a statewide delivery service that moves library materials across the state in a timely and cost-effective way and encourages sharing of materials. The [Pennsylvania Online World of Electronic Resources \(POWER\) library network](#) provides online magazine and reference materials for Pennsylvania residents to use in the library or remotely.

The statewide electronic library catalog, also known as the [Access Pennsylvania Database program](#), provides Pennsylvanians online access to library holdings of more than 1,400 Pennsylvania school, public, college, university and special libraries and intermediate units. This is the largest online catalog of its type in North America. As part of the Library Access program, Pennsylvanians have online access to professional reference librarians 24/7 through Pennsylvania's virtual reference service called [Chat with a Librarian](#).

Number of POWER Library Participants



Library Services for Visually Impaired & Disabled

Through the Library of Accessible Media for Pennsylvanians (LAMP), the Carnegie Library of Pittsburgh and the Free Library of Philadelphia provide unique services to persons with visual and physical limitations. In partnership with the National Library Service for the Blind and Physically Handicapped, recorded and Braille materials are available by direct mail or download for residents of all ages who cannot use a traditional book, magazine or newspaper.

State Library

This appropriation supports the services and operations of the Office of Commonwealth Libraries and is the primary source of funding for the [State Library of Pennsylvania](#). Located in Harrisburg, the State Library provides reference service to all branches of state government, as well as to libraries and commonwealth residents. An extensive general and legal reference collection, comprehensive collections of Pennsylvania newspapers, Pennsylvania state and U.S. government publications and 90 other databases are available. The State Library is home to the [Rare Collections Library](#), which is organized around the Assembly Collection that was purchased beginning in 1745 by Benjamin Franklin when he was Clerk of the Assembly.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Program: Library Services, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
State Library	\$ 2,280	\$ 2,238	\$ 2,238	\$ 2,280	\$ 2,280	\$ 2,280	\$ 2,280
Public Library Subsidy	59,470	59,470	59,470	59,470	59,470	59,470	59,470
Library Services for the Visually Impaired and Disabled	2,567	2,567	2,567	2,567	2,567	2,567	2,567
Library Access	3,071	3,071	3,071	3,071	3,071	3,071	3,071
TOTAL GENERAL FUND	\$ 67,388	\$ 67,346	\$ 67,346	\$ 67,388	\$ 67,388	\$ 67,388	\$ 67,388

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Meet the critical learning and information needs of Pennsylvania residents by increasing use of POWER Library's online reference resources, especially those for elementary and secondary school students.							
Use of POWER Library online reference resources offered (in thousands)	8,775	8,494	9,933	8,315	8,125	6,419 a	8,315
Provide supports to meet the critical learning needs of Pennsylvanians by increasing participation in public library programs, especially early literacy programs for young children (birth to pre-k).							
Attendance at public library-based programs (physical or virtual, in thousands)	4,051	4,470	4,755	4,515	4,852	4,998	5,148
Provide supports to help increase residents' access to internet services, especially for the unemployed, minorities, English learners, and low-income communities, etc., by increasing the number of public library internet sessions.							
Number of internet sessions by the public in public libraries (in thousands)	12,822	13,004	14,146	14,374	14,561	14,998	15,435
Provide supports to help increase access to library materials for individuals with disabilities by increasing the number of recorded or braille items borrowed or downloaded through the library services for Visually Impaired and Disabled program.							
Number of recorded or braille items borrowed or downloaded through Library Services for Visually Impaired & Disabled program (in thousands) ...	1,005	1,222	1,297	1,224	1,634	1,748	1,861
Increase awareness of the State Library of Pennsylvania's extensive research resources and services among commonwealth employees and the public by increasing library use.							
Number of items accessed from the State Library of Pennsylvania	286,314	334,554	358,120	630,937	109,184 b	122,460 b	115,833 b

^a Use of POWER Library online reference resources reduced due to COVID.

^b Number of items accessed reduced due to State Library renovation.

Program: Higher Education

Goal: To promote access, affordability and performance in higher education through strategies to expand opportunity for students and align with employer needs, and to support the commonwealth's public institutions of higher education in achieving these goals.

[Postsecondary education](#) is an important pathway to ensuring Pennsylvania's success in a knowledge-based, global economy. Pennsylvania's postsecondary education system consists of 220 degree-granting institutions, including publicly supported postsecondary institutions, private colleges and universities, specialized associate degree-granting institutions, and out-of-state institutions that are approved to offer coursework for credit in the commonwealth. Funding for these institutions is through appropriations and state-funded student grant programs administered by the [Pennsylvania Higher Education Assistance Agency \(PHEAA\)](#).

Institutional Support for Pennsylvania's Institutions of Higher Education

State System of Higher Education. Funding for the 14 universities of the [State System of Higher Education](#) is distributed through the Office of the Chancellor to each university in accordance with a formula that considers student enrollment, programs, performance measures, and the operational cost of the individual campuses. Although each university has an individual mission, all provide a broad liberal arts curriculum, and most offer master's and doctoral degree programs.

Community Colleges. Funding comes from sponsoring counties or school districts, student tuition, and the commonwealth. The colleges offer associate degree and certificate programs in career and technical areas as well as provide students in arts, sciences and professions with the ability to transfer to four-year institutions. Noncredit workforce development courses provide students with training geared towards immediate entry into the workforce.

State-Related Universities. Funding for state-related universities provides basic support for postsecondary educational programs. The [Pennsylvania State University](#), the [University of Pittsburgh](#), and [Temple University](#) are major research universities that provide programs up to the doctoral level in varied academic disciplines and professional schools. [Lincoln University](#) provides programs in numerous disciplines at the baccalaureate and master degree levels.

Thaddeus Stevens College of Technology. The college provides technical-based associate degrees and certificate programs for qualified students. These programs are provided both on a tuition basis and at no cost for financially disadvantaged students. Thaddeus Stevens is dedicated to growing Pennsylvania's technical workforce and preparing students for high-demand jobs within the commonwealth.

Decreasing Time and Cost to College Completion

In 2016, Pennsylvania established a statewide postsecondary attainment goal aligned to workforce needs: 60 percent of the population ages 25-64 will hold a postsecondary degree or industry recognized credential by 2025, with a particular focus on closing attainment gaps for historically underrepresented populations. To help reach that goal, the department works with local, state, and national partners to improve postsecondary pathways for students and promote on-time degree completion. The department administers a statewide college credit transfer system that enables students to transfer courses and associate degrees among 31 participating colleges and universities in Pennsylvania.

Aligning Postsecondary Educational Opportunities with Workforce Needs

To help ensure that Pennsylvanians have access to postsecondary credentials that can accelerate opportunity for individuals and families, postsecondary programs are aligned to the commonwealth's current and projected economic needs. In particular, Pennsylvania has focused on increasing pathways to postsecondary education and training connected to statewide and regional workforce needs, especially science, technology, engineering, mathematics (STEM) and computer science.

Support for Minority Students

The Pennsylvania Department of Education and the United States Department of Education's Office of Civil Rights maintain a cooperative agreement designed to assess and address the continued challenges in providing higher education opportunities for minority students. In addition to operating and capital support for Cheyney and Lincoln Universities, direct support of students is provided through the [Bond-Hill Scholarship](#) program and the Keystone Honors Academy at Cheyney University.

Support Services

The department provides leadership and support services to all sectors of higher education. Responsibilities include acting as a liaison with the national accrediting agencies, the State Board of Education, the State Board of Private Licensed Schools, and other governing boards; policy review and development based on comprehensive planning and research; and implementation of the Higher Education Master Plan. The department partners with other commonwealth agencies on workforce development strategies. Additionally, the department awards teaching certificates to those seeking certification in Pennsylvania.

Program: Higher Education, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Community Colleges		Transfer to Community College Capital Fund	
\$ 1,385	—Initiative—for operating costs associated with Erie Community College.	\$ 3,209	—Initiative—for start-up and capital costs associated with Erie Community College.

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
General Fund:							
Community Colleges.	\$ 243,855	\$ 243,855	\$ 245,240	\$ 245,240	\$ 245,240	\$ 245,240	\$ 245,240
Transfer to Community College Capital Fund	48,869	48,869	52,078	52,078	52,078	52,078	52,078
Regional Community Colleges Services	2,136	2,136	2,136	2,136	2,136	2,136	2,136
Northern PA Regional College	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Community Education Councils ...	2,393	2,393	2,393	2,393	2,393	2,393	2,393
Sexual Assault Prevention.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Thaddeus Stevens College of Technology	18,701	18,701	18,701	18,701	18,701	18,701	18,701
State System of Higher Education	477,470	477,470	477,470	477,470	477,470	477,470	477,470
The Pennsylvania State University.....	268,832	268,832	268,832	268,832	268,832	268,832	268,832
University of Pittsburgh.....	154,853	154,853	154,853	154,853	154,853	154,853	154,853
Temple University	158,206	158,206	158,206	158,206	158,206	158,206	158,206
Lincoln University.....	15,166	15,166	15,166	15,166	15,166	15,166	15,166
TOTAL GENERAL FUND	\$ 1,398,481	\$ 1,398,481	$ 1,403,075	$ 1,403,075	$ 1,403,075	$ 1,403,075	\$ 1,403,075

Program: Higher Education, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase postsecondary access, affordability, and completion through improved alignment between K-12 and higher education in the commonwealth.							
Percentage of students enrolled in postsecondary education within 16 months of graduating from a Pennsylvania public high school.....	65.2%	65.4%	65.7%	66.0%	66.2%	66.4%	66.6%
Percentage of Pennsylvania high school graduates who earn a degree within six years of graduation	41.6%	43.2%	43.8%	42.9%	43.1%	47.0%	48.5%
Increase access to postsecondary educational opportunities aligned with Pennsylvania's workforce needs so that learners of all ages earn valuable postsecondary credentials in a timely manner.							
Percentage of full-time, first-time students at state system and state-related universities earning a degree within 150 percent of normal time.....	62.6%	62.5%	63.9%	64.8%	64.0%	64.0%	64.0%
Percentage of full-time, first-time students at community colleges earning a degree within 150 percent of normal time	16.6%	16.6%	19.0%	19.7%	22.0%	22.0%	22.0%
Percentage of Pennsylvania residents with a postsecondary degree or credential	45.6%	46.5%	50.3%	51.0%	51.4%	53.0%	54.7%

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HIGHER EDUCATION ASSISTANCE AGENCY

The mission of the [Pennsylvania Higher Education Assistance Agency](#) is to provide affordable access to postsecondary education while helping to secure a strong economic future for the commonwealth through the development of a highly skilled workforce.

The agency provides financial aid to postsecondary students in the form of grants, scholarships, 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 Pennsylvania State Grant Program.

Programs and Goals

Financial Assistance to Students: To provide financial assistance to commonwealth residents in order to promote access to postsecondary education.

Financial Aid to Institutions: To assist independent, postsecondary institutions to maintain enrollments and stabilize their educational costs; thereby, promoting access to institutions in all sectors for Pennsylvania students and assisting at-risk students by providing institutional funds for support services.

Higher Education Assistance Agency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>Grants and Subsidies:</i>			
Grants to Students	\$ 310,733	\$ 310,733	\$ 309,733
(F)COVID-RF Education Assistance Grants	30,000	-	-
(A)Grants to Students Supplement	15,000	15,000	15,000
Pennsylvania Internship Program Grants	450	450	450
Ready to Succeed Scholarships	5,550	5,550	5,000
Matching Payments for Student Aid	13,121	13,121	13,121
Institutional Assistance Grants	26,521	26,521	26,521
(F)COVID-RF Institutional Assistance Grants	5,000	-	-
Higher Education for the Disadvantaged	2,358	2,358	2,358
(F)COVID-RF Higher Education for the Disadvantaged	5,000	-	-
Higher Education of Blind or Deaf Students	49	49	49
Bond-Hill Scholarships	800	800	650
Cheyney Keystone Academy	3,500	3,500	3,000
(A)Cheyney Keystone Academy Supplement	500	500	-
Targeted Industry Cluster Scholarship Program	6,300	6,300	6,300
(F)COVID-RF Student Loan Interest Forbearance	2,200	-	-
Subtotal - State Funds	\$ 369,382	\$ 369,382	\$ 367,182
Subtotal - Federal Funds	42,200	-	-
Subtotal - Augmentations	15,500	15,500	15,000
Total - Grants and Subsidies	<u>\$ 427,082</u>	<u>\$ 384,882</u>	<u>\$ 382,182</u>
STATE FUNDS	\$ 369,382	\$ 369,382	\$ 367,182
FEDERAL FUNDS	42,200	-	-
AUGMENTATIONS	15,500	15,500	15,000
GENERAL FUND TOTAL	<u>\$ 427,082</u>	<u>\$ 384,882</u>	<u>\$ 382,182</u>
OTHER FUNDS:			
HIGHER EDUCATION ASSISTANCE FUND:			
(R)Educational Training Vouchers Program	\$ 1,651	\$ 1,598	\$ 1,618
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 369,382	\$ 369,382	\$ 367,182
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	42,200	-	-
AUGMENTATIONS	15,500	15,500	15,000
RESTRICTED	-	-	-
OTHER FUNDS	1,651	1,598	1,618
TOTAL ALL FUNDS	<u>\$ 428,733</u>	<u>\$ 386,480</u>	<u>\$ 383,800</u>

Higher Education Assistance Agency

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
FINANCIAL ASSISTANCE TO STUDENTS							
GENERAL FUND.....	\$ 340,503	\$ 340,503	\$ 338,303	\$ 338,303	\$ 338,303	\$ 338,303	\$ 338,303
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	32,200	-	-	-	-	-	-
AUGMENTATIONS	15,500	15,500	15,000	15,000	15,000	15,000	15,000
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	1,651	1,598	1,618	1,618	1,618	1,618	1,618
SUBCATEGORY TOTAL....	\$ 389,854	\$ 357,601	\$ 354,921	$ 354,921	$ 354,921	$ 354,921	$ 354,921
FINANCIAL AID TO INSTITUTIONS							
GENERAL FUND.....	\$ 28,879	\$ 28,879	\$ 28,879	\$ 28,879	\$ 28,879	\$ 28,879	\$ 28,879
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	10,000	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 38,879	\$ 28,879	$ 28,879	$ 28,879	$ 28,879	$ 28,879	$ 28,879
ALL PROGRAMS:							
GENERAL FUND.....	\$ 369,382	\$ 369,382	\$ 367,182	\$ 367,182	\$ 367,182	\$ 367,182	\$ 367,182
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	42,200	-	-	-	-	-	-
AUGMENTATIONS	15,500	15,500	15,000	15,000	15,000	15,000	15,000
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	1,651	1,598	1,618	1,618	1,618	1,618	1,618
DEPARTMENT TOTAL	\$ 428,733	\$ 386,480	\$ 383,800				

Program: Financial Assistance to Students

Goal: To provide financial assistance to commonwealth residents in order to promote access to postsecondary education.

[The Pennsylvania Higher Education Assistance Agency \(PHEAA\)](#) offers financial assistance programs to students in the form of grants, scholarships and work-study awards. All General Fund appropriations are transferred to PHEAA's Higher Education Assistance Fund prior to distribution to students and institutions.

[Grants to Students \(Pennsylvania State Grants\)](#) are funded by an annual appropriation from the General Fund, a portion of PHEAA's business earnings, when available, and interest earnings from the Higher Education Assistance Fund. The PHEAA Board annually determines the distribution of funds to applicants on criteria including family income, family size and the cost of attendance at the institution the student will be attending. The objective of this program is to reduce financial barriers and provide greater access to higher education for all commonwealth residents and, within the limits of the resources available, help to provide freedom of choice between public and private institutions.

The [Ready to Succeed Scholarships](#) program makes postsecondary educational opportunities more affordable to high-achieving students from middle-income Pennsylvania families. Students can pursue two-year and four-year postsecondary degrees at any participating Pennsylvania college, university or technical school. Matching funds programs, including [Federal Work-Study](#), [State Work-Study](#) and [Partnerships for Access to Higher Education](#), provide

funds to match federal funds and work-study awards which students earn through both on-campus and off-campus job opportunities. Matching funds also leverage private foundation scholarships.

[The Pennsylvania Targeted Industry Program](#) provides grants to students enrolled in certificate programs in the energy, health, advanced materials and diversified manufacturing, and agriculture and food production fields. [The Higher Education of Blind or Deaf Students program](#) provides assistance to blind or deaf students who are Pennsylvania residents and are enrolled in an approved institution of higher education.

[The Horace Mann Bond-Leslie Pinckney Hill Scholarship program](#) provides grants to graduates of Lincoln University and Cheyney University of Pennsylvania who enter select graduate and professional programs at Temple University, Lincoln University, the Pennsylvania State University, the University of Pittsburgh or one of the Pennsylvania State System of Higher Education (PASSHE) institutions. [The Cheyney Keystone Academy program](#) provides scholarships to attract students to enroll at Cheyney University of Pennsylvania. The Pennsylvania Internship Program provides scholarships to Pennsylvania residents attending Pennsylvania colleges and universities and pursuing an internship through [The Washington Center for Internships and Academic Seminars](#).

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	Grants to Students		Bond-Hill Scholarships
\$ -1,000	—funding reduction.	\$ -150	—funding reduction.
	Ready to Succeed Scholarships		Cheyney Keystone Academy
\$ -550	—funding reduction.	\$ -500	—funding reduction.

All other appropriations are recommended at the current year funding levels.

The budget recommends \$15,000,000 for the Grants to Students Supplement funded by PHEAA reserves.

Higher Education Assistance Agency

Program: Financial Assistance to Students, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Grants to Students.....	\$ 310,733	\$ 310,733	\$ 309,733	\$ 309,733	\$ 309,733	\$ 309,733	\$ 309,733
Pennsylvania Internship Program Grants	450	450	450	450	450	450	450
Ready to Succeed Scholarships	5,550	5,550	5,000	5,000	5,000	5,000	5,000
Matching Payments for Student Aid	13,121	13,121	13,121	13,121	13,121	13,121	13,121
Higher Education of Blind or Deaf Students.....	49	49	49	49	49	49	49
Bond-Hill Scholarships	800	800	650	650	650	650	650
Cheyney Keystone Academy.....	3,500	3,500	3,000	3,000	3,000	3,000	3,000
Targeted Industry Cluster Scholarship Program	6,300	6,300	6,300	6,300	6,300	6,300	6,300
TOTAL GENERAL FUND	\$ 340,503	\$ 340,503	$ 338,303	$ 338,303	$ 338,303	$ 338,303	\$ 338,303

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase enrollment and graduation rates at Pennsylvania's colleges and universities.							
Applications for PA State Grants...	577,445	546,182	542,030	525,372	507,062	485,258	471,768
PA State Grant recipients	153,648	143,157	140,827	143,647	132,910	120,527	117,176
Ready to Succeed Scholarship (RTSS) recipients	3,517	3,249	3,117	3,461	3,633	4,010	4,010
Develop a strong workforce in targeted industries in Pennsylvania through access to financial assistance for postsecondary education.							
PA Targeted Industry Program (PA-TIP) recipients	1,625	1,871	1,714	1,557	1,525	1,769	1,769

Program: Financial Aid to Institutions

Goal: To assist independent, postsecondary institutions to maintain enrollments and stabilize their educational costs; thereby, promoting access to institutions in all sectors for Pennsylvania students and assisting at-risk students by providing institutional funds for support services.

[The Institutional Assistance Grants Program](#) provides grants to independent postsecondary institutions that are nonprofit, nondenominational and nonrecipients of direct state appropriations. The program helps to preserve and develop the diverse system of postsecondary education by allowing Pennsylvania's independent colleges and universities to stabilize their educational costs and maintain enrollments. Eighty-nine institutions are currently eligible to participate in the program.

The Higher Education for the Disadvantaged Program, more commonly known as the [Act 101 Program](#), provides funding to institutions for support services, academic advising, counseling and tutoring to economically and educationally underserved students. In 2019-20, there were 33 Act 101 programs that operated at institutions across the commonwealth, serving more than 3,600 students.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Institutional Assistance Grants.....	\$ 26,521	\$ 26,521	\$ 26,521	\$ 26,521	\$ 26,521	\$ 26,521	\$ 26,521
Higher Education for the Disadvantaged....	2,358	2,358	2,358	2,358	2,358	2,358	2,358
TOTAL GENERAL FUND.....	\$ 28,879	\$ 28,879	\$ 28,879	\$ 28,879	\$ 28,879	\$ 28,879	\$ 28,879

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Support programs at institutions through the development and preservation of a planned system of postsecondary education across the commonwealth (through the Institutional Assistance Grants Program).							
Institutions aided.....	88	89	88	88	88	89	89
Support programs at institutions that help economically and educationally underserved students succeed in postsecondary education.							
Institutional programs aided through Act 101 program	32	32	32	32	33	34	34



EMERGENCY MANAGEMENT AGENCY

The Pennsylvania Emergency Management Agency (PEMA) helps communities and citizens mitigate against, prepare for, respond to, and recover from emergencies including natural disasters, acts of terrorism, or other human-made disasters. PEMA supports county emergency management agencies by coordinating and engaging the whole community, including federal and state partners, volunteer organizations involved in disasters, private sector business community, and citizens.

The agency develops and maintains a comprehensive plan to enhance the commonwealth's capabilities to prepare for, respond to, and recover from all hazards that affect the citizens of Pennsylvania. Primarily the plan calls for the protection of life and property both prior to and in the event of natural and other disasters. The agency, through the Office of the State Fire Commissioner (OSFC), provides loans to volunteer fire, ambulance and rescue companies, and coordinates state fire services. The agency also administers post-disaster aid to affected localities and citizens.

Programs and Goals

Emergency Management: *To develop and maintain a statewide emergency preparedness and response program capable of immediate and effective action and rapid organizational expansion in the event of natural, technological, or other human-made disasters.*

Fire Prevention and Safety: *To minimize the loss of life and property due to fire by developing and maintaining statewide municipal fire and emergency service capability and to promote citizen awareness to support community fire prevention and control efforts.*

Emergency Management Agency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
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GENERAL FUND:

General Government:

General Government Operations	\$ 13,521	\$ 13,387	\$ 10,603
(F)Civil Preparedness.....	21,000	21,000	21,000
(F)Hazardous Materials Planning and Training.....	1,500	1,500	1,500
(F)Domestic Preparedness - First Responders (EA).....	100,000	100,000	100,000
(F)Next Generation 911 (EA)	4,000	5,000	4,000
(F)COVID-Emergency Performance Management Grant CARES (EA).....	3,065	-	-
(A)Miscellaneous.....	91	-	-
(R)Radiological Emergency Response Planning	1,501	1,475	1,475
(R)Radiation Emergency Response Fund	715	805	750
(R)Radiation Transportation Emergency Response Fund	15	180	180
Subtotal.....	\$ 145,408	\$ 143,347	\$ 139,508
State Fire Commissioner	2,848	2,807	2,777
(F)Fire Prevention	42	42	20
(F)Firefighters Assistance Program (EA)	500	350	500
(F)COVID-RF Fire Company & Emergency Medical Services.....	48,400	-	-
(A)Volunteer Company Loan Program.....	250	250	250
(A)Volunteer Company Grant Program	800	800	800
(A)Arson Fines	5	-	-
(R)Online Training Educator and Reimbursement	-	305	300
Subtotal.....	\$ 52,845	\$ 4,554	\$ 4,647
Subtotal - State Funds.....	\$ 16,369	\$ 16,194	\$ 13,380
Subtotal - Federal Funds.....	178,507	127,892	127,020
Subtotal - Augmentations.....	1,146	1,050	1,050
Subtotal - Restricted Revenues	2,231	2,765	2,705
Total - General Government.....	\$ 198,253	\$ 147,901	\$ 144,155

Grants and Subsidies:

Disaster Relief	\$ 18,800	\$ 16,700	\$ 31,113
(F)COVID-RF Health Care Supplemental Assistance.....	50,000	-	-
(F)Disaster Relief (EA)	76,000	80,000	60,000
(F)COVID-PA Disaster Relief (EA).....	55,000	107,000	-
(F)SCDBG - Disaster Recovery (EA)	2,000	-	-
(F)COVID-Emergency Food and Shelter Program (EA)	8,266	-	-
(F)Emergency Federal Law Enforcement Assistance (EA).....	-	3,547	-
(F)Hazard Mitigation (EA).....	14,000	12,000	10,000
Firefighters Memorial Flags.....	10	10	10
Red Cross Extended Care Program.....	250	250	250
Search and Rescue.....	250	250	-

Emergency Management Agency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(R)Volunteer Fire Company Assistance.....	978	916	900
Subtotal - State Funds.....	\$ 19,310	\$ 17,210	\$ 31,373
Subtotal - Federal Funds.....	205,266	202,547	70,000
Total - Grants and Subsidies.....	\$ 224,576	\$ 219,757	\$ 101,373
STATE FUNDS.....	\$ 35,679	\$ 33,404	\$ 44,753
FEDERAL FUNDS.....	383,773	330,439	197,020
AUGMENTATIONS.....	1,146	1,050	1,050
RESTRICTED REVENUES.....	3,209	3,681	3,605
GENERAL FUND TOTAL.....	\$ 423,807	\$ 368,574	\$ 246,428
OTHER FUNDS:			
HAZARDOUS MATERIAL RESPONSE FUND:			
General Operations.....	\$ 180	\$ 180	\$ 180
Hazardous Materials Response Team.....	180	180	180
Grants to Counties.....	1,260	1,260	1,260
Public and Facility Owner Education.....	180	180	180
HAZARDOUS MATERIAL RESPONSE FUND TOTAL.....	\$ 1,800	\$ 1,800	\$ 1,800
PROPERTY TAX RELIEF FUND:			
Transfer to Volunteer Company Grants Program (EA).....	\$ 5,000	\$ 5,000	\$ 5,000
STATE GAMING FUND:			
Transfer to Volunteer Company Grants Program (EA).....	\$ 25,000	\$ 25,000	\$ 25,000
UNCONVENTIONAL GAS WELL FUND:			
Emergency Response Planning (EA).....	\$ 750	\$ 750	\$ 750
First Responders Equipment and Training (EA).....	750	750	750
UNCONVENTIONAL GAS WELL FUND TOTAL.....	\$ 1,500	\$ 1,500	\$ 1,500
VOLUNTEER COMPANIES LOAN FUND:			
Volunteer Company Loans.....	\$ 10,894	\$ 20,000	\$ 20,000
911 FUND:			
General Operations (EA).....	\$ 6,320	\$ 6,300	\$ 6,300
Emergency Services Grants (EA).....	309,680	335,700	335,700
911 FUND TOTAL.....	\$ 316,000	\$ 342,000	\$ 342,000
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 35,679	\$ 33,404	\$ 44,753
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	383,773	330,439	197,020
AUGMENTATIONS.....	1,146	1,050	1,050
RESTRICTED.....	3,209	3,681	3,605
OTHER FUNDS.....	360,194	395,300	395,300
TOTAL ALL FUNDS.....	\$ 784,001	\$ 763,874	\$ 641,728

Emergency Management Agency

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
EMERGENCY MANAGEMENT							
GENERAL FUND.....	\$ 32,571	\$ 30,337	\$ 41,716	\$ 10,750	\$ 10,750	\$ 10,750	\$ 10,750
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	334,831	330,047	196,500	161,500	156,500	156,500	156,500
AUGMENTATIONS	91	-	-	-	-	-	-
RESTRICTED.....	2,231	2,460	2,405	2,405	2,405	2,405	2,405
OTHER FUNDS.....	318,550	344,550	344,550	344,246	328,459	323,459	318,459
SUBCATEGORY TOTAL....	\$ 688,274	\$ 707,394	\$ 585,171	\$ 518,901	\$ 498,114	\$ 493,114	\$ 488,114
FIRE PREVENTION AND SAFETY							
GENERAL FUND.....	\$ 3,108	\$ 3,067	\$ 3,037	\$ 3,074	\$ 3,074	\$ 3,074	\$ 3,074
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	48,942	392	520	520	520	520	520
AUGMENTATIONS	1,055	1,050	1,050	1,050	1,050	1,050	1,050
RESTRICTED.....	978	1,221	1,200	300	300	300	300
OTHER FUNDS.....	41,644	50,750	50,750	50,750	50,750	50,750	50,750
SUBCATEGORY TOTAL....	\$ 95,727	\$ 56,480	\$ 56,557	\$ 55,694	\$ 55,694	\$ 55,694	\$ 55,694
ALL PROGRAMS:							
GENERAL FUND.....	\$ 35,679	\$ 33,404	\$ 44,753	\$ 13,824	\$ 13,824	\$ 13,824	\$ 13,824
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	383,773	330,439	197,020	162,020	157,020	157,020	157,020
AUGMENTATIONS	1,146	1,050	1,050	1,050	1,050	1,050	1,050
RESTRICTED.....	3,209	3,681	3,605	2,705	2,705	2,705	2,705
OTHER FUNDS.....	360,194	395,300	395,300	394,996	379,209	374,209	369,209
DEPARTMENT TOTAL	\$ 784,001	\$ 763,874	\$ 641,728	\$ 574,595	\$ 553,808	\$ 548,808	\$ 543,808

Program: Emergency Management

Goal: To develop and maintain a statewide emergency preparedness and response program capable of immediate and effective action and rapid organizational expansion in the event of natural, technological, or other human-made disasters.

The [Pennsylvania Emergency Management Agency](#) (PEMA) was created in 1951 to address civil defense related [public planning](#) and preparedness. Since then, PEMA's responsibilities have evolved, and the agency's mission has grown into that of a statewide all-hazards emergency management agency. The agency's mission is accomplished through systematic preparation for threats that pose the greatest risk to the safety and security of the commonwealth, including natural and human-made disasters, pandemics, and acts of terrorism. PEMA has adopted the "[Whole Community](#)" approach to emergency management, which recognizes that it takes all aspects of a community to effectively prepare for, protect against, respond to, recover from, and mitigate against any disaster. At its core is a multi-agency coordination and training program, which develops and maintains a statewide emergency force composed of state, county, and local units that are jointly capable of prompt and effective action to protect life and property; alleviate human suffering and hardship resulting from natural and human-made disasters; and deploy rapidly when required. PEMA is primarily the lead commonwealth agency for establishing, developing, and maintaining planning, preparedness, and response coordination programs to promote the health, safety, and welfare of the general public, emergency responders, and public officials, from actual or potential natural or human caused disasters in the commonwealth.

PEMA's responsibilities include programs concerning community safety as well as initiatives related to [9-1-1 technology](#), operation and policy, [statewide chemical and nuclear power safety](#), hazardous materials transportation, and individual emergency preparedness. PEMA also assists local governments with [hazard assessments](#), [emergency planning](#), warning systems and emergency communications, county [hazard mitigation plans](#), and ongoing training programs to help them maintain their

readiness. The commonwealth's Watch and Warning Center is maintained and operated by PEMA and serves as the 24/7 monitoring and emergency alerting hub for all-hazards incidents and events throughout the commonwealth.

Generally, PEMA is responsible to direct and coordinate all available commonwealth resources and state agency responses, support county and local governments in the areas of emergency management, disaster mitigation, preparedness, planning, and respond to, recover from, and mitigate the impacts from all-hazards emergencies. In addition, PEMA provides advice and assistance to the governor related to all emergent situations, up to and including issuance and implementation of a Governor's Proclamation of Disaster Emergency and request to the President for a major disaster declaration. PEMA is the commonwealth's point of contact to the Federal Emergency Management Agency regarding federal-state business. PEMA also acts as the federally designated state administrative agency and is responsible for managing congressionally mandated first responder preparedness support programs.

PEMA coordinates mass [search and rescue](#) capabilities for response to certain types of disasters. Regional rapid assessment teams are trained to provide assessment of needs in disaster areas. The agency coordinates eight regional task forces, which are integral to ensuring the preparedness of counties by coordinating planning, training, and exercising at the regional level across multiple agencies, organizations, and disciplines.

PEMA is also responsible for carrying out the provisions of the [Pennsylvania 9-1-1 Act](#), the decision-making aspects of Next Generation 9-1-1 development, ensuring compliance with legislative policy and supporting plans and procedures, collaborating among stakeholders and informing the public about relevant aspects of 9-1-1.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations		Disaster Relief	
\$ -2,010	—nonrecurring costs.	\$ 14,413	—state match for federally funded projects.
-774	—to continue current program.		
<u>\$ -2,784</u>	<i>Appropriation Decrease</i>	\$ -250	Search and Rescue —program elimination.

Emergency Management Agency

Program: Emergency Management, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 13,521	\$ 13,387	\$ 10,603	\$ 10,750	\$ 10,750	\$ 10,750	\$ 10,750
Disaster Relief	18,800	16,700	31,113	-	-	-	-
Search and Rescue	250	250	-	-	-	-	-
TOTAL GENERAL FUND	\$ 32,571	\$ 30,337	\$ 41,716	\$ 10,750	\$ 10,750	\$ 10,750	\$ 10,750

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Provide support to local leaders in the five mission areas of prevention, protection, mitigation, response, and recovery.							
Percentage of compliant county emergency management coordinators	57%	61%	82%	87%	75%	80%	85%
Improve the preparedness and response capabilities of individuals and communities to all hazards.							
Percentage of PEMA staff that are National Incident Management System certified	6%	58%	64%	75%	45%	71%	75%
Number of businesses participating in private sector integration program	N/A	14	50	200	456	500	550
Percentage of counties that adopt Hazard Mitigation (HM) plans	97%	95%	90%	93%	85%	90%	90%

Program: Fire Prevention and Safety

Goal: To minimize the loss of life and property due to fire by developing and maintaining statewide municipal fire and emergency service capability and to promote citizen awareness to support community fire prevention and control efforts.

The [State Fire Commissioner](#) (SFC) oversees the development and operation of the State Fire Academy, the [Volunteer Loan Assistance Program](#) (VLAP), the Fire Company and Emergency Medical Services Grant Program (FCEMSGP), the [Pennsylvania Fire Information Reporting System](#) (PennFIRS), [Marcellus Shale and Alternative Energy Emergency Response Training](#), a variety of public education and information programs, and the administration of the Firefighters' Memorial Flags Program. The commissioner is also responsible for coordinating federal, state and private fire safety funds; assisting state agencies in the development of plans related to fire safety; reviewing existing or proposed rules and regulations affecting the safety of commonwealth citizens; and providing a cost-effective fire-loss management system for the commonwealth.

The [State Fire Academy](#) in Lewistown, is the catalyst for the delivery of training and certification to the commonwealth's fire and emergency response community. The [Local Level Training Program](#), a unique system involving the academy, community colleges, and county and local training facilities and organizations, provides a comprehensive curriculum of basic and mid-level fire, rescue, hazardous material, officer development and fire department management courses deliverable to firefighters through county and local fire departments. The academy's training facilities and staff support the resident training programs offering mid-level, advanced and specialty training in fire, rescue, hazardous

material and officer development courses aimed at providing professional development opportunities for the commonwealth's fire service, state accredited instructors and employees from other state agencies. Programs of interest and concern are made available to the emergency services providers through the academy's "[Academy on the Road](#)" Program.

The [VLAP](#) provides assistance to the volunteer fire fighting, ambulance and rescue community in the form of low-interest loans for the purpose of establishing or modernizing facilities to house apparatus and equipment; purchasing new or rehabilitating old apparatus; and purchasing protective, communications and accessory equipment.

The [Fire Company and Emergency Medical Services Grant Program](#) (FCEMSGP) annually receives transfers of \$25 million from the State Gaming Fund and \$5 million from the Property Tax Relief Fund to provide approximately 2,400 grants annually to all fire companies and emergency medical services (EMS) companies to assist in maintaining or improving capability to provide fire, ambulance and rescue services. An additional amount, up to \$1.5 million as becomes available from the Fireworks Tax, is awarded and distributed to EMS companies via the FCEMSGP.

The office is responsible for providing a flag to honor firefighters who have died in the line of duty. The office provides assistance to fire departments and surviving relatives immediately following such deaths.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

State Fire Commissioner

\$ -30 —to continue current program.

All other appropriations are recommended at the current year funding levels.

Emergency Management Agency

Program: Fire Prevention and Safety continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
GENERAL FUND:							
State Fire Commissioner	\$ 2,848	\$ 2,807	\$ 2,777	\$ 2,814	\$ 2,814	\$ 2,814	\$ 2,814
Firefighters Memorial Flags ..	10	10	10	10	10	10	10
Red Cross Extended Care Program	250	250	250	250	250	250	250
TOTAL GENERAL FUND	\$ 3,108	\$ 3,067	\$ 3,037	\$ 3,074	\$ 3,074	\$ 3,074	\$ 3,074

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Improve fire department effectiveness and service delivery, and promote and enhance the safety of first responders through participation in firefighter certification programs and training opportunities.							
Volunteer company loans awarded (in thousands).....	\$ 12,888	\$ 11,671	\$ 10,280	\$ 16,053	\$ 7,924	\$ 12,320	\$ 13,500
Fire company grants awarded	2,040	1,974	1,973	1,970	2,008	2,000	2,000
Firefighter certifications issued	N/A	3,310	3,586	2,916	3,126	2,000	2,300
Fire casualties	135	125	125	152	111	125	125
Total firefighters trained	4,317	4,872	3,890	3,407	2,979	1,000	3,000



DEPARTMENT OF ENVIRONMENTAL PROTECTION

The mission of the Department of Environmental Protection is to protect Pennsylvania's air, land and water from pollution and to provide for the health and safety of its citizens through a cleaner environment. The department will work as partners with individuals, organizations, governments, and businesses to prevent pollution and restore our natural resources.

Programs and Goals

Environmental Support Services: *To provide administrative and technical support for the commonwealth's environmental protection programs.*

Environmental Protection and Management: *To protect Pennsylvania's air, land, and water from pollution and to provide for the health and safety of its citizens through a cleaner environment. This responsibility is met by enforcing clean air and water standards, managing land protection activities and ensuring waste is handled properly, ensuring safe and healthy communities, and promoting sustainable energy.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
General Government Operations	\$ 13,469	\$ 15,095	\$ 16,759
(A)Transfer in for Environmental Programs	13,156 ^a	-	-
(A)Reimbursement - EDP Services	9,691	10,006	10,006
Subtotal.....	<u>\$ 36,316</u>	<u>\$ 25,101</u>	<u>\$ 26,765</u>
Environmental Hearing Board	2,574	2,554	2,593
Subtotal.....	<u>\$ 2,574</u>	<u>\$ 2,554</u>	<u>\$ 2,593</u>
Environmental Program Management	27,920	32,041	34,160
(F)Coastal Zone Management	4,700	4,700	4,700
(F)Construction Management Assistance Grants - Administration	1,400	1,400	1,400
(F)Storm Water Permitting Initiative	2,300	2,300	2,300
(F)Safe Drinking Water Act - Management	5,500	5,500	5,500
(F)Water Pollution Control Grants - Management.....	5,500	5,500	5,500
(F)Air Pollution Control Grants - Management.....	3,200	3,200	3,200
(F)Surface Mine Conservation - Management	6,500	6,500	6,500
(F)Wetland Protection Fund	840	840	840
(F)Diagnostic X-Ray Equipment Testing.....	550	550	550
(F)Water Quality Outreach Operator Training.....	200	200	200
(F)Water Quality Management Planning Grants	1,150	1,150	1,150
(F)Small Operators Assistance	300	300	300
(F)Wellhead Protection Fund	250	250	250
(F)Indoor Radon Abatement.....	700	700	700
(F)Non-Point Source Implementation.....	14,800	14,800	14,800
(F)Hydroelectric Power Conservation Fund	51	51	51
(F)Survey Studies.....	5,000	6,000	6,000
(F)National Dam Safety.....	1,500	1,500	1,500
(F)Training Reimbursement for Small Systems	3,500	3,500	3,500
(F)State Energy Program	15,000	15,000	15,000
(F)Pollution Prevention.....	800	800	800
(F)Energy & Environmental Opportunities.....	1,200	1,200	1,200
(F)Surface Mine Conservation	680	680	680
(F)Multipurpose Grants to States and Tribes	600	600	600
(F)Abandoned Mine Reclamation (EA)	100,000	100,000	100,000
(F)Homeland Security Initiative (EA)	1,000	1,000	1,000
(A)Transfer in for Environmental Programs	4,193 ^a	-	-
(A)Payments - Department Services.....	1,112	1,176	1,176

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(A)Safe Drinking Water Administration.....	274	300	300
(A)Water Pollution Control Administration.....	280	200	200
(A)PA DOT ISTEPA Program.....	-	25	25
(A)Vehicle Sales - EPM.....	-	5	5
(R)Sewage Facilities Program Administration (EA)	607	607	803
(R)Used Tire Pile Remediation (EA)	-	3	3
Subtotal.....	\$ 211,607	\$ 212,578	\$ 214,893
Chesapeake Bay Agricultural Source Abatement	-^b	2,935	3,461
(F)Chesapeake Bay Pollution Abatement	15,000	15,000	15,000
Subtotal.....	\$ 15,000	\$ 17,935	\$ 18,461
Environmental Protection Operations	84,023	94,202	98,036
(F)EPA Planning Grant - Administration	8,400	8,400	8,400
(F)Water Pollution Control Grants	8,900	8,900	8,900
(F)Air Pollution Control Grants	5,010	5,500	5,500
(F)Surface Mine Control and Reclamation	12,344	12,344	12,344
(F)Training & Education of Underground Coal Miners	1,700	1,700	1,700
(F)Construction Management Assistance Grants	350	350	350
(F)Safe Drinking Water.....	5,700	5,700	5,700
(F)Oil Pollution Spills Removal.....	1,000	1,000	1,000
(F)Technical Assistance to Small Systems (EA)	1,750	1,750	1,750
(F)Assistance to State Programs (EA)	7,000	7,000	7,000
(F)Local Assistance and Source Water Protection (EA)	8,500	8,500	8,500
(F)Hazardous Materials Emergency Preparedness (EA)	-	55	55
(F)Great Lakes Restoration (EA)	1	-	-
(A)Transfer in for Environmental Programs	11,446 ^a	-	-
(A)Reimbursement - Laboratory Services.....	9,492	10,739	11,283
(A)Lab Accreditation.....	1,887	2,075	1,850
(A)Reimbursement - Department Services	5,409	5,297	5,297
(A)PADOT ISTEPA Program.....	989	1,000	1,000
(A)Clean Air Administration.....	3,860	3,860	3,860
(A)Solid Waste Abatement.....	500	500	500
(A)Safe Drinking Water Administration.....	446	450	450
(A)Safe Drinking Water Account Administration	180	180	180
(A)Water Pollution Control Administration.....	109	86	86
(A)Vehicle Sales - EPO.....	98	100	100
Subtotal.....	\$ 179,094	\$ 179,688	\$ 183,841
Black Fly Control and Research.....	3,357	3,347	3,400
(A)County Contributions	978	750	750
Subtotal.....	\$ 4,335	\$ 4,097	\$ 4,150

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
West Nile Virus and Zika Virus Control	5,378	5,345	5,609
(F) Zika Vector Control Response (EA)	68	22	-
(A) Tick and Lyme Testing	518	220	740
Subtotal.....	<u>\$ 5,964</u>	<u>\$ 5,587</u>	<u>\$ 6,349</u>
(R) Safe Drinking Water Account	4,412	7,954	9,748
(R) Radiation Protection Fund	12,809	14,936	15,631
(R) Clean Water Fund	26,338 ^c	20,604	20,789
(R) Solid Waste Abatement Fund	2,352	2,128	2,137
(R) Well Plugging Account	21,769	24,919	28,127
(R) Abandoned Well Plugging	635	222	222
(R) Orphan Well Plugging	307	619	619
(R) Alternative Fuels	5,342	7,495	5,378
(R) Industrial Land Recycling	273	352	351
(R) Waste Transportation Safety Account	1,598	2,858	3,099
(R) Electronics Material Recycling Account	371	448	490
Subtotal.....	<u>\$ 76,206</u>	<u>\$ 82,535</u>	<u>\$ 86,591</u>
Subtotal - State Funds	<u>\$ 136,721</u>	<u>\$ 155,519</u>	<u>\$ 164,018</u>
Subtotal - Federal Funds	252,944	254,442	254,420
Subtotal - Augmentations	64,618	36,969	37,808
Subtotal - Restricted Revenues	<u>76,813</u>	<u>83,145</u>	<u>87,397</u>
Total - General Government	<u>\$ 531,096</u>	<u>\$ 530,075</u>	<u>\$ 543,643</u>
Grants and Subsidies:			
Delaware River Master	\$ - ^b	\$ 38	\$ 38
Susquehanna River Basin Commission	- ^b	205	205
Interstate Commission on the Potomac River	- ^b	23	23
Delaware River Basin Commission	- ^b	217	217
Ohio River Valley Water Sanitation Commission	- ^b	68	68
Chesapeake Bay Commission	- ^b	300	300
Transfer to Conservation District Fund	- ^b	2,506	2,506
Interstate Mining Commission	- ^b	15	15
(R) Environmental Mitigation Trust Agreement Account	-	5,272	18,000
Total - Grants and Subsidies	<u>\$ -</u>	<u>\$ 8,644</u>	<u>\$ 21,372</u>
STATE FUNDS	<u>\$ 136,721</u>	<u>\$ 158,891</u>	<u>\$ 167,390</u>
FEDERAL FUNDS	252,944	254,442	254,420
AUGMENTATIONS	64,618	36,969	37,808
RESTRICTED REVENUES	<u>76,813</u>	<u>88,417</u>	<u>105,397</u>
GENERAL FUND TOTAL	<u>\$ 531,096</u>	<u>\$ 538,719</u>	<u>\$ 565,015</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
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OTHER FUNDS:

ACID MINE DRAINAGE ABATEMENT AND TREATMENT FUND:

(F)Acid Mine Drainage Abatement and Treatment (EA)	\$ 29,898	\$ 28,784	\$ 25,014
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CLEAN AIR FUND:

Major Emission Facilities (EA).....	\$ 18,759	\$ 20,801	\$ 20,083
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Mobile and Area Facilities (EA).....	9,900	11,290	10,153
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(A)Reimbursement for Services	1	-	-
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CLEAN AIR FUND TOTAL.....	\$ 28,660	\$ 32,091	\$ 30,236
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COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND:

General Operations (EA).....	\$ 4,227	\$ 4,679	\$ 4,738
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Payment of Claims (EA)	2,040	2,040	2,040
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COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND TOTAL	\$ 6,267	\$ 6,719	\$ 6,778
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COAL LANDS IMPROVEMENT FUND:

Coal Lands Restoration (EA).....	\$ 515	\$ 840	\$ 690
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CONSERVATION DISTRICT FUND:

Conservation District Grants (EA)	\$ 4,542	\$ 4,581	\$ 4,581
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ENERGY DEVELOPMENT FUND:

Energy Development - Administration (EA)	\$ 190	\$ 131	\$ 139
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Energy Development Loans/Grants (EA)	1,000	2,300	-
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ENERGY DEVELOPMENT FUND TOTAL	\$ 1,190	\$ 2,431	\$ 139
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ENVIRONMENTAL EDUCATION FUND:

General Operations (EA).....	\$ 715	\$ 906	\$ 881
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ENVIRONMENTAL STEWARDSHIP FUND:

Watershed Protection and Restoration (EA)	\$ 30,746	\$ 34,315	\$ 35,444
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HAZARDOUS SITES CLEANUP FUND:

General Operations (EA).....	\$ 22,259	\$ 23,887	\$ 24,170
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Hazardous Sites Cleanup (EA)	24,000	24,000	24,000
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Host Municipality Grants (EA)	25	25	25
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Small Business Pollution Prevention (EA)	1,000	1,000	1,000
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Transfer to Industrial Sites Cleanup Fund (EA)	3,000	3,000	3,000
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Transfer to Household Hazardous Waste Account (EA).....	1,000	1,000	1,000
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HAZARDOUS SITES CLEANUP FUND TOTAL.....	\$ 51,284	\$ 52,912	\$ 53,195
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MINE SAFETY FUND:

General Operations (EA).....	\$ 56	\$ 13	\$ 17
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NON-COAL SURFACE MINING CONSERVATION & RECLAMATION FUND:

General Operations (EA).....	\$ 4,074	\$ 3,959	\$ 3,978
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NUTRIENT MANAGEMENT FUND:

Education, Research and Technical Assistance (EA).....	\$ 2,148	\$ 2,126	\$ 2,100
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Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
RECYCLING FUND:			
Recycling Coordinator Reimbursement (EA)	\$ 2,000	\$ 2,000	\$ 2,000
Reimbursement for Municipal Inspection (EA)	297	300	400
Reimburse-Host Municipality Permit Applications Review (EA).....	20	10	10
Administration of Recycling Program (EA)	1,264	1,386	1,367
County Planning Grants (EA)	803	1,750	1,750
Municipal Recycling Grants (EA).....	29,600	30,000	25,000
Municipal Recycling Performance Program (EA).....	20,500	21,500	11,000
Public Education/Technical Assistance (EA)	6,850	13,475	7,450
RECYCLING FUND TOTAL	\$ 61,334	\$ 70,421	\$ 48,977
REMINING FINANCIAL ASSURANCE FUND:			
Remining Financial Assurance (EA).....	\$ 341	\$ 558	\$ 400
STORAGE TANK FUND:			
General Operations (EA).....	\$ 3,563	\$ 3,878	\$ 3,986
(F)Underground Storage Tanks (EA)	1,750	1,750	1,750
(F)Leaking Underground Storage Tanks (EA)	2,990	2,990	2,990
(A)Investment/Closing Cost Reimbursement	7,137	7,000	7,000
STORAGE TANK FUND TOTAL	\$ 15,440	\$ 15,618	\$ 15,726
SURFACE MINING CONSERVATION & RECLAMATION FUND:			
General Operations (EA).....	\$ 5,860	\$ 5,041	\$ 4,999
UNCONVENTIONAL GAS WELL FUND:			
Transfer to Well Plugging Account (EA).....	\$ 6,000	\$ 6,000	\$ 6,000
UNDERGROUND STORAGE TANK INDEMNIFICATION FUND:			
Environmental Cleanup Program (EA).....	\$ 5,296	\$ 4,000	\$ 3,479
Pollution Prevention Program (EA)	100	100	100
UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL	\$ 5,396	\$ 4,100	\$ 3,579
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 136,721	\$ 158,891	\$ 167,390
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS.....	252,944	254,442	254,420
AUGMENTATIONS	64,618	36,969	37,808
RESTRICTED	76,813	88,417	105,397
OTHER FUNDS	254,466	271,415	242,734
TOTAL ALL FUNDS	\$ 785,562	\$ 810,134	\$ 807,749

^a Includes special fund transfers to support agency operations.

^b Funded through special fund transfers to General Government Operations.

^c Includes \$4,800,000 in special fund transfers to support agency operations.

^d Includes recommended supplemental executive authorization of \$5,493,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
ENVIRONMENTAL SUPPORT SERVICES							
GENERAL FUND.....	\$ 16,043	\$ 17,649	\$ 19,352	\$ 19,623	\$ 19,623	\$ 19,623	\$ 19,623
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	22,847	10,006	10,006	10,006	10,006	10,006	10,006
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 38,890	\$ 27,655	\$ 29,358	\$ 29,629	\$ 29,629	\$ 29,629	\$ 29,629
ENVIRONMENTAL PROTECTION AND MANAGEMENT							
GENERAL FUND.....	\$ 120,678	\$ 141,242	\$ 148,038	\$ 150,977	\$ 150,977	\$ 150,977	\$ 150,977
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	252,944	254,442	254,420	254,420	254,420	254,420	254,420
AUGMENTATIONS	41,771	26,963	27,802	27,802	27,802	27,802	27,802
RESTRICTED.....	76,813	88,417	105,397	105,397	105,397	105,397	105,397
OTHER FUNDS.....	254,466	271,415	242,734	208,034	182,684	183,746	183,221
SUBCATEGORY TOTAL....	\$ 746,672	\$ 782,479	\$ 778,391	\$ 746,630	\$ 721,280	\$ 722,342	\$ 721,817
ALL PROGRAMS:							
GENERAL FUND.....	\$ 136,721	\$ 158,891	\$ 167,390	\$ 170,600	\$ 170,600	\$ 170,600	\$ 170,600
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	252,944	254,442	254,420	254,420	254,420	254,420	254,420
AUGMENTATIONS	64,618	36,969	37,808	37,808	37,808	37,808	37,808
RESTRICTED.....	76,813	88,417	105,397	105,397	105,397	105,397	105,397
OTHER FUNDS.....	254,466	271,415	242,734	208,034	182,684	183,746	183,221
DEPARTMENT TOTAL	\$ 785,562	\$ 810,134	\$ 807,749	\$ 776,259	\$ 750,909	\$ 751,971	\$ 751,446

Program: Environmental Support Services

Goal: To provide administrative and technical support for the commonwealth's environmental protection programs.

This program provides for the administrative and technical systems that direct and support the Department of Environmental Protection's (DEP) programs. It includes the executive and administrative offices, the [Office of Chief Counsel](#), information and data processing systems, the [Citizens Advisory Council](#), and the [Environmental Quality Board](#).

DEP's Information Technology Delivery Center focuses on reducing and ending paper-driven processes by developing program-specific, custom applications for permitting and inspections. DEP also utilizes off-the-shelf solutions to centralize data and make it accessible to both internal and external stakeholders.

DEP partners with other commonwealth agencies in the adoption of reusable technologies, including partnerships with the Pennsylvania Department of Community and Economic Development on digitizing the grants systems, and with the Pennsylvania Department of Transportation on developing e-inspections applications.

The Environmental Hearing Board's purpose is to safeguard the environmental rights of Pennsylvania's citizens through appeals of actions taken or instituted by DEP and/or the private sector. It is included here for presentation purposes.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations		Environmental Hearing Board	
\$ 1,664	—to continue current program.	\$ 39	—to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 13,469	\$ 15,095	\$ 16,759	\$ 16,999	\$ 16,999	\$ 16,999	\$ 16,999
Environmental Hearing Board.....	2,574	2,554	2,593	2,624	2,624	2,624	2,624
TOTAL GENERAL FUND	\$ 16,043	\$ 17,649	\$ 19,352	\$ 19,623	\$ 19,623	\$ 19,623	\$ 19,623

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Meet or exceed Permit Decision Guarantee timeframes. Close 100% of new permit applications within their designed time frames by December 31, 2023.							
Percentage of permits processed on time (active in Permit Decision Guarantee).....	94%	90%	90%	94%	94%	95%	97%
Total Authorizations Received	45,534	43,578	43,786	41,661	38,796	41,000	41,820
Total Authorizations Disposed	43,335	42,237	45,790	41,716	39,023	41,500	42,330
Responding to critical citizen complaints promptly.							
Average days to respond to Priority 1 complaints (target: same day)	0.2	0.3	0.2	0.7	0.4	0.3	0.3

Program: Environmental Protection and Management

Goal: To protect Pennsylvania's air, land, and water from pollution and to provide for the health and safety of its citizens through a cleaner environment. This responsibility is met by enforcing clean air and water standards, managing land protection activities and ensuring waste is handled properly, ensuring safe and healthy communities, and promoting sustainable energy.

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

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

Confronting climate change and reducing climate pollution

To begin to address the increasing threat of climate change, DEP has undertaken several efforts in accordance with Governor Wolf's climate goals.

One of these is to begin the process of taking part in the multi-state Regional Greenhouse Gas Initiative (RGGI). This will reduce carbon pollution from electric generation by an estimated 188 million tons by 2030. This will also reduce other air pollutants and some of the revenue from the program will be reinvested into efforts to further reduce air pollution in Pennsylvania.

The agency is also implementing the administration's [methane reduction strategy](#) which addresses methane and volatile organic compound emissions from the oil and gas sector. DEP has implemented new source permitting requirements and is working on rules for existing sources of emissions.

[DEP's energy office](#) undertakes activities to plan, track, implement, and promote energy efficiency, such as advocating for the use of energy-efficient building codes and energy management systems, renewable energy and alternative fuels. The office is also involved with energy assurance and security, fuel resource and energy financial market issues. Energy office staff assist, educate, and encourage Pennsylvanians to advance conservation and efficient use of diverse energy resources to provide a healthier environment and greater energy security.

Enforcing Clean Water Standards

DEP regulates nearly 9,000 public water systems serving 10.7 million Pennsylvanians and provides consultative services for the 700,000 private residential water supplies in the state. DEP carries out its duties and responsibilities through various [programs and activities](#) related to permitting, monitoring, compliance, enforcement, and technical assistance. DEP implements all aspects of

the federal Safe Drinking Water Act, including [drinking water standards](#), source water protection, operator training and certification, and capability enhancement programs for public water systems to address technical, managerial, and financial issues.

DEP is responsible for monitoring and assessing Pennsylvania's 86,000 miles of streams and rivers as well as more than 109,000 acres of publicly owned lakes. DEP protects natural aquatic systems for public use by monitoring and assessing surface water quality, developing water quality standards, managing non-point sources of pollution, protecting coastal zone resources, and regulating mining and oil and gas development. Protection of these waters is carried out through permitting, inspection, and enforcement activities. DEP also inspects non-permitted entities and responds to spills and complaints where waters may be affected.

The departments of Agriculture, and Conservation and Natural Resources have developed Pennsylvania's [Chesapeake Bay Phase 3 Watershed Implementation Plan \(Phase 3 WIP\)](#). The main focus of the Phase 3 WIP is the development and implementation of Countywide Action Plans to address local planning goals for nutrient reduction, while achieving other local priority initiatives for environmental improvement. DEP also has the lead in working with the other state and federal partners that comprise the Chesapeake Bay Program Partnership.

DEP provides support to [County Conservation Districts](#), which support the conservation and restoration of the commonwealth's water resources, and focuses efforts on technical assistance and compliance efforts to ensure that municipal sewage and storm water systems and agricultural operations are reducing nitrogen, phosphorous, and sediment discharges into local waterways. This includes assistance on the development of Countywide Action Plans and a visual dashboard for tracking progress.

Enforcing Clean Air Standards

DEP [protects](#) the environment and the health of Pennsylvanians from air pollution by achieving the goals of the federal Clean Air Act and the Pennsylvania Air Pollution Control Act by developing air quality regulations and the State Implementation Plan to address ground-level ozone, particulate matter, sulfur and nitrogen oxides, volatile organic compounds, lead, and hazardous air pollutants. DEP designs and maintains networks to monitor ambient air quality in Pennsylvania, performs meteorological tracking, and conducts air quality modeling studies to scientifically determine whether air quality goals are achieved. Due to the

Program: Environmental Protection and Management, continued

location of Pennsylvania in the populated northeast corridor, DEP implements regional haze and interstate ozone transport programs.

Managing Land Protection Activities

DEP encourages waste reduction, promotes recycling and reuse of waste products, and protects the public by providing for safe transportation, processing and disposal of municipal waste, residual waste, and hazardous waste. DEP also protects land resources by regulating above-ground and underground tanks that store petroleum and other hazardous substances.

DEP oversees the [Land Recycling Program](#) to encourage cleanup of contaminated, vacant, or otherwise underutilized properties and return them to productive use and administers the [Hazardous Sites Cleanup Program](#) to clean up threats to human health and the environment from toxic chemicals from abandoned sites or where there is no viable responsible person. The department is a key member of the [PFAS Action Team](#) to address releases of Per- and Polyfluoroalkyl Substances (PFAS) to drinking water systems and to land.

Restoring and enhancing the quality of watersheds aligns several programs and agency objectives. DEP continues to work in partnerships to restore land impacted by legacy environmental issues and improve local water quality through the Land Recycling Program, the [Hazardous Sites Cleanup Program](#), and the [Abandoned Mine Land Program](#).

Ensuring Safe and Healthy Communities

DEP's [Office of Environmental Justice](#) works to ensure that all Pennsylvanians, especially those communities that have historically been disenfranchised, are fully involved in the decisions that affect their environment and that all communities are not disproportionately burdened with environmental hazards.

DEP performs a range of licensing and inspection activities to protect residents from exposure to potentially dangerous levels of [radiation](#), such as registering radiation-producing equipment, licensing users of radioactive materials and inspecting facilities to ensure compliance.

DEP, in cooperation with state and county agencies, monitors mosquito populations, enacts [control measures](#) for the mosquitoes that may carry the West Nile Virus, and examines unknown vectors and reservoirs involved in the transmission of the virus.

DEP's emergency response personnel are available in the event of an immediate threat to public health, safety, or the environment. Staff are trained to respond to any incident or accident at Pennsylvania's nine operating nuclear power plants. While DEP's major focus is the response to spills to land and water, it also has significant involvement with air pollution incidents (fires, or industrial or transportation-related releases) and leaking underground storage tanks.

DEP's [flood protection and stream improvement programs](#) protect lives and property through the construction of physical structures such as dams, levees, flood walls, channels, culverts, and bank stabilization works. DEP [regulates mining](#) with a goal to minimize impacts to the environment while providing a climate that encourages economic growth, as well as a safe and healthy work environment for miners.

DEP oversees the permitting, inspection, and compliance of conventional and unconventional [oil and gas](#) wells and the construction of pipelines in Pennsylvania. It also responds to complaints from the public regarding water supplies that might be affected by oil and gas operations. In addition, DEP oversees the plugging of wells that no longer serve their intended purpose.

DEP helps to improve the economic climate for firms to locate and expand in Pennsylvania through programs such as the [Small Business Assistance Program](#).

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Environmental Program Management		Black Fly Control and Research	
\$ 2,119	—to continue current program.	\$ 53	—to continue current program.
Chesapeake Bay Agricultural Source Abatement		West Nile Virus and Zika Virus Control	
\$ 526	—to continue current program.	\$ 264	—to continue current program.
Environmental Protection Operations			
\$ 3,834	—to continue current program.		

All other appropriations are recommended at the current year funding levels.

Environmental Protection

Program: Environmental Protection and Management, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Environmental Program Management	\$ 27,920	\$ 32,041	\$ 34,160	\$ 34,781	\$ 34,781	\$ 34,781	\$ 34,781
Chesapeake Bay Agricultural Source Abatement	-	2,935	3,461	3,490	3,490	3,490	3,490
Environmental Protection Operations	84,023	94,202	98,036	100,267	100,267	100,267	100,267
Black Fly Control and Research	3,357	3,347	3,400	3,411	3,411	3,411	3,411
West Nile Virus and Zika Virus Control	5,378	5,345	5,609	5,656	5,656	5,656	5,656
Delaware River Master	-	38	38	38	38	38	38
Susquehanna River Basin Commission	-	205	205	205	205	205	205
Interstate Commission on the Potomac River	-	23	23	23	23	23	23
Delaware River Basin Commission	-	217	217	217	217	217	217
Ohio River Valley Water Sanitation Commission	-	68	68	68	68	68	68
Chesapeake Bay Commission	-	300	300	300	300	300	300
Transfer to Conservation District Fund	-	2,506	2,506	2,506	2,506	2,506	2,506
Interstate Mining Commission	-	15	15	15	15	15	15
TOTAL GENERAL FUND	\$ 120,678	\$ 141,242	\$ 148,038	\$ 150,977	\$ 150,977	\$ 150,977	\$ 150,977

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Improve the state of the environment.							
Percentage of population in counties monitoring below the 2015 Ambient Ozone Standard	60%	64%	69%	56%	76%	83%	83%
Tons of municipal solid waste recycled (in millions)	7.78	7.84	6.36	5.47	7.81	7.05	7.05

Program: Environmental Protection and Management, continued

Program Measures, continued:

	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated	2021-22 Estimated
Ensure that the public's drinking water is safe. Conduct 90% of community water system sanitary surveys (full inspections) that are due during each fiscal year.							
Percentage of community water system inspections conducted on time	85%	82%	77%	80%	79%	85%	92%
Total violations recorded.....	28,877	25,589	27,740	31,081	29,404	29,500	30,100
Total violations resolved	28,198	23,492	25,299	26,696	25,889	25,900	26,100
Total inspections conducted	104,751	97,766	96,912	97,147	87,760	93,100	98,296
Eliminate health and safety hazards on abandoned mine lands. Reclaim 600 acres of abandoned mine lands every fiscal year.							
Cumulative acres of abandoned mine land (AML) reclaimed since the inception of the AML program in 1977	31,193	31,679	32,188	32,770	33,001	33,501	33,901



STATE ETHICS COMMISSION

The mission of the [State Ethics Commission](#) is to promote public confidence in state and local government through its enforcement of the Ethics Act and related legislation.

The responsibilities of the commission include the investigation and adjudication of individuals engaging in conduct in violation of the Ethics Act, as well as rendering advisory opinions to present or former public officials and public employees (or their appointing authorities) regarding such individuals' duties and responsibilities under the Ethics Act. As part of its mission, the commission provides training and educational seminars to public officials and public employees at all levels of government. The commission also annually publishes and enforces compliance with the filing of Statement of Financial Interests forms by public officials and public employees as required by the Ethics Act. The commission has promulgated regulations to aid in executing its duties and responsibilities under the Ethics Act.

In addition to the Pennsylvania Public Official and Employee Ethics Act, the commission also maintains duties and responsibilities under the Lobbying Disclosure Law, which includes issuing advisory rulings and enforcing the filing provisions. Further, the commission has been delegated responsibilities for the Pennsylvania Race Horse Development and Gaming Act, the Video Gaming Act, the Medical Marijuana Act and Act 114 of 2016 (State Horse Racing Commission).

Programs and Goals

Executive Direction: *To strengthen the faith and confidence of the people in their elected and appointed public officials and public employees through enforcement of the Ethics Act and related legislation.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2019-20 2020-21 2021-22
ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

Table with 4 columns: Description, 2019-20 ACTUAL, 2020-21 AVAILABLE, 2021-22 BUDGET. Row: State Ethics Commission..... \$ 3,015 \$ 2,932 \$ 2,932

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
EXECUTIVE DIRECTION							
GENERAL FUND.....	\$ 3,015	\$ 2,932	\$ 2,932	\$ 3,161	\$ 3,161	\$ 3,161	\$ 3,161
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 3,015	\$ 2,932	\$ 2,932	\$ 3,161	\$ 3,161	\$ 3,161	\$ 3,161
ALL PROGRAMS:							
GENERAL FUND.....	\$ 3,015	\$ 2,932	\$ 2,932	\$ 3,161	\$ 3,161	\$ 3,161	\$ 3,161
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
DEPARTMENT TOTAL	\$ 3,015	\$ 2,932	\$ 2,932	\$ 3,161	\$ 3,161	\$ 3,161	\$ 3,161

Program: Executive Direction

Goal: To strengthen the faith and confidence of the people in their elected and appointed public officials and public employees through enforcement of the Ethics Act and related legislation.

The Pennsylvania State Ethics Commission is an independent state agency charged with the responsibility of enforcing the Public Official and Employee Ethics Act. The Ethics Act applies to public officials, public employees, as well as candidates and nominees for public office. The commission's responsibilities include the investigation and adjudication of violations of the Ethics Act as well as providing guidance to public officials and public employees regarding their duties and responsibilities under the Ethics Act through issuance of advisory opinions and educational seminars. Lastly, the commission is responsible for the enforcement of the filing and reporting of Statements of Financial Interests by all public officials and public employees.

In addition to those duties under the Ethics Act, the commission is also charged with responsibilities pursuant to the Lobbying Disclosure Law, including enforcement of the reporting and registration provisions as well as the investigation of actions by lobbyists, principals and lobbying firms in violation of the law. Similar to its duties under the Ethics Act, the commission is also required to issue advisory opinions under the Lobbying Disclosure Law.

Pursuant to the Pennsylvania Race Horse Development and Gaming Act and the Video Gaming Act, the commission is vested with responsibilities which include the biennial publication of lists setting forth those officials and positions subject to provisions of the Gaming Act and issuing determinations as to whether particular persons would be subject to various prohibitions under the Gaming Act.

The commission's duties under Act 16 of 2016, known as the Medical Marijuana Act, are similar to its duties under the Gaming Act. The commission is charged with biennially publishing a list of officials and positions subject to provisions of the Medical Marijuana Act as well as the issuance of determinations as to whether particular persons would be subject to various restrictions under the Act.

Lastly, Act 114 of 2016 assigned the commission the additional responsibility of publishing a list of all employment positions within the State Horse Racing Commission whose duties would subject those individuals to "revolving door/post-termination" restrictions as well as, upon request, making a determination as to whether individuals would be subject to the "revolving door/post-termination" restrictions.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

The State Ethics Commission appropriation is recommended at the current year funding level.

Appropriations within this Program:

(Dollar Amounts in Thousands)

Table with 8 columns: Year (2019-20 to 2025-26) and rows for State Ethics Commission with dollar amounts.



FISH AND BOAT COMMISSION

The mission of the Fish and Boat Commission is to protect, conserve and enhance the commonwealth's aquatic resources and provide fishing and boating opportunities.

Programs and Goals

Recreational Fishing and Boating: *To conserve aquatic resources including fish and wildlife populations, to provide recreational opportunities for fishing and boating on commonwealth waters and to promote safe recreational use of these aquatic resources.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
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OTHER FUNDS:

BOAT FUND:

General Operations (EA).....	\$ 14,040	\$ 18,794	\$ 19,614
(F)Miscellaneous Boat Grants (EA).....	5,365	6,184	5,684
(R)Improvement of Hazardous Dams.....	7,889	8,730	8,730

BOAT FUND TOTAL.....	\$ 27,294	\$ 33,708	\$ 34,028
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FISH FUND:

General Operations (EA).....	\$ 33,744	\$ 34,595	\$ 34,527
(F)Miscellaneous Fish Grants (EA).....	7,908	9,212	8,381

FISH FUND TOTAL.....	\$ 41,652	\$ 43,807	\$ 42,908
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STATE GAMING FUND:

Payments in Lieu of Taxes (EA).....	\$ 40	\$ 40	\$ 40
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UNCONVENTIONAL GAS WELL FUND:

Gas Well Fee Administration (EA).....	\$ 1,000	\$ 1,000	\$ 1,000
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	-	-	-
AUGMENTATIONS.....	-	-	-
RESTRICTED.....	-	-	-
OTHER FUNDS.....	69,986	78,555	77,976
TOTAL ALL FUNDS.....	\$ 69,986	\$ 78,555	\$ 77,976

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
RECREATIONAL FISHING AND BOATING							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	69,986	78,555	77,976	79,037	79,037	79,037	79,037
SUBCATEGORY TOTAL....	\$ 69,986	\$ 78,555	\$ 77,976	\$ 79,037	\$ 79,037	\$ 79,037	\$ 79,037
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	69,986	78,555	77,976	79,037	79,037	79,037	79,037
DEPARTMENT TOTAL	\$ 69,986	\$ 78,555	\$ 77,976	\$ 79,037	\$ 79,037	\$ 79,037	\$ 79,037

Program: Recreational Fishing and Boating

Goal: To conserve aquatic resources including fish and wildlife populations, to provide recreational opportunities for fishing and boating on commonwealth waters and to promote safe recreational use of these aquatic resources.

Founded in 1866, the [Fish and Boat Commission](#) is charged with protecting, conserving and enhancing the commonwealth's aquatic resources, including waterways, fish, reptile and amphibian communities, and habitats of game and non-game species. From [stocking waterways](#) and [measuring the health of native animal populations](#) to patrolling lakes and [restoring habitats](#), the commission's employees strive to protect, manage and restore the resources. High-quality streams, clean water and good

habitats ensure that the commission can carry out the other part of its mission - to provide recreational [fishing](#) and [boating](#) opportunities for both Pennsylvanians and out-of-state visitors.

The commission is governed by a [Board of Commissioners](#) whose ten members are appointed by the governor. The Boating Advisory Board, a group of knowledgeable boaters appointed by the governor, advises the commission on boating matters.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

BOAT FUND		FISH FUND	
General Operations (EA)		General Operations (EA)	
\$ 820	-to continue current program.	\$ -68	-to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
BOAT FUND:							
General Operations (EA)	\$ 14,040	\$ 18,794	\$ 19,614	\$ 19,972	\$ 19,972	\$ 19,972	\$ 19,972
FISH FUND:							
General Operations (EA)	\$ 33,744	\$ 34,595	\$ 34,527	\$ 35,230	\$ 35,230	\$ 35,230	\$ 35,230

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Number of fishing licenses sold	837,324	841,743	800,240	765,983	777,087	932,504	831,527
Actively registered boats	319,671	318,936	313,409	306,412	301,088	308,765	302,587
Total pounds of fish stocked and/or distributed	2,145,010	1,898,577	1,955,213	2,068,004	2,109,138	2,109,138	2,109,138



GAME COMMISSION

The mission of the Game Commission is to manage Pennsylvania's wild birds, wild mammals and their habitats for current and future generations.

Programs and Goals

Wildlife Management: *To establish habitats and environments that will sustain wildlife populations for recreational uses and for the perpetuation of species.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2019-20 2020-21 2021-22
 ACTUAL AVAILABLE BUDGET

OTHER FUNDS:

GAME FUND:

General Operations (EA).....	\$ 122,905	\$ 129,376	\$ 117,975
Land Acquisition and Development (EA)	400	500	500
(F)Pittman-Robertson Act (EA)	25,000	25,000	25,000
(F)Miscellaneous Wildlife Grants (EA)	3,469	2,991	1,246
(R)Natural Propagation of Wildlife (EA)	8,000	9,000	9,000

GAME FUND TOTAL **\$ 159,774 \$ 166,867 \$ 153,721**

STATE GAMING FUND:

Payments in Lieu of Taxes (EA).....	\$ 3,686	\$ 3,686	\$ 3,686
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	163,460	170,553	157,407
TOTAL ALL FUNDS	\$ 163,460	\$ 170,553	\$ 157,407

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
WILDLIFE MANAGEMENT							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	163,460	170,553	157,407	159,430	159,430	159,430	159,430
SUBCATEGORY TOTAL....	\$ 163,460	\$ 170,553	\$ 157,407	\$ 159,430	\$ 159,430	\$ 159,430	\$ 159,430
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	163,460	170,553	157,407	159,430	159,430	159,430	159,430
DEPARTMENT TOTAL	\$ 163,460	\$ 170,553	\$ 157,407	\$ 159,430	\$ 159,430	\$ 159,430	\$ 159,430

Program: Wildlife Management

Goal: To establish habitats and environments that will sustain wildlife populations for recreational uses and for the perpetuation of species.

The main responsibility of the [Game Commission](#) is the perpetuation of the species of wild birds and mammals found in Pennsylvania. The commission achieves its mission through wildlife research, management of wildlife habitat, operation of programs for endangered and threatened species, and enforcement of the [Game and Wildlife Code](#). State Game Wardens enforce the provisions of the Game and Wildlife Code to protect the natural balance of the commonwealth’s wildlife population.

The primary means of ensuring the propagation and preservation of wildlife is properly managing land and wildlife habitats. The commission currently administers approximately 1.5 million acres of [State Game Lands](#) and [Wildlife Management Areas](#) and is judiciously acquiring

additional lands, including critically important wetlands. The commission also administers cooperative programs to encourage good land use management and habitat improvement by private landowners. Wildlife habitat assessment techniques are used to develop management plans. These assessments apply to all Pennsylvania state game lands, Hunter Access Cooperator properties and other areas actively managed by the Game Commission.

All species receive mandated protection. However, those species considered to be game animals, such as deer, turkey, bear and elk receive the most attention. Also protected by the commission are [endangered and threatened species](#) such as Allegheny woodrats, northern flying squirrel and piping plovers.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GAME FUND	
General Operations (EA)	
\$ -10,158	—nonrecurring costs.
<u>-1,243</u>	—to continue current program.
\$ -11,401	<i>Executive Authorization Decrease</i>

The Land Acquisition and Development executive authorization is recommended at the current year funding level. In addition, \$9,000,000 for Natural Propagation of Wildlife is provided for habitat improvement.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GAME FUND:							
General Operations (EA)	\$ 122,905	\$ 129,376	\$ 117,975	\$ 119,998	\$ 119,998	\$ 119,998	\$ 119,998
Land Acquisition and Development (EA)	<u>400</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>
TOTAL GAME FUND.....	<u><u>\$ 123,305</u></u>	<u><u>\$ 129,876</u></u>	<u><u>\$ 118,475</u></u>	<u><u>\$ 120,498</u></u>	<u><u>\$ 120,498</u></u>	<u><u>\$ 120,498</u></u>	<u><u>\$ 120,498</u></u>

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Ensure the propagation and preservation of wildlife through land and game management.							
Number of hunting licenses sold.....	935,767	914,244	885,564	855,546	860,798	886,621	904,353
Arrests for violation of game laws.....	7,577	6,775	6,617	6,824	6,910	7,500	7,650



GAMING CONTROL BOARD

The Gaming Control Board protects the interest of the public by ensuring the integrity of legalized gaming through the strict enforcement of the law and regulations, the licensing of qualified individuals and entities, and fulfilling the objectives of legalized gaming in the commonwealth to deliver a significant source of revenue, assist the horse racing industry, provide broad economic opportunities and enhance tourism.

Programs and Goals

Gaming Regulation: *To ensure the integrity of legalized gaming, while protecting the public interest and supporting the strategic objectives of legalized gaming in the commonwealth.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22
	ACTUAL	AVAILABLE	BUDGET

OTHER FUNDS:

STATE GAMING FUND:

(R)Administration.....	\$ 35,544	\$ 37,357	\$ 38,973
(R)General Operations.....	5,000	6,000	7,700
Local Law Enforcement Grants (EA).....	2,000	2,000	2,000

STATE GAMING FUND TOTAL.....	\$ 42,544	\$ 45,357	\$ 48,673
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VIDEO GAMING FUND:

(R)Video Gaming Administration.....	\$ 1,192	\$ 475	\$ 475
(R)Testing and Certification (EA).....	35	50	50

VIDEO GAMING FUND TOTAL.....	\$ 1,227	\$ 525	\$ 525
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FANTASY CONTEST FUND:

(R)Fantasy Contest Administration.....	\$ 172	\$ 156	\$ 100
(R)Application and Licensure (EA).....	100	100	20

FANTASY CONTEST FUND TOTAL.....	\$ 272	\$ 256	\$ 120
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	-	-	-
AUGMENTATIONS.....	-	-	-
RESTRICTED.....	-	-	-
OTHER FUNDS.....	44,043	46,138	49,318
TOTAL ALL FUNDS.....	\$ 44,043	\$ 46,138	\$ 49,318

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GAMING REGULATION							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	44,043	46,138	49,318	49,318	49,318	49,318	49,318
SUBCATEGORY TOTAL....	\$ 44,043	\$ 46,138	$ 49,318	$ 49,318	$ 49,318	$ 49,318	\$ 49,318
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	44,043	46,138	49,318	49,318	49,318	49,318	49,318
DEPARTMENT TOTAL	\$ 44,043	\$ 46,138	$ 49,318	$ 49,318	$ 49,318	$ 49,318	\$ 49,318

Program: Gaming Regulation

Goal: To protect the interest of the public by ensuring the integrity of legalized gaming and supporting the objectives of legalized gaming in the commonwealth to deliver a significant source of revenue, assist the horse racing industry, provide broad economic opportunities and enhance tourism.

To ensure the integrity of gaming in Pennsylvania, [Gaming Control Board](#) staff are present all day, every day in the commonwealth's casino venues to document and investigate all patron complaints, identify potential regulatory violations, and ensure the proper collection, counting and recording of gaming revenue in accordance with state law and board regulations.

The Bureau of Investigations and Enforcement ensures the integrity of the commonwealth's gaming industry and protects citizens' interests through enforcement and investigations. The Gaming Control Board also operates a gaming lab to test all gaming-related products to certify regulatory compliance for minimum design standards and the 85 percent minimum slot payback mandated by law. To assist problem gamblers in finding help and to heighten awareness of problem gambling, the Gaming Control Board maintains an [Office of Compulsive and Problem Gambling](#).

The Gaming Control Board promotes and ensures [diversity](#) in all aspects of the casino operations and works with the casino industry to maximize employment opportunities for all Pennsylvania residents.

The Gaming Control Board regularly monitors and reports the impact casino gaming has on the horse racing industry and establishes and maintains effective relationships with key industry stakeholders.

In addition, the Gaming Control Board is tasked with regulatory authority of satellite casinos, sports wagering, fantasy contests, video gaming terminals at truck stops and interactive gaming pursuant to the enactment of [Act 42 of 2017](#).

Several state agencies provide support to the Gaming Control Board. The Department of Revenue manages a centralized computer system, which monitors the operation of all licensed gaming machines. The Pennsylvania State Police and the Attorney General provide criminal law enforcement oversight of the gaming industry.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

This budget recommends a total of \$46,673,000 from restricted accounts in the State Gaming Fund for the operation of the Gaming Control Board in the 2021-22 fiscal year.

In addition, this budget recommends \$475,000 from the Video Gaming Fund and \$100,000 from the Fantasy Contest Fund for administration.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
STATE GAMING FUND:							
(R)Administration	\$ 35,544	\$ 37,357	\$ 38,973	\$ 38,973	\$ 38,973	\$ 38,973	\$ 38,973
(R)General Operations	5,000	6,000	7,700	7,700	7,700	7,700	7,700
Local Law Enforcement Grants (EA)	2,000	2,000	2,000	2,000	2,000	2,000	2,000
TOTAL STATE GAMING FUND	\$ 42,544	\$ 45,357	\$ 48,673	\$ 48,673	\$ 48,673	\$ 48,673	\$ 48,673



DEPARTMENT OF GENERAL SERVICES

The mission of the [Department of General Services](#) is to help government operate more efficiently, effectively and safely to deliver exceptional value for all Pennsylvanians.

Programs and Goals

Facility, Property and Commodity Management: To deliver customer-focused, timely and reliable services in purchasing and managing surplus supplies; small and diverse business support; facility and real estate management; vertical design and construction; fleet management; insurance administration; communications, media and marketing; and Capitol Police protection.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
General Government Operations	\$ 54,713	\$ 53,698	\$ 55,275
(A)Public Works Modernization	13,800	13,500	15,000
(A)Shared Services - Procurement	10,353	9,156	9,355
(A)CoStar Program.....	2,307	2,300	2,300
(A)Metrology Fees.....	270	270	270
(A)Contract Administration Fees	60	60	60
(A)E-Verify.....	15	15	15
(A)Federal Surplus Property.....	1,633	1,756	1,830
(A)State Surplus Property	1,550	880	900
(A)Recycling Program	445	435	400
(A)Real Estate Services	681	480	500
(A)DGS Annex.....	301	301	308
(A)State Building Use	295	314	246
(A)State Construction Notices	15	15	15
(A)Settlement Agreement.....	10	-	-
(A)Media Center Reimbursements.....	300	300	300
(A)Newsroom Services.....	5	5	5
(A)Employee Liability Self Insurance Program.....	368	438	438
(A)Administrative Services	137	127	128
(R)Temporary Fleet Vehicles	1,586	500	1,500
Subtotal.....	<u>\$ 88,844</u>	<u>\$ 84,550</u>	<u>\$ 88,845</u>
Capitol Police Operations	13,398	12,712	13,685
(A)Capitol Police Services.....	1,203	1,385	1,300
Subtotal.....	<u>\$ 14,601</u>	<u>\$ 14,097</u>	<u>\$ 14,985</u>
Rental, Relocation and Municipal Charges	22,302	22,702	27,232
(A)Agency Rental Charges - Harristown Rents.....	4,174	4,338	4,275
(A)Real Estate Lease Reimbursements	24,938	26,202	26,205
Subtotal.....	<u>\$ 51,414</u>	<u>\$ 53,242</u>	<u>\$ 57,712</u>
Utility Costs.....	22,748	23,946	24,626
(A)DGS Annex.....	180	165	205
(A)Energy Management	-	-	240
Subtotal.....	<u>\$ 22,928</u>	<u>\$ 24,111</u>	<u>\$ 25,071</u>
Excess Insurance Coverage	1,372	4,328	4,977
Capitol Fire Protection	5,000	5,000	5,000

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Subtotal - State Funds.....	\$ 119,533	\$ 122,386	\$ 130,795
Subtotal - Augmentations.....	63,040	62,442	64,295
Subtotal - Restricted Revenues	1,586	500	1,500
Total - General Government.....	<u>\$ 184,159</u>	<u>\$ 185,328</u>	<u>\$ 196,590</u>
STATE FUNDS.....	119,533	122,386	130,795
AUGMENTATIONS	63,040	62,442	64,295
RESTRICTED REVENUES	1,586	500	1,500
GENERAL FUND TOTAL	<u>\$ 184,159</u>	<u>\$ 185,328</u>	<u>\$ 196,590</u>
<u>MOTOR LICENSE FUND:</u>			
<i>General Government:</i>			
Harristown Rental Charges (EA)	\$ 153	\$ 95	\$ 95
Harristown Utility and Municipal Charges (EA)	291	276	276
Tort Claims Payments	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>
Total - General Government.....	9,444	9,371	9,371
MOTOR LICENSE FUND TOTAL	<u>\$ 9,444</u>	<u>\$ 9,371</u>	<u>\$ 9,371</u>
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 119,533	\$ 122,386	\$ 130,795
MOTOR LICENSE FUND.....	9,444	9,371	9,371
LOTTERY FUND	-	-	-
FEDERAL FUNDS.....	-	-	-
AUGMENTATIONS	63,040	62,442	64,295
RESTRICTED	1,586	500	1,500
OTHER FUNDS.....	-	-	-
TOTAL ALL FUNDS	<u>\$ 193,603</u>	<u>\$ 194,699</u>	<u>\$ 205,961</u>

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
FACILITY, PROPERTY AND COMMODITY MANAGEMENT							
GENERAL FUND.....	\$ 119,533	\$ 122,386	\$ 130,795	\$ 131,113	\$ 131,913	\$ 132,113	\$ 132,113
MOTOR LICENSE FUND...	9,444	9,371	9,371	9,371	9,371	9,371	9,371
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	63,040	62,442	64,295	64,295	64,295	64,295	64,295
RESTRICTED.....	1,586	500	1,500	1,500	1,500	1,500	1,500
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 193,603	\$ 194,699	\$ 205,961	\$ 206,279	\$ 207,079	\$ 207,279	\$ 207,279
ALL PROGRAMS:							
GENERAL FUND.....	\$ 119,533	\$ 122,386	\$ 130,795	\$ 131,113	\$ 131,913	\$ 132,113	\$ 132,113
MOTOR LICENSE FUND...	9,444	9,371	9,371	9,371	9,371	9,371	9,371
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	63,040	62,442	64,295	64,295	64,295	64,295	64,295
RESTRICTED.....	1,586	500	1,500	1,500	1,500	1,500	1,500
OTHER FUNDS.....	-	-	-	-	-	-	-
DEPARTMENT TOTAL	\$ 193,603	\$ 194,699	\$ 205,961	\$ 206,279	\$ 207,079	\$ 207,279	\$ 207,279

Program: Facility, Property and Commodity Management

Goal: To deliver customer-focused, timely and reliable services in purchasing and managing surplus supplies; small and diverse business support; facility and real estate management; vertical design and construction; fleet management; insurance administration; communications, media and marketing; and Capitol Police protection.

The [Department of General Services](#)' mission is to help government operate more efficiently, effectively and safely to deliver exceptional value for all Pennsylvanians. The department staff assists customers through their roles as police officers, engineers, maintenance technicians, professional buyers, auto mechanics, architects, real estate professionals, custodians, accountants, project managers, equipment operators, state contracting diversity specialists and more.

The [Bureau of Procurement](#) contracts for services, information technology, equipment and supplies for the commonwealth and establishes procurement policy for all state agencies. Purchasing methods are continuously reviewed to identify areas that can generate cost savings to ensure the best use of taxpayer dollars. The aggregate purchasing power of commonwealth agencies is leveraged to negotiate the best value on contracts. Negotiations are often conducted through online auctions to increase transparency and competitiveness.

The bureau also administers the commonwealth's cooperative purchasing program known as [COSTARS](#), through which more than 8,600 registered and eligible local public procurement units (members) are able to use state contracts under the [Commonwealth Procurement Code](#).

[Public Works](#) manages every aspect of the planning, design, bidding and construction of the commonwealth's non-highway capital projects in a professional, transparent and efficient manner to deliver innovative projects. Public Works continues to modernize while focusing on client agencies' expectations for safe, functional and appealing facilities. Lean processes and software, including electronic bidding, assist employees in maximizing efficiency and monitoring project performance in real time to ensure projects stay on time and under budget.

The [Bureau of Vehicle Management](#) provides quality, efficient transportation services to all state agencies, managing a fleet of nearly 10,000 passenger vehicles. The bureau approves all maintenance and repairs, works with repair vendors and strives to continue reducing the overall fleet maintenance cost. The bureau also uses the [Ground Travel Worksheet](#) that compares options and determines the best value for travel between agency pool vehicles, rentals and personal mileage reimbursement.

The [PA Capitol Police](#) are an accredited law enforcement agency with full arrest powers that investigates all reported crimes within the jurisdiction of state-owned properties and buildings in Harrisburg and Scranton. They maintain a 24/7 presence in Harrisburg, where assistance is also provided to the City of Harrisburg Police Department

and other surrounding local law enforcement agencies. A variety of trainings – Active Shooter, Crime Prevention Knowing Your Rights and An Introduction to Self-Defense – are offered to promote safety among state employees, public officials and the general public.

The [Bureau of Supplies and Surplus Operations](#) administers both [State](#) and [Federal](#) Surplus Property Programs. The State Surplus Division sells property no longer used by commonwealth agencies, boards, and commissions to the general public through on-site auctions and online. This division also conducts private sales of Department of Transportation heavy equipment to municipalities. In addition, federal surplus property is donated to state agencies, local municipalities, nonprofit organizations and law enforcement entities for a nominal service charge.

The [Bureau of Publications](#) provides a wide range of print, design and mail services to agency customers across the enterprise. The most significant service delivery offerings are variable data print-to-mail and mail presort services. The bureau also hosts an online storefront, [PAPublisher](#), through which agency customers can order stationary, brochures, letterhead, and a variety of other personalized products with direct distribution, eliminating an agency's need to print and store large quantities of product. Other projects and services include annual reports, newsletters, logos, book covers, mass mailings, signage, engraving, and banner services. The bureau also produces [The Pennsylvania Manual](#) and the [Commonwealth Telephone Directory](#).

The [Bureau of Real Estate](#) is responsible for the purchase, sale and leasing of real property and the management of property owned and leased by the commonwealth. The [Leasing Division](#) reviews, analyzes, negotiates and administers over 500 leases on behalf of commonwealth agencies, including commercial, office, warehouse and hangar space. The PLCB Leasing Division reviews, analyzes, negotiates and administers over 600 leases on behalf of the Pennsylvania Liquor Control Board including retail, office and warehouse space. The Real Estate Services Division manages over 14 million square feet of space, analyzes requests for space optimization and allocates space to departments, boards and commissions in state-owned and leased facilities. Real Estate Services also maintains an inventory of facility and building information and [manages the Master Parking Lease in Harrisburg](#). The Real Estate Acquisitions and Dispositions Division acquires real property for capital projects and disposes of real property owned by the commonwealth that

Program: Facility, Property and Commodity Management, continued

has been declared surplus. They also administer all lease-outs, licenses and easements involving commonwealth property.

Protecting and maintaining the financial integrity of the commonwealth's assets is the mission of the department's Bureau of Finance and Risk Management. Through application of risk treatment strategies, the bureau manages the commonwealth's liability relative to state-operated vehicles, medical professionals, personal property, commonwealth real estate and other areas of significant risk opportunity. In addition, the bureau administers the commonwealth's [Line of Duty Death Benefits](#) programs and consults with agencies regarding coverage, safety and loss control and evaluation of planned activities or courses of action for potential loss exposure. When claims occur, the bureau efficiently investigates, negotiates, settles/denies and/or subrogates claims.

The bureaus of [Facilities and Maintenance Management](#) provide building management and maintenance services for 20 state-owned office buildings in and around the Capitol Complex, two executive residences, two Harrisstown-leased buildings, the master lease of Forum Place and 53 buildings on the former Harrisburg State Hospital complex. Outside of the Harrisburg area, the bureaus operate the Scranton and Reading state office buildings and master leased buildings in Philadelphia and Pittsburgh. In total, these facilities contain nearly 7.5 million square feet of office space, with 280 acres of grounds, parking and roadway areas.

The [Bureau of Diversity, Inclusion, and Small Business Opportunities](#) implements programs and policies that promote contracting opportunities for small diverse and small businesses. They assist small and diverse businesses in navigating the state contracting process; completing certification requirements; and ensuring contract compliance. The bureau is also an active partner to other agency programs that provide support services and training to small and small diverse businesses.

[Commonwealth Media Services](#) provides studio and remote broadcast television services, fixed and remote satellite uplinking, web animation and graphics, marketing campaign strategy and development services and a full range of creative services delivered to assist agencies in developing a portfolio of media strategies to communicate program information to our customers, and more broadly, to the taxpayers of Pennsylvania. They also provide support for media archiving and the state's cable system infrastructure. As the commonwealth continues to grow its presence within social media, they work closely with agencies to deliver up-to-date content and creative messaging solutions.

The Business Transformation Office collaborates with leaders in the department's deputates, bureaus and other offices to drive a fundamental change in how the agency thinks, strategizes, operates and behaves in order to deliver higher levels of employee satisfaction and greater value to customer agencies. Building on the agency's strengths, the office seeks to create a healthy government organization by integrating a clarity of purpose, effective business processes, visible management systems and the capabilities of talent within a human-centered mindset and culture. To that end, the office uses this healthy government framework to help business leaders create a collective line of sight across the agency, improve the ability to make better strategic decisions and increase efficiency and effectiveness. The goal of the office is to help the agency align its people, systems, processes, structures and leadership in a way that results in measurable improvements in the delivery of goods and services to the commonwealth.

Finally, as one of the [Office of Performance through Excellence's](#) (OPE) designated Lean model agencies, the department serves as OPE's point of contact to help shape the commonwealth-wide approach to Lean adoption and implementation.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	GENERAL FUND		Utility Costs
	General Government Operations	\$ 680	—increase based on current estimates.
\$ 1,577	—Initiative—to maintain and mobilize the state's inventory of essential supplies, including PPE.		
		\$ 649	Excess Insurance Coverage
	Capitol Police Operations		—increase in insurance premiums.
\$ 973	—to continue current program.		
	Rental and Municipal Charges		
\$ 4,582	—Initiative—to maintain and mobilize the state's inventory of essential supplies, including PPE.		
-52	—to continue current program.		
\$ 4,530	<i>Appropriation Increase</i>		

All other appropriations are recommended at the current year funding levels.

Program: Facility, Property and Commodity Management, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 54,713	\$ 53,698	\$ 55,275	\$ 55,416	\$ 55,416	\$ 55,416	\$ 55,416
Capitol Police Operations	13,398	12,712	13,685	13,970	13,970	13,970	13,970
Rental, Relocation and Municipal Charges	22,302	22,702	27,232	27,124	27,124	27,124	27,124
Utility Costs	22,748	23,946	24,626	24,626	24,626	24,626	24,626
Excess Insurance Coverage	1,372	4,328	4,977	4,977	4,977	4,977	4,977
Transfer to State Insurance Fund	-	-	-	-	800	1,000	1,000
Capitol Fire Protection	5,000	5,000	5,000	5,000	5,000	5,000	5,000
TOTAL GENERAL FUND	\$ 119,533	\$ 122,386	\$ 130,795	\$ 131,113	\$ 131,913	\$ 132,113	\$ 132,113
MOTOR LICENSE FUND:							
Harristown Rental Charges (EA)	\$ 153	\$ 95	\$ 95	\$ 95	\$ 95	\$ 95	\$ 95
Harristown Utility and Municipal Charges (EA)	291	276	276	276	276	276	276
Tort Claims Payments	9,000	9,000	9,000	9,000	9,000	9,000	9,000
TOTAL MOTOR LICENSE FUND	\$ 9,444	$ 9,371	$ 9,371	$ 9,371	$ 9,371	$ 9,371	\$ 9,371

Program: Facility, Property and Commodity Management, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Generate procurement savings for the commonwealth.							
DGS procurement related savings (in thousands).....	\$ 106,000	\$ 83,208	\$ 153,500	\$ 122,606	\$ 56,563	\$ 50,000	\$ 50,000
Increase participation of and opportunity for small diverse businesses and small businesses.							
Percentage of commonwealth contract spending awarded to small and small diverse businesses.....	8%	8%	11%	14%	17%	17%	20%
Reduce energy consumption and associated energy costs in state-owned facilities.							
DGS energy use (in BTU per square foot).....	64,582	78,678	84,313	81,315	81,000	80,000	78,000



DEPARTMENT OF HEALTH

The mission of the Department of Health is to promote healthy behaviors, prevent injury and disease, and to assure the safe delivery of quality health care for all people in Pennsylvania.

To accomplish this mission, the department works collaboratively with public and private community partners to facilitate the development of an effective public health system. The department licenses and regulates a variety of health facilities, and provides outreach, education, prevention, and treatment services. Community-based groups receive grants to provide essential services to the commonwealth's citizens including programs for women and children, nutrition, immunization, diagnosis and treatment of certain blood and communicable diseases, and cancer control and prevention.

Programs and Goals

Health Support Services: *To provide effective administration and support systems through which the substantive programs of the health delivery system and the department can be achieved.*

Health Research: *To develop better basic scientific knowledge of the nature of disease, illness, and the environment, which will improve the use of existing and new health resources.*

Preventive Health: *To reduce morbidity and mortality through the early detection of disease and health defects and the promotion of sound health practices and remedial care.*

Health Treatment Services: *To maximize the individual's capacity for independent living through the provision of an array of service and support programs.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2019-20
ACTUAL

2020-21
AVAILABLE

2021-22
BUDGET

GENERAL FUND:

General Government:

General Government Operations	\$ 26,283	\$ 21,822	\$ 27,726
(F)COVID-RF General Government Operations	-	4,000	-
(F)WIC Administration and Operation	42,959	42,959	42,959
(F)Health Assessment.....	613	613	613
(F)COVID-Health Assessment (EA).....	-	103	-
(F)PHHSBG - Administration and Operation.....	4,549	4,524	4,693
(F)MCHSBG - Administration and Operation	14,847	16,596	16,659
(F)Adult Blood Lead Epidemiology.....	198	167	26
(F)EMS for Children	304	304	304
(F)TB - Administration and Operation	1,070	1,270	1,328
(F)Lead - Administration and Operation.....	990	990	1,001
(F)AIDS Health Education - Administration and Operation	8,511	8,511	8,511
(F)Primary Care Cooperative Agreements.....	468	463	463
(F)HIV / AIDS Surveillance.....	512	444	506
(F)HIV Care - Administration and Operation	4,136	4,136	4,136
(F)Cancer Prevention and Control	8,364	7,921	8,308
(F)Environmental Public Health Tracking.....	-	190	244
(F)Special Preparedness Initiatives.....	500	500	500
(F)State Loan Repayment Program	1,434	1,415	1,500
(F)Public Health Emergency Preparedness and Response (EA)	54,680	54,680	54,680
(F)COVID-Public Health Emergency Preparedness & Response (EA)	27,760	4,665	-
(F)COVID-Public Assistance (EA).....	5,350	1,650	-
(F)COVID-National Dislocated Worker Grants Program (EA).....	-	5,191	-
(F)SABG - DDAP Support Services (EA).....	153	156	158
(F)Learning Management System (EA)	60	42	42
(F)Vehicular Safety Assessment and Outreach Program (EA)	109	26	148
(A)Data Center Services	44	41	41
(A)Departmental Services	43	645	215
(A)NACDD Epidemiologist	3	32	-
(A)Council of State and Territorial Epidemiologists (CSTE).....	12	10	1
(A)Association of State & Territorial Health Officials (ASTHO)	104	49	-
Subtotal.....	<u>\$ 204,056</u>	<u>\$ 184,115</u>	<u>\$ 174,762</u>
Quality Assurance	22,513	23,093	23,043
(F)Medicare - Health Service Agency Certification	14,100	14,100	14,100
(F)COVID-Medicare - Health Service Agency Certification (EA)	14,984	3,185 ^a	-
(F)Medicaid Certification	11,300	11,300	11,300
(F)COVID-Medicaid Certification (EA).....	14,843	2,450 ^b	-

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(A)Indoor Tanning Regulation Fund.....	124	88	89
(A)Publication Fees.....	1	1	1
(R)Nursing Home Oversight.....	-	635	-
Subtotal.....	\$ 77,865	\$ 54,852	\$ 48,533
Health Innovation.....	914	605	753
(F)Rural Health.....	20,800	8,943	4,967
(F)ARRA - Health Information Exchange Capacity (EA).....	1,134	1,305	-
Subtotal.....	\$ 22,848	\$ 10,853	\$ 5,720
Achieving Better Care - MAP Program.....	2,672	2,715	2,893
(F)Prescription Drug Monitoring.....	10,701	18,124	18,124
(F)State Opioid Response Programs (EA).....	17,300	18,024	1,881
Subtotal.....	\$ 30,673	\$ 38,863	\$ 22,898
Vital Statistics.....	100	100	100
(F)Cooperative Health Statistics.....	2,300	2,182	2,275
(F)Health Statistics.....	103	103	90
(F)Behavioral Risk Factor Surveillance System.....	535	565	742
(R)County Coroner/Medical Examiner Distribution (EA).....	935	986	986
(R)Vital Statistics Improvement Administration (EA).....	14,604	15,726	15,726
(A)VitalChek Revenue.....	1,600	1,600	1,600
(A)Reimbursement for Microfilming.....	11	11	11
Subtotal.....	\$ 20,188	\$ 21,273	\$ 21,530
State Laboratory.....	4,350	4,269	4,028
(F)Epidemiology & Laboratory Surveillance & Response.....	8,775	6,327	6,450
(F)COVID-Epidemiology & Laboratory Surveillance & Response (EA).....	293,156	676,787 ^c	-
(F)Clinical Laboratory Improvement.....	680	674	674
(F)Food Emergency Response.....	305	305	-
(A)Licensure for Clinical Laboratories.....	1,870	1,870	1,870
(A)Drug Abuse Proficiency.....	355	355	355
(A)Alcohol Proficiency Testing.....	77	77	77
(A)Erythrocyte Protoporphyrin Testing.....	16	16	16
(A)Blood Lead Specimen Testing.....	4	4	4
(A)Blood Lead Testing.....	56	56	56
(A)Training Course Fees.....	2	2	2
Subtotal.....	\$ 309,646	\$ 690,742	\$ 13,532
State Health Care Centers.....	22,505	12,054	23,004
(F)COVID-RF State Health Care Centers.....	-	10,000	-
(F)Disease Control Immunization Program.....	11,899	14,269	14,269
(F)COVID-Disease Control Immunization (EA).....	4,345	111,916 ^d	-
(F)PHHSBG - Block Program Services.....	7,995	7,108	7,108

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(F)Preventive Health Special Projects	3,579	2,788	3,221
(F)Collaborative Chronic Disease Programs.....	5,927	5,591	4,630
(F)Sexual Violence Prevention and Education.....	1,843	1,673	1,655
(F)COVID-Sexual Violence Prevention Activities (EA).....	137	-	-
(F)Live Healthy.....	5,458	4,703	4,703
(F)Educate Older Adults Program (EA).....	362	403	391
Subtotal.....	<u>\$ 64,050</u>	<u>\$ 170,505</u>	<u>\$ 58,981</u>
Sexually Transmitted Disease Screening and Treatment.....	1,757	1,734	1,757
(F)Survey and Follow-Up - Sexually Transmitted Diseases.....	2,895	3,195	3,295
Subtotal.....	<u>\$ 4,652</u>	<u>\$ 4,929</u>	<u>\$ 5,052</u>
Subtotal - State Funds.....	\$ 81,094	\$ 66,392	\$ 83,304
Subtotal - Federal Funds.....	633,023	1,087,536	246,654
Subtotal - Augmentations.....	4,322	4,857	4,338
Subtotal - Restricted Revenues	15,539	17,347	16,712
Total - General Government.....	<u>\$ 733,978</u>	<u>\$ 1,176,132</u>	<u>\$ 351,008</u>
Grants and Subsidies:			
Diabetes Programs	\$ 200	\$ 200	\$ -
Primary Health Care Practitioner	4,550	4,550	4,550
Community-Based Health Care Subsidy	2,125	2,000	2,000
(F)COVID-RF Community Based Health Care Centers	10,000	-	-
Subtotal.....	<u>\$ 12,125</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>
Newborn Screening	7,092	7,092	7,092
Cancer Screening Services	2,563	2,563	2,563
AIDS Programs and Special Pharmaceutical Services	12,436	9,914	10,436
(F)AIDS Ryan White and HIV Care.....	61,864	61,864	61,864
(F)COVID-RW HIV/AIDS Program Part B (EA).....	1,242	-	-
(F)Housing for Persons with AIDS	3,737	4,079	4,079
(F)COVID-Housing for Persons with AIDS (EA)	448	-	-
(F)AIDS Health Education Program	2,613	2,613	2,613
(R)RWHP Rebates.....	76,233	86,699	78,925
Subtotal.....	<u>\$ 158,573</u>	<u>\$ 165,169</u>	<u>\$ 157,917</u>
Regional Cancer Institutes	1,200	1,200	-
School District Health Services.....	34,620	34,620	34,620
Local Health Departments	25,421	25,421	33,712
Local Health - Environmental	2,389	2,389	2,529
Maternal and Child Health Services.....	1,533	1,005	1,278
(F)Women, Infants and Children (WIC).....	278,219	278,219	278,219
(F)COVID-Women, Infant and Children (EA).....	14,069	1,607	-

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(F)MCHSBG - Program Services	17,792	20,500	19,855
(F)Teenage Pregnancy Prevention	5,383	5,383	5,383
(F)Abstinence Education	4,609	4,609	4,609
(F)Family Health Special Projects	4,203	4,557	2,545
(F)MCH Lead Poisoning Prevention and Abatement	2,930	2,375	2,705
(F)Screening Newborns	1,669	1,669	1,680
(F)COVID-Screening Newborns (EA).....	190	360	240
(F)Newborn Hearing Screening and Intervention.....	527	527	528
(F)Traumatic Brain Injury.....	465	465	627
Subtotal.....	\$ 331,589	\$ 321,276	\$ 317,669
Tuberculosis Screening and Treatment	913	913	913
(F)Tuberculosis Control Program	326	326	47
Subtotal.....	\$ 1,239	\$ 1,239	\$ 960
Renal Dialysis	6,300	6,300	6,300
Services for Children with Special Needs	1,728	1,728	1,728
Adult Cystic Fibrosis & Other Chronic Respiratory Illnesses.....	750	750	450
Cooley's Anemia	100	100	100
Hemophilia	959	959	959
Lupus	100	100	-
Sickle Cell.....	1,260	1,260	1,260
Regional Poison Control Centers	700	700	-
Trauma Prevention	460	460	-
Epilepsy Support Services	550	550	-
Bio-Technology Research	7,700	7,700	-
Tourette's Syndrome	150	150	-
Amyotrophic Lateral Sclerosis Support Services	850	850	-
Lyme Disease.....	3,000	3,000	2,000
Leukemia/Lymphoma.....	200	200	-
(R)Pediatric Cancer Research Fund.....	-	-	881
Subtotal - State Funds.....	\$ 119,849	\$ 116,674	\$ 112,490
Subtotal - Federal Funds.....	410,286	389,153	384,994
Subtotal - Restricted Revenues	76,233	86,699	79,806
Total - Grants and Subsidies.....	\$ 606,368	\$ 592,526	\$ 577,290
STATE FUNDS	\$ 200,943	\$ 183,066	\$ 195,794
FEDERAL FUNDS	1,043,309	1,476,689	631,648
AUGMENTATIONS	4,322	4,857	4,338
RESTRICTED REVENUES	91,772	104,046	96,518
GENERAL FUND TOTAL	\$ 1,340,346	\$ 1,768,658	\$ 928,298

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2019-20	2020-21	2021-22
ACTUAL	AVAILABLE	BUDGET

OTHER FUNDS:**TOBACCO SETTLEMENT FUND:**

Tobacco Use Prevention and Cessation (EA).....	\$ 15,553	\$ 14,382 ^e	\$ 13,754
Health Research - Health Priorities (EA).....	43,549	40,271 ^f	38,513
Health Research - National Cancer Institute (EA).....	3,456	3,196 ^g	3,057
TOBACCO SETTLEMENT FUND TOTAL	\$ 62,558	\$ 57,849	\$ 55,324

EMERGENCY MEDICAL SERVICES OPERATING FUND:

Emergency Medical Services	\$ 10,450	\$ 9,200	\$ 8,200
Catastrophic Medical and Rehabilitation	4,300	4,100	4,300
EMERGENCY MEDICAL SERVICES OPERATING FUND TOTAL	\$ 14,750	\$ 13,300	\$ 12,500

GOV. CASEY ORGAN & TISSUE DONATION AWARENESS FUND:

Implementation Costs (EA)	\$ 168	\$ 170	\$ 170
Hospital and Other Medical Costs (EA)	20	18	18
Grants to Certified Procurement Organizations (EA)	310	310	310
Project Make-A-Choice (EA)	150	150	150
GOV. CASEY ORGAN & TISSUE DONATION AWARENESS FUND TOTAL	\$ 648	\$ 648	\$ 648

MEDICAL MARIJUANA PROGRAM FUND:

General Operations (EA).....	\$ 11,179	\$ 11,626	\$ 14,592
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND.....	\$ 200,943	\$ 183,066	\$ 195,794
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	1,043,309	1,476,689	631,648
AUGMENTATIONS	4,322	4,857	4,338
RESTRICTED	91,772	104,046	96,518
OTHER FUNDS	89,135	83,423	83,064
TOTAL ALL FUNDS	\$ 1,429,481	\$ 1,852,081	\$ 1,011,362

^a Includes recommended supplemental executive authorization of \$1,000,000, which represents an estimate of federal grant distributions.^b Includes recommended supplemental executive authorization of \$700,000, which represents an estimate of federal grant distributions.^c Includes recommended supplemental executive authorization of \$645,686,000, which represents an estimate of federal grant distributions.^d Includes recommended supplemental executive authorization of \$101,364,000, which represents an estimate of federal grant distributions.^e Includes recommended supplemental executive authorization reduction of \$290,000.^f Includes recommended supplemental executive authorization reduction of \$811,000.^g Includes recommended supplemental executive authorization reduction of \$65,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
HEALTH SUPPORT SERVICES							
GENERAL FUND.....	\$ 55,818	\$ 51,899	\$ 57,690	\$ 58,633	\$ 58,633	\$ 58,633	\$ 58,633
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	563,711	922,792	199,308	199,308	199,308	199,308	199,308
AUGMENTATIONS.....	2,711	3,246	2,727	2,727	2,727	2,727	2,727
RESTRICTED.....	-	635	-	-	-	-	-
OTHER FUNDS.....	11,179	11,626	14,592	17,592	14,592	14,592	14,592
SUBCATEGORY TOTAL....	\$ 633,419	\$ 990,198	\$ 274,317	\$ 278,260	\$ 275,260	\$ 275,260	\$ 275,260
HEALTH RESEARCH							
GENERAL FUND.....	\$ 9,200	\$ 9,200	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	2,938	2,850	3,107	3,107	3,107	3,107	3,107
AUGMENTATIONS.....	1,611	1,611	1,611	1,611	1,611	1,611	1,611
RESTRICTED.....	15,539	16,712	16,712	16,712	16,712	16,712	16,712
OTHER FUNDS.....	47,005	43,467	41,570	41,570	57,377	57,377	57,377
SUBCATEGORY TOTAL....	\$ 76,293	\$ 73,840	\$ 63,100	\$ 63,100	\$ 78,907	\$ 78,907	\$ 78,907
PREVENTIVE HEALTH							
GENERAL FUND.....	\$ 122,368	\$ 108,410	\$ 127,207	\$ 129,723	\$ 129,723	\$ 129,723	\$ 129,723
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	476,660	551,047	429,233	428,993	428,993	428,993	428,993
AUGMENTATIONS.....	-	-	-	-	-	-	-
RESTRICTED.....	76,233	86,699	78,925	78,925	78,925	78,925	78,925
OTHER FUNDS.....	15,553	14,382	13,754	13,754	13,754	13,754	13,754
SUBCATEGORY TOTAL....	\$ 690,814	\$ 760,538	\$ 649,119	\$ 651,395	\$ 651,395	\$ 651,395	\$ 651,395

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
HEALTH TREATMENT SERVICES							
GENERAL FUND.....	\$ 13,557	\$ 13,557	\$ 10,797	\$ 10,797	\$ 10,797	\$ 10,797	\$ 10,797
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	881	881	881	881	881
OTHER FUNDS	15,398	13,948	13,148	13,148	21,052	21,052	21,052
SUBCATEGORY TOTAL....	\$ 28,955	\$ 27,505	\$ 24,826	\$ 24,826	\$ 32,730	\$ 32,730	\$ 32,730
ALL PROGRAMS:							
GENERAL FUND.....	\$ 200,943	\$ 183,066	\$ 195,794	\$ 199,253	\$ 199,253	\$ 199,253	\$ 199,253
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	1,043,309	1,476,689	631,648	631,408	631,408	631,408	631,408
AUGMENTATIONS	4,322	4,857	4,338	4,338	4,338	4,338	4,338
RESTRICTED	91,772	104,046	96,518	96,518	96,518	96,518	96,518
OTHER FUNDS	89,135	83,423	83,064	86,064	106,775	106,775	106,775
DEPARTMENT TOTAL	\$ 1,429,481	\$ 1,852,081	\$ 1,011,362	\$ 1,017,581	\$ 1,038,292	\$ 1,038,292	\$ 1,038,292

Program: Health Support Services

Goal: To provide effective administration and support systems through which the substantive programs of the health delivery system and the department can be achieved.

Health Support Services provide the policy direction, management, and administrative systems required to implement, maintain, and monitor the substantive programs of the department.

The [Department of Health](#) provides epidemiologic assessment of health problems that may include communicable diseases, environmental conditions, occupational hazards, infection control, and health risk behaviors. Guidelines and recommendations are issued for prevention and control of these diseases along with professional consultation and technical support to health care providers and institutions, other agencies, county health departments, and local municipalities.

The [Achieving Better Care by Monitoring All Prescriptions](#) (also known as the [Prescription Drug Monitoring Program](#)) helps prevent prescription drug abuse and protect the health and safety of our community by [monitoring](#) filled prescriptions for controlled substances. This information helps health care providers safely prescribe controlled substances and helps patients get the treatment they need.

The department conducts [surveys and inspections](#) of various health care facilities and providers to determine compliance with state and federal standards and regulations, and in some circumstances, as a condition of receiving federal Medicare and Medicaid financial support. The surveys determine compliance with various standards including sanitation, fire safety, health, and level of care.

The [Indoor Tanning](#) Regulation Act requires all indoor tanning establishments to register with the department, display proper safety signage and meet the established training requirements for staff. The act authorizes the department to inspect indoor tanning facilities.

The [Healthcare-Associated Infection Prevention/Antimicrobial Stewardship Program](#) supports hospitals, nursing care facilities, and ambulatory surgical facilities in

reducing the occurrence of healthcare-associated infections through implementing effective identification and reporting; reviewing and approving individual facility infection control plans; developing best practices for monitoring, surveillance and response; and maintaining a reporting program that will establish benchmarks and monitor performance in hospitals and nursing care facilities.

The department is responsible for oversight and regulation of managed care plans including health maintenance organizations, gatekeeper preferred provider organizations (PPOs), and point of service products. It licenses new plans, ensures availability and accessibility of health services in plan service areas, and monitors quality of care through periodic inspections and external quality reviews. The department reviews and approves provider contracts and reimbursement methods. It licenses and oversees traditional PPOs, nonprofit medical-surgical, and vision and dental plans. The department certifies managed care utilization review organizations, monitors compliance with utilization review standards, reviews complaints, and coordinates third level grievance reviews conducted by certified external review entities.

The [state public health laboratory](#) investigates disease outbreaks, emerging infectious diseases, and other threats to public health. The state public health laboratory performs approximately 200,000 tests each year, including 3,550 rabies tests and 3,000 West Nile virus tests. Tests are also performed for diseases such as HIV, meningitis, influenza, tuberculosis, botulism, Lyme disease, drugs, alcohol, and lead. The state public health laboratory is an integral part of preparedness and response throughout the commonwealth. The department licenses more than 9,000 laboratories, including independent labs and labs located within hospitals and physicians' offices, establishes performance standards, and monitors compliance through onsite inspections.

Program: Health Support Services, continued

Facility Inspection Frequency				
Facility Type	Frequency	# of Licensed Facilities		
		2018-19	2019-20	2020-21
Abortion facilities	Inspected annually	17	16	16
Acute care hospitals	Surveyed and licensed on a three-year cycle	215	215	196+
Ambulatory surgical facilities (class B and C)	Inspected annually	326	327	320
Birth centers	Inspected annually	6	5	5
End-stage renal disease facilities	One-third of facilities are surveyed annually	316	329	329
Home care agencies	Onsite inspection every three years; written surveys other two years	2,049	2,526	2,968
Home health agencies	Onsite inspection every three years; written surveys other two years	554	570	581
Hospice agencies	Onsite inspection every three years; written surveys other two years	181	182	180
Intellectual Disabilities - Intermediate Care Facilities	Surveyed within 12-months of license expiration	180	169	170
Nursing homes	Inspected annually	699	699	695
Pediatric extended care centers	Surveyed annually	15	15	16

Note: Based on data counts of licensure and surveys completed prior to licensure expiration by facility type.

+ There are an additional 45 hospitals that are called campuses and part of one of the 196 licensed hospitals.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations		Quality Assurance	
\$ -150	—funding reduction.	\$ -50	—to continue current program.
754	—to continue current program.		
4,000	—to replace federal funding received in 2020-21 under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.		Achieving Better Care - MAP Program
		\$ 178	—to continue current program.
1,300	—to continue fracking study.		State Laboratory
<u>\$ 5,904</u>	<i>Appropriation Increase</i>	\$ -241	—to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
GENERAL FUND:							
General Government Operations	\$ 26,283	\$ 21,822	\$ 27,726	\$ 28,134	\$ 28,134	\$ 28,134	\$ 28,134
Quality Assurance.....	22,513	23,093	23,043	23,478	23,478	23,478	23,478
Achieving Better Care - MAP Program	2,672	2,715	2,893	2,910	2,910	2,910	2,910
State Laboratory	4,350	4,269	4,028	4,111	4,111	4,111	4,111
TOTAL GENERAL FUND.....	<u>\$ 55,818</u>	<u>\$ 51,899</u>	<u>\$ 57,690</u>	<u>\$ 58,633</u>	<u>\$ 58,633</u>	<u>\$ 58,633</u>	<u>\$ 58,633</u>

Program: Health Research

Goal: To develop better basic scientific knowledge of the nature of disease, illness, and the environment, which will improve the use of existing and new health resources.

The department is responsible for coordinating the collection, analysis, and dissemination of health data, [statistics](#), and information. The department prepares annual [health reports](#) that are available on the department's website along with the [Enterprise Data Dissemination Informatics Exchange](#) (EDDIE), an interactive health statistics tool.

The department also maintains a central repository for more than 23.5 million records of [births, deaths, and other vital statistics](#) that occur in the commonwealth. Through automation of this operation, all Pennsylvania birth records from 1921 to the present are available through the

department's computer system at the central office and all branch offices. The system processes more than 500,000 requests annually for certified copies of birth and death records. This system assists in the detection of fraudulent record usage, child support enforcement, and the reporting of missing children. Birth and death records are stored digitally or on microfilm for preservation and are available for retrieval if required. Birth certificate requests have increased due to federal homeland security requirements for enhanced verification for boarding a domestic commercial flight or entering a federal building.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	Diabetes Programs			Bio-Technology Research
\$	-200	—program elimination.	\$	-7,700
	Regional Cancer Institutes			
\$	-1,200	—program elimination.		

The Vital Statistics appropriation is recommended at the current year funding level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Vital Statistics	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Diabetes Programs ...	200	200	-	-	-	-	-
Regional Cancer Institutes	1,200	1,200	-	-	-	-	-
Bio-Technology Research	7,700	7,700	-	-	-	-	-
TOTAL GENERAL FUND.....	\$ 9,200	\$ 9,200	$ 100	$ 100	$ 100	$ 100	\$ 100

Program: Health Research, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Coordinate the collection and analysis of health statistics and information.							
Vital Events (births, deaths, and fetal deaths)							
Calculated Lag (%) for Birth and Death Records (Note: a higher rate equals better performance).....	34%	61%	67%	92%	91%	100%	100%
Event Date Lag (%) for Birth Records (Note: a higher rate equals better performance)	37%	54%	56%	57%	58%	60%	65%
Event Date Lag (%) for Death Records (Note: a higher rate equals better performance)	N/A	5%	33%	58%	68%	88%	92%
Number of drug-related overdose deaths	3,309	4,643	5,396	4,422	4,420	4,315	4,210

Program: Preventive Health

Goal: To reduce morbidity and mortality through the early detection of disease and health defects and the promotion of sound health practices and remedial care.

A key to the promotion of sound health practices is ensuring that all Pennsylvanians can access and utilize a range of preventive health and early disease detection [services](#).

The [department](#) provides public health services through its network of district offices, [state health centers](#), [county, and municipal health departments](#), community-based organizations, and public health clinical providers. These programs include communicable disease tracking and prevention; investigation, intervention, and control services for public health concerns; family health and chronic disease prevention, assessment, and intervention services; and special environmental health services. The six county and four city health departments also provide a range of individual and environmental public health services in their jurisdictions and these services are funded through grants and contracts awarded by the department.

Women and Infant Programs

The department combines home visiting programs, CenteringPregnancy programs, and innovative inter-conception care to support mothers and babies to improve pregnancy outcomes, reduce infant mortality, and improve child development.

To minimize severe health risks to infants, the department administers a [newborn screening and follow-up program](#). The department ensures appropriate follow-up services for all newborns with abnormal or inconclusive test results. In addition, these newborns and their families are connected with treatment specialists who conduct diagnostic testing and coordinate the required care.

The department facilitates several programs designed to help improve the health status of women. The [Breast and Cervical Cancer Early Detection Program](#) provides digital and 3D mammograms, ultrasounds, MRIs, and biopsies to detect breast cancer for women 40-64; and provides Pap tests, human papillomavirus (HPV) tests biopsies to detect cervical cancer for women 21 to 64. Those diagnosed with cancer are referred to the Department of Human Service's treatment program. Clients must have an income less than 250% of the federal poverty guidelines, meet gender requirements, be uninsured or underinsured, and live in Pennsylvania.

State health center community health nurses conduct public educational programs and participate in local advisory teams that focus on identifying and addressing trends in injuries and deaths and improving the health and safety of women, infants, and children (also relates to Children's Programs).

The department administers the federally funded Special Supplemental Nutrition Program for Women, Infants

and Children ([WIC](#)). WIC serves pregnant, breast-feeding, and postpartum women, infants, and children up to five years of age who are at risk due to medical conditions and/or inadequate diet and low income. The program supplies supplemental foods that are rich in nutrients frequently lacking in the diets of the target population.

The department runs a [Maternal Mortality Review Committee](#) (MMRC) who review maternal deaths and examine factors that led to the death. The goal of the MMRC is to determine if the death is related to the pregnancy and if it could have been prevented.

Children's Programs

The department's federally funded [immunization program](#) supplies immunizations to infants, children, and adolescents to reduce the incidence of vaccine-preventable diseases in the commonwealth. The program supports the surveillance of vaccine-preventable diseases; provides consultation during disease outbreaks; assesses childhood immunization levels; conducts professional and public education programs; and initiates, processes, and evaluates the childcare and school immunization reporting system. In addition, the program provides guidance to school districts to keep children healthy in school and to minimize the chance of disease outbreaks. Local state health centers conduct educational programs for the public and providers to prevent disease by improving immunization rates and during epidemiological investigations to prevent and decrease disease transmission.

The department addresses lead poisoning prevention, education, and surveillance through a variety of federally funded activities. The [Lead Hazard Control Program](#) seeks to identify, control, and eliminate lead-based paint hazards in homes of eligible families. The department conducts surveillance of childhood blood lead levels to identify trends in communities or populations that are disparately affected. State health center staff provide education to parents and make referrals for children with elevated blood lead levels. In addition, the department provides education and training to families and communities, contractors, and healthcare providers to promote lead poisoning prevention and testing.

The [School Health Program](#) supports health services for all children who are attending elementary or secondary school, either public or private. The program reimburses 500 school districts, 160 charter schools and 10 vocational technical schools for a portion of the costs associated with providing school nursing and dental services. State health center nurses offer technical assistance and recommendations to school officials during investigation of disease in students and staff.

Program: Preventive Health, continued**Other Health Promotion and Disease and Injury Prevention Programs**

The department promotes appropriate adult immunizations by providing information to community-based and public organizations. Vaccines are also made available to uninsured and underinsured adults through state health centers, county, and municipal health departments, and federally qualified and rural health clinics. The state health center nurses offer blood pressure screenings at local events. The department ensures that all residents of the commonwealth are served through an infectious disease epidemiological surveillance, investigation, and control system. Reported cases of infectious diseases are investigated to determine the infection source, transmission mode, and control measures needed to prevent additional cases.

Chronic disease remains one of the leading causes of preventable and premature deaths in the commonwealth. The hepatitis C testing program affords at-risk individuals testing and education on prevention control measures. The department's [HIV](#) program employs a coordinated and integrated strategy to prevent, test, link, treat, and engage/retain individuals across the continuum of HIV prevention and care services. In collaboration with the Bureau of Epidemiology, state health center nurses investigate concerns of healthcare acquired exposure or infections by offering hepatitis, HIV testing, and control measure education to patients and providers.

The goal of the [Sexually Transmitted Diseases \(STD\) Program](#) is to prevent STDs and their complications. The STD Program supports a statewide network of clinical service sites that offer testing, treatment and risk-reduction information, and conduct contact elicitation interviews and related investigative services.

The goal of the [Tuberculosis \(TB\) Program](#) is to reduce the incidence of TB and provides outpatient examination, diagnosis, and appropriate treatment for persons with TB disease and infection.

State health centers offer public STD, HIV, and TB education programs and provider education relating to prevention of institutional spread and appropriate case management.

The department works with health care providers, commercial and public insurance payers, consumers, and the Centers for Medicare and Medicaid Services to transform the way patient care is managed, coordinated, and delivered in rural health care settings. The innovations will lead to improved health outcomes while reducing the cost of care.

The [Tobacco Prevention and Control Program](#) seeks to control the epidemic of disease, disability, and death related to all forms of tobacco use. Activities include community programs; counter marketing to prevent the initiation of tobacco use by youth; cessation programs, including a [Quitline](#), to help Pennsylvanians quit tobacco use; awareness education; and community outreach to protect

non-smokers from secondhand smoke. The department provides for education and enforcement of the [Clean Indoor Air Act](#), which prohibits smoking in most public places.

The department continues its initiative to prevent tick and mosquito transmitted infections, including [Lyme disease](#), Zika virus, and West Nile virus. State health center community health nurses provide educational programs on the prevention of mosquito and tickborne diseases.

As part of the commonwealth's continued efforts to combat the heroin and [opioid epidemic](#), public awareness and education campaigns seek to improve knowledge of the use and availability of Naloxone. Under the authority of the Controlled Substance, Drug, Device and Cosmetic Act, the department issued a standing order to enable any eligible person to obtain a prescription of [Naloxone](#) – a medication that can reverse an opioid overdose. The [Opioid Data Dashboard](#) provides county level data for the public and highlights prevention, rescue, and treatment efforts. The department, in collaboration with the Department of Drug and Alcohol Programs conducted [Warm Hand-off Summits](#) to educate local communities on the approach of health providers doing a face-to-face introduction to a substance abuse specialist and making a direct referral to treatment. The department also encourages prescribers to follow opioid prescribing guidelines developed and adopted by the medical boards.

The department manages the following federally funded programs that also support health promotion and injury prevention activities:

[Cancer prevention and control](#) programs work to prevent cancer, improve early diagnosis, reduce cancer incidence, and provide a better quality of life for Pennsylvanians dealing with the effects of cancer.

The [Oral Health](#) program assesses the status of the oral health of state residents then plans and implements strategies and programs to improve oral health. The program promotes awareness of the need for good oral health by providing technical assistance to state and local partners to implement oral health evidence-based interventions and by fostering policy, environmental, and systems change. The program also promotes the beneficial health effects of fluoridation of public water systems.

The [Diabetes Prevention Program](#), [Heart Disease and Stroke Prevention Program](#), and [Obesity Prevention and Wellness Program](#), work collaboratively to promote healthy, active lifestyles in communities, health care systems, schools, early care and education centers, and worksites. These changes support the development of healthy environments that encourage positive behaviors to reduce and control diabetes and hypertension, and to prevent heart disease, obesity, stroke, and related chronic diseases and conditions.

The [Asthma Control Program](#) provides education and information to persons with asthma, caregivers, and health professionals that support the identification of triggers and self-management of asthma.

Program: Preventive Health, continued

The [Violence and Injury Prevention](#) program is designed to reduce the incidence of intentional and unintentional injuries, as well as violence and injury-related fatalities, through a data driven approach utilizing evidence-based educational programs for at-risk populations, and training of health professionals. The department provides

funding to organizations to support safer communities by addressing childhood injuries, motor vehicle safety, fall prevention among older adults, traumatic brain injury, suicide prevention and adverse childhood experiences prevention.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>Health Innovation</p> <p>\$ 148 —to continue current program.</p> <p>State Health Care Centers</p> <p>\$ 950 —to continue current program.</p> <p>10,000 —to replace federal funding received in 2020-21 under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.</p> <hr/> <p>\$ 10,950 <i>Appropriation Increase</i></p> <p>Sexually Transmitted Disease Screening and Treatment</p> <p>\$ 23 —to continue current program.</p> <p>AIDS Programs and Special Pharmaceutical Services</p> <p>\$ 522 —to continue current program.</p>	<p>Local Health Departments</p> <p>\$ 8,291 —Initiative—to restore support to local health departments and provide funding for a newly established local health department.</p> <p>Local Health - Environmental</p> <p>\$ 140 —Initiative—to provide funding for a newly established local health department.</p> <p>Maternal and Child Health Services</p> <p>\$ 273 —reflects change in federal earnings.</p> <p>Epilepsy Support Services</p> <p>\$ -550 —program elimination.</p> <p>Lyme Disease</p> <p>\$ -1,000 —funding reduction.</p>
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All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Health Innovation.....	\$ 914	\$ 605	\$ 753	\$ 762	\$ 762	\$ 762	\$ 762
State Health Care Centers	22,505	12,054	23,004	23,444	23,444	23,444	23,444
Sexually Transmitted Disease Screening and Treatment	1,757	1,734	1,757	1,757	1,757	1,757	1,757
Primary Health Care Practitioner.....	4,550	4,550	4,550	4,550	4,550	4,550	4,550
Community-Based Health Care Subsidy..	2,125	2,000	2,000	2,000	2,000	2,000	2,000
Newborn Screening ..	7,092	7,092	7,092	7,092	7,092	7,092	7,092
Cancer Screening Services	2,563	2,563	2,563	2,563	2,563	2,563	2,563

Program: Preventive Health, continued

Appropriations within this Program, continued:

AIDS Programs and Special Pharmaceutical Services	12,436	9,914	10,436	10,436	10,436	10,436	10,436
School District Health Services	34,620	34,620	34,620	34,620	34,620	34,620	34,620
Local Health Departments	25,421	25,421	33,712	35,412	35,412	35,412	35,412
Local Health - Environmental	2,389	2,389	2,529	2,656	2,656	2,656	2,656
Maternal and Child Health Services	1,533	1,005	1,278	1,518	1,518	1,518	1,518
Tuberculosis Screening and Treatment	913	913	913	913	913	913	913
Epilepsy Support Services	550	550	-	-	-	-	-
Lyme Disease	3,000	3,000	2,000	2,000	2,000	2,000	2,000
TOTAL GENERAL FUND	\$ 122,368	\$ 108,410	\$ 127,207	\$ 129,723	\$ 129,723	\$ 129,723	\$ 129,723

Program Measures:

	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated	2021-22 Estimated
Meet and maintain Health People 2020 objectives for vaccination rates among school-age children.							
Kindergarten immunization rate for measles, mumps, and rubella (MMR) vaccine	95.5%	93.7%	96.8%	97.0%	97.0%	97.5%	98.0%
Percentage of school districts with required school nurse to student ratio	94.9%	95.8%	95.8%	98.2%	98.3%	98.5%	98.9%
Ensure that all Pennsylvanians are able to access a range of preventive health and early detection services.							
Percentage of obese adults (Body Mass Index >30)	30.0%	30.3%	31.6%	30.9%	33.2%	32.7%	33.1%
Percentage of adults with diabetes...	10.4%	11.3%	10.6%	11.3%	10.8%	11.4%	11.6%
Percentage of children <72 months screened for lead	16.3%	17.1%	17.8%	19.0%	19.9%	20.1%	20.3%
Percentage of children <72 months with Blood Lead Level (BLL) >5ug/dl	4.6%	4.4%	4.5%	4.1%	3.2%	3.2%	3.1%
Neonatal abstinence syndrome (per 1,000 births)	13.1	15.0	15.8	15.8	15.8	14.3	12.9
Rate of maternal mortality disparity between black and white persons (per 100,000 live births)	8.4	26.6	27.0	26.9	26.5	26.4	25.9

Program: Preventive Health, continued

Program Measures, continued:

	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated	2021-22 Estimated
Rate of mortality disparity between black and white infants (per 1,000 live births)	8.2	10.0	9.2	7.8	9.2	9.0	8.9
Rate of mortality disparity between black and white children, ages 1-4 (per 100,000 children ages 1-4).....	14.9	17.0	11.7	12.0	11.5	11.2	10.7
Other communicable disease programs and incidences reported.							
Percentage of newly HIV diagnosed individuals linked to care within 30 days	75.1%	73.7%	77.6%	80.0%	81.3%	83.9%	86.2%
Number of individuals who test HIV negative referred to Pre-exposure Prophylaxis (PrEP) services	N/A	6	225	540	3,412	1,800	3,600
Percentage of initiation of TB treatment.....	91.7%	79.4%	92.5%	92.1%	90.5%	90.2%	91.8%
Percentage of completion of TB treatment.....	90.7%	83.5%	86.2%	76.4%	92.5%	88.3%	90.1%
Percentage of initiation of latent tuberculosis infection (LTBI) for immigrants and refugees	80.3%	79.0%	77.1%	64.7%	65.1%	67.2%	70.1%
Percentage of completion of latent tuberculosis infection (LTBI) for immigrants and refugees	69.8%	72.2%	54.7%	50.0%	54.1%	54.2%	55.2%
Number of cases of primary and secondary Syphilis (per 100,000 population)	5.6	5.9	6.7	6.2	7.8	8.5	8.8
Number of cases of gonorrhea (per 100,000 population)	101.7	114.3	121.0	124.0	125.6	126.2	128.5
Number of cases of Chlamydia (per 100,000 population)	421.2	445.4	444.5	463.3	481.9	485.5	490.2
Prevent initiation and reduce use of tobacco products, eliminate nonsmokers' exposure to secondhand smoke, and eliminate tobacco-related health disparities.							
Percentage of adults (age 18+) who smoke	18.1%	18.0%	18.8%	17.0%	17.3%	16.0%	15.3%
Percentage of adults (age 18+) who vape	N/A	19.7%	22.8%	24.8%	25.8%	26.8%	27.0%
Percentage of teens who smoke	15.9%	15.9%	13.6%	13.6%	6.6%	6.0%	5.5%
Percentage of teens who vape	23.9%	N/A	17.9%	N/A	24.4%	25.4%	26.0%

Program: Health Treatment Services

Goal: To maximize the individual's capacity for independent living through the provision of an array of service and support programs.

Health Treatment Services

The [department](#) is responsible for coordinating a variety of specialized medical services for commonwealth patients.

The [Chronic Renal Disease Program](#) (CRDP) provides care and treatment for eligible adults with end-stage renal disease. The CRDP assists with costs related to dialysis services, renal transplantation, medications, medical management, inpatient and outpatient services, home dialysis supplies and equipment, and transportation services.

The specialty care programs provide children and adults with a variety of services for certain health conditions including adult cystic fibrosis, Cooley's anemia, hemophilia, sickle cell, and home ventilator care for children with chronic respiratory failure. Services include diagnosis, direct medical care, case management,

Specialty Care Programs	
Program	Minimum Receiving Treatment*
Referrals to treatment for metabolic conditions	221
Renal disease	6,713
Sickle Cell disease	1,887
Hemophilia	2,264
Cooley's Anemia	74
Spina Bifida	1,171
Cystic Fibrosis	1,206
Services for children with special needs (home ventilators)	197
Services for children with special needs children's rehabilitation services)	1,691

* Reflects only state funding and based on 2019-20 data counts of children and adults receiving services through department-supported programs.

comprehensive evaluations, and rehabilitative services, including pharmaceuticals and blood products. In a joint effort to improve utilization of state funds, individuals who are potentially eligible for Medical Assistance or the Children's Health Insurance Program are referred to those programs.

The department is the lead agency for the commonwealth's [Emergency Medical Services](#) (EMS) system. This includes planning, coordinating, developing, implementing, and evaluating the statewide EMS system (including emergency preparedness and response) through regional councils with advice and support from a statewide advisory council. Oversight of compliance with regulations, development and implementation of statewide EMS treatment protocols, naloxone use and programs, and implementation of the pre-hospital "Do Not Resuscitate" program are managed through the department as well.

The [Head Injury Program](#) provides case management services and post-acute head injury rehabilitation services to individuals with traumatic head injury. Services are provided through contractual agreements with head injury rehabilitation providers in the commonwealth. Funding is made available through the Emergency Medical Services Operating Fund.

The department oversees the commonwealth's [Medical Marijuana Program](#). Patients with an eligible serious medical condition have access to medical marijuana products through a safe and effective delivery method that balances the patient's need for access to the latest treatments along with the patient's care and safety. The department provides resources and information for patients and caregivers, growers/processors, dispensaries, physicians, laboratories, and clinical research.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	Adult Cystic Fibrosis & Other Chronic Respiratory Illnesses			Regional Poison Control Centers
		\$	-700	—program elimination.
\$	-300			Trauma Prevention
	Lupus	\$	-460	—program elimination.
\$	-100			

Program: Health Treatment Services, continued

Program Recommendations, continued:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	Tourette's Syndrome			Leukemia/Lymphoma
\$ -150	—program elimination.		\$ -200	—program elimination.
	Amyotrophic Lateral Sclerosis Support Services			
\$ -850	—program elimination.			

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Renal Dialysis	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300
Services for Children with Special Needs	1,728	1,728	1,728	1,728	1,728	1,728	1,728
Adult Cystic Fibrosis & Other Chronic Respiratory Illnesses	750	750	450	450	450	450	450
Cooley's Anemia	100	100	100	100	100	100	100
Hemophilia	959	959	959	959	959	959	959
Lupus	100	100	-	-	-	-	-
Sickle Cell	1,260	1,260	1,260	1,260	1,260	1,260	1,260
Regional Poison Control Centers	700	700	-	-	-	-	-
Trauma Prevention	460	460	-	-	-	-	-
Tourette's Syndrome.....	150	150	-	-	-	-	-
Amyotrophic Lateral Sclerosis Support Services	850	850	-	-	-	-	-
Leukemia/Lymphoma	200	200	-	-	-	-	-
TOTAL GENERAL FUND	\$ 13,557	\$ 13,557	\$ 10,797				

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HEALTH CARE COST CONTAINMENT COUNCIL

The mission of the Pennsylvania Health Care Cost Containment Council is to empower purchasers of health care benefits with information that can be used to improve quality and restrain costs.

The council is charged with collecting, analyzing, and reporting information that can be used to improve the quality and restrain the cost of health care in the commonwealth. The council provides purchasers of health care benefits and other stakeholders with information they can use to improve quality and restrain costs. The council is governed by a 25-member board of directors, representing business, labor, consumers, health care providers, insurers, and state government.

Programs and Goals

Health Care Reporting: *To facilitate the continuing provision of quality, cost effective health services throughout the commonwealth by providing current data and information to the purchasers, providers, insurers, policymakers, and consumers of health care services.*

Health Care Cost Containment Council

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2019-20	2020-21	2021-22
ACTUAL	AVAILABLE	BUDGET

GENERAL FUND:

General Government:

Health Care Cost Containment Council.....	\$ 3,355	\$ 3,167	\$ 3,167
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Health Care Cost Containment Council

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
HEALTH CARE REPORTING							
GENERAL FUND.....	\$ 3,355	\$ 3,167	\$ 3,167	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 3,355	\$ 3,167	\$ 3,167	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355
ALL PROGRAMS:							
GENERAL FUND.....	\$ 3,355	\$ 3,167	\$ 3,167	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
DEPARTMENT TOTAL	\$ 3,355	\$ 3,167	\$ 3,167	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355

Program: Health Care Reporting

Goal: To facilitate the continuing provision of quality, cost effective health services throughout the commonwealth by providing current data and information to the purchasers, providers, insurers, policymakers, and consumers of health care services.

The [Pennsylvania Health Care Cost Containment Council \(PHC4\)](#) is an independent state agency established by [Act 89 of 1986](#). It is governed by a 25-member board that represents health care purchasers (business and labor), consumers, health care providers, insurers, and state government.

PHC4 uses advanced statistical and research methodologies, including the use of risk-adjusted data which accounts for the severity of patient illness and other risk factors to produce [reports](#) on common illnesses that affect Pennsylvanians. Publicly reported medical costs and outcomes not only help improve patient care, but also help consumers make informed choices about where to seek medical treatment.

Data from nearly five million inpatient and outpatient records from Pennsylvania hospitals and ambulatory surgery centers are collected by the council each year. The data, which include detailed financial information about hospitals and surgery centers, are verified and shared with the public through [free public reports](#). The council has collected and utilized payment data from Medicare, Medicaid and commercial health insurance plans and has incorporated hospital-specific Medicare payment data into numerous PHC4 public reports. Updating and expanding an interactive consumer friendly online database of Medicare payments for common outpatient services and treatments is also a priority for PHC4.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

The Health Care Cost Containment Council appropriation is recommended at the current year funding level.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Health Care Cost Containment Council	\$ 3,355	\$ 3,167	\$ 3,167	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355



HISTORICAL AND MUSEUM COMMISSION

The mission of the [Pennsylvania Historical and Museum Commission](#) (PHMC) is to discover, protect and share Pennsylvania's past, inspiring others to value and use our history in meaningful ways.

Programs and Goals

State History: To manage and safeguard Pennsylvania's historic resources through a comprehensive history, archives and museum program focused on the preservation, study and interpretation of all areas of Pennsylvania history, providing exhibits and programs to share this history with learners of all ages.

Museum and Community Assistance: To assure preservation and accessibility of Pennsylvania's rich heritage through representative artifacts, specimens of history, historic documents, buildings, art and science for all citizens through the support of museums and historical sites within the commonwealth.

Historical and Museum Commission

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
General Government Operations	\$ 21,555	\$ 21,150	\$ 20,677
(F)Historic Preservation.....	1,300	2,050	2,073
(F)Surface Mining Review	150	150	155
(F)Environmental Review	375	348	358
(F)Coastal Zone Management	50	-	-
(F)American Battlefield Protection Program.....	3,000	2,000	7,000
(F)Hurricane Sandy Disaster Relief (EA)	338	213	-
(F)Historic Property Partnerships	30	-	-
(F)Maritime Heritage	500	-	525
(F)Appalachian Development.....	70	100	100
(F)COVID-PA History To-Go (EA).....	-	247 ^a	-
(A)State Records Center	735	823	823
(A)Keystone Recreation, Park & Conservation Fund.....	636	635	639
(R)Rent and Other Income	176	200	200
Subtotal.....	<u>\$ 28,915</u>	<u>\$ 27,916</u>	<u>\$ 32,550</u>
Subtotal - State Funds.....	\$ 21,555	\$ 21,150	\$ 20,677
Subtotal - Federal Funds.....	5,813	5,108	10,211
Subtotal - Augmentations	1,371	1,458	1,462
Subtotal - Restricted Revenues	176	200	200
Total - General Government.....	<u>\$ 28,915</u>	<u>\$ 27,916</u>	<u>\$ 32,550</u>
<i>Grants and Subsidies:</i>			
Cultural and Historical Support.....	\$ 2,000	\$ 2,000	\$ 2,000
(R)Historical Preservation Act of 1966	81	125	125
Subtotal - State Funds.....	\$ 2,000	\$ 2,000	\$ 2,000
Subtotal - Restricted Revenues	81	125	125
Total - Grants and Subsidies.....	<u>\$ 2,081</u>	<u>\$ 2,125</u>	<u>\$ 2,125</u>
STATE FUNDS	\$ 23,555	\$ 23,150	\$ 22,677
FEDERAL FUNDS	5,813	5,108	10,211
AUGMENTATIONS	1,371	1,458	1,462
RESTRICTED REVENUES	257	325	325
GENERAL FUND TOTAL	\$ 30,996	\$ 30,041	\$ 34,675
OTHER FUNDS:			
HISTORICAL PRESERVATION FUND:			
General Operations (EA).....	\$ 1,742	\$ 1,742	\$ 1,267
(R)Mitigation and Special Projects	1,583	2,245	612
HISTORICAL PRESERVATION FUND TOTAL.....	\$ 3,325	\$ 3,987	\$ 1,879

Historical and Museum Commission

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
KEYSTONE RECREATION, PARK AND CONSERVATION FUND:			
Historic Site Development (EA).....	\$ 12,717	\$ 12,699 ^b	\$ 12,773
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 23,555	\$ 23,150	\$ 22,677
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	5,813	5,108	10,211
AUGMENTATIONS.....	1,371	1,458	1,462
RESTRICTED.....	257	325	325
OTHER FUNDS.....	16,042	16,686	14,652
TOTAL ALL FUNDS.....	\$ 47,038	\$ 46,727	\$ 49,327

a Includes recommended supplemental executive authorization of \$49,000, which represents an estimate of federal grant distributions.

b Includes recommended supplemental executive authorization of \$2,753,000.

Historical and Museum Commission

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
STATE HISTORY							
GENERAL FUND.....	\$ 21,555	\$ 21,150	\$ 20,677	\$ 21,090	\$ 21,090	\$ 21,090	\$ 21,090
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	5,813	5,108	10,211	10,211	10,211	10,211	10,211
AUGMENTATIONS	1,371	1,458	1,462	1,445	1,435	1,437	1,442
RESTRICTED.....	257	325	325	325	325	325	325
OTHER FUNDS.....	3,325	3,987	1,879	1,879	1,879	1,879	1,879
SUBCATEGORY TOTAL....	\$ 32,321	\$ 32,028	\$ 34,554	\$ 34,950	\$ 34,940	\$ 34,942	\$ 34,947
MUSEUM AND COMMUNITY ASSISTANCE							
GENERAL FUND.....	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	12,717	12,699	12,773	12,436	12,248	12,274	12,382
SUBCATEGORY TOTAL....	\$ 14,717	\$ 14,699	\$ 14,773	\$ 14,436	\$ 14,248	\$ 14,274	\$ 14,382
ALL PROGRAMS:							
GENERAL FUND.....	\$ 23,555	\$ 23,150	\$ 22,677	\$ 23,090	\$ 23,090	\$ 23,090	\$ 23,090
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	5,813	5,108	10,211	10,211	10,211	10,211	10,211
AUGMENTATIONS	1,371	1,458	1,462	1,445	1,435	1,437	1,442
RESTRICTED.....	257	325	325	325	325	325	325
OTHER FUNDS.....	16,042	16,686	14,652	14,315	14,127	14,153	14,261
DEPARTMENT TOTAL	\$ 47,038	\$ 46,727	\$ 49,327	\$ 49,386	\$ 49,188	\$ 49,216	\$ 49,329

Program: State History

Goal: To manage and safeguard Pennsylvania's historic resources through a comprehensive history, archives and museum program focused on the preservation, study and interpretation of all areas of Pennsylvania history, providing exhibits and programs to share this history with learners of all ages.

The [Pennsylvania Historical and Museum Commission \(PHMC\)](#) is the commonwealth's official history agency. The responsibilities of the PHMC are rooted in the Pennsylvania Constitution and are further defined in the History Code and the Administrative Code.

Executive Direction and Administration

This program provides general policy and direction for administering the commission's operations, ensuring the direction of each program is focused on meeting the agency's mission and strategic goals. It includes legislative, marketing and public relations, procurement, preservation of historic sites and museums, financial grant administration, fiscal and revenue management and other support services.

State and Local Records

This program supports the operation of the [State Archives](#) and the [State Records Center](#). The State Archives is responsible for identifying, acquiring, preserving and providing public access to the valuable and historical records created by government. This responsibility extends to the [preservation of electronic records](#) and to the use of technology to facilitate public access, which included over six million in-person and online visitors last year. The State Archives maintains and preserves deeds and other significant property records, state laws, maps, photographs, official minutes of boards and commissions, reports and selected case and program files that document the significant activities of Pennsylvania's government. The State Records Center is the official repository for inactive records that must be maintained temporarily by state agencies for administrative, fiscal or legal purposes.

This program also administers state executive branch and local government records management programs and provides other services to state and local government offices. These services include preparation of records retention schedules, approval of records disposal requests, promulgation of standards for retention of records in different storage media and providing training and technical assistance to records custodians in order to increase efficiency, lower costs and protect essential records from catastrophic loss.

Historic Site and Museum Operations

This program supports the operation of [27 historic sites and museums](#) throughout the commonwealth that are open to the public, in addition to the [State Museum of Pennsylvania](#). PHMC's historic sites and museums engage and educate visitors using collections and exhibition programs, living history and other types of tours to explore Pennsylvania's cultural and natural history. The program utilizes public-private partnerships with associate organizations at each site and museum to further provide for the interpretation of these significant properties. Facility development, educational programming and collections management and conservation of nearly nine million historical artifacts, fine arts objects and natural history specimens are all part of the activities of Historic Site and Museum Operations. The program maintains and preserves 369 buildings and 2,028 acres across the commonwealth.

In addition, at several additional sites, the Historic Site and Museum Operations program supports a property management and lease program effected through cooperative agreements with management groups, for-profit and not-for-profit organizations to operate, maintain and utilize historic sites, buildings and agricultural lands under the custody of the commission.

Historic Preservation

PHMC's [State Historic Preservation Office \(SHPO\)](#) administers several federal programs created by the National Historic Preservation Act of 1966, in addition to many state programs authorized under the Pennsylvania History Code. The SHPO's work is guided by federal and state regulations and Pennsylvania's historic preservation plan. This program is responsible for: providing information, education, training and technical assistance to all Pennsylvanians about historic preservation and various incentives to protect, maintain, and reuse historic properties; advising federal and state agencies and local governments in matters of historic preservation; maintaining Pennsylvania's inventory of historic properties; identifying and nominating properties to the [National Register of Historic Places](#); managing the [Pennsylvania Historical Marker Program](#); administering several [grant programs](#) including the Keystone Historic Preservation Grant Program; working with property owners on [state](#) and [federal](#) Historic Tax Credits; and partnering with other agencies and organizations to promote the architectural and archaeological resources of the commonwealth.

Historical and Museum Commission

Program: State History, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations

\$ -473 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
GENERAL FUND:							
General Government Operations	\$ 21,555	\$ 21,150	\$ 20,677	\$ 21,090	\$ 21,090	\$ 21,090	\$ 21,090

Program Measures:

	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated	2021-22 Estimated
Share permanent museum collections with the public by providing online access.							
Records added online to collections database each year	N/A	N/A	N/A	N/A	8,689	7,500	7,500
Preserve and make transparent government records through Archives digitization and online access.							
Images added to PA Power Library, Ancestry, and other online platforms each year (in thousands)	2,810	1,563	822	683	497	500	500
Review impact of state and federally supported projects on historic resources to foster preservation outcomes.							
Environmental submissions received each year	6,968	5,585	5,606	5,647	5,523	5,000	5,000
Identify and document Pennsylvania's historic resources to ensure consideration in planning and decision making.							
Number of historic resources added to State Historic and Archaeological Resource Exchange (PA-SHARE).....	1,344	3,068	3,715	2,844	7,717	1,500	1,500
Share Pennsylvania history through exhibits and programs at historic sites and museums.							
Onsite visitation at PHMC-owned sites and museums	287,403	299,134	302,782	285,353	171,369	57,070	114,141

Program: Museum and Community Assistance

Goal: To assure preservation and accessibility of Pennsylvania's rich heritage through representative artifacts, specimens of history, historic documents, buildings, art and science for all citizens through the support of museums and historical sites within the commonwealth.

Incentives for Historic Preservation

The Pennsylvania Historical and Museum Commission (PHMC) distributes more than \$4 million in grant funds to cultural institutions and historic properties across the state. These grants benefit local communities, helping to preserve their heritage, revitalizing neighborhoods, towns and cities and increasing quality of life for Pennsylvanians. The program is administered by the State Historic Preservation Office across three major components: the Certified Local Government Grant Program; the Cultural and Historical Support Program; and the Keystone Recreation, Park and Conservation Fund Program. PHMC also provides special funding opportunities with grants for historic and archival records, various federal grant programs and administers federal and state historic tax credit programs.

The [Certified Local Government Grant Program](#) awards are given to Certified Local Governments (CLG) to help municipalities with a wide array of heritage preservation activities. CLG grants support cultural resource surveys, National Register nominations, historic preservation planning, training, pooling grants and third-party administration. There are currently 45 CLGs in Pennsylvania.

The [Cultural and Historical Support Program](#) awards grants to eligible museums and official county historical societies in Pennsylvania. The goal of this program is to strengthen Pennsylvania's cultural, historical and museum community by supporting the general operations of eligible museums and official county historical societies that are not supported by other state agency funding programs.

The [Keystone Historic Preservation Planning Grants](#) and [Keystone Historic Preservation Construction Grants](#) are available to Pennsylvania non-profit organizations and public agencies that operate a publicly accessible historic property listed in or eligible for the National Register of Historic Places or to organizations that operate a contributing historic property in a listed or eligible National Register Historic District.

The [Historical and Archival Records Care Grants Program](#) provides funding to improve the preservation and accessibility of historically valuable records to archival institutions across the commonwealth. The grants are administered on a competitive basis, and funding for the awards is for two years.

[Federal Tax Credits](#) and [State Tax Credits](#) are available for the rehabilitation of historic, income-producing buildings that are determined to be "certified historic structures" and where the rehabilitation work complies with the U.S. Secretary of the Interior's Standards for Rehabilitation.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

The Cultural and Historical Support appropriation is recommended at the current year funding level.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Cultural and Historical Support	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000

Historical and Museum Commission

Program: Museum and Community Assistance, continued

Program Measures:

	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated	2021-22 Estimated
Build local government and professional capacity in the history, preservation, and records management fields.							
Trained practitioners and local gov't officials annually in-person or online.....	977	1,899	2,335	3,322	5,361	2,500	2,500
Provide assistance needed by State Agencies and Local Governments to serve the public.							
Records or information provided to other governmental entities in order to serve their customers.	20,544	15,448	13,000	12,785	9,111	9,000	9,000
Promote the use of statewide preservation plan at a local level across Pennsylvania to preserve historic resources.							
Partners and citizens engaged in using the statewide historic preservation plan goals and guiding principles.	N/A	3,177	503	2,855	26,269	3,000	3,000
Assist communities in preserving local history at museums and historical societies.							
Grants provided to non-profit cultural and historical institutions across the commonwealth.....	137	141	142	151	153	150	150
Provide funding for the preservation of publicly accessible historic buildings.							
Planning and Construction Keystone Grants awarded and capital investments in state owned properties (in thousands)	\$ 1,233	\$ 1,490	\$ 1,275	\$ 2,569	\$ 2,633	\$ 5,000	\$ 5,000



DEPARTMENT OF HUMAN SERVICES

The mission of the Department of Human Services is to improve the quality of life for Pennsylvania's individuals and families. The department promotes opportunities for independence through services and supports while demonstrating accountability for taxpayer resources.

Programs and Goals

Human Services Support: *To provide effective administrative and support systems through which the substantive programs of the department can be operated.*

Medical Assistance and Health Care Delivery: *To support a health care delivery system that provides comprehensive health care services in appropriate settings for the eligible populations.*

Long-Term Living: *To support a community living system that empowers persons with disabilities and older Pennsylvanians to live with dignity and independence in settings they prefer, to provide meaningful choice of community living services, and to ensure that those services are delivered in a high-quality, cost-effective manner.*

Income Maintenance: *To promote personal and parental responsibility and encourage economic independence and self-sufficiency through temporary cash assistance, job training, child care for families or individuals, and nutrition support services.*

Mental Health and Substance Abuse Services: *To maximize the individual's capacity for independent living through the provision of an array of service and support programs.*

Intellectual Disabilities/Autism: *To support Pennsylvanians with developmental disabilities and their families to achieve greater independence, choice, and opportunity in their lives.*

Human Services: *To enhance the social and economic well-being of families and individuals through the provision of an array of service and support programs.*

Child Development: *To promote opportunities for all Pennsylvania children and families by building systems and providing supports that help ensure access to high-quality child and family services.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22
	ACTUAL	AVAILABLE	BUDGET

GENERAL FUND:

General Government:

General Government Operations	\$ 107,884	\$ 106,235	\$ 114,030
(F)Medical Assistance - Administration	31,392	33,509	35,033
(F)SNAP - Administration	6,535	6,582	2,627
(F)SSBG - Administration	325	358	800
(F)TANFBG - Administration	13,898	15,208	19,146
(F)CCDFBG - Administration	28,640	31,201	32,091
(F)Child Welfare - Title IV-E - Administration	7,891	7,492	9,989
(F)Child Welfare Services - Administration	941	867	67
(F)Community-Based Family Resource and Support - Administration	689	689	689
(F)Developmental Disabilities - Basic Support	4,353	4,157	4,299
(F)Disabled Education - Administration	714	90	18
(F)Early Head Start Expansion Program	14,950	14,950	14,950
(F)Early Learning Challenge Grant - Administration	131	-	-
(F)MCH - Administration	196	207	236
(F)MHSBG - Administration	579	979	890
(F)Refugees and Persons Seeking Asylum - Administration	2,810	1,942	2,303
(F)Preschool Development Grant (EA)	12,473	-	-
(F)Homeland Security (EA)	75	75	75
(A)Child Abuse Reviews	9,532	8,325	8,325
(A)Adam Walsh Clearance	1,025	1,832	1,832
(A)Training Reimbursement	-	457	457
(A)Miscellaneous Reimbursements	58	-	-
Subtotal	<u>\$ 245,091</u>	<u>\$ 235,155</u>	<u>\$ 247,857</u>
Information Systems	86,206	85,905	91,735
(F)Medical Assistance - Information Systems	108,784	100,307	99,693
(F)SNAP - Information Systems	27,711	28,114	27,949
(F)TANFBG - Information Systems	12,631	11,189	13,424
(F)Child Welfare - Title IV-E - Information Systems	14,382	8,510	11,422
(F)Child Support Enforcement - Information Systems	9,272	9,639	6,712
(F)CHIP - Information Systems	9,541	14,868	12,887
(F)COVID-CHIP Information Systems (EA)	115	301	300
(A)COMPASS Support - CHIP	520	529	520
(A)Medical Data Exchange	13	13	13
Subtotal	<u>\$ 269,175</u>	<u>\$ 259,375</u>	<u>\$ 264,655</u>
County Administration - Statewide	43,813	45,839	51,220
(F)Medical Assistance - Statewide	65,227	65,058	67,797
(F)SNAP - Statewide	39,406	38,484	37,574

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(F)TANFBG - Statewide	1,072	1,072	1,072
(F)ARRA - Health Information Technology	12,291	12,385	12,394
(F)CHIP - Statewide	-	1,700	-
(F)Children's Health Insurance Administration.....	-	-	6,366 ^a
(F)COVID-Children's Health Insurance Administration (EA)	-	-	227 ^a
(A)SNAP - Retained Collections	2,166	2,201	2,201
(A)eHealth Fees	503	468	468
Subtotal.....	<u>\$ 164,478</u>	<u>\$ 167,207</u>	<u>\$ 179,319</u>
County Assistance Offices	253,850	247,203	299,473
(F)Medical Assistance - County Assistance Offices.....	238,251	247,042	204,296
(F)SNAP - County Assistance Offices.....	132,394	128,490	124,362
(F)TANFBG - County Assistance Offices	55,689	51,037	42,543
(F)SSBG - County Assistance Offices.....	3,000	3,000	3,000
(F)LIHEABG - Administration	28,859	27,000	27,000
(F)COVID-LIHEABG - Administration (EA)	3,493	-	-
Subtotal.....	<u>\$ 715,536</u>	<u>\$ 703,772</u>	<u>\$ 700,674</u>
Children's Health Insurance Administration	786	1,670	- ^a
(F)Children's Health Insurance Administration.....	5,254	4,955	- ^a
(F)COVID-Children's Health Insurance Administration (EA)	325	520	- ^a
Subtotal.....	<u>\$ 6,365</u>	<u>\$ 7,145</u>	<u>\$ -</u>
Child Support Enforcement	14,298	16,250	16,250
(F)Child Support Enforcement - Title IV - D	156,738	159,007	159,467
(A)Title IV - D Incentive Collections.....	6,957	10,894	10,894
(A)State Retained Support Collections	1,527	1,269	1,269
Subtotal.....	<u>\$ 179,520</u>	<u>\$ 187,420</u>	<u>\$ 187,880</u>
New Directions	15,182	15,125	20,712
(F)TANFBG - New Directions.....	111,346	126,197	126,197
(F)Medical Assistance - New Directions.....	14,141	15,161	8,448
(F)SNAP - New Directions.....	15,364	15,381	15,381
Subtotal.....	<u>\$ 156,033</u>	<u>\$ 171,864</u>	<u>\$ 170,738</u>
Subtotal - State Funds.....	<u>\$ 522,019</u>	<u>\$ 518,227</u>	<u>\$ 593,420</u>
Subtotal - Federal Funds.....	<u>1,191,878</u>	<u>1,187,723</u>	<u>1,131,724</u>
Subtotal - Augmentations	<u>22,301</u>	<u>25,988</u>	<u>25,979</u>
Total - General Government.....	<u>\$ 1,736,198</u>	<u>\$ 1,731,938</u>	<u>\$ 1,751,123</u>
Institutional:			
Youth Development Institutions and Forestry Camps.....	\$ 61,199	\$ 34,882	\$ 64,565
(F)COVID-RF Youth Development Institutions	-	30,000	-
(F)SSBG - Basic Institutional Programs.....	10,000	10,000	10,000
(F)Food Nutrition Services	650	650	650

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(A)Institutional Reimbursements	23	10	10
Subtotal.....	\$ 71,872	\$ 75,542	\$ 75,225
Mental Health Services.....	791,819	824,697	826,548
(F)Medical Assistance - Mental Health.....	203,542	178,590	184,590
(F)COVID-Medical Assistance - Mental Health (EA).....	11,350	22,984 ^d	21,351
(F)Medicare Services - State Mental Hospitals.....	20,983	17,900	17,900
(F)COVID-Direct Relief to Providers/State Hospitals (EA).....	737	2,187	-
(F)Homeless Mentally Ill.....	2,496	2,496	2,496
(F)MHSBG - Community Mental Health Services.....	28,100	32,000	32,000
(F)COVID-Mental Health Services Block Grant (EA).....	-	53,955 ^e	-
(F)SSBG - Community Mental Health Services.....	10,366	10,366	10,366
(F)Suicide Prevention.....	1,496	1,896	2,236
(F)Mental Health Data Infrastructure.....	145	145	145
(F)Promoting Integration of Health Care.....	3,500	3,500	3,500
(F)System of Care Expansion.....	7,000	7,000	7,000
(F)Project LAUNCH.....	15	-	-
(F)Youth Suicide Prevention.....	736	736	736
(F)Transition Age Youth.....	1,500	1,500	-
(F)Early Childhood Mental Health.....	500	500	-
(F)Treatment for Individuals Experiencing Homelessness.....	1,000	1,000	1,000
(F)Adolescents and Young Adults at High Risk for Psychosis.....	400	400	400
(F)Bioterrorism Hospital Preparedness (EA).....	50	100	45
(F)Tree of Life - Disaster Assistance (EA).....	400	-	-
(F)COVID-Crisis Counseling (EA).....	755	1,127	-
(A)Intergovernmental Transfer.....	28,366	32,862	32,845
(A)Institutional Collections.....	7,642	5,606	5,606
(A)Miscellaneous Institutional Reimbursements.....	641	1,446	1,446
Subtotal.....	\$ 1,123,539	\$ 1,202,993	\$ 1,150,210
Intellectual Disabilities - State Centers.....	106,810	101,394	103,896
(F)Medical Assistance - State Centers.....	166,059	153,059	154,030
(F)COVID-Medical Assistance - ID State Centers (EA).....	8,836	15,620 ^f	15,621
(F)Medicare Services - State Centers.....	505	507	463
(F)COVID-Direct Relief to Providers/State Centers (EA).....	489	393	-
(A)Institutional Collections - State Centers.....	8,021	7,595	7,595
(A)ID Assessment - State Centers.....	17,747	18,114	17,556
(A)Institutional Reimbursements.....	6	-	-
Subtotal.....	\$ 308,473	\$ 296,682	\$ 299,161
Subtotal - State Funds.....	\$ 959,828	\$ 960,973	\$ 995,009
Subtotal - Federal Funds.....	481,610	548,611	464,529

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Subtotal - Augmentations	62,446	65,633	65,058
Total - Institutional	\$ 1,503,884	\$ 1,575,217	\$ 1,524,596
Grants and Subsidies:			
Cash Grants	\$ 14,987	\$ 13,740	\$ 13,740
(F)TANFBG - Cash Grants	189,319	207,093	207,093
(F)Other Federal Support - Cash Grants	6,428	6,428	6,428
(F)LIHEABG - Low-Income Families and Individuals	188,563	188,563	188,563
(F)COVID-LIHEABG - Low-Income Families and Individuals (EA)	31,439	-	-
(F)Refugees and Persons Seeking Asylum - Social Services	14,758	14,758	14,758
(F)COVID-Refugees and Persons Seeking Asylum - Social Services (EA)....	421	-	-
(F)COVID-PA Disaster Relief (EA)	25,000	-	-
Subtotal.....	\$ 470,915	\$ 430,582	\$ 430,582
Supplemental Grants - Aged, Blind and Disabled	121,363	121,804	120,032
Medical Assistance - Capitation	2,507,519	3,127,334	3,064,986
(F)Medical Assistance - Capitation.....	9,956,562	11,184,762	11,388,240
(F)COVID-Medical Assistance - Capitation (EA).....	369,305	556,495	951,754
(A)MA - MCO Assessment	1,513,122	2,010,491	1,752,509
(A)Statewide Hospital Assessment	724,910	771,297	717,936
(A) Pittsburgh Ambulance Intergovernmental Transfer	-	250	750
Subtotal.....	\$ 15,071,418	\$ 17,650,629	\$ 17,876,175
Medical Assistance - Fee-for-Service	344,107	798,621	456,575
(F)Medical Assistance - Fee-for-Service	1,929,453	1,828,546	1,646,285
(F)COVID-Medical Assistance - Fee-for-Service (EA)	111,228	134,902	113,365
(F)ARRA - MA - Health Information Technology	45,000	45,000	10,000
(F)Diabetes Prevention Program (EA)	-	10	-
(A)Hospital Assessment	177,295	178,327	178,327
(A)Statewide Hospital Assessment	103,369	152,975	115,449
(A)FQHC Alternative Payment Methodology IGT	11,562	17,547	-
Subtotal.....	\$ 2,722,014	\$ 3,155,928	\$ 2,520,001
Payment to Federal Government - Medicare Drug Program	775,602	692,938	761,058
Medical Assistance - Workers with Disabilities	39,690	60,518	75,366
(F)Medical Assistance - Workers with Disabilities.....	69,086	94,436	96,069
(F)COVID-Medical Assistance - Workers with Disabilities (EA)	11,617	15,798	11,332
Subtotal.....	\$ 120,393	\$ 170,752	\$ 182,767
Medical Assistance - Physician Practice Plans	7,502	8,764	5,715
(F)Medical Assistance - Physician Practice Plans	11,579	11,004	7,246
(F)COVID-Medical Assistance - Physician Practice Plans (EA)	2,569	1,307	856
Subtotal.....	\$ 21,650	\$ 21,075	\$ 13,817
Medical Assistance - Hospital-Based Burn Centers	3,792	3,921	3,856

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(F)Medical Assistance - Hospital-Based Burn Centers	4,856	4,923	4,940
(F)COVID-Medical Assistance - Hospital-Based Burn Centers (EA)	645	585	581
Subtotal.....	\$ 9,293	\$ 9,429	\$ 9,377
Medical Assistance - Critical Access Hospitals	8,850	9,777	9,053
(F)Medical Assistance - Critical Access Hospitals	15,429	16,293	15,698
(F)COVID-Medical Assistance - Critical Access Hospitals (EA)	2,050	1,935	1,847
(F)COVID-RF Critical Access Hospitals	10,000	-	-
(A)Statewide Hospital Assessment	3,200	3,200	3,200
Subtotal.....	\$ 39,529	\$ 31,205	\$ 29,798
Medical Assistance - Obstetric and Neonatal Services	2,709	2,814	2,806
(F)Medical Assistance - Obstetric and Neonatal Services	7,311	7,300	7,438
(F)COVID-Medical Assistance - Obstetric and Neonatal Services (EA)	972	867	875
(A)Statewide Hospital Assessment	3,000	3,000	3,000
Subtotal.....	\$ 13,992	\$ 13,981	\$ 14,119
Medical Assistance - Trauma Centers	7,397	7,651	7,522
(F)Medical Assistance - Trauma Centers.....	9,472	9,606	9,637
(F)COVID-Medical Assistance - Trauma Centers (EA)	1,259	1,141	1,134
Subtotal.....	\$ 18,128	\$ 18,398	\$ 18,293
Medical Assistance - Academic Medical Centers	21,092	21,479	15,148
(F)Medical Assistance - Academic Medical Centers	27,007	27,374	19,406
(F)COVID-Medical Assistance - Academic Medical Centers (EA)	3,589	3,202	2,283
Subtotal.....	\$ 51,688	\$ 52,055	\$ 36,837
Medical Assistance - Transportation	59,613	60,693	62,289
(F)Medical Assistance - Transportation.....	85,706	83,514	80,421
(F)COVID-Medical Assistance - Transportation (EA).....	2,121	2,000	2,247
Subtotal.....	\$ 147,440	\$ 146,207	\$ 144,957
Expanded Medical Services for Women.....	6,263	6,263	6,263
(F)TANFBG - Alternatives to Abortion.....	1,000	1,000	1,000
Subtotal.....	\$ 7,263	\$ 7,263	\$ 7,263
Children's Health Insurance Program.....	31,037	66,057	77,494
(F)Children's Health Insurance Program	390,135	352,142	284,140
(F)COVID-Children's Health Insurance Program (EA)	10,310	17,814	17,818
(A)Medical Assistance - Assessments	8,464	12,842	15,257
(R)Children's Health Insurance Program	32,659	33,277	30,730
Subtotal.....	\$ 472,605	\$ 482,132	\$ 425,439
Medical Assistance - Long-Term Living	470,244	233,142	120,432
(F)Medical Assistance - Long-Term Living.....	777,565	154,444	125,026
(F)COVID-Medical Assistance - Long-Term Living (EA)	67,581	20,918	17,505
(F)COVID-RF Long-Term Living	626,287	-	-

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(F)COVID-RF Hazard Pay.....	6,429	-	-
(A)Intergovernmental Transfer	27,243	-	-
(A)Nursing Home Assessment.....	118,090	-	-
(A)Attendant Care Patient Fee	-	486	486
(A)Attendant Care Parking Fines	-	51	51
Subtotal.....	<u>\$ 2,093,439</u>	<u>\$ 409,041</u>	<u>\$ 263,500</u>
Medical Assistance - Community HealthChoices.....	2,328,939	3,034,947	3,781,118
(F)Medical Assistance - Community HealthChoices	4,200,922	5,427,147	6,483,237
(F)COVID-Medical Assistance - Community HealthChoices (EA)	353,745	551,694	890,293
(F)COVID-RF Community HealthChoices.....	50,000	-	-
(A)Intergovernmental Transfer	65,981	101,127	101,127
(A)Nursing Home Assessments	332,335	528,179	488,157
(A)Statewide Hospital Assessment	39,861	39,923	39,633
(A)MCO Assessment.....	38,367	45,433	53,503
Subtotal.....	<u>\$ 7,410,150</u>	<u>\$ 9,728,450</u>	<u>\$ 11,837,068</u>
Home and Community-Based Services.....	182,421	-	-
(F)Medical Assistance - Home & Community-Based Services	211,504	-	-
(F)COVID-Medical Assistance - Home and Com Based Svs (EA)	9,159	-	-
Subtotal.....	<u>\$ 403,084</u>	<u>\$ -</u>	<u>\$ -</u>
Long-Term Care Managed Care	151,168	146,842	157,778
(F)Medical Assistance - Long-Term Care Managed Care	177,131	187,182	201,110
(F)COVID-Medical Assistance - Long-Term Care Man Care (EA).....	10,550	22,017	23,722
(F)COVID-RF Long-Term Care Managed Care	10,000	-	-
Subtotal.....	<u>\$ 348,849</u>	<u>\$ 356,041</u>	<u>\$ 382,610</u>
Services to Persons with Disabilities	130,215	-	-
(F)Medical Assistance - Services to Persons with Disabilities	144,487	-	-
(F)COVID-Medical Assistance - Services to Persons with Disabilities (EA) ...	6,037	-	-
Subtotal.....	<u>\$ 280,739</u>	<u>\$ -</u>	<u>\$ -</u>
Attendant Care	43,885	-	-
(F)Medical Assistance - Attendant Care.....	67,938	-	-
(F)COVID-Medical Assistance - Attendant Care (EA).....	974	-	-
(A)Attendant Care Patient Fee	323	-	-
(A)Attendant Care Parking Fines	51	-	-
Subtotal.....	<u>\$ 113,171</u>	<u>\$ -</u>	<u>\$ -</u>
Intellectual Disabilities - Community Base Program.....	148,943	144,432	143,838
(F)Medical Assistance - Community ID Services	59,038	59,723	52,133
(F)COVID-Medical Assistance - Community ID Services (EA)	710	1,825	1,756
(F)SSBG - Community ID Services.....	7,451	7,451	7,451
Subtotal.....	<u>\$ 216,142</u>	<u>\$ 213,431</u>	<u>\$ 205,178</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Intellectual Disabilities - Intermediate Care Facilities	148,359	135,061	142,902
(F)Medical Assistance - ID/ICF	193,685	194,752	206,034
(F)COVID-Medical Assistance - ID/ICF (EA)	11,126	22,494	23,599
(A)ID Assessment - ID/ICF	19,483	18,419	20,900
Subtotal.....	<u>\$ 372,653</u>	<u>\$ 370,726</u>	<u>\$ 393,435</u>
Intellectual Disabilities - Community Waiver Program	1,664,206	1,645,307	1,813,842
(F)Medical Assistance - Community ID Waiver Program	1,900,758	1,984,147	2,028,166
(F)COVID-Medical Assistance - Community ID Waiver Program (EA)	108,169	209,447	240,102
(F)COVID-RF Intellectual Disabilities Community Waiver Program.....	258,166	-	-
Subtotal.....	<u>\$ 3,931,299</u>	<u>\$ 3,838,901</u>	<u>\$ 4,082,110</u>
Intellectual Disabilities - Lansdowne Residential Services	340	200	200
Autism Intervention and Services	25,252	26,448	25,434
(F)Medical Assistance - Autism Intervention Services	33,839	27,438	28,953
(F)COVID-Medical Assistance - Autism Intervention Services (EA)	1,673	3,033	3,199
(F)COVID-RF Autism Services.....	716	-	-
Subtotal.....	<u>\$ 61,480</u>	<u>\$ 56,919</u>	<u>\$ 57,586</u>
Behavioral Health Services.....	57,149	57,149	57,149
(F)Access to Medication-Assisted Treatment	1,500	1,500	-
(F)State Opioid Response (EA).....	15,000	6,853	-
Subtotal.....	<u>\$ 73,649</u>	<u>\$ 65,502</u>	<u>\$ 57,149</u>
Special Pharmaceutical Services.....	952	752	752
County Child Welfare	1,257,751	1,166,448	1,319,456
(F)Child Welfare Services	13,735	34,719	34,174
(F)COVID-Child Welfare Services (EA)	1,571	-	-
(F)Child Welfare - Title IV-E	385,369	440,805	392,960
(F)COVID-Child Welfare - Title IV-E (EA)	18,000	18,000	18,000
(F)Medical Assistance - Child Welfare	1,438	1,824	1,477
(F)TANFBG - Child Welfare	58,508	58,508	58,508
(F)SSBG - Child Welfare	12,021	12,021	12,021
(F)Child Welfare Training and Certification	16,665	18,665	20,000
(F)Community-Based Family Resource and Support	143	143	143
(F)Child Abuse Prevention and Treatment.....	4,000	4,608	12,500
(F)Title IV-B - Caseworker Visits.....	1,365	1,365	1,000
(F)Children's Justice Act	1,150	1,150	1,200
(F)COVID-Promoting Safe and Stable Families (EA)	-	2,665	-
(F)COVID-Chafee Foster Care Program and ETV (EA)	-	14,154	-
(A)Birth Certificate – Mandated Reporter Training.....	953	2,290	953
Subtotal.....	<u>\$ 1,772,669</u>	<u>\$ 1,777,365</u>	<u>\$ 1,872,392</u>
Community-Based Family Centers	18,320	19,558	19,558

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(F)Family Preservation - Family Centers	2,691	2,691	2,691
(F)Family Resource and Support - Family Centers.....	480	480	480
(F)Title IV-B - Family Centers.....	5,871	5,871	5,871
(F)MCH - Early Childhood Home Visiting.....	16,300	16,300	16,300
Subtotal.....	<u>\$ 43,662</u>	<u>\$ 44,900</u>	<u>\$ 44,900</u>
Child Care Services	156,332	156,482	156,482
(F)CCDFBG - Child Care Services.....	392,812	431,136	433,710
(F)COVID-CCDFBG - Child Care Services (EA).....	108,000	302,861 ^z	-
(F)COVID-RF Child Care Services.....	116,000	-	-
(F)CCDFBG - School Age.....	1,260	1,260	1,260
(F)SSBG - Child Care Services.....	30,977	30,977	30,977
(F)Head Start Collaboration Project	242	225	225
Subtotal.....	<u>\$ 805,623</u>	<u>\$ 922,941</u>	<u>\$ 622,654</u>
Child Care Assistance	104,569	109,885	109,975
(F)TANFBG - Child Care Assistance.....	152,214	230,306	219,042
(F)CCDFBG - Child Care Assistance	85,356	38,710	38,710
(F)SNAP - Child Care Assistance	1,678	2,194	3,149
(A)Early Childhood Education Revenue.....	1,656	1,705	1,705
Subtotal.....	<u>\$ 345,473</u>	<u>\$ 382,800</u>	<u>\$ 372,581</u>
Nurse Family Partnership	13,059	12,999	13,083
(F)Medical Assistance - Nurse Family Partnership	2,544	2,544	2,544
(F)COVID-Medical Assistance - Nurse Family Partnership (EA)	80	92 ^{aa}	95
Subtotal.....	<u>\$ 15,683</u>	<u>\$ 15,635</u>	<u>\$ 15,722</u>
Early Intervention	174,271	169,432	180,383
(F)Medical Assistance - Early Intervention.....	67,051	76,978	72,400
(F)COVID-Medical Assistance - Early Intervention (EA).....	3,500	6,338 ^{ac}	6,859
(F)Education for Children with Disabilities-Early Intervention	15,136	15,026	15,026
Subtotal.....	<u>\$ 259,958</u>	<u>\$ 267,774</u>	<u>\$ 274,668</u>
Domestic Violence	19,093	19,093	19,093
(F)Family Violence Prevention Services	3,739	3,739	3,739
(F)COVID-Family Violence Prevention Services (EA)	1,346	-	-
(F)SSBG - Domestic Violence Programs	5,705	5,705	5,705
(F)PHHSBG - Domestic Violence (EA)	100	200	100
(F)COVID-RF Domestic Violence Programs.....	10,000	-	-
(A)Marriage Law Fees.....	833	833	833
Subtotal.....	<u>\$ 40,816</u>	<u>\$ 29,570</u>	<u>\$ 29,470</u>
Rape Crisis	10,921	10,921	10,921
(F)SSBG - Rape Crisis.....	1,721	1,721	1,721
Subtotal.....	<u>\$ 12,642</u>	<u>\$ 12,642</u>	<u>\$ 12,642</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Breast Cancer Screening	1,723	1,723	1,723
(F)SSBG - Family Planning	2,000	2,000	2,000
Subtotal	<u>\$ 3,723</u>	<u>\$ 3,723</u>	<u>\$ 3,723</u>
Human Services Development Fund	13,460	13,460	13,460
Legal Services	2,661	2,661	3,661
(F)SSBG - Legal Services	5,049	5,049	5,049
(F)COVID-RF Legal Services	8,000	-	-
Subtotal	<u>\$ 15,710</u>	<u>\$ 7,710</u>	<u>\$ 8,710</u>
Homeless Assistance	18,496	18,496	18,496
(F)SSBG - Homeless Services	4,183	4,183	4,183
(F)SABG - Homeless Services (EA)	1,983	1,983	1,983
(F)COVID-Emergency Rental Assistance Program	-	569,808 ^{ad}	-
(F)COVID-RF Homeless Assistance Services	9,847	-	-
Subtotal	<u>\$ 34,509</u>	<u>\$ 594,470</u>	<u>\$ 24,662</u>
211 Communications	750	750	750
Health Program Assistance and Services	13,325	13,615	-
(A)DMVA Interagency Agreement	336	336	-
Subtotal	<u>\$ 13,661</u>	<u>\$ 13,951</u>	<u>\$ -</u>
Services for the Visually Impaired	3,102	3,102	3,102
Subtotal	<u>\$ 3,102</u>	<u>\$ 3,102</u>	<u>\$ 3,102</u>
Subtotal - State Funds	\$ 11,111,429	\$ 12,145,279	\$ 12,795,491
Subtotal - Federal Funds	24,416,159	26,067,867	26,849,542
Subtotal - Augmentations	3,190,434	3,888,711	3,493,776
Subtotal - Restricted Revenues	32,659	33,277	30,730
Total - Grants and Subsidies	<u>\$ 38,750,681</u>	<u>\$ 42,135,134</u>	<u>\$ 43,169,539</u>
STATE FUNDS	\$ 12,593,276	\$ 13,624,479	\$ 14,383,920
FEDERAL FUNDS	26,089,647	27,804,201	28,445,795
AUGMENTATIONS	3,275,181	3,980,332	3,584,813
RESTRICTED REVENUES	32,659	33,277	30,730
GENERAL FUND TOTAL	<u>\$ 41,990,763</u>	<u>\$ 45,442,289</u>	<u>\$ 46,445,258</u>
LOTTERY FUND:			
<i>Grants and Subsidies:</i>			
Medical Assistance - Transportation Services	\$ 3,500	\$ 3,500	\$ 3,500
Medical Assistance - Community HealthChoices	334,013	348,966	348,966
Total - Grants and Subsidies	<u>\$ 337,513</u>	<u>\$ 352,466</u>	<u>\$ 352,466</u>
LOTTERY FUND TOTAL	<u>\$ 337,513</u>	<u>\$ 352,466</u>	<u>\$ 352,466</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22
	ACTUAL	AVAILABLE	BUDGET

OTHER FUNDS:

TOBACCO SETTLEMENT FUND:

Medical Care for Workers with Disabilities (EA).....	\$ 103,689	\$ 95,883	ae \$ 91,696
(F)Medical Assistance - Workers with Disabilities (EA)	113,461	120,301	af 116,884
(F)COVID-Medical Assistance-Workers with Disabilities (EA).....	13,111	14,289	ag 13,787
Subtotal.....	<u>\$ 230,261</u>	<u>\$ 230,473</u>	<u>\$ 222,367</u>
Uncompensated Care (EA)	28,273	26,144	ah 25,002
(F)Medical Assistance - Uncompensated Care (EA)	30,938	32,806	ai 27,835
(F)COVID-Medical Assistance - Uncompensated Care (EA).....	4,003	4,170	aj -
Subtotal.....	<u>\$ 63,214</u>	<u>\$ 63,120</u>	<u>\$ 52,837</u>
Medical Assistance - Community HealthChoices.....	165,878	136,734	ak 130,632

TOBACCO SETTLEMENT FUND TOTAL	<u>\$ 459,353</u>	<u>\$ 430,327</u>	<u>\$ 405,836</u>
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CHILDREN'S TRUST FUND:

Children's Trust Fund (EA).....	\$ 1,400	\$ 1,400	\$ 1,400
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND.....	\$ 12,593,276	\$ 13,624,479	\$ 14,383,920
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	337,513	352,466	352,466
FEDERAL FUNDS	26,089,647	27,804,201	28,445,795
AUGMENTATIONS	3,275,181	3,980,332	3,584,813
RESTRICTED	32,659	33,277	30,730
OTHER FUNDS	460,753	431,727	407,236
TOTAL ALL FUNDS	<u>\$ 42,789,029</u>	<u>\$ 46,226,482</u>	<u>\$ 47,204,960</u>

Summary by Fund and Appropriation

- ^a Proposes funding Children's Health Insurance Administration within County Administration - Statewide and Children's Health Insurance Program.
- ^b Includes recommended supplemental appropriation of \$981,000.
- ^c Includes recommended supplemental executive authorization reduction of \$9,000.
- ^d Includes recommended supplemental executive authorization of \$1,816,000.
- ^e Includes recommended supplemental executive authorization of \$53,955,000, which represents an estimate of federal grant distributions.
- ^f Includes recommended supplemental executive authorization reduction of \$3,000.
- ^g Includes recommended supplemental appropriation of \$533,312,000, which includes \$476,000,000 to comply with the requirements of Section 6008 of the Families First Coronavirus Response Act (FFCRA).
- ^h Includes recommended supplemental appropriation of \$65,644,000.
- ⁱ Includes recommended supplemental executive authorization reduction of \$224,889,000.
- ^j Includes recommended supplemental appropriation of \$328,797,000.
- ^k Includes recommended supplemental appropriation of \$54,244,000.
- ^l Includes recommended supplemental executive authorization reduction of \$26,164,000.
- ^m Includes recommended supplemental appropriation of \$5,042,000.
- ⁿ Includes recommended supplemental executive authorization reduction of \$2,758,000.
- ^o Includes recommended supplemental executive authorization reduction of \$193,000.
- ^p Reflects recommended appropriation reduction of \$2,478,000.
- ^q Includes recommended supplemental executive authorization reduction of \$618,000.
- ^r Includes recommended supplemental executive authorization of \$6,040,000.
- ^s Includes recommended supplemental appropriation of \$84,447,000.
- ^t Includes recommended supplemental executive authorization reduction of \$152,822,000.
- ^u Includes recommended supplemental executive authorization of \$125,000.
- ^v Includes recommended supplemental executive authorization reduction of \$35,140,000.
- ^w Includes recommended supplemental executive authorization of \$158,000.
- ^x Includes recommended supplemental executive authorization of \$2,665,000, which represents an estimate of federal grant distributions.
- ^y Includes recommended supplemental executive authorization of \$14,154,000, which represents an estimate of federal grant distributions.
- ^z Includes recommended supplemental executive authorization of \$302,861,000, which represents an estimate of federal grant distributions.
- ^{aa} Includes recommended supplemental executive authorization reduction of \$28,000.
- ^{ab} Reflects recommended appropriation reduction of \$8,995,000.
- ^{ac} Includes recommended supplemental executive authorization reduction of \$562,000.
- ^{ad} Includes recommended supplemental appropriation of \$569,808,000, which represents an estimate of federal grant distributions.
- ^{ae} Includes recommended supplemental executive authorization reduction of \$1,933,000.
- ^{af} Includes recommended supplemental executive authorization of \$13,427,000.
- ^{ag} Includes recommended supplemental executive authorization of \$6,789,000.
- ^{ah} Includes recommended supplemental executive authorization reduction of \$527,000.
- ^{ai} Includes recommended supplemental executive authorization of \$3,665,000.
- ^{aj} Includes recommended supplemental executive authorization of \$3,897,000.
- ^{ak} Reflects recommended appropriation reduction \$2,817,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
HUMAN SERVICES SUPPORT							
GENERAL FUND.....	\$ 194,840	\$ 192,890	\$ 206,515	\$ 208,325	\$ 208,325	\$ 208,325	\$ 208,325
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	309,028	321,234	295,600	287,901	287,901	287,901	287,901
AUGMENTATIONS	11,148	11,156	11,147	11,147	11,147	11,147	11,147
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 515,016	\$ 525,280	\$ 513,262	\$ 507,373	\$ 507,373	\$ 507,373	\$ 507,373
MEDICAL ASSISTANCE AND HEALTH CARE DELIVERY							
GENERAL FUND.....	\$ 3,815,959	\$ 4,868,500	\$ 4,548,131	\$ 5,790,737	\$ 5,807,537	\$ 5,815,680	\$ 5,815,151
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	3,500	3,500	3,500	3,500	3,500	3,500	3,500
FEDERAL FUNDS.....	13,083,840	14,407,431	14,674,612	13,635,089	13,635,089	13,635,089	13,635,089
AUGMENTATIONS	2,544,922	3,149,929	2,786,428	2,861,433	2,861,433	2,861,433	2,861,433
RESTRICTED.....	32,659	33,277	30,730	30,730	30,730	30,730	30,730
OTHER FUNDS.....	293,475	293,593	275,204	246,126	246,126	246,126	246,126
SUBCATEGORY TOTAL....	\$ 19,774,355	\$ 22,756,230	\$ 22,318,605	\$ 22,567,615	\$ 22,584,415	\$ 22,592,558	\$ 22,592,029
LONG-TERM LIVING							
GENERAL FUND.....	\$ 3,306,872	\$ 3,414,931	\$ 4,059,328	\$ 4,452,610	\$ 4,509,900	\$ 5,015,132	\$ 5,043,179
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	334,013	348,966	348,966	448,966	448,966	498,966	598,966
FEDERAL FUNDS.....	6,720,309	6,363,402	7,740,893	6,809,373	6,809,373	6,809,373	6,809,373
AUGMENTATIONS	622,251	715,199	682,957	688,865	688,865	688,865	688,865
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	165,878	136,734	130,632	130,632	130,632	130,632	130,632
SUBCATEGORY TOTAL....	\$ 11,149,323	\$ 10,979,232	\$ 12,962,776	\$ 12,530,446	\$ 12,587,736	\$ 13,142,968	\$ 13,271,015

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
INCOME MAINTENANCE							
GENERAL FUND.....	\$ 463,493	\$ 459,961	\$ 521,427	\$ 531,131	\$ 531,131	\$ 531,131	\$ 531,131
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,308,199	1,307,856	1,252,966	1,252,739	1,252,739	1,252,739	1,252,739
AUGMENTATIONS.....	11,153	14,832	14,832	14,832	14,832	14,832	14,832
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 1,782,845	\$ 1,782,649	\$ 1,789,225	\$ 1,798,702	\$ 1,798,702	\$ 1,798,702	\$ 1,798,702
MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES							
GENERAL FUND.....	\$ 849,920	\$ 882,598	\$ 884,449	\$ 910,694	\$ 910,694	\$ 910,694	\$ 910,694
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	311,571	346,735	283,765	262,414	262,414	262,414	262,414
AUGMENTATIONS.....	36,649	39,914	39,897	39,897	39,897	39,897	39,897
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 1,198,140	\$ 1,269,247	\$ 1,208,111	\$ 1,213,005	\$ 1,213,005	\$ 1,213,005	\$ 1,213,005
INTELLECTUAL DISABILITIES/AUTISM							
GENERAL FUND.....	\$ 2,093,910	\$ 2,052,842	\$ 2,230,112	\$ 2,599,608	\$ 2,685,267	\$ 2,791,828	\$ 2,903,280
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	2,751,220	2,679,889	2,761,507	2,467,988	2,467,988	2,467,988	2,467,988
AUGMENTATIONS.....	45,257	44,128	46,051	20,900	20,900	20,900	20,900
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 4,890,387	\$ 4,776,859	\$ 5,037,670	\$ 5,088,496	\$ 5,174,155	\$ 5,280,716	\$ 5,392,168

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
HUMAN SERVICES							
GENERAL FUND.....	\$ 1,401,731	\$ 1,284,401	\$ 1,454,477	\$ 1,468,337	\$ 1,468,423	\$ 1,468,509	\$ 1,468,598
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	603,288	1,213,665	587,113	569,113	569,113	569,113	569,113
AUGMENTATIONS	2,145	3,469	1,796	1,796	1,796	1,796	1,796
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 2,007,164	\$ 2,501,535	\$ 2,043,386	\$ 2,039,246	\$ 2,039,332	\$ 2,039,418	\$ 2,039,507
CHILD DEVELOPMENT							
GENERAL FUND.....	\$ 466,551	\$ 468,356	\$ 479,481	\$ 498,630	\$ 517,644	\$ 536,671	\$ 556,698
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,002,192	1,163,989	849,339	842,385	842,385	842,385	842,385
AUGMENTATIONS	1,656	1,705	1,705	1,705	1,705	1,705	1,705
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	1,400	1,400	1,400	1,400	1,400	1,400	1,400
SUBCATEGORY TOTAL....	\$ 1,471,799	\$ 1,635,450	\$ 1,331,925	\$ 1,344,120	\$ 1,363,134	\$ 1,382,161	\$ 1,402,188
ALL PROGRAMS:							
GENERAL FUND.....	\$12,593,276	\$13,624,479	\$14,383,920	\$16,460,072	\$16,638,921	\$17,277,970	\$17,437,056
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	337,513	352,466	352,466	452,466	452,466	502,466	602,466
FEDERAL FUNDS.....	26,089,647	27,804,201	28,445,795	26,127,002	26,127,002	26,127,002	26,127,002
AUGMENTATIONS	3,275,181	3,980,332	3,584,813	3,640,575	3,640,575	3,640,575	3,640,575
RESTRICTED.....	32,659	33,277	30,730	30,730	30,730	30,730	30,730
OTHER FUNDS.....	460,753	431,727	407,236	378,158	378,158	378,158	378,158
DEPARTMENT TOTAL	\$42,789,029	\$46,226,482	\$47,204,960	\$47,089,003	\$47,267,852	\$47,956,901	\$48,215,987

Program: Human Services Support

Goal: To provide effective administrative and support systems through which the substantive programs of the department can be operated.

Human Services Support provides management and administrative systems required to implement, maintain, and monitor programs of the department.

Information systems support the management of human services by providing timely and accurate information that enables the integration of numerous client services and tracks individual progress toward self-sufficiency. The continued creation and expansion of web-based applications allows for more online services and efficient maintenance of common client and provider databases, as well as case management systems, for use across programs.

The [Medical Assistance \(MA\) third-party liability program](#) is also included as part of Human Services Support. The recovery of MA dollars, which have been paid

either incorrectly or correctly, is ongoing and occurs where other funding sources have become available or there is a requirement to recoup expended funds.

The program strives to ensure the health, safety, and well-being of Pennsylvanians who are vulnerable due to age or disability by [inspecting, licensing, and otherwise regulating](#) residential settings, and other services that support them. Responsibilities include the oversight and administration of the various licensing statutes, regulations, and policy to protect the populations living or receiving services in licensed facilities.

Human Services Support also includes the administration of the Adult Protective Services program to safeguard the rights and protect the well-being of adults who lack the capacity to protect themselves.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations		Information Systems	
\$ 7,795	—to continue current program.	\$ 5,830	—to continue current program.

The 211 Communications appropriation is recommended at the current year funding level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
GENERAL FUND:							
General Government Operations	\$ 107,884	\$ 106,235	\$ 114,030	\$ 115,540	\$ 115,540	\$ 115,540	\$ 115,540
Information Systems	86,206	85,905	91,735	92,035	92,035	92,035	92,035
211 Communications	750	750	750	750	750	750	750
TOTAL GENERAL FUND	\$ 194,840	\$ 192,890	\$ 206,515	\$ 208,325	\$ 208,325	\$ 208,325	\$ 208,325

Program: Human Services Support, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain services and supports that will improve the cost effectiveness of human services programs.							
Online applications submitted through COMPASS (in thousands)	755	783	875	1,167	1,496	1,560	1,623
Percentage of all applications submitted online through COMPASS	33.2%	35.2%	39.5%	42.7%	52.4%	71.5%	72.0%
Percentage of all COMPASS users who are also using the mobile application.....	N/A	8.0%	33.0%	30.7%	32.7%	35.2%	37.7%
Average number of days to process an application - MA/NH/Waiver.....	12.7	12.5	11.9	12.8	12.0	12.0	12.0
Average number of days to process an application - TANF	10.9	9.7	9.5	10.2	10.3	10.0	10.0
Average number of days to process an application - SNAP.....	7.7	7.3	7.1	7.0	6.6	6.0	6.0

Program: Medical Assistance and Health Care Delivery

Goal: To support a health care delivery system that provides comprehensive health care services in appropriate settings for the eligible populations.

Pennsylvania's [Medical Assistance \(MA\) program](#) provides access to comprehensive physical and behavioral health care services for low-income individuals and families. The Children's Health Insurance Program (CHIP) provides free or low-cost health insurance coverage to uninsured children whose families earn too much to qualify for MA, but who could not afford to purchase private insurance. Beginning April 2015, Pennsylvania expanded Medicaid to include individuals up to 138 percent of the federal poverty level. Medicaid expansion resulted in coverage of over 700,000 previously uninsured individuals through the MA program.

Medical Assistance – Capitation

Health care services for most MA recipients are provided through managed care organizations (MCOs) utilizing a per member per month rate per recipient enrolled. MCOs emphasize outpatient preventive health services and care management as a means of improving health outcomes and controlling costs. The coordinated approach allows enhanced continuity of care, improves recipients' access to primary care and specialized behavioral health programs, provides strengthened oversight of operational standards, and facilitates efficient utilization of limited health care resources.

Pennsylvania's mandatory managed care program is known as [HealthChoices](#). Physical health (PH) [managed care services](#) for a majority of MA recipients are administered by the Office of Medical Assistance Programs (OMAP). The program is managed to emphasize quality, access, and value for the funds that are expended. The program is provided through grant agreements with eight risk-based MCOs in five geographic zones. PH-MCO enrollees receive medically necessary physical health services, which include inpatient, outpatient, primary care, pharmaceuticals, home health, dental, and vision services.

[Community HealthChoices](#) (CHC), is a mandatory managed care program for individuals dually eligible for Medicare and Medicaid and individuals with physical disabilities. CHC, which is administered by the Office of Long-Term Living, covers the physical health benefits, home and community-based services, and nursing facility services for the enrolled population. The HealthChoices Behavioral Health (BH) program, administered by the Office of Mental Health and Substance Abuse Services, is provided through contracts with counties who utilize an independent BH-MCO or through contracts directly with

BH-MCOs. Services provided include psychiatric inpatient treatment, partial hospitalization, psychiatric outpatient services, Early Periodic Screening Diagnosis and Treatment services for children, case management, drug and alcohol detoxification, rehabilitation services, mobile mental health treatment, and peer support services.

Pennsylvania is focused on strategies to address the opioid crisis in the commonwealth, including providing medication-assisted treatment, increasing the instances where opioids must receive prior authorization, and providing appropriate wraparound services.

Medical Assistance – Fee-for-Service

MA recipients not participating in the HealthChoices PH program or CHC are in the fee-for-service delivery system, including but not limited to: Health Insurance Premium Payment eligible members, residents of state institutions, and recipients age 21 and older that are dually eligible for Medicare and Medicaid and receive services through the Office of Developmental Programs. New MA recipients are usually enrolled in fee-for-service for a brief time before choosing an MCO and enrolling in the PH HealthChoices program or CHC.

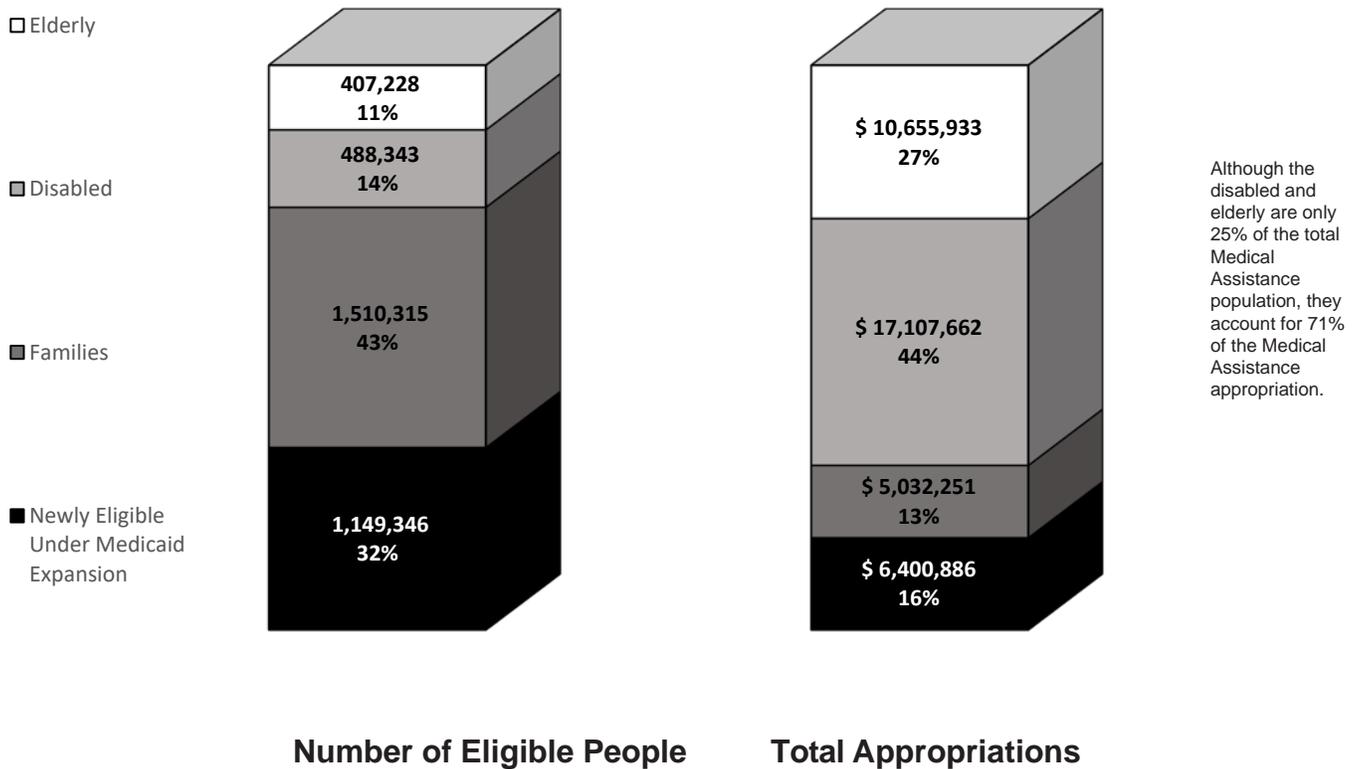
Inpatient and outpatient health care services for the remaining MA recipients are provided through the fee-for-service delivery system. Services are paid in accordance with the pre-established MA Fee Schedule. Additional payments are made to hospitals to partially offset the cost of uncompensated care or extraordinary medical services provided by hospitals to individuals with no, or inadequate, health care insurance.

Medical Assistance Transportation Program

The purpose of the [Medical Assistance Transportation Program](#) (MATP) is to coordinate and provide efficient and cost-effective non-emergency medical transportation to ensure access to health care services for MA recipients who have no other means of transportation available. MATP provides funding to counties, direct vendors, and a transportation broker in Philadelphia County to provide this service. Each is responsible for providing transportation to and from a medical facility, physician's office, dentist's office, hospital, clinic, pharmacy, or purveyor of medical equipment for the purpose of receiving medical treatment, medical evaluation, or purchasing prescription drugs or medical equipment.

Program: Medical Assistance and Health Care Delivery, continued

Medicaid Appropriations and Enrollees by Category of Assistance Fiscal Year 2021-22 (Dollar Amounts in Thousands)



Medicaid appropriations include Medical Assistance - Capitation, Medical Assistance - Fee-for-Service, Payment to Federal Government - Medicare Drug Program, Medical Assistance - Workers with Disabilities, Medical Assistance - Transportation, Medical Assistance - Long-Term Living, Medical Assistance - Community HealthChoices, Long-Term Care Managed Care, Intellectual Disabilities - Intermediate Care Facilities, Intellectual Disabilities - Community Waiver Program, and Autism Intervention and Services.

Expanded Medical Services for Women

The Expanded Medical Services for Women program provides counseling and other services to women seeking alternatives to abortion. Nonprofits are awarded grants to provide services to women for up to 12 months after childbirth including food, shelter, clothing, health care, counseling, adoption services, parenting classes, assistance for post-delivery stress, and other support programs.

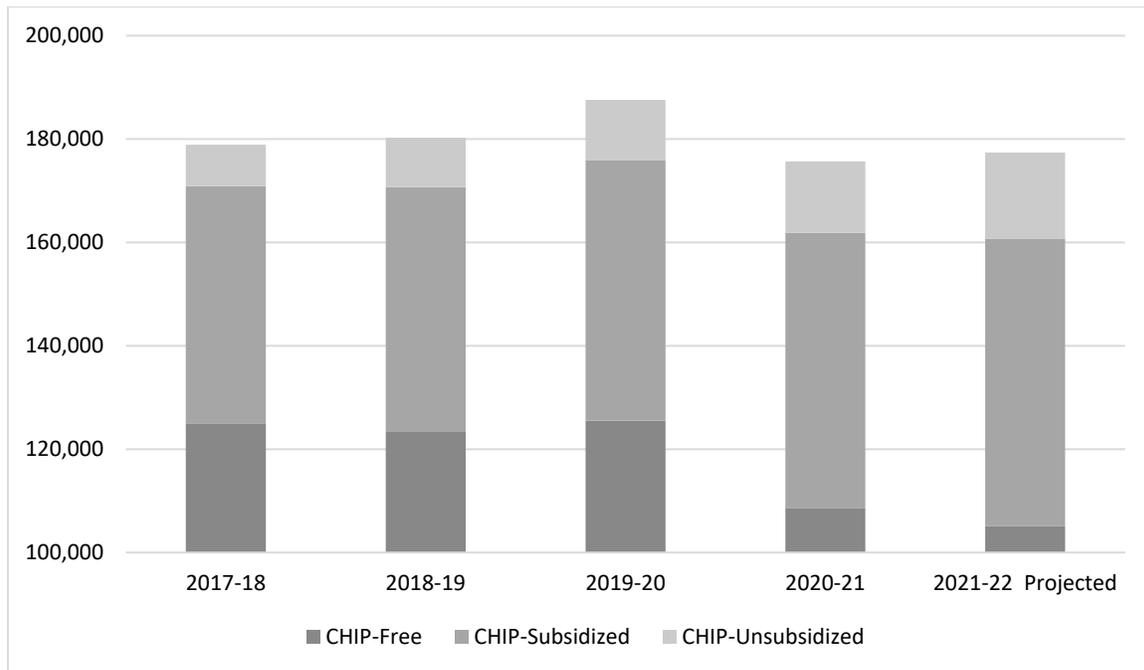
Children's Health Insurance Program

The [Children's Health Insurance Program](#) (CHIP) provides free or low-cost health insurance coverage to uninsured children whose families earn too much to qualify

for MA, but who could not afford to purchase private insurance. Eligible children must be under 19 years of age, a resident of Pennsylvania, and a citizen of the United States, U.S. national, or lawfully residing as determined by the U.S. Citizenship and Immigration Service. CHIP offers a comprehensive package of benefits including well child visits, immunizations, prescription coverage, emergency care, inpatient services, mental health services, hearing, vision, and dental services. The income eligibility limit for subsidized coverage, with cost-sharing (including co-payments) on a sliding scale, is 314 percent of the federal poverty level with higher income families able to purchase health care coverage at the commonwealth's cost.

Program: Medical Assistance and Health Care Delivery, continued

Children's Health Insurance Children Served



Pennsylvania's Children's Health Insurance Program (CHIP) has been a national leader in ensuring that access to free or subsidized health care is available for children of low-income families. It is projected that an average of 177,400 uninsured children will be served by the program in 2021-22.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND

Children's Health Insurance Administration

\$	-1,321	—merge of Children's Health Insurance Administration into County Assistance - Statewide.	53,361	—impact of change to the Statewide Hospital Assessment revenue.
	-349	—merge of Children's Health Insurance Administration into Children's Health Insurance Program.	44,003	—impact of administrative/cash flow adjustments and other requirements.
			-30,138	—impact of change in pharmacy rebates.
\$	-1,670	<i>Appropriation Decrease</i>	-29,993	—revision of federal financial participation from a full-year blended rate of 52.2125% to 52.56%.
			-17,019	—impact of provider performance and incentive payments.
\$	193,554	—nonrecurring prior-year payments and other revenue and administrative adjustments.	-10,823	—Initiative—savings as a result of increasing the minimum wage to \$12 an hour.
	-369,624	—nonrecurring prior-year carryover cost.		
	-58,653	—nonrecurring health insurance provider fee.	\$ -62,348	<i>Appropriation Decrease</i>
	105,002	—change in enrollment and rate increases.		
	57,982	—impact of change to the Medical Assistance - MCO Assessment revenue.		

Program: Medical Assistance and Health Care Delivery, continued

Program Recommendations, continued:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Medical Assistance - Fee-for-Service		Medical Assistance - Hospital-Based Burn Centers	
\$ -275,731	—nonrecurring prior-year carryover cost.	\$ -65	—nonrecurring prior-year carryover cost.
-106,098	—nonrecurring academic medical center payments.		
-8,000	—nonrecurring prior-year payments.		Medical Assistance - Critical Access Hospitals
-10,304	—funding reduction.	\$ -724	—nonrecurring prior-year carryover cost.
53,572	—change in caseload and utilization including prescription drugs.		
37,526	—impact of change in Statewide Hospital Assessment revenue.	\$ -8	Medical Assistance - Obstetric and Neonatal Services
6,018	—increase in costs and clients eligible for Medicare Part A and B premiums.		—nonrecurring prior-year carryover cost.
-32,585	—impact from administrative/cash flow adjustments and other payments.	\$ -129	Medical Assistance - Trauma Centers
-6,444	—revision of federal financial participation from a full-year blended rate of 52.2125% to 52.56%.		—nonrecurring prior-year carryover cost.
		\$ -6,331	Medical Assistance - Academic Medical Centers
\$ -342,046	<i>Appropriation Decrease</i>		—funding reduction.
			Medical Assistance - Transportation
	Payment to Federal Government - Medicare Drug Program	\$ 1,723	—change in caseload and utilization.
\$ 183	—nonrecurring prior-year savings.	-127	—revision of federal financial participation from a full-year blended rate of 52.2125% to 52.56%.
67,937	—reflects increase in mandated payback for pharmacy services.	\$ 1,596	<i>Appropriation Increase</i>
\$ 68,120	<i>Appropriation Increase</i>	\$ -5,035	Children's Health Insurance Program
		-1,507	—nonrecurring prior-year carryover cost.
	Medical Assistance - Workers with Disabilities	10,614	—to continue current program.
\$ 11,779	—change in caseload and utilization.		—revision of federal financial participation from a full-year blended rate of 69.425% to 66.795%.
4,187	—reflects impact of decrease in available Tobacco Settlement Funds.	2,547	—impact of reduction in restricted cigarette tax.
-1,118	—revision of federal financial participation from a full-year blended rate of 52.2125% to 52.56%.	2,255	—to provide for a rate increase.
		349	—merge of Children's Health Insurance Administration.
\$ 14,848	<i>Appropriation Increase</i>	-2,415	—impact of change in assessment revenue.
		4,629	—Initiative—to provide for an increase in the minimum wage to \$12 an hour.
	Medical Assistance - Physician Practice Plans	\$ 11,437	<i>Appropriation Increase</i>
\$ -3,049	—funding reduction.		

In addition, this budget recommends \$30,730,000 in restricted cigarette tax revenue for the Children's Health Insurance Program.

All other appropriations are recommended at the current year funding levels.

Program: Medical Assistance and Health Care Delivery, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND							
Children's Health Insurance Administration	\$ 786	\$ 1,670	\$ -	\$ -	\$ -	\$ -	\$ -
Medical Assistance - Capitation.....	2,507,519	3,127,334	3,064,986	3,960,870	3,887,766	3,798,515	3,693,600
Medical Assistance - Fee-for-Service	344,107	798,621	456,575	581,339	592,966	604,825	616,921
Payment to Federal Government - Medicare Drug Program	775,602	692,938	761,058	919,026	964,977	1,013,226	1,063,888
Medical Assistance - Workers with Disabilities.....	39,690	60,518	75,366	86,698	86,698	86,698	86,698
Medical Assistance - Physician Practice Plans.....	7,502	8,764	5,715	6,571	6,571	6,571	6,571
Medical Assistance - Hospital-Based Burn Centers	3,792	3,921	3,856	4,437	4,437	4,437	4,437
Medical Assistance - Critical Access Hospitals	8,850	9,777	9,053	10,900	10,900	10,900	10,900
Medical Assistance - Obstetric and Neonatal Services.....	2,709	2,814	2,806	3,681	3,681	3,681	3,681
Medical Assistance - Trauma Centers.....	7,397	7,651	7,522	8,656	8,656	8,656	8,656
Medical Assistance - Academic Medical Centers	21,092	21,479	15,148	17,431	17,431	17,431	17,431
Medical Assistance - Transportation.....	59,613	60,693	62,289	65,827	67,143	68,486	69,856
Expanded Medical Services for Women .	6,263	6,263	6,263	6,263	6,263	6,263	6,263
Children's Health Insurance Program ...	31,037	66,057	77,494	119,038	150,048	185,991	226,249
TOTAL GENERAL FUND	\$ 3,815,959	\$ 4,868,500	\$ 4,548,131	\$ 5,790,737	\$ 5,807,537	\$ 5,815,680	\$ 5,815,151
LOTTERY FUND:							
Medical Assistance - Transportation Services	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500

Program: Medical Assistance and Health Care Delivery, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain services and supports to eligible Pennsylvanians while helping them to improve their health and well-being.							
<u>Medical Assistance (in thousands)</u>							
Persons participating in Medical Assistance (monthly average)	2,717	2,853	2,908	2,886	2,882	3,192	3,555
Persons participating in Medical Assistance (monthly average) – Adults (ages 21 and older)	1,522	1,640	1,684	1,662	1,663	1,860	2,073
Persons participating in Medical Assistance (monthly average) – Children (under age 21)	1,195	1,213	1,224	1,224	1,219	1,331	1,483
Newly Medicaid-eligible adults receiving enhanced federal match under the ACA (monthly average)	725	785	785	759	837	1,041	1,216
<u>Managed Care</u>							
Emergency Room utilization per 1,000 member-months	74.00	74.00	72.00	68.90	66.90	66.10	65.60
Inpatient utilization (total discharges per 1,000 member-months)	9.00	8.00	7.00	7.13	6.97	6.68	6.18
Percentage of children from birth to 15 months visiting a physician 6 or more times in the past year	65.2%	69.5%	68.7%	71.6%	73.5%	74.0%	74.5%
Percentage of persons ages 2 to 20 receiving at least one dental visit during the measurement year	58.2%	60.0%	60.8%	64.0%	65.8%	66.3%	66.8%
Percentage of persons ages 18 to 75 with diabetes (type 1 and type 2) who had Hemoglobin A1c poor control (>9%) (Note: a lower rate equals better performance)	38.1%	37.5%	36.4%	34.7%	33.7%	33.2%	32.7%
<u>Transportation Program</u>							
One-way trips (in thousands)	8,698	8,663	8,581	8,172	8,481	8,790	9,111
Cost per trip	\$ 13.48	\$ 15.24	\$ 15.67	\$ 19.47	\$ 21.03	\$ 20.58	\$ 20.84
<u>Medical Care for Workers with Disabilities</u>							
Recipients enrolled in program (monthly average)	31,038	29,502	30,072	31,481	33,631	33,219	34,059
Enable eligible Pennsylvanians to secure access to quality, affordable health insurance coverage.							
<u>Children's Health Insurance Program</u>							
Children's Health Insurance Program (CHIP) enrollment (monthly average)	153,199	169,853	178,912	180,254	187,573	175,657	177,394

Program: Medical Assistance and Health Care Delivery, continued

Program Measures, continued:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Percentage of CHIP-enrolled two-year-olds with one or more capillary or venous blood tests for lead prior to their second birthday	55.1%	60.4%	61.9%	66.2%	72.7%	77.7%	82.7%
Percentage of CHIP-enrolled children ages 3 to 6 receiving a well-child visit with a primary care physician	83.5%	82.9%	86.5%	84.0%	85.0%	86.5%	88.0%
Percentage of CHIP-enrolled children ages 2 to 19 receiving an annual dental visit	72.6%	72.2%	72.3%	71.8%	72.2%	72.4%	72.8%
CHIP-enrolled children ages <1 to 19 utilizing an emergency department (visits per 1,000 member-months)	27.86	28.56	28.50	27.52	26.59	26.03	27.07
CHIP-enrolled children ages <1 to 19 with an acute inpatient discharge (discharges per 1,000 member-months)	0.89	0.85	0.86	0.80	0.69	0.74	0.71

Program: Long-Term Living

Goal: To support a community living system that empowers persons with disabilities and older Pennsylvanians to live with dignity and independence in settings they prefer, to provide meaningful choice of community living services, and to ensure that those services are delivered in a high-quality, cost-effective manner.

The commonwealth's commitment to supporting people with disabilities and older Pennsylvanians is demonstrated through a continuum of services ranging from independent living with the support of home and community-based services to institutional care. The department is responsible for ensuring that services are being provided in a consistent and cost-effective manner.

Community HealthChoices (CHC)

The commonwealth's goal is to serve more people in their communities. To reach that goal, it has transitioned from multiple existing Medicaid fee-for-service delivery systems to a consolidated, capitated, managed long-term services and supports system called [Community HealthChoices](#). Under CHC, physical health benefits, home and community-based services, and nursing facility services are delivered by managed care organizations for individuals dually eligible for Medicare and Medicaid and for individuals needing the level of care provided by a nursing facility.

Home and Community-Based Services

The commonwealth recognizes the value of providing greater independence, choices, and opportunities for

individuals with disabilities and older Pennsylvanians by delivering services in the [home and community](#). For qualifying individuals who want to receive services in the community, the department currently administers the [OBRA Waiver](#) program, the [Act 150 program](#), and the [Living Independence for the Elderly \(LIFE\) program](#), which help individuals to live as independently as possible, integrated in their communities.

LIFE integrates Medicare and Medicaid funding to provide a fully coordinated and comprehensive service package to enrollees who are aged 55 and older, are nursing facility clinically eligible, and reside in an area served by a LIFE provider. The LIFE service package includes acute care, long-term care, behavioral health, and pharmaceutical coverage.

Nursing Facility Services

Institutional services are provided to eligible persons by [nursing facilities](#) that are certified to participate in the Medicaid program. Nursing facility care is available to Medicaid recipients who are financially eligible and are determined nursing facility clinically eligible through a level of care assessment.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND			
Medical Assistance - Long-Term Living			Medical Assistance - Community HealthChoices
\$	-81,876	—nonrecurring prior-year carryover cost.	\$ -156,881 —nonrecurring prior-year carryover costs.
	-25,101	—funding reduction.	-7,498 —nonrecurring health insurance provider fee.
	-4,102	—to continue current program.	865,759 —to continue current program.
	-1,525	—revision of federal financial participation from a full-year blended rate of 52.2125% to 52.56%.	47,756 —impact of risk corridor payment for calendar year 2020.
	-106	—reflects transfer to Medical Assistance - Community HealthChoices.	32,242 —impact of change in assessment revenue.
			6,102 —reflects impact of decrease in available Tobacco Settlement Funds.
\$	-112,710	<i>Appropriation Decrease</i>	5,413 —impact of change in pharmacy rebates.
			106 —transfer of Medical Assistance - Long-Term Living into Medical Assistance - Community HealthChoices.
			-47,879 —revision of federal financial participation from a full-year blended rate of 52.2125% to 52.56%.
			1,051 —Initiative—to provide training to direct care workers.
			\$ 746,171 <i>Appropriation Increase</i>

Program: Long-Term Living, continued

Program Recommendations, continued:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Long-Term Care Managed Care	
\$ 7,120	—to continue current program.
5,814	—to provide home and community-based services to 501 additional older Pennsylvanians.
-1,998	—revision of federal financial participation from a full-year blended rate of 52.2125% to 52.56%.
<u>\$ 10,936</u>	<i>Appropriation Increase</i>

The Lottery Fund - Medical Assistance - Community HealthChoices appropriation is recommended at the current year funding level.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Medical Assistance - Long-Term Living.....	\$ 470,244	\$ 233,142	\$ 120,432	\$ 147,593	\$ 157,924	\$ 168,979	\$ 180,807
Medical Assistance - Community HealthChoices	2,328,939	3,034,947	3,781,118	4,114,442	4,151,872	4,636,044	4,641,758
Home and Community-Based Services.....	182,421	-	-	-	-	-	-
Long-Term Care Managed Care	151,168	146,842	157,778	190,575	200,104	210,109	220,614
Services to Persons with Disabilities.....	130,215	-	-	-	-	-	-
Attendant Care.....	43,885	-	-	-	-	-	-
TOTAL GENERAL FUND	<u>\$ 3,306,872</u>	<u>\$ 3,414,931</u>	<u>\$ 4,059,328</u>	<u>\$ 4,452,610</u>	<u>\$ 4,509,900</u>	<u>\$ 5,015,132</u>	<u>\$ 5,043,179</u>
LOTTERY FUND:							
Medical Assistance - Community HealthChoices	\$ 334,013	\$ 348,966	\$ 348,966	\$ 448,966	\$ 448,966	\$ 498,966	\$ 598,966

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain supports and services for older Pennsylvanians and persons with physical disabilities and increase the number of these persons that live in their communities, instead of institutions, through the effective delivery of needed community-based supports.							
Number of long-term living recipients receiving institutional care (monthly average)	49,543	50,451	39,069	26,750	5,311	3,161	2,687
Community HealthChoices - Recipients receiving institutional care (monthly average)	N/A	N/A	11,085	25,182	49,225	45,637	47,474

Program: Long-Term Living, continued

Program Measures, continued:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Number of long-term living recipients receiving home and community-based waiver services (Waiver and Act 150) (monthly average).....	51,271	55,994	54,313	27,372	4,124	1,342	864
Community HealthChoices - Recipients receiving home and community-based waiver services (monthly average).....	N/A	N/A	11,059	63,211	92,698	95,631	102,439
Percentage of long-term living recipients receiving institutional care (monthly average)	49%	47%	43%	36%	36%	33%	33%
Percentage of long-term living recipients receiving services in the community (monthly average).....	51%	53%	57%	64%	64%	67%	67%
Persons with developmental disabilities served in the OBRA Waiver (monthly average).....	1,340	1,389	1,065	767	431	350	331
Recipients receiving services through the LIFE program (monthly average).....	5,321	5,767	6,247	6,831	7,320	7,408	7,719

Program: Income Maintenance

Goal: To promote personal and parental responsibility and encourage economic independence and self-sufficiency through temporary cash assistance, job training, child care for families or individuals, and nutrition support services.

The broad purpose of public assistance is to provide temporary support to families and individuals in transition from dependency to economic self-sufficiency. Support may include education, job training and placement assistance, child care, transportation, other support services, and cash assistance.

Income Assistance

Caseworkers in the county assistance offices (CAOs) review financial and non-financial criteria with applicants of [Temporary Assistance for Needy Families \(TANF\)](#), [Medical Assistance \(MA\)](#), [Low Income Home Energy Assistance Program \(LIHEAP\)](#), and the [Supplemental Nutrition Assistance Program \(SNAP\)](#) to determine eligibility for benefits.

The TANF program provides state and federal funds for temporary cash support for families in transition to self-sufficiency. TANF cash assistance is provided for a limited time to people who meet income and resource guidelines and who comply with work activity requirements or other requirements that are included on their Agreement of Mutual Responsibility. Adults with disabilities, to the extent that substantial gainful employment is not possible, are required to cooperate in applying for federal benefits. Federal regulations place a five-year lifetime limit on TANF cash assistance for most adult recipients and allow a hardship exemption for up to 20 percent of the TANF caseload.

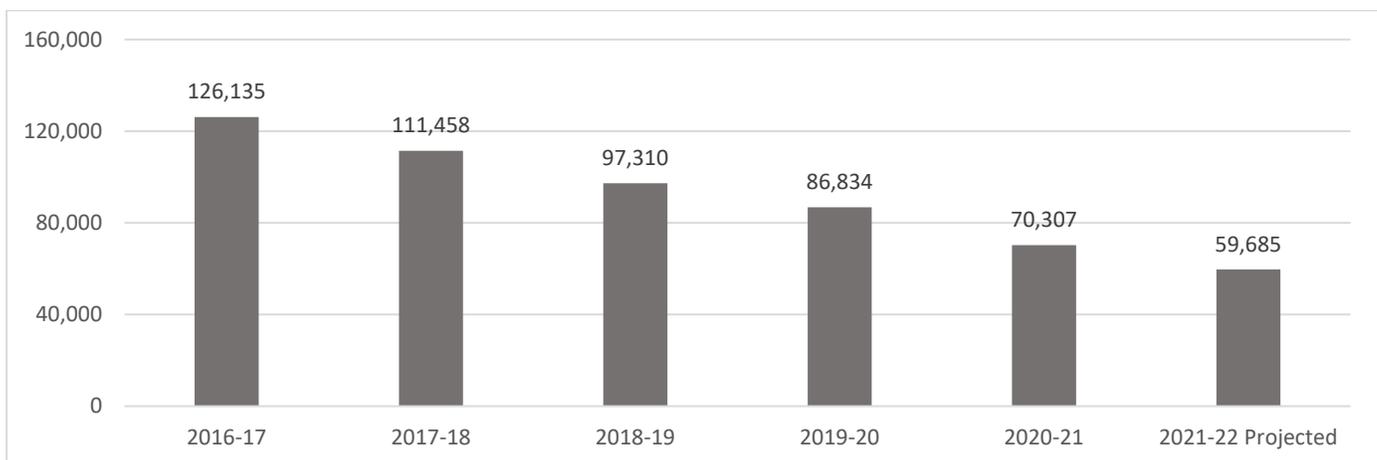
LIHEAP is a federally funded program that assists eligible households by providing funds to offset the burden of high energy costs. LIHEAP also provides funds in heating crisis situations, arranges, and pays for emergency deliveries, expedites payments to avoid utility shut offs, and provides furnace repairs through other agencies.

SNAP is federally funded and regulated by the United States Department of Agriculture's Food and Nutrition Service but is administered by the state to assist low-income recipients in buying the food they need to maintain a healthy lifestyle.

The Supplemental Security Income (SSI) program provides aged, blind, and disabled persons with a monthly payment based on nationally uniform eligibility standards. Presently, the monthly federal benefit rate is \$771 for individuals and \$1,157 for couples. Pennsylvania contributes a supplemental grant of \$22.10 for an individual and \$33.30 for couples to SSI recipients. A special monthly state supplement is paid to SSI-eligible persons in domiciliary care facilities and personal care homes. For SSI residents in personal care homes, the minimum personal needs allowance is \$85 a month.

The department also administers a disability advocacy program to assist mentally and physically disabled individuals in establishing their eligibility for federal SSI benefits.

Temporary Assistance for Needy Families (TANF) (Caseload)



Program: Income Maintenance, continued

Employment, Training and Work Supports

The [employment and training](#) program, known as the Road to Economic Self-Sufficiency through Employment and Training (RESET), engages eligible individuals in activities to prepare for the workforce. RESET includes several programs and is intended to empower clients to take ownership of their journey to economic independence.

In order to meet the employment needs of Pennsylvania's diverse assistance population, the department operates multiple programs based on the needs of the participant. The Employment, Advancement and Retention Network (EARN) and Work Ready programs offer a full array of employment and training services designed to mitigate barriers to help recipients secure and retain employment and advance in their career. The Keystone Education Yields Success (KEYS) program is a collaborative program between the department and certain higher education institutions designed to assist TANF recipients and, as funding permits, SNAP recipients in attending a higher education program.

Supportive services are also provided to facilitate and assist a client's transition to independence. Special allowances are used to support individuals as they pursue

their education, job skills training, or employment goals through an approved employment and training program.

Child Support Enforcement

[Pennsylvania Child Support Program](#) services are provided at the county level through cooperative agreements with the county Courts of Common Pleas and the county commissioners. The services include the establishment of paternity; the determination, establishment and enforcement of a financial child support obligation paid by the noncustodial parent to meet the ongoing daily needs of the child; and the procurement of medical support, including health insurance and/or the reimbursement of the uninsured child's medical expenses.

A designated portion of child support paid on behalf of a child receiving TANF benefits is passed through to the custodial parent and any residual amount is assigned to the department to reimburse cash assistance benefits issued to the child's family.

Federal funding of the Pennsylvania Child Support Program is based on its performance in establishing paternity and court orders for support, as well as collection of the ordered child support amounts.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

County Administration - Statewide		New Directions	
\$	1,665	—to continue current program.	\$ 266
	2,395	—to reflect change in federal earnings.	<u>5,321</u>
	1,321	—merge of Children's Health Insurance Program Administration into County Administration - Statewide.	\$ 5,587
			<i>Appropriation Increase</i>
\$	<u>5,381</u>	<i>Appropriation Increase</i>	
County Assistance Offices		Supplemental Grants - Aged, Blind and Disabled	
\$	11,068	—to continue current program.	
	<u>41,202</u>	—to reflect change in federal earnings.	
\$	<u>52,270</u>	<i>Appropriation Increase</i>	\$ -1,772
			—impact of caseload changes.

All other appropriations are recommended at the current year funding levels.

Program: Income Maintenance, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
County Administration - Statewide	\$ 43,813	\$ 45,839	\$ 51,220	\$ 52,230	\$ 52,230	\$ 52,230	\$ 52,230
County Assistance Offices	253,850	247,203	299,473	307,587	307,587	307,587	307,587
Child Support Enforcement	14,298	16,250	16,250	16,298	16,298	16,298	16,298
New Directions	15,182	15,125	20,712	21,244	21,244	21,244	21,244
Cash Grants	14,987	13,740	13,740	13,740	13,740	13,740	13,740
Supplemental Grants - Aged, Blind and Disabled	121,363	121,804	120,032	120,032	120,032	120,032	120,032
TOTAL GENERAL FUND	\$ 463,493	\$ 459,961	\$ 521,427	\$ 531,131	\$ 531,131	\$ 531,131	\$ 531,131

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain services and supports to eligible Pennsylvanians while helping them to increase their self-sufficiency and well-being.							
Persons receiving cash assistance (monthly average)	143,930	126,135	111,594	97,310	88,068	73,202	63,905
Persons receiving State Supplemental Grants (monthly average)	375,912	372,080	367,858	365,004	361,175	359,271	355,952
Persons receiving Supplemental Nutrition Assistance Program (SNAP) benefits (monthly average in thousands)	1,880	1,863	1,842	1,784	1,786	1,727	1,730
Households receiving energy cash payments	345,233	348,680	344,008	328,706	312,141	312,141	312,141
Households receiving energy crisis payments	89,735	87,681	109,112	104,915	114,117	114,117	114,117
TANF recipients enrolled in employment and training programs (monthly average) ..	14,594	11,778	9,949	8,095	7,686	8,000	8,000
TANF recipients obtaining employment	54,039	52,110	51,503	43,700	36,445	40,000	40,000

Program: Mental Health and Substance Abuse Services

Goal: To maximize the individual's capacity for independent living through the provision of an array of service and support programs.

The [Office of Mental Health and Substance Abuse Services](#) (OMHSAS) manages the delivery of community mental health services administered by counties under the [Pennsylvania Mental Health and Intellectual Disability \(MH/ID\) Act](#) and the [Mental Health Procedures Act](#). Medicaid-funded behavioral health services are provided through the state-administered fee-for-service behavioral health system or the [Medicaid HealthChoices Behavioral Health Managed Care program](#) either through county contracts or by direct contract with a behavioral health managed care organization.

OMHSAS provides for an integrated behavioral health system addressing mental health treatment and support services, as well as services for substance use disorders. The objective of these services is to promote individual movement toward recovery. Community mental health funds, behavioral health services funds for both mental health and substance use services, Act 152 funds that provide non-hospital residential substance use treatment services, and federal grant funds are distributed to counties, county joiners, and single county authorities to provide behavioral health services.

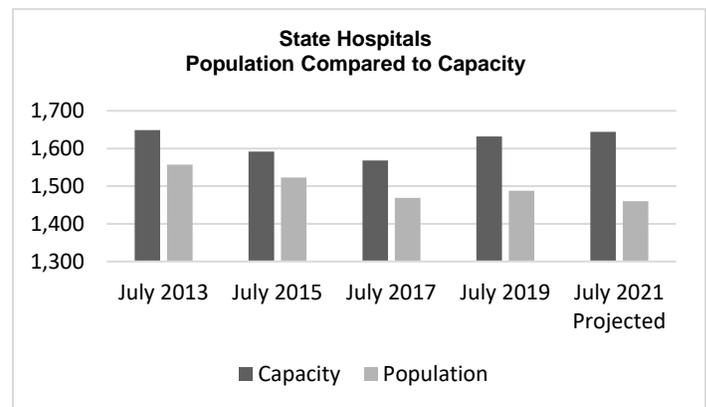
State Hospitals

Direct mental health treatment services are currently provided through six state-operated hospitals and one restoration (long-term care) center. [State hospitals](#) provide long-term inpatient care for individuals who require intensive treatment. Additionally, they provide specialized inpatient care for individuals with criminal charges, the aging population who require long-term behavioral health care, and treatment for individuals deemed sexually violent predators whose commitment in the Youth Development Center system terminates at age 21. Efforts continue to assess and transfer individuals to community mental health programs, where services are provided in a less restrictive setting through the Community/Hospital Integration Projects Program (CHIPPs).

County Mental Health System

The MH/ID Act requires county governments to provide an array of [community-based mental health services](#), including unified intake, community consultation and education, support for families caring for members with mental disorders, and community residential programs.

Community services are targeted to adults with serious mental illness and children and adolescents with or at risk of serious emotional disturbance. Key provisions of service include recovery-oriented treatment, community care, and support services that enable individuals to live in the community and lead independent and productive lives. Non-residential services include family-based support, outpatient care, partial hospitalization, emergency and crisis intervention, peer to peer support, and after care. Community residential services include housing support, residential treatment, inpatient care, crisis services, and mobile therapy. Services are administered by single counties, county joiners, or through contracts with private, nonprofit organizations or agencies. Services, with some exceptions, are funded with state, federal and/or county matching funds.



The population at state hospitals has declined by 97 individuals (or 6 percent) since July 2013, as more people receive health services in the community. During that same period, capacity at the state hospitals has decreased by 5 beds (or 0.28 percent).

Substance Abuse Services

[Substance use treatment services](#) are provided to individuals with severe addictive disorders (including co-occurring mental health disorders) who are uninsured, who do not have insurance that covers the service needed, or who cannot obtain Medical Assistance benefits. Services available include the full continuum of treatment, as well as case management services, to assist this population with access to and retention in treatment to promote recovery.

Program: Mental Health and Substance Abuse Services, continued

Expenditures by Hospital, Restoration Center and Community Programs

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22		2019-20	2020-21	2021-22
	Actual	Available	Budget		Actual	Available	Budget
Clarks Summit				Warren			
State Funds.....	\$ 24,051	\$ 23,968	\$ 24,925	State Funds	\$ 23,548	\$ 23,259	\$ 23,286
Federal Funds.....	26,961	25,718	25,275	Federal Funds	25,968	26,571	26,098
Augmentations.....	1,374	1,070	1,070	Augmentations.....	1,144	987	987
TOTAL.....	<u>\$ 52,386</u>	<u>\$ 50,756</u>	<u>\$ 51,270</u>	TOTAL	<u>\$ 50,660</u>	<u>\$ 50,817</u>	<u>\$ 50,371</u>
Danville				Wernersville			
State Funds.....	\$ 22,750	\$ 20,129	\$ 23,179	State Funds	\$ 35,733	\$ 40,513	\$ 41,632
Federal Funds.....	24,943	26,406	25,996	Federal Funds	39,390	34,050	33,476
Augmentations.....	1,157	972	972	Augmentations.....	1,389	1,066	1,066
TOTAL.....	<u>\$ 48,850</u>	<u>\$ 47,507</u>	<u>\$ 50,147</u>	TOTAL	<u>\$ 76,512</u>	<u>\$ 75,629</u>	<u>\$ 76,174</u>
Norristown				Administrative Cost			
State Funds.....	\$ 55,449	\$ 69,880	\$ 71,624	State Funds	\$ 4,644	\$ 4,493	\$ 4,575
Federal Funds.....	44,490	36,916	36,896	Federal Funds	-	-	-
Augmentations.....	823	710	710	Augmentations.....	-	-	-
TOTAL.....	<u>\$ 100,762</u>	<u>\$ 107,506</u>	<u>\$ 109,230</u>	TOTAL	<u>\$ 4,644</u>	<u>\$ 4,493</u>	<u>\$ 4,575</u>
South Mountain State Restoration Center				Community Programs			
State Funds.....	\$ 14,313	\$ 14,300	\$ 14,232	State Funds	\$ 558,477	\$ 573,305	\$ 569,901
Federal Funds.....	15,205	15,430	15,357	Federal Funds	68,572	124,999	68,259
Augmentations.....	1,696	1,594	1,594	Augmentations.....	28,366	32,862	32,845
TOTAL.....	<u>\$ 31,214</u>	<u>\$ 31,324</u>	<u>\$ 31,183</u>	TOTAL	<u>\$ 655,415</u>	<u>\$ 731,166</u>	<u>\$ 671,005</u>
Torrance				Budgetary Reserve			
State Funds.....	\$ 48,044	\$ 54,070	\$ 53,194	State Funds	\$ 4,810	\$ 780	\$ -
Federal Funds.....	48,287	42,902	42,624	Federal Funds	1,255	5,390	9,784
Augmentations.....	700	653	653	Augmentations.....	-	-	-
TOTAL.....	<u>\$ 97,031</u>	<u>\$ 97,625</u>	<u>\$ 96,471</u>	TOTAL	<u>\$ 6,065</u>	<u>\$ 6,170</u>	<u>\$ 9,784</u>

Program: Mental Health and Substance Abuse Services, continued

Hospital and Restoration Center Populations for the Prior, Current and Upcoming Year

	Population July 2019	Population July 2020	Projected Population July 2021	Projected Bed Capacity July 2021	Projected Percentage of Capacity July 2021
State Hospitals					
Clarks Summit.....	150	155	150	203	73.9%
Danville	155	147	146	161	90.7%
Norristown.....	343	319	350	355	98.6%
South Mountain State Restoration Center	137	135	127	159	79.9%
Torrance.....	307	291	285	348	81.9%
Warren	143	139	137	152	90.1%
Wernersville	253	264	265	266	99.6%
TOTAL.....	<u>1,488</u>	<u>1,450</u>	<u>1,460</u>	<u>1,644</u>	<u>88.8%</u>

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Mental Health Services	
\$ -780	—funding reduction.
1,066	—to continue current program.
315	—to annualize prior-year expansion of community services.
1,250	—Initiative—to provide home and community-based services for 20 individuals currently residing in state hospitals.
<u>\$ 1,851</u>	<i>Appropriation Increase</i>

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
GENERAL FUND:							
Mental Health Services....	\$ 791,819	\$ 824,697	\$ 826,548	\$ 852,793	\$ 852,793	\$ 852,793	\$ 852,793
Behavioral Health Services	57,149	57,149	57,149	57,149	57,149	57,149	57,149
Special Pharmaceutical Services	952	752	752	752	752	752	752
TOTAL GENERAL FUND	<u>\$ 849,920</u>	<u>\$ 882,598</u>	<u>\$ 884,449</u>	<u>\$ 910,694</u>	<u>\$ 910,694</u>	<u>\$ 910,694</u>	<u>\$ 910,694</u>

Program: Mental Health and Substance Abuse Services, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain services and supports for persons with mental illness to live, work, and contribute to their communities with increased health and independence.							
<u>Community Mental Health Services</u>							
Persons receiving mental health inpatient and outpatient services from non-Medical Assistance funding (unduplicated)	195,692	181,914	185,796	189,512	193,302	193,302	193,302
Persons receiving services through Medical Assistance expenditures (fee-for-service and HealthChoices) (unduplicated)	570,175	592,389	612,469	620,884	635,661	650,789	666,277
Percentage of patients discharged from a psychiatric inpatient setting who have follow-up service 7 days from discharge (ages 21 to 64)	63%	63%	62%	63%	64%	64%	65%
<u>Substance Use Disorder Services</u>							
Number of individuals on Medicaid with a substance use disorder	220,629	264,122	270,381	276,127	279,302	282,519	285,735
Non-hospital detoxification and rehabilitation clients	37,809	38,986	41,999	43,299	45,645	48,118	50,725
Percentage of patients discharged from a substance use disorder hospital setting who have follow-up services 7 days from discharge (ages 21 to 64)	62%	65%	73%	71%	75%	75%	75%
Persons receiving methadone maintenance services	25,068	26,509	26,934	27,012	27,282	27,553	27,824
<u>Behavioral Health</u>							
Persons receiving behavioral health services through Medical Assistance expenditures	N/A	N/A	N/A	761,845	750,000	750,000	750,000
Utilization rate of Behavioral Health services	N/A	N/A	N/A	26%	26%	26%	26%
<u>State Hospitals</u>							
Total persons served in state hospitals	2,114	2,045	1,967	2,248	2,250	2,250	2,250
Average cost per person in state hospital population	\$ 197,080	\$ 204,256	\$ 218,425	\$ 237,522	\$ 259,859	\$ 265,098	\$ 291,607
Percentage of adults readmitted to state hospitals within 180 days of discharge	4%	3%	2%	2%	3%	3%	3%
Percentage of persons in state hospitals with stays longer than two years	61%	56%	53%	41%	45%	45%	45%

Program: Intellectual Disabilities/Autism

Goal: To support Pennsylvanians with developmental disabilities and their families to achieve greater independence, choice, and opportunity in their lives.

The department supports a comprehensive array of services for people with intellectual disabilities and Autism Spectrum Disorder (ASD) including services to people living in their own home, with family members, in community residential facilities, and in non-residential programs provided through the Medicaid home and community-based waiver programs and the base program. Services are also provided in state operated institutions and private intermediate care facilities for individuals with an intellectual disability (ICF/IDs). In addition to state and federal funding, local funding is provided for the community base program as required by the [Pennsylvania Mental Health and Intellectual Disability \(MH/ID\) Act](#).

The intellectual disabilities and ASD programs have evolved from a system of large congregate residential facilities to a flexible and dynamic system of community supports and services tailored to the needs of persons living in the community. The trend toward enhancing the natural supports that exist in the family and the community and enabling individuals to participate fully in community life continues to define services.

Services for Individuals with Intellectual Disabilities and Autism - Community Services

The MH/ID Act provides the statutory basis, along with the Medicaid Consolidated, Person/Family Directed Support, and Community Living Waivers and the Targeted Support Management [service](#) in the state plan, to enable people to live in the community, in their own homes, apartments, the homes of family members, life-sharing settings with family or others, or staffed community homes. The program is designed to assist participants in gaining the greatest level of independence possible; encourage involvement in community life, improve social skills, and

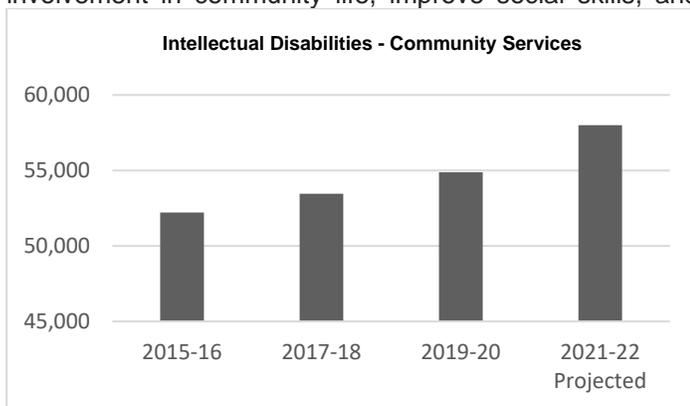
provide support to caregivers. All services are individualized through the development of a person-centered plan.

Services for Individuals with Autism Spectrum Disorder

In addition to services for people with [ASD](#) through the Medicaid Consolidated, Person/Family Directed Support, and Community Living Waivers, the department also provides funding for a four-county managed care program to support the needs of Pennsylvanians living with ASD who may also have an intellectual disability. The [Adult Community Autism Program](#) (ACAP) was designed to assist participants in gaining the greatest level of independence possible, encourage involvement in community life, improve social skills and provide support to caregivers. The department also administers the [Adult Autism Waiver](#) for individuals with ASD ages 21 years and older. In addition, the department supports people with ASD of all ages through the [Autism Services, Education, Research, and Training \(ASERT\) Collaborative](#), the development of crisis programs to support individuals in need of acute intervention, family support programs, and training programs to increase provider capacity.

Institutional Services

The department provides institutional care funding for people with an intellectual disability. Services are offered through four public state centers whose primary goal is to develop residents' abilities to function more independently in preparation for living in a less restrictive/more inclusive environment. All facilities are currently certified under standards established by the Centers for Medicare & Medicaid Services. The department also funds services in private ICF/IDs, which includes intensive habilitative services to persons with an intellectual disability.



The number of individuals with intellectual disabilities receiving community services has increased by over 5,700 people served since 2015-16.

Program: Intellectual Disabilities, continued

State Centers Population for the Prior, Current and Upcoming Years

	Population July 2019	Population July 2020	Projected Population July 2021	Projected Bed Capacity July 2021	Projected Percentage Capacity July 2021
State Centers					
Ebensburg.....	202	193	184	402	45.8%
Polk.....	196	185	172	521	33.0%
Selinsgrove.....	209	201	195	564	34.6%
White Haven.....	112	101	90	275	32.7%
TOTAL.....	<u>719</u>	<u>680</u>	<u>641</u>	<u>1,762</u>	<u>36.4%</u>

Expenditures by State Center

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Budget		2019-20 Actual	2020-21 Available	2021-22 Budget
Ebensburg				White Haven			
State Funds.....	\$ 27,800	\$ 27,542	\$ 27,977	State Funds.....	\$ 16,588	\$ 16,336	\$ 15,714
Federal Funds.....	41,712	41,751	41,355	Federal Funds.....	24,291	24,093	22,781
Augmentations.....	7,132	7,130	7,043	Augmentations.....	4,164	4,152	3,921
TOTAL.....	<u>\$ 76,644</u>	<u>\$ 76,423</u>	<u>\$ 76,375</u>	TOTAL.....	<u>\$ 45,043</u>	<u>\$ 44,581</u>	<u>\$ 42,416</u>
Hamburg				Non-Facility			
State Funds.....	\$ 3,674	\$ 3,600	\$ 3,724	State Funds.....	\$ 1,066	\$ 926	\$ 1,030
Federal Funds.....	-	-	-	Federal Funds.....	9,830	16,520	16,084
Augmentations.....	-	-	-	Augmentations.....	-	-	-
TOTAL.....	<u>\$ 3,674</u>	<u>\$ 3,600</u>	<u>\$ 3,724</u>	TOTAL.....	<u>\$ 10,896</u>	<u>\$ 17,446</u>	<u>\$ 17,114</u>
Polk				Budgetary Reserve			
State Funds.....	\$ 25,995	\$ 26,024	\$ 27,418	State Funds.....	\$ 3,966	\$ -	\$ -
Federal Funds.....	40,196	40,341	42,625	Federal Funds.....	17,074	5,044	5,000
Augmentations.....	7,198	6,967	6,867	Augmentations.....	-	-	-
TOTAL.....	<u>\$ 73,389</u>	<u>\$ 73,332</u>	<u>\$ 76,910</u>	TOTAL.....	<u>\$ 21,040</u>	<u>\$ 5,044</u>	<u>\$ 5,000</u>
Selinsgrove							
State Funds.....	\$ 27,721	\$ 26,966	\$ 28,033				
Federal Funds.....	42,786	41,830	42,269				
Augmentations.....	7,280	7,460	7,320				
TOTAL.....	<u>\$ 77,787</u>	<u>\$ 76,256</u>	<u>\$ 77,622</u>				

Program: Intellectual Disabilities, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Intellectual Disabilities - State Centers		Intellectual Disabilities - Community Waiver Program	
\$ 3,260	—to continue current program.	\$ -48,651	—nonrecurring prior-year costs.
558	—to reflect change in federal earnings and other revenue.	223,035	—to continue current program, including annualization of prior-year expansion.
-1,316	—revision of federal financial participation from a full-year blended rate of 52.2125% to 52.560%.	1,545	—to reflect individuals transferring from the Intellectual Disabilities - Intermediate Care Facility Program.
<hr/>			
\$ 2,502	<i>Appropriation Increase</i>	-20,414	—revision of federal financial participation from a full-year blended rate of 52.2125% to 52.560%.
Intellectual Disabilities - Community Base Program		13,848	—Initiative—to provide home and community-based services through the Consolidated Waiver for 100 individuals currently on the emergency waiting list and services through the Community Living Waiver to 732 individuals currently on the emergency waiting list.
\$ -515	—to continue current program.		
-79	—revision of federal financial participation from a full-year blended rate of 52.2125% to 52.560%.		
<hr/>			
\$ -594	<i>Appropriation Decrease</i>		
Intellectual Disabilities - Intermediate Care Facilities			
\$ 13,449	—to continue current program.	-828	—Initiative—to provide incentive payments to transition individuals to independent living.
-1,545	—to reflect individuals transferring to the Intellectual Disabilities - Community Waiver Program.	<hr/>	
-2,481	—to reflect change in federal earnings and other revenue.	\$ 168,535	<i>Appropriation Increase</i>
-1,582	—revision of federal financial participation from a full-year blended rate of 52.2125% to 52.560%.		
<hr/>			
\$ 7,841	<i>Appropriation Increase</i>	\$ -2,170	Autism Intervention and Services
		1,341	—funding reduction.
		-185	—to continue current program.
		<hr/>	
		\$ -1,014	—revision of federal financial participation from a full-year blended rate of 52.2125% to 52.560%.
			<i>Appropriation Decrease</i>

The Intellectual Disabilities - Lansdowne Residential Services appropriation is recommended at the current year funding level.

Program: Intellectual Disabilities, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Intellectual Disabilities - State Centers.....	\$ 106,810	\$ 101,394	\$ 103,896	\$ 123,007	\$ 123,007	\$ 123,007	\$ 123,007
Intellectual Disabilities - Community Base Program	148,943	144,432	143,838	145,594	145,594	145,594	145,594
Intellectual Disabilities - Intermediate Care Facilities.....	148,359	135,061	142,902	166,501	166,501	181,739	196,878
Intellectual Disabilities - Community Waiver Program	1,664,206	1,645,307	1,813,842	2,134,869	2,218,983	2,306,411	2,397,284
Intellectual Disabilities - Lansdowne Residential Services	340	200	200	200	200	200	200
Autism Intervention and Services	25,252	26,448	25,434	29,437	30,982	34,877	40,317
TOTAL GENERAL FUND	\$ 2,093,910	\$ 2,052,842	\$ 2,230,112	\$ 2,599,608	\$ 2,685,267	\$ 2,791,828	\$ 2,903,280

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain supports and services for individuals with developmental disabilities and their families, including persons with autism, to participate in their communities more fully by effectively providing needed home and community-based services and supports that will increase their independence and ensure their health and well-being.							
Number of persons receiving autism services.....	695	818	882	899	919	909	909
Number of persons receiving intellectual disability services.....	54,675	55,172	55,667	56,366	56,961	59,096	61,000
Persons receiving intellectual disability services during fiscal year: Home and Community Services (Waiver and Base services) (unduplicated).....	52,210	52,860	53,457	54,236	54,881	56,302	58,000
Persons receiving Consolidated Waiver services during fiscal year: Home and Community Services (unduplicated)	18,085	18,267	18,396	18,452	18,687	18,812	19,003
Persons receiving Person/Family Directed Supports Waiver services during fiscal year: Home and Community Services (unduplicated)	13,647	13,721	14,658	14,625	13,784	14,594	14,594
Persons receiving Community Living Waiver services during fiscal year: Home and Community Services (Unduplicated) ..	N/A	N/A	1,006	2,809	3,772	3,927	4,659
Persons receiving Base services during fiscal year: Home and Community Services (unduplicated)	23,613	23,446	23,601	23,193	22,565	23,190	23,190

Program: Intellectual Disabilities, continued

Program Measures, continued:

	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Estimated	2021-22 Estimated
Number of individuals who reside in a private home (not in a provider-controlled setting)	38,590	39,163	39,765	40,409	40,994	41,965	41,965
<u>Persons receiving residential services (during fiscal year):</u>							
Private intermediate care facilities for persons with intellectual disabilities (ICFs/ID)	2,155	2,071	2,028	1,962	1,877	1,920	1,870
State centers	951	915	869	779	720	641	560
Number of people moving from private ICFs/ID and state centers into the community	86	33	127	29	7	37	156
<u>Average cost of individuals served in the community:</u>							
Consolidated Waiver services	\$ 123,086	\$ 124,671	\$ 142,175	\$ 160,538	\$ 163,004	\$ 170,912	\$ 190,945
Person/Family Directed Supports Waiver services	\$ 18,789	\$ 20,130	\$ 23,007	\$ 19,007	\$ 16,895	\$ 20,383	\$ 23,326
Community Living Waiver services	N/A	N/A	\$ 31,809	\$ 29,085	\$ 32,394	\$ 44,384	\$ 42,723
Autism services	\$ 46,816	\$ 48,676	\$ 51,949	\$ 58,120	\$ 54,144	\$ 55,254	\$ 59,152
<u>Employment of Persons Receiving Intellectual Disability Services</u>							
Number of persons receiving Intellectual Disability services with an employment goal and receiving employment services...	N/A	N/A	4,546	4,397	5,638	5,700	6,000
Number of persons receiving Intellectual Disability services with competitive, integrated employment	N/A	N/A	6,474	6,789	6,466	6,500	7,000

Program: Human Services

Goal: To enhance the social and economic well-being of families and individuals through the provision of an array of service and support programs.

The department operates a variety of programs designed to provide supportive services to people while they overcome an adverse behavior or circumstance that has affected their lives.

Children, Youth and Families

The Department of Human Services and county governments are jointly responsible for providing quality, effective services to children who are in need of care and protection. These services are state-supervised and county-administered. Each county is responsible for developing and implementing a program of services designed to treat and prevent child abuse, neglect, and exploitation and to provide services that reduce dependency and delinquency. The county children and youth agencies provide services to families and children to enable children to safely remain in their own homes and communities and develop natural supports and resources to gain self-sufficiency. Policies and procedures have been instituted to protect children from harm and to minimize time in out-of-home placement.

Counties provide services such as in-home services, temporary placement for children who cannot live with their own families, assistance to provide a permanent legal family for children who cannot be returned to their own families, [adoption assistance](#), day treatment services, child protective services, emergency shelter, counseling, and juvenile justice services.

Youth Development Service

Pennsylvania's [juvenile justice system](#) is designed to minimize institutionalization while recognizing that confinement in a treatment environment is necessary for certain juveniles who pose a threat to themselves or others. If institutionalization is required, the court may adjudicate youth to either the [Youth Development Center and Youth Forestry Camp \(YDC/YFC\) system](#) or a private facility. Both systems provide residential programming in secure and non-secure settings for Pennsylvania's juveniles who have been adjudicated delinquent and have demonstrated serious at-risk behaviors. The purpose of the system is to help juveniles develop skills and attitudes that will enable them to become responsible, productive members of society. Included in the YDC/YFC system are specialized treatment services for violent offenders, youth who have sexually harmed, those with drug and alcohol addiction, those with a mental health diagnosis, and those with developmental disabilities.

Education is a major component of the YDC/YFC system. Each program includes both academic and vocational curricula. Educational diagnostic testing precedes all academic placements and is used in the development of Individual Education Plans for each youth.

The Pennsylvania Academic and Career/Technical Training Alliance provides on-site technical assistance to its affiliated members and works to ensure that delinquent youth receive appropriate academic and career and technical training opportunities at all levels of care throughout the duration of their active involvement within Pennsylvania's juvenile justice system.

Administrative Complex	Population July 2019	Population July 2020	Projected Population July 2021	Projected Capacity July 2021	Projected Percentage of Capacity July 2021
YFC-Hickory Run.....	45	11	38	48	79.2%
YFC-Trough Creek.....	39	20	41	48	85.4%
Loysville.....	58	47	73	76	96.1%
South Mountain Secure Treatment Unit.....	36	21	34	36	94.4%
North Central Secure Treatment Unit.....	93	82	88	90	97.8%
Total	271	181	274	298	91.9%

Family Planning and Breast Cancer Screening

[Family planning](#) clinics provide educational, medical, and social services to men and women to address contraceptive or infertility issues. Services are provided through a contract with four regional councils who issue grants to approximately 250 providers across the state.

[Breast cancer screening](#) for low-income women is directed toward those at high-risk of developing breast cancer. The target group is new family planning clients, women 35 years and older, and women with a family history of breast cancer.

Legal Services

The department provides low-income individuals [assistance](#) with family, consumer, housing, employment, and other civil legal problems through a contract with a statewide legal aid non-profit. The emphasis of the service delivery is to provide emergency legal services in situations that threaten the basic needs of individuals. These services do not include political activities or services in criminal matters.

Domestic Violence and Rape Crisis

[Domestic violence services](#) are provided through a contract with a statewide coalition, which in turn subcontracts for services at the local level. The services to victims of domestic violence include crisis intervention, counseling, victim advocacy, information and referral, and temporary shelter for victims and their dependent children. Prevention and education programs are provided by local groups to lessen the risk of domestic violence in the community.

Program: Human Services, continued

[Rape crisis services](#) also are provided through a contract with a statewide coalition, which in turn subcontracts for services at the local level. Rape crisis programs provide crisis intervention services, counseling, victim advocacy, information and referral, and accompaniment through police, medical, and judicial systems. Educational programs are provided to lessen the risk of sexual assault for adults and children in the community.

Homeless Assistance

The [Homeless Assistance Program](#) (HAP) is operated through all 67 counties that offer a variety of supportive services to individuals and families experiencing or at risk for homelessness and who can demonstrate that, with HAP intervention, they will be able to meet their basic housing needs. HAP provides case management, emergency shelter, bridge housing, innovative supportive housing, and rental assistance to those in immediate danger of becoming homeless. Counties must meet the HAP objectives of

providing homelessness prevention services that assist clients in maintaining affordable housing; help people experiencing homelessness find refuge and care; and to assist people who are homeless or near homeless in attaining economic self-sufficiency.

Human Services Block Grant

The [Human Services Block Grant](#) was established for the purpose of allocating funds to select county governments to provide locally identified county-based human services to meet the needs of county residents. As part of this program, funding for the following six programs was combined at the local level into a flexible Human Services Block Grant: community mental health services, behavioral health services, intellectual disability community base services, human services development fund, HAP, and Act 152 drug and alcohol services. There are currently 44 counties participating in the block grant program. Funding continues to be provided from the individual appropriations.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Youth Development Institutions and Forestry Camps		Legal Services	
\$ -317	—to continue current program.	\$ 1,000	—Initiative—to increase access to legal services.
30,000	—to replace federal funding received in 2020-21 under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.		
<hr/>			Health Program Assistance and Services
\$ 29,683	<i>Appropriation Increase</i>	\$ -13,615	—program elimination.
County Child Welfare			
\$ 133,435	—for county needs-based budgets as mandated by Act 30 of 1991.		
16,426	—to continue current program.		
1,000	—Initiative—to provide stable, sustainable housing for families with child at risk for out-of-home placement.		
2,147	—Initiative—to provide an increase in the minimum wage to \$12 an hour.		
<hr/>			
\$ 153,008	<i>Appropriation Increase</i>		

All other appropriations are recommended at the current year funding levels.

Program: Human Services, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Youth Development Institutions and Forestry Camps	\$ 61,199	\$ 34,882	\$ 64,565	\$ 66,339	\$ 66,339	\$ 66,339	\$ 66,339
County Child Welfare	1,257,751	1,166,448	1,319,456	1,331,542	1,331,628	1,331,714	1,331,803
Domestic Violence	19,093	19,093	19,093	19,093	19,093	19,093	19,093
Rape Crisis	10,921	10,921	10,921	10,921	10,921	10,921	10,921
Breast Cancer Screening	1,723	1,723	1,723	1,723	1,723	1,723	1,723
Human Services Development Fund	13,460	13,460	13,460	13,460	13,460	13,460	13,460
Legal Services	2,661	2,661	3,661	3,661	3,661	3,661	3,661
Homeless Assistance	18,496	18,496	18,496	18,496	18,496	18,496	18,496
Health Program Assistance and Services	13,325	13,615	-	-	-	-	-
Services for the Visually Impaired	3,102	3,102	3,102	3,102	3,102	3,102	3,102
TOTAL GENERAL FUND	\$ 1,401,731	\$ 1,284,401	\$ 1,454,477	\$ 1,468,337	\$ 1,468,423	\$ 1,468,509	\$ 1,468,598

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain supports and services that will improve the health, well-being, development, and safety of Pennsylvania's families.							
<u>Youth Development Centers</u>							
Youth served	791	803	815	807	708	600	800
Percentage of youth in work experience	52.5%	63.3%	54.0%	51.0%	47.9%	50.0%	50.0%
<u>Family Support Services by Setting</u>							
Annual number of children receiving child welfare services at home (unduplicated) ...	190,413	186,855	194,761	187,280	200,000	200,000	205,000
<u>Out of home placements in:</u>							
Community-based placements	22,792	23,471	23,854	21,414	19,292	22,350	22,050
Group Homes: Community residential programs	2,765	2,470	2,421	1,922	1,487	2,000	1,950
Foster care: Community residential programs	19,590	20,621	21,060	19,091	17,515	20,000	19,750
Other: Community residential programs	437	380	373	401	290	350	350
Annual recipients of in-state institutional care programs (unduplicated)	2,685	1,948	1,779	1,466	1,200	1,700	1,700
Children in out-of-state programs	196	175	182	313	289	225	225

Program: Human Services, continued

Program Measures, continued:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
<u>Additional Family Support Services:</u>							
Percentage of children reunited with parents or primary caregiver within 12 months of placement	42.7%	43.4%	35.5%	40.7%	45.0%	50.0%	55.0%
Percentage of children not returning to care within 12 months of discharge to parents or primary caregivers	76.9%	82.0%	79.9%	78.5%	86.0%	90.0%	90.0%
Finalized adoptions	1,945	2,148	2,454	2,680	2,274	2,200	2,225
Children reaching permanency outside of adoption	8,289	7,152	7,616	7,332	6,094	8,200	8,200
Investigations of reported child abuse	43,137	46,759	46,345	42,124	36,755	46,000	46,000
Percentage of child abuse investigations substantiated	10.1%	9.9%	10.5%	11.7%	12.6%	10.0%	11.0%
Number of child abuse clearances processed (in thousands)	1,382	842	802	833	889	1,500	850
Average number of days to process a child abuse clearance	3.10	2.92	5.30	6.20	5.42	8.00	8.00
<u>Homeless Assistance</u>							
Persons receiving homeless services.....	77,419	78,348	80,433	77,663	73,975	75,000	75,000
<u>Other Human Services</u>							
Domestic violence victims served	44,401	44,583	44,346	42,303	39,793	45,000	45,000
Rape crisis/sexual assault persons served	29,654	29,188	33,481	33,348	24,798	34,000	34,000
Breast cancer screening clients	54,716	63,699	66,898	66,794	38,537	67,000	67,000
Legal service clients	17,126	14,838	15,767	15,243	13,046	15,200	16,500

Program: Child Development

Goal: To promote opportunities for all Pennsylvania children and families by building systems and providing supports that help ensure access to high-quality child and family services.

The Departments of Human Services and Education promote opportunities for all children and families by helping to ensure access to high-quality early care, education, and family services. The focus on effective prevention strategies and high-quality early care and education programs will help Pennsylvania mitigate the social and educational disparities of young, at-risk children that influence their ability to attain economic independence and self-sufficiency as adults. In addition, research consistently shows that the economic and educational benefits of quality early learning programs extend from participating children to their families and communities.

[Keystone STARS](#) remains one of the largest, most comprehensive quality rating improvement systems in the nation. Keystone STARS expands the reach of high-quality early child care and education in Pennsylvania for at-risk children. This program is designed to increase school readiness, increase future graduation rates of at-risk children, decrease involvement in crime and its associated costs to society, and prepare children for successful, self-sufficient lives.

Early Childhood Education Professional Development Organizations (ECE PDO) work regionally to support the child care workforce. The ECE PDOs ensure that credit-bearing courses are available to move professionals through the educational continuum. A strong and competent early childhood education workforce increases the quality of child care and other early learning programs.

The subsidized child care program, [Child Care Works](#), allows children of families receiving cash assistance through the Temporary Assistance for Needy Families (TANF) program, families formerly receiving TANF, and low-income families to access child care while their parents are attending training or working. Families can select subsidized child care from various settings including child care centers, group child care homes, family child care homes, or relatives. Early Learning Resource Center agencies determine eligibility for subsidized child care, offer families a choice of child care services, provide information and counseling, and support early care and education program quality improvement.

The [Early Intervention](#) program, for children from birth to age three, provides services and supports to qualified children with developmental delays or disabilities and their families to maximize the child's development. These services are provided to the child and family in the child's home, community, or early childhood education setting so that the child is well-prepared for school and life success.

The department also provides voluntary, evidence-based home visiting and community-based programs that help parents improve their parenting skills, resulting in healthier pregnancies and improved child health, learning, development, and well-being. These services are provided through a combination of state funds, the federal Title IV-B - Family Center funds and the federal Maternal, Infant, and Early Childhood Home Visiting grant program through the following five evidence-based models: Early Head Start, Family Check-Up, Healthy Families America, Nurse-Family Partnership Program and Parents as Teachers.

Child Care Funding (Dollar Amounts in Thousands)	
	<u>2021-22</u>
Low-Income Working Families	
State Funds ¹	\$ 156,482
Federal Funds	466,172
Total	<u>\$ 622,654</u>
TANF Recipients / Former TANF Recipients	
State Funds ²	\$ 109,975
Federal Funds	260,901
Other Funds	1,705
Total	<u>\$ 372,581</u>
Grand Total	<u>\$ 995,235</u>

¹ Child Care Services appropriation.
² Child Care Assistance appropriation.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Child Care Assistance	Nurse Family Partnership
\$ 90 —Initiative—to provide an increase in the minimum wage to \$12 an hour.	\$ 84 —to continue current program.

Program: Child Development, continued

Program Recommendations, continued:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Early Intervention

\$ 10,951 —to continue current program.

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND							
Community-Based Family Centers	\$ 18,320	\$ 19,558	\$ 19,558	\$ 19,558	\$ 19,558	\$ 19,558	\$ 19,558
Child Care Services	156,332	156,482	156,482	166,434	176,387	186,335	196,845
Child Care Assistance	104,569	109,885	109,975	117,205	124,443	131,681	139,339
Nurse Family Partnership	13,059	12,999	13,083	13,178	13,178	13,178	13,178
Early Intervention	174,271	169,432	180,383	182,255	184,078	185,919	187,778
TOTAL GENERAL FUND	\$ 466,551	\$ 468,356	\$ 479,481	\$ 498,630	\$ 517,644	\$ 536,671	\$ 556,698

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain supports and services that will improve the health, well-being, development, and safety of all Pennsylvania's children.							
<u>Child Development</u>							
Total children served in subsidized child care during the last month of the fiscal year	109,263	103,332	109,229	109,235	107,348	85,000	85,000
Percentage of children in subsidized child care enrolled in Keystone STARS Level 3 or 4 facilities	27.9%	30.9%	33.0%	36.3%	35.6%	37.0%	37.0%
Number of regulated facilities	7,214	7,374	7,395	7,240	6,985	7,000	7,000
Percentage of regulated facilities at Keystone STARS Level 3 or 4	17.9%	19.9%	22.2%	24.0%	24.6%	27.0%	27.0%
<u>Early Intervention</u>							
Children participating in Early Intervention (EI) services	38,004	39,931	42,729	45,024	44,849	44,837	46,600
<u>Evidence-Based Home Visiting Programs</u>							
Number of children served (funded slots) in evidence-based home visiting programs	5,311	5,256	8,347	8,975	10,227	10,497	10,500

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INFRASTRUCTURE INVESTMENT AUTHORITY

The mission of the Infrastructure Investment Authority is to serve the communities and citizens of Pennsylvania by funding sewer, storm water, drinking water and various other types of projects that solve water problems not associated with traditional infrastructure systems, such as brownfields, acid mine drainage and homeowner septic problems.

The authority administers the PENNVEST program authorized by Act 16 of 1988 that provides an investment pool of capital to rebuild and expand community drinking water systems and municipal sewage treatment facilities in the commonwealth.

Programs and Goals

PENNVEST: *To promote public health and a clean environment and to further economic development in the commonwealth by providing a financing program, technical assistance and administrative support for community drinking water systems, municipal sewage treatment facilities, storm water control projects and various other non-traditional water-related projects.*

Infrastructure Investment Authority

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>Grants and Subsidies:</i>			
(F)Sewage Projects Revolving Loan Fund.....	\$ 127,200	\$ 127,200	\$ 121,145
(F)Drinking Water Projects Revolving Loan Fund.....	66,982	66,982	63,800
(F)Infrastructure Improvement Projects	-	1,740	1,740
Total - Grants and Subsidies.....	\$ 194,182	\$ 195,922	\$ 186,685
GENERAL FUND TOTAL	\$ 194,182	\$ 195,922	\$ 186,685
OTHER FUNDS:			
ENVIRONMENTAL STEWARDSHIP FUND:			
Storm Water, Water and Sewer Grants (EA)	\$ 19,484	\$ 21,745	\$ 22,461
MARCELLUS LEGACY FUND:			
Water and Sewer Projects (EA)	\$ 9,098	\$ 6,443	\$ 6,433
PENNVEST FUND:			
PENNVEST Operations (EA)	\$ 5,052	\$ 5,841	\$ 5,934
Revenue Bond Loan Pool (EA)	10	10	10
Grants - Other Revenue Sources (EA)	5,000	10,000	35,000
Revolving Loans and Administration (EA).....	120,000 ^a	120,000 ^a	60,000 ^a
(R)Growing Greener Grants	- ^b	- ^b	- ^b
(R)Revolving Loans and Administration.....	836	1,000	1,000
(R)Marcellus Grants (Marcellus Legacy Fund)	- ^c	- ^c	- ^c
PENNVEST FUND TOTAL	\$ 130,898	\$ 136,851	\$ 101,944
PENNVEST DRINKING WATER REVOLVING FUND:			
Additional Drinking Water Projects Revolving Loans (EA).....	\$ 114,000	\$ 210,686	\$ 200,000
Transfer to Water Pollution Control Revolving Fund (EA).....	20,000	20,000	20,000
(R)Revolving Loans - Conditional Funds	803	1,000	1,000
(F)Drinking Water Projects Revolving Loan Fund (EA).....	- ^d	- ^d	- ^d
(F)Loan Program Administration (EA)	- ^e	- ^e	- ^e
(F)Technical Assistance to Small Systems (EA).....	- ^f	- ^f	- ^f
(F)Assistance to State Programs (EA)	- ^g	- ^g	- ^g
(F)Local Assistance and Source Water Pollution (EA).....	- ^h	- ^h	- ^h
PENNVEST DRINKING WATER REVOLVING FUND TOTAL.....	\$ 134,803	\$ 231,686	\$ 221,000
PENNVEST WATER POLLUTION CONTROL REVOLVING FUND:			
Additional Sewage Projects Revolving Loans (EA).....	\$ 270,000	\$ 270,000	\$ 257,200
Transfer to Drinking Water Revolving Fund (EA).....	450,000	110,686	20,000
(R)Revolving Loans - Conditional Funds	-	1,000	1,000
(R)Nutrient Credits	-	500	-
(F)Sewage Projects Revolving Loan Fund (EA)	- ⁱ	- ⁱ	- ⁱ
PENNVEST WATER POLLUTION CONTROL REVOLVING FUND TOTAL	\$ 720,000	\$ 382,186	\$ 278,200

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	194,182	195,922	186,685
AUGMENTATIONS.....	-	-	-
RESTRICTED.....	-	-	-
OTHER FUNDS.....	1,014,283	778,911	630,038
TOTAL ALL FUNDS.....	\$ 1,208,465	\$ 974,833	\$ 816,723

^a Includes \$12,587,800 for Water Pollution Control Projects, and \$6,776,600 for Drinking Water Projects in 2019-20 Actual, \$12,589,400 for Water Pollution Control Projects and \$6,780,800 for Drinking Water Projects in 2020-21 Available, \$12,589,400 for Water Pollution Control Projects and \$6,780,800 for Drinking Water Projects in 2021-22 Budget.

^b Not added to the total to avoid double counting: 2019-20 Actual is \$11,917,183, 2020-21 Available is \$18,264,000 and 2021-22 Budget is \$22,461,000.

^c Not added to the total to avoid double counting: 2019-20 Actual is \$10,600,705, 2020-21 Available is \$6,443,000 and 2021-22 Budget is \$6,433,000.

^d Not added to the total to avoid double counting: 2019-20 Actual is \$47,200,000, 2020-21 Available is \$47,200,000 and 2021-22 Budget is \$44,018,000.

^e Not added to the total to avoid double counting: 2019-20 Actual is \$2,532,000, 2020-21 Available is \$2,532,000 and 2021-22 Budget is \$2,532,000.

^f Not added to the total to avoid double counting: 2019-20 Actual is \$1,750,000, 2020-21 Available is \$1,750,000 and 2021-22 Budget is \$1,750,000.

^g Not added to the total to avoid double counting: 2019-20 Actual is \$7,000,000, 2020-21 Available is \$7,000,000 and 2021-22 Budget is \$7,000,000.

^h Not added to the total to avoid double counting: 2019-20 Actual is \$8,500,000, 2020-21 Available is \$8,500,000 and 2021-22 Budget is \$8,500,000.

ⁱ Not added to the total to avoid double counting: 2019-20 Actual is \$127,200,000, 2020-21 Available is \$127,200,000 and 2021-22 Budget is \$121,145,000.

Infrastructure Investment Authority

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PENNVEST							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	194,182	195,922	186,685	186,685	186,685	186,685	186,685
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	1,014,283	778,911	630,038	630,927	631,773	632,695	633,628
SUBCATEGORY TOTAL....	\$ 1,208,465	\$ 974,833	\$ 816,723	\$ 817,612	\$ 818,458	\$ 819,380	\$ 820,313
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	194,182	195,922	186,685	186,685	186,685	186,685	186,685
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	1,014,283	778,911	630,038	630,927	631,773	632,695	633,628
DEPARTMENT TOTAL	\$ 1,208,465	\$ 974,833	\$ 816,723	\$ 817,612	\$ 818,458	\$ 819,380	\$ 820,313

Program: PENNVEST

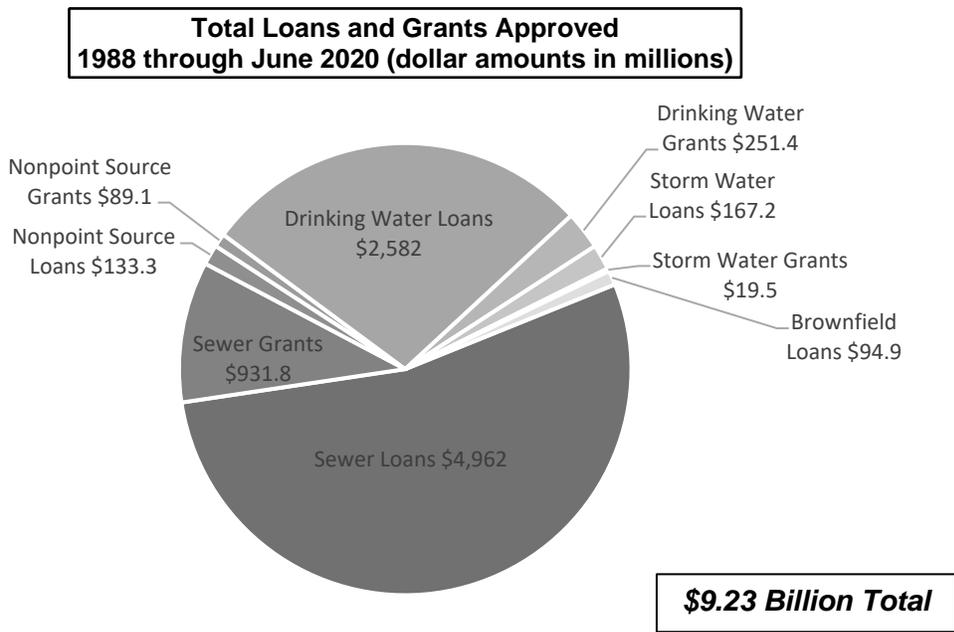
Goal: To promote public health and a clean environment and to further economic development in the commonwealth by providing a financing program, technical assistance and administrative support for community drinking water systems, municipal sewage treatment facilities, storm water control projects and various other non-traditional water-related projects.

The [Pennsylvania Infrastructure Investment Authority](#) (PENNVEST) program provides an investment pool of capital to rebuild and expand community [drinking water systems](#), municipal [sewage treatment facilities](#), brownfield reclamation and remediation projects, storm water control, nonpoint source pollution prevention and [other water quality-related-agricultural projects](#) in the commonwealth. These systems and facilities are essential for the protection of public health, improving water quality and the promotion of economic development. Many systems and facilities need to be repaired, upgraded or expanded to meet environmental standards and economic development goals. In 2013, legislation was enacted that improves PENNVEST's ability, consistent with the state's [Nonpoint Source Management Plan](#), to implement agricultural and other rural projects designed to control runoff of nutrients and other contaminants into streams in rural areas.

PENNVEST funds are used for [loans and grants](#) to municipalities, municipal authorities, private entities and some individuals. Loans are available to individual homeowners to upgrade their [on-lot septic systems, first-time connections to public systems or to replace existing house sewer laterals](#). The funds are also used to provide assistance to farmers, nonprofit groups and others to install [Best Management Practices](#), such as riparian buffers that reduce nutrient contamination of rivers and streams,

particularly in the Chesapeake Bay watershed. PENNVEST, supported by the Department of Environmental Protection, helps system owners [apply for funding](#) and provides [technical assistance](#) on projects.

To facilitate fund management and accounting, several separate funds have been established. The PENNVEST Fund serves as the repository of interest and investment income and loan repayments. Loans, grants and administrative costs are paid from this fund. The PENNVEST Water Pollution Control Revolving Fund combines federal seed money and the commonwealth's required matching funds to create a revolving loan fund for sewage treatment facilities construction. The PENNVEST Drinking Water Revolving Fund combines federal seed money and the commonwealth's required matching funds to create a revolving loan fund for drinking water projects and technical assistance. The PENNVEST Revolving Fund receives the proceeds from the sale of bonds. The PENNVEST revenue bond pool is supported by loan interest and principal repayments from loans and disburses the proceeds from the sale of PENNVEST revenue bonds. The Water and Sewer Systems Assistance Bond Fund serves as the repository of interest and investment income and loan repayments related to Act 64; loans and grants are paid from this fund.



Infrastructure Investment Authority

Program: PENNVEST, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

PENNVEST FUND

PENNVEST Operations (EA)

\$ 93 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PENNVEST FUND:							
PENNVEST Operations (EA)....	\$ 5,052	\$ 5,841	\$ 5,934	\$ 5,934	\$ 5,934	\$ 5,934	\$ 5,934

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase the proportion of PENNVEST subsidies allocated to projects that would not occur in the absence of the subsidies.							
Grant equivalent subsidy per household served	\$ 49	\$ 93	\$ 107	\$ 189	\$ 52	\$ 75	\$ 75
Percentage of total project funding allocated to projects that would otherwise have higher financing rates	31%	41%	41%	33%	27%	35%	35%
Increase the number of drinking water and wastewater facilities that comply with safe drinking water requirements, improve system treatment capacity and improve water quality.							
Population affected by drinking water projects funded in each year	77,765	202,872	74,403	187,974	2,007,627 *	200,000	200,000
Drinking water projects approved that will maintain or bring customers' water into compliance with commonwealth drinking water standards	10	14	15	14	14	15	15
Increase the number of sustainable jobs in Pennsylvania.							
Sustainable jobs created by PENNVEST-funded projects.	415	842	612	190	86	500	500

* Measure is based on population. Project funded for City of Philadelphia during this time period.



INSURANCE DEPARTMENT

The mission of the [Insurance Department](#) is to provide a healthy regulatory environment that promotes a vibrant marketplace to serve all consumers.

The department enforces the insurance laws of the commonwealth, monitors the financial solvency of insurance companies conducting business in Pennsylvania, regulates insurance rates and policy forms, licenses insurance companies and producers to conduct business in the state and liquidates insolvent insurance companies. The department answers consumer inquiries, responds to consumer complaints and produces and distributes educational information on insurance.

Programs and Goals

Insurance Industry Regulation: To serve Pennsylvania's insurance consumers through fair and efficient regulation of the insurance industry.

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	ACTUAL	AVAILABLE	BUDGET
GENERAL FUND:			
<i>Grants and Subsidies:</i>			
USTIF Loan Repayment	\$ -	\$ -	\$ 7,000
(F)Health Insurance Premium Review	1,000	-	-
(F)Insurance Market Reform	5,000	5,000	5,000
Total - Grants and Subsidies	\$ 6,000	\$ 5,000	\$ 12,000
GENERAL FUND TOTAL	\$ 6,000	\$ 5,000	\$ 12,000
OTHER FUNDS:			
CATASTROPHIC LOSS BENEFITS CONTINUATION FUND:			
CAT Administration (EA)	\$ 1,080	\$ 1,985	\$ 1,885
CAT Claims (EA)	6,050	6,050	6,050
CATASTROPHIC LOSS BENEFITS CONTINUATION FUND TOTAL	\$ 7,130	\$ 8,035	\$ 7,935
INSURANCE REGULATION AND OVERSIGHT FUND:			
General Government Operations	\$ 29,975	\$ 30,871	\$ 31,649
SOR - MH SUD Parity Rights Outreach (F)	-	\$ 83	\$ 110
INSURANCE REGULATION AND OVERSIGHT FUND TOTAL	\$ 29,975	\$ 30,954	\$ 31,759
MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR FUND:			
General Operations (EA)	\$ 13,612	\$ 14,911	\$ 14,911
Payment of Claims (EA)	191,320	195,020	195,020
MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR FUND TOTAL	\$ 204,932	\$ 209,931	\$ 209,931
REINSURANCE FUND:			
Reinsurance Administration (EA)	\$ -	\$ 250	\$ 100
UNDERGROUND STORAGE TANK INDEMNIFICATION FUND:			
Administration (EA)	\$ 16,539	\$ 16,711	\$ 16,711
Claims (EA)	42,000	42,000	40,000
UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL	\$ 58,539	\$ 58,711	\$ 56,711
WORKERS' COMPENSATION SECURITY FUND:			
WCS Administration (EA)	\$ 4,173	\$ 5,758	\$ 5,758
WCS Claims (EA)	26,372	27,000	29,000
WORKERS' COMPENSATION SECURITY FUND TOTAL	\$ 30,545	\$ 32,758	\$ 34,758
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ -	\$ -	\$ 7,000
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	6,000	5,000	5,000
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	331,121	340,639	341,194
TOTAL ALL FUNDS	\$ 337,121	\$ 345,639	\$ 353,194

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
INSURANCE INDUSTRY REGULATION							
GENERAL FUND.....	\$ -	\$ -	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	6,000	5,000	5,000	5,000	5,000	5,000	5,000
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	331,121	340,639	341,194	341,217	341,217	341,217	341,217
SUBCATEGORY TOTAL....	\$ 337,121	\$ 345,639	\$ 353,194	\$ 353,217	\$ 353,217	\$ 353,217	\$ 353,217
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	6,000	5,000	5,000	5,000	5,000	5,000	5,000
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	331,121	340,639	341,194	341,217	341,217	341,217	341,217
DEPARTMENT TOTAL	\$ 337,121	\$ 345,639	\$ 353,194	\$ 353,217	\$ 353,217	\$ 353,217	\$ 353,217

Program: Insurance Industry Regulation

Goal: To serve Pennsylvania's insurance consumers through fair and efficient regulation of the insurance industry.

Regulation and Consumer Protection

The department oversees the operation of approximately 1,700 insurance companies and 290,000 insurance producers, bail bondsmen, public adjusters and physical damage appraisers. The department authorizes the admission of new insurers to the state, tests and licenses insurance producers and bail bondsmen, registers health insurance navigators and exchange assisters and reviews and approves approximately 10,500 rate and policy forms each year. The department analyzes annual and quarterly financial statements and other corporate transactions filed by regulated entities, conducts onsite financial examinations of domestic insurance companies annually and conducts adjudicatory hearings.

The financial condition of insurers licensed to transact business in Pennsylvania is monitored and regulated through the department's examination and financial analysis functions. The insurance commissioner serves as statutory liquidator/receiver for Pennsylvania domestic insurers found to be insolvent by the Commonwealth Court. The department serves consumers by investigating consumer inquiries and complaints, reviewing the conduct of insurance carriers and enforcing Pennsylvania's insurance laws. The department provides the public with insurance information, education and complaint resolution services. To increase engagement with communities, the department has a consumer liaison to lead outreach and education efforts and provide resources for consumers and stakeholders.

The department's examination of insurance companies provides an in-depth analysis of the risks facing the companies and the potential effects on consumers. The department analyzes annual market conduct statements and data; conducts investigations of possible insurance law violations by producers, bail bondsmen, public adjusters and physical damage appraisers; and undertakes onsite market conduct examinations of insurance company records, files and operations.

Oversight

The [Insurance Department](#) shares responsibility to implement aspects of the federal Patient Protection and Affordable Care Act (ACA); administers special funds, including the Medical Care Availability and Reduction of Error (Mcare) Fund, the Catastrophic Loss Benefits Continuation Fund (CAT Fund) and the Underground

Storage Tank Indemnification Fund (USTIF); and oversees the Workers' Compensation Security Fund.

The department has a significant role ensuring Pennsylvania's health insurers comply with the private market reform provisions of the federal ACA. Pennsylvania is transitioning from the federally facilitated marketplace to a state-based exchange for the 2021 calendar year. The department monitors health insurance company rates in certain markets to protect consumers against unreasonable rate increases and provides consumers information about private insurance options, particularly in the individual market. It administers grant funding provided to the state by the ACA to continue to improve and increase the transparency of the state's health insurance rate review process and effectively oversees and enforces the federal Public Health Service Act's provisions on health insurance issuers.

The [Mcare Fund](#), established pursuant to Act 13 of 2002, is responsible for payment of losses or damages, in excess of basic insurance coverage awarded in medical professional liability actions against participating health care providers.

The [CAT Fund](#) provides up to \$1 million in benefits to Pennsylvanians catastrophically injured in motor vehicle accidents between October 1, 1984 and December 31, 1989 after exceeding a threshold of \$100,000 in medical payments. Payments from the fund are projected until 2093.

The [USTIF](#) provides reimbursement of remediation to eligible owners and operators of underground storage tanks. In addition to reimbursing eligible tank owners or operators for damages caused by releases from their tanks, the fund also provides similar benefits to tank installers under the Tank Installation Indemnification Program. Additionally, the fund makes annual allocations to the Department of Environmental Protection under four separate categories.

The [Workers' Compensation Security Fund](#) provides administration and payment for compensation provided by the Workers' Compensation Act to individuals who are insured by an insolvent insurer.

The [Reinsurance Fund](#) is funded by the surplus of the Pennsylvania Health Insurance Exchange Authority and will assist in helping moderate premiums in the commonwealth's individual health insurance market and maintain and protect coverage gains in the commonwealth.

Program: Insurance Industry Regulation continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND		INSURANCE REGULATION AND OVERSIGHT FUND	
USTIF Loan Repayment		General Government Operations	
\$ 7,000	—annual repayment of a transfer from the Underground Storage Tank Indemnification Fund.	\$ 778	—to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
USTIF Loan Repayment	\$ -	\$ -	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
INSURANCE REGULATION AND OVERSIGHT FUND:							
General Government Operations...	\$ 29,975	\$ 30,871	\$ 31,649	\$ 31,672	\$ 31,672	\$ 31,672	\$ 31,672

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Support the insurance industry's need of speed to market for new property and casualty programs and policy changes.							
Percentage of forms and rate filings for property, casualty, life, accident and health programs and policy changes opened, reviewed, and closed within 20 days of submission	N/A	N/A	N/A	81.4%	78.9%	78.6%	70.0%
Increase the department's outreach efforts to improve consumer education regarding insurance products and services, aiding in protecting consumers from financial loss.							
Number of consumer interactions	180,882	216,409	643,324	728,820	801,702	714,375	810,000
Reduce Pennsylvania's uninsured population.							
Percentage of population without health insurance	6.4%	5.6%	5.5%	5.5%	5.8%	5.5%	5.5%

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HEALTH INSURANCE EXCHANGE AUTHORITY

The mission of the [Pennsylvania Health Insurance Exchange Authority \(PHIEA\)](#) is to improve the accessibility and affordability of individual market health coverage for Pennsylvanians.

Programs and Goals

Health Insurance Exchange: To serve Pennsylvania's individual health insurance market customers without disruption, operate a state-based exchange and support the needs of consumers purchasing health insurance in the individual market while ensuring the stability and affordability of the health and dental offerings available through PHIEA.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
<u>OTHER FUNDS:</u>			
PA HEALTH INSURANCE EXCHANGE FUND:			
General Government Operations (EA)	\$ 3,000	\$ 31,424	\$ 40,871
(F)Opioid Response - Health Care Insurance Navigators (EA)	400	-	-
(F) Transitioning to State-Based Exchange (EA)	-	10,700	8,235
Transfer to Reinsurance Fund (EA)	-	250	100
PA HEALTH INSURANCE EXCHANGE FUND TOTAL.....	<u>\$ 3,400</u>	<u>\$ 42,374</u>	<u>\$ 49,206</u>

Health Insurance Exchange Authority

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
HEALTH INSURANCE EXCHANGE							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	3,400	42,374	49,206	49,206	49,206	49,206	49,206
SUBCATEGORY TOTAL....	\$ 3,400	\$ 42,374	$ 49,206	$ 49,206	$ 49,206	$ 49,206	\$ 49,206
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	3,400	42,374	49,206	49,206	49,206	49,206	49,206
DEPARTMENT TOTAL	\$ 3,400	\$ 42,374	$ 49,206	$ 49,206	$ 49,206	$ 49,206	\$ 49,206

Program: Health Insurance Exchange

Goal: To serve Pennsylvania's individual health insurance market customers without disruption, operate a state-based exchange and support the needs of consumers purchasing health insurance in the individual market while ensuring the stability and affordability of the health and dental offerings available through PHIEA.

The [Pennsylvania Health Insurance Exchange Authority](#) (PHIEA) is a state-affiliated entity established in [2019 by Act 42](#) to create a state-based insurance exchange, reduce costs and better support the needs of consumers purchasing health insurance in the individual market. PHIEA's new technology platform and customer service operations called Pennie™ has replaced the federal marketplace, [HealthCare.Gov](#), for Pennsylvanians enrolling in health and dental coverage for 2021. As such, PHIEA plays a critical role in ensuring the stability, affordability and accessibility of the individual health insurance market for the benefit of hundreds of thousands of Pennsylvanians who rely on the health insurance exchange.

PHIEA serves as an unbiased resource for Pennsylvanians enrolling in individual market health coverage and accessing financial assistance to help pay for premiums. It partners with insurance brokers, carriers, providers, navigators and consumer advocates to provide a consumer-friendly shopping experience to help residents select the best coverage to suit their needs and budgets. The PHIEA is governed by a board of directors made up of gubernatorial and legislative appointees as well as cabinet members.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

PA HEALTH INSURANCE EXCHANGE FUND

General Government Operations (EA)

\$ 6,982	—to continue current program.
2,465	—to reflect change in estimated federal earnings.
\$ 9,447	<i>Appropriation Increase</i>

Transfer to Reinsurance Fund (EA)

\$ -150	—to continue current program.
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Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PA HEALTH INSURANCE EXCHANGE FUND:							
General Government Operations (EA).....	\$ 3,000	\$ 31,424	\$ 40,871	\$ 40,871	\$ 40,871	\$ 40,871	\$ 40,871
Transfer to Reinsurance Fund (EA) ..	-	250	100	100	100	100	100
TOTAL PA HEALTH INSURANCE EXCHANGE FUND.....	<u>\$ 3,000</u>	<u>\$ 31,674</u>	<u>\$ 40,971</u>	$ 40,971	$ 40,971	$ 40,971	$ 40,971



DEPARTMENT OF LABOR AND INDUSTRY

The mission of the Department of Labor and Industry is to improve the quality of life and the economic security of Pennsylvania's workers and businesses, encourage labor-management cooperation and prepare the commonwealth's workforce for the jobs of the future.

The mission is accomplished through programs that protect the health, welfare and safety of workers, provide meaningful job training and placement services, stabilize the incomes of injured, disabled or unemployed workers and facilitate labor-management cooperation.

Programs and Goals

Community and Occupational Safety and Stability: *To further economic development in the commonwealth by promoting the health, welfare and safety of employees and acting to maintain continuous production and employment through mediation.*

Workers' Compensation and Unemployment Assistance: *To further economic development in the commonwealth by stabilizing the incomes of employees who become injured or unemployed.*

Workforce Investment: *To provide meaningful job training and placement services in a coordinated role with other commonwealth agencies, the private sector and the federal government in order to secure unsubsidized employment for unemployed Pennsylvanians.*

Vocational Rehabilitation: *To enable eligible persons with disabilities to obtain competitive employment.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
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GENERAL FUND:

General Government:

General Government Operations	\$ 13,799	\$ 13,624	\$ 13,844
(F)Disability Determination	146,699	154,039	154,039
(F)Community Service and Corps	13,097	13,235	13,235
(F)COVID-Commonwealth Civilian Coronavirus Corps (EA)	-	738	-
(F)Workforce Innovation and Opportunity Act - Administration.....	13,000	11,000	11,000
(F)New Hires	1,534	1,757	1,701
(A)Interpreter Registry.....	3	56	56
Subtotal.....	\$ 188,132	\$ 194,449	\$ 193,875
Occupational and Industrial Safety.....	2,947	2,945	2,945
(F)Lead Certification and Accreditation	507	494	494
(A)Inspection Fees	10,000	10,000	10,000
(R)Asbestos and Lead Certification (EA)	2,025	2,025	2,025
(R)Vending Machine Proceeds	385	100	70
Subtotal.....	\$ 15,864	\$ 15,564	\$ 15,534
Subtotal - State Funds.....	\$ 16,746	\$ 16,569	\$ 16,789
Subtotal - Federal Funds.....	174,837	181,263	180,469
Subtotal - Augmentations.....	10,003	10,056	10,056
Subtotal - Restricted Revenues	2,410	2,125	2,095
Total - General Government.....	\$ 203,996	\$ 210,013	\$ 209,409

Grants and Subsidies:

Occupational Disease Payments	\$ 299	\$ 213	\$ 164
Transfer to Vocational Rehabilitation Fund	47,942	47,942	47,942
Supported Employment	397	397	397
Centers for Independent Living.....	1,950	1,950	1,950
Workers' Compensation Payments.....	413	384	278
New Choices / New Options	750	750	750
Assistive Technology Financing	475	475	475
Assistive Technology Demonstration and Training.....	450	450	450
(F)WIOA - Dislocated Workers.....	109,000	109,000	109,000
(F)WIOA - Youth Employment and Training	52,000	52,000	52,000
(F)WIOA - Adult Employment and Training.....	50,000	50,000	50,000
(F)WIOA - Statewide Activities	25,000	25,000	25,000
(F)COVID-WIOA - National Dislocated Worker (EA).....	19,400	1,600	-
(F)Reed Act - Employment Services	72,000	72,000	72,000
(F)Reed Act - Unemployment Insurance.....	5,000	5,000	5,000
(F)TANFBG - Youth Employment and Training	25,105	25,000	25,000
(F)Comprehensive Workforce Development (EA).....	2,045	2,047	2,295
Subtotal.....	\$ 359,550	\$ 341,647	\$ 340,295

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Industry Partnerships	4,813	2,813	2,813
Apprenticeship Training	7,000	7,000	7,000
Subtotal - State Funds.....	\$ 64,489	\$ 62,374	\$ 62,219
Subtotal - Federal Funds.....	359,550	341,647	340,295
Total - Grants and Subsidies.....	\$ 424,039	\$ 404,021	\$ 402,514
STATE FUNDS	\$ 81,235	\$ 78,943	\$ 79,008
FEDERAL FUNDS.....	534,387	522,910	520,764
AUGMENTATIONS	10,003	10,056	10,056
RESTRICTED REVENUES	2,410	2,125	2,095
GENERAL FUND TOTAL	\$ 628,035	\$ 614,034	\$ 611,923
OTHER FUNDS:			
ADMINISTRATION FUND:			
Administration of Unemployment Compensation (EA)	\$ 1,000	\$ 1,000	\$ 1,000
(F)Administration of Unemployment Compensation (EA)	159,000	148,000	148,000
(F)COVID-Administration of Unemployment Compensation (EA).....	18,900	21,395	-
(F)COVID-Federal Pandemic Unemployment Compensation (EA)	6,000	4,000	-
(F)COVID-Pandemic Unemployment Assistance Admin (EA)	13,000	52,592	-
(F)COVID-Pandemic Emergency Unemployment Comp Admin (EA).....	16,000	4,000	-
(F)COVID-Unemployment Compensation Waiver Week Admin (EA)	5,000	-	-
Workforce Development (EA).....	2,000	2,000	640
(F) Workforce Development (EA)	93,219	93,219	93,219
(A) Reimbursements - DHS PACSES Interface	66	66	66
ADMINISTRATION FUND TOTAL	\$ 314,185	\$ 326,272	\$ 242,925
SPECIAL ADMINISTRATION FUND:			
Administration of Unemployment (EA)	\$ 11,000	\$ 11,000	\$ 11,000
EMPLOYMENT FUND FOR THE BLIND:			
General Operations	\$ 617	\$ 416	\$ 500
HAZARDOUS MATERIAL RESPONSE FUND:			
(R)Hazardous Material Response Administration	\$ 4	\$ 80	\$ 80
REHABILITATION CENTER FUND:			
General Operations	\$ 17,555	\$ 18,650	\$ 22,342
(F)COVID-Hiram G. Andrews Center (EA).....	268	693	a -
REHABILITATION CENTER FUND TOTAL	\$ 17,823	\$ 19,343	\$ 22,342
STATE WORKERS' INSURANCE FUND:			
State Workers' Insurance Fund.....	\$ 192,935	\$ 202,460	\$ 174,582
UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND:			
(R)Reemployment Services (EA)	\$ 5,651	\$ 10,000	\$ 10,000
(R)Service and Infrastructure Improvement (EA).....	8,475	16,539	19,645
UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND TOTAL	\$ 14,126	\$ 26,539	\$ 29,645

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
VOCATIONAL REHABILITATION FUND:			
General Operations (EA).....	\$ - ^b	\$ - ^b	\$ - ^b
(F)Vocational Rehabilitation Services (EA)	167,189	141,888	181,888
VOCATIONAL REHABILITATION FUND TOTAL.....	\$ 167,189	\$ 141,888	\$ 181,888
WORKMEN'S COMPENSATION ADMINISTRATION FUND:			
Administration of Workers' Compensation.....	\$ 70,364	\$ 75,802	\$ 75,802
(A)Conference Fees.....	63	300	300
WORKMEN'S COMPENSATION ADMINISTRATION FUND TOTAL	\$ 70,427	\$ 76,102	\$ 76,102
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 81,235	\$ 78,943	\$ 79,008
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	534,387	522,910	520,764
AUGMENTATIONS.....	10,003	10,056	10,056
RESTRICTED.....	2,410	2,125	2,095
OTHER FUNDS.....	788,306	804,100	739,064
TOTAL ALL FUNDS	\$ 1,416,341	\$ 1,418,134	\$ 1,350,987

^a Includes recommended supplemental executive authorization of \$461,000, which represents an estimate of federal grant distributions.

^b Transfer to Vocational Rehabilitation Fund is not added to the total to avoid double counting. General Operations (EA) for 2019-20 Actual is \$47,942,000, 2020-21 Available is \$47,942,000 and 2021-22 Budget is \$47,942,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
COMMUNITY AND OCCUPATIONAL SAFETY AND STABILITY							
GENERAL FUND.....	\$ 16,746	\$ 16,569	\$ 16,789	\$ 16,950	\$ 16,950	\$ 16,950	\$ 16,950
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	507	494	494	494	494	494	494
AUGMENTATIONS	10,003	10,056	10,056	10,056	10,056	10,056	10,056
RESTRICTED.....	2,025	2,025	2,025	2,025	2,025	2,025	2,025
OTHER FUNDS.....	4	80	80	80	80	80	80
SUBCATEGORY TOTAL....	\$ 29,285	\$ 29,224	\$ 29,444	\$ 29,605	\$ 29,605	\$ 29,605	\$ 29,605
WORKERS' COMPENSATION AND UNEMPLOYMENT ASSISTANCE							
GENERAL FUND.....	\$ 712	\$ 597	\$ 442	\$ 442	\$ 442	\$ 442	\$ 442
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	148,233	155,796	155,740	155,740	155,740	155,740	155,740
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	588,481	615,768	504,543	496,531	488,311	480,503	473,085
SUBCATEGORY TOTAL....	\$ 737,426	\$ 772,161	\$ 660,725	\$ 652,713	\$ 644,493	\$ 636,685	\$ 629,267
WORKFORCE INVESTMENT							
GENERAL FUND.....	\$ 12,563	\$ 10,563	\$ 10,563	\$ 10,563	\$ 10,563	\$ 10,563	\$ 10,563
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	385,647	366,620	364,530	364,530	364,530	364,530	364,530
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	8,541	16,605	19,711	19,711	19,711	66	66
SUBCATEGORY TOTAL....	\$ 406,751	\$ 393,788	\$ 394,804	\$ 394,804	\$ 394,804	\$ 375,159	\$ 375,159

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
VOCATIONAL REHABILITATION							
GENERAL FUND.....	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214	\$ 51,214
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	385	100	70	70	70	70	70
OTHER FUNDS.....	191,280	171,647	214,730	191,807	196,236	189,335	189,335
SUBCATEGORY TOTAL....	\$ 242,879	\$ 222,961	\$ 266,014	\$ 243,091	\$ 247,520	\$ 240,619	\$ 240,619
ALL PROGRAMS:							
GENERAL FUND.....	\$ 81,235	\$ 78,943	\$ 79,008	\$ 79,169	\$ 79,169	\$ 79,169	\$ 79,169
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	534,387	522,910	520,764	520,764	520,764	520,764	520,764
AUGMENTATIONS	10,003	10,056	10,056	10,056	10,056	10,056	10,056
RESTRICTED.....	2,410	2,125	2,095	2,095	2,095	2,095	2,095
OTHER FUNDS.....	788,306	804,100	739,064	708,129	704,338	669,984	662,566
DEPARTMENT TOTAL	\$ 1,416,341	\$ 1,418,134	\$ 1,350,987	\$ 1,320,213	\$ 1,316,422	\$ 1,282,068	\$ 1,274,650

Program: Community and Occupational Safety and Stability

Goal: To further economic development in the commonwealth by promoting the health, welfare and safety of employees and acting to maintain continuous production and employment through mediation.

The department administers and enforces a wide range of laws designed to enhance income security, safeguard the health of workers and the general public, protect workers' rights and promote stable labor relations and labor-management cooperation.

Income Security and Workers' Rights

The [Bureau of Labor Law Compliance](#) administers and enforces Pennsylvania's laws that ensure workers are paid [minimum wage](#) and [overtime](#), all [owed wages](#) on a prescheduled day, and the [prevailing wage](#) on publicly paid construction projects. It also enforces the laws protecting certain workers' rights, specifically minors who are employed, seasonal farm laborers, health care workers, and workers misclassified as independent contractors. Beginning October 7, 2020, the bureau began enforcing [Act 75](#) of 2019, which prohibits the employment of individuals in the construction industry unauthorized to work in the United States and requires construction industry employers to verify employment eligibility through the federal E-Verify program.

Labor Relations

The [Bureau of Mediation](#) promotes stable labor relations by mediating public and private disputes pursuant to the Public Employee Relations Act and the National Labor Relations Act. Additionally, the bureau provides grievance mediation services, assists public- and private-sector employers and unions in forming and operating labor-management committees and offers labor-management communications training.

The [Pennsylvania Labor Relations Board](#) enforces and implements Pennsylvania laws which relate to collective bargaining in both the public and private sectors, including the Pennsylvania Labor Relations Act, the Public Employee Relations Act, and Act 111 of 1968 (police and firefighter collective bargaining). The board also selects collective bargaining representatives, prevents unfair practices in the public sector and helps to resolve collective bargaining disputes by creating arbitration panels and appointing fact finders.

Public Health and Safety

The [Bureau of Occupational and Industrial Safety](#) enforces and administers a variety of public safety statutes and regulations which address building construction and accessibility, elevators, boilers, liquefied petroleum gas, flammable and combustible liquids, employee safety with regard to hazardous chemicals, accreditation and certification in lead-based paint and asbestos occupations, and the testing and certification for people charged with enforcing the [Uniform Construction Code](#). Additionally, the bureau administers the [Hazardous Material Emergency Planning & Response Act](#) by collecting tier II hazardous chemical inventory report data, material safety data sheets and site plans from every Pennsylvania employer.

Inspections and Certification	2016-17	2017-18	2018-19	2019-20*	2020-21*
Building inspections performed	30,031	29,730	28,492	28,000	28,000
Elevator inspections performed	14,377	13,253	16,123	17,607	19,339
Boiler inspections performed	28,523	30,808	24,829	26,000	28,000
Other inspections performed	6,517	4,963	4,500	5,184	5,134
Building approvals issued	3,752	3,392	2,952	2,900	2,900
New buildings certified and renovations of existing buildings certified	1,833	1,449	1,256	1,200	1,200
Municipalities choosing to provide their own enforcement under the Uniform Construction Code Act	2,422	2,418	2,423	2,423	2,423
Certifications, accreditations & licensing (Asbestos and Lead/Uniform Construction Code)	10,014	11,333	10,987	11,017	11,000

* Estimated

Program: Community and Occupational Safety and Stability, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations

\$ 220 —to continue current program.

Occupational and Industrial Safety is recommended at the current year funding level.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 13,799	\$ 13,624	\$ 13,844	\$ 14,005	\$ 14,005	\$ 14,005	\$ 14,005
Occupational and Industrial Safety	2,947	2,945	2,945	2,945	2,945	2,945	2,945
TOTAL GENERAL FUND	\$ 16,746	\$ 16,569	\$ 16,789	\$ 16,950	\$ 16,950	\$ 16,950	\$ 16,950

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase compliance with labor laws.							
Wages collected by Bureau of Labor Law Compliance under Minimum Wage Act, Wage Payment and Collection Law, and Prevailing Wage Act (in millions)	\$ 7.3	\$ 2.7	\$ 4.2	\$ 5.0	\$ 5.1	\$ 7.7	\$ 5.1
Improve the department's ability to enforce occupational and industrial safety standards.							
Bureau of Occupational and Industrial Safety fee collections (elevators, boiler, gas, flammable and combustible liquid, and building fees) (in millions)	\$ 6.8	\$ 8.9	\$ 12.8	\$ 16.9	\$ 14.8	\$ 12.8	\$ 12.8

Program: Workers' Compensation and Unemployment Assistance

Goal: To further economic development in the commonwealth by stabilizing the incomes of employees who become injured or unemployed.

This program provides income and medical services security to qualifying individuals, including workers' compensation, unemployment compensation, occupational disease payments and Social Security disability payments.

[Workers' compensation](#) insurance provides wage loss benefits and payments for medical services to employees for injuries or diseases sustained while on the job. Occupational disease payments are made under the [Workers' Compensation Act](#) and the [Occupational Disease Act](#), primarily to workers with silicosis and related diseases, commonly referred to as "black lung."

Recent legislation increased funding for [unemployment compensation](#). Act 60 of 2017 provides additional state funds from the Service and Infrastructure Improvement Fund for the administration of unemployment compensation. Revenues in the account are derived from a portion of employee unemployment compensation taxes. The funding is intended to support the operations of the unemployment compensation system and maintain adequate service levels during the implementation and initial deployment of technological upgrades.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND:		Workers' Compensation Payments	
Occupational Disease Payments			
\$ -49	—to continue current program based on payment requirements.	\$ -106	—to continue current program based on payment requirements.

In addition, this budget recommends an appropriation of \$75,802,000 for program costs within the Workmen's Compensation Administration Fund.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Occupational Disease Payments.....	\$ 299	\$ 213	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164
Workers' Compensation Payments.....	413	384	278	278	278	278	278
TOTAL GENERAL FUND.....	<u>\$ 712</u>	<u>\$ 597</u>	$ 442	$ 442	$ 442	$ 442	<u>\$ 442</u>
WORKMEN'S COMPENSATION ADMINISTRATION FUND:							
Administration of Workers' Compensation.....	<u>\$ 70,364</u>	$ 75,802	$ 75,802	$ 75,802	$ 75,802	$ 75,802	<u>\$ 75,802</u>

Program: Workers' Compensation and Unemployment Assistance, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Reduce the cost of paying unemployment compensation claims and collecting UC taxes while improving services for claimants and employers.							
Percentage of first payments on claims within two weeks following the first week that could be paid	93%	87%	88%	88%	68%	68%	70%
Percentage of eligibility determinations within three weeks of discovering that there was an issue to be investigated.....	74%	70%	66%	69%	69%	67%	70%
Reduce the number of Pennsylvania's workplace injury fatalities through increased safety and health training and outreach initiatives.							
Number of workplace injury fatalities	65	77	82	66	60	49	56
Number of free workplace safety and health training and outreach events.....	205	415	431	462	484	468	471
Number of attendees at workplace safety and health training and outreach events.....	7,647	33,605	35,951	36,030	44,991	40,452	40,491

Program: Workforce Investment

Goal: To provide meaningful job training and placement services in a coordinated role with other commonwealth agencies, the private sector and the federal government in order to secure unsubsidized employment for unemployed Pennsylvanians.

The [Department of Labor and Industry](#) oversees [workforce development programs](#) serving job seekers, incumbent workers, and employers as part of a workforce development system delivering a range of employment, training and labor market information services statewide. The department coordinates with other state agencies and local partners to deliver workforce development services. Programs help individuals, including unemployed individuals and people receiving Temporary Assistance for Needy Families, develop skills, find suitable employment in family sustaining jobs and advance along career pathways. The workforce development system also helps employers find and develop the talent they need to grow and thrive.

Workforce Innovation and Opportunity Act

Most workforce development system activities are driven by the federal [Workforce Innovation and Opportunity Act](#) of 2014 (WIOA). WIOA was enacted to help job seekers and workers access employment, education, training and support services to succeed in the labor market and match employers with skilled workers they need to compete in the global economy. There are six core programs under WIOA: Adult, Youth, Dislocated Worker, Adult Education and Family Literacy, Wagner-Peyser and Vocational Rehabilitation, five of which are administered by the department.

Labor Market Information

The [Center for Workforce Information & Analysis](#) disseminates labor market information through diverse products covering employment data, hiring trends and other economic indicators.

PA CareerLink®

[PA CareerLink®](#) is a one-stop workforce development system that has improved service for businesses, job seekers and other customers by integrating systems and coordinating services.

Industry Partnerships

[Industry Partnerships](#) are cohorts of businesses, from the same industry and in a shared labor market region, that work with economic development, education, workforce development, organized labor, and community organizations to address the overall competitiveness needs of the targeted industry. The connections created among partners catalyze the sharing of best practices, improving communications, the sharing of resources and the collective strengthening of regional economies.

Apprenticeship and Training Office

The [Apprenticeship and Training Office](#) (ATO) provides outreach and technical support in accordance with the Pennsylvania Apprenticeship and Training Act and regulations. ATO evaluates employment, education, and economic needs in a specific geographic area to create operational plans. ATO certifies current apprenticeship and training programs, collects data, and maintains records of agreements with the goals of growing the number of Pennsylvania registered apprenticeship opportunities, educating employers and job seekers about the benefits of registered apprenticeships, and expanding apprenticeships into non-traditional areas.

Workforce Development Administration

The Bureau of Workforce Development Administration posts grant opportunities focused on supporting training and employment services.

PA Workforce Development Board

The [PA Workforce Development Board](#) is the governor's private sector policy advisor on building a strong workforce development system aligned with state education and economic development goals. Most of its members are appointed by the governor and represent a variety of workforce development stakeholders, including business executives, labor officials, education leaders, economic development practitioners, and local elected officials. In addition, five state agency cabinet secretaries and four members of the General Assembly serve on the Board.

Program: Workforce Investment, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)
 All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
New Choices / New Options .	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750
Industry Partnerships.....	4,813	2,813	2,813	2,813	2,813	2,813	2,813
Apprenticeship Training.....	7,000	7,000	7,000	7,000	7,000	7,000	7,000
TOTAL GENERAL FUND.....	\$ 12,563	\$ 10,563					

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase the number of Pennsylvanians able to obtain, retain and advance in 21st-century careers, as well as improve the global competitiveness of Pennsylvania's employers.							
Employment rate for youth beneficiaries of Workforce Innovation and Opportunity Act.....	68.0%	69.0%	65.0%	69.0%	70.0%	65.0%	68.0%
Employment rate for adult beneficiaries of Workforce Innovation and Opportunity Act.....	74.0%	75.0%	77.0%	77.0%	77.0%	72.0%	75.0%
Number of Registered apprentices.....	12,487	14,110	15,209	17,409	18,359	19,000	18,000

Program: Vocational Rehabilitation

Goal: To enable eligible persons with disabilities to obtain competitive employment.

The [Office of Vocational Rehabilitation \(OVR\)](#) assists Pennsylvanians with disabilities to secure and maintain employment and independence. OVR's Vocational Rehabilitation program is both state and federally funded, with every state dollar invested leveraging up to four dollars in federal funds.

Primary emphasis is placed on serving individuals with the most significant disabilities. These individuals generally require extensive, comprehensive, and unique services over an extended period of time. OVR utilizes a significant portion of funding for [training and supported employment services](#). The Workforce Innovation and Opportunity Act requires OVR to reserve 15 percent of its federal vocational rehabilitation award for Pre-Employment Transition Services (PETS) to serve students with disabilities who are eligible or potentially eligible for services to transition from secondary to postsecondary education programs and employment.

OVR's strategic objectives focus on:

- employment opportunities for individuals with disabilities through the development of innovative and collaborative programs created in partnership with industries;
- youth with disabilities successfully completing secondary education and entering the labor market;
- students with disabilities served by collaborating with local education entities, career and technology centers, families, and other stakeholders;
- work-based learning experiences for students with disabilities while they are enrolled in secondary education; and
- comprehensive workforce system enhancements through increased collaboration, physical and programmatic accessibility, and data sharing between workforce partner agencies, the Department of Labor and Industry, Department of Health, Department of Human Services and the Department of Education.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Transfer to Vocational Rehabilitation Fund.....	\$ 47,942	\$ 47,942	\$ 47,942	\$ 47,942	\$ 47,942	\$ 47,942	\$ 47,942
Supported Employment	397	397	397	397	397	397	397
Centers for Independent Living.....	1,950	1,950	1,950	1,950	1,950	1,950	1,950
Assistive Technology Financing	475	475	475	475	475	475	475
Assistive Technology Demonstration and Training.....	450	450	450	450	450	450	450
TOTAL GENERAL FUND	\$ 51,214						

Program: Vocational Rehabilitation, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase the employment potential and personal independence of persons with disabilities.							
Customers receiving financial aid for training	3,830	3,629	3,460	3,334	2,692	2,500	3,000
Students receiving Pre-Employment Transition Services (PETS)	N/A	N/A	25,601	27,830	22,327	20,000	22,500
Number of eligible participants with active plans .	41,579	39,771	49,495	53,074	42,391	37,000	40,000
Number of participants successfully placed into competitive integrated employment	8,404	9,311	7,885	7,485	6,953	5,680	6,000
Number of persons successfully completing independent living/specialized services	1,306	1,332	1,235	1,114	1,277	1,200	1,200



LIQUOR CONTROL BOARD

The mission of the Pennsylvania Liquor Control Board (PLCB) is to responsibly sell wine and spirits as a retailer and wholesaler, regulate Pennsylvania's alcohol industry, promote alcohol education and social responsibility and maximize financial returns for the benefit of all Pennsylvanians.

The PLCB regulates the manufacture, importation, sale, distribution and disposition of liquor, alcohol, and malt or brewed beverages in the commonwealth.

PLCB revenues from the sale of wines and spirits and licensing fees cover the cost of merchandise sold and all Liquor Control Board operating and administrative expenses, including funding the Pennsylvania State Police Bureau of Liquor Control Enforcement, funding for the Department of Drug and Alcohol Programs, and services provided by other state agencies such as the Office of Comptroller Operations, Office of Administration, and Auditor General. Remaining proceeds from operations are transferred annually to the commonwealth's General Fund.

Programs and Goals

Liquor Control: *To control the manufacture, distribution and sale of alcoholic beverages, while promoting safe and responsible consumption practices to the citizens of the commonwealth.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2019-20	2020-21	2021-22
ACTUAL	AVAILABLE	BUDGET

OTHER FUNDS:

STATE STORES FUND:

General Operations (EA).....	\$ 591,980	\$ 624,440	\$ 671,700
(A)Sale of Automobiles	5	20	20
Purchase of Liquor (EA)	1,432,488	1,464,700	1,530,600
Comptroller Operations (EA).....	6,025	6,123	6,130
Transfer to the General Fund (EA).....	185,100	185,100	185,100
STATE STORES FUND TOTAL	\$ 2,215,598	\$ 2,280,383	\$ 2,393,550

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
LIQUOR CONTROL							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	2,215,598	2,280,383	2,393,550	2,451,150	2,500,750	2,551,450	2,603,350
SUBCATEGORY TOTAL....	\$ 2,215,598	\$ 2,280,383	\$ 2,393,550	\$ 2,451,150	\$ 2,500,750	\$ 2,551,450	\$ 2,603,350
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	2,215,598	2,280,383	2,393,550	2,451,150	2,500,750	2,551,450	2,603,350
DEPARTMENT TOTAL	\$ 2,215,598	\$ 2,280,383	\$ 2,393,550	\$ 2,451,150	\$ 2,500,750	\$ 2,551,450	\$ 2,603,350

Program: Liquor Control

Goal: To control the manufacture, distribution and sale of alcoholic beverages, while promoting safe and responsible consumption practices to the citizens of the commonwealth.

Retail Sales of Alcohol

The Pennsylvania Liquor Control Board (PLCB) is the primary retailer of wines and spirits in Pennsylvania, operating about 600 Fine Wine & Good Spirits stores, including more than 100 Premium Collection stores and 13 Licensee Service Centers. The PLCB also offers online sales of wine and spirits delivered to consumers' homes or stores of their choice through their website, FineWineAndGoodSpirits.com. The PLCB aims to provide a wide variety of quality wines and spirits at competitive prices that will appeal to a demographically diverse and geographically large population of Pennsylvanians. If the PLCB does not carry products consumers seek, it strives to make those products available through Special Orders, whereby the PLCB facilitates sales between wine and spirits suppliers and customers.

To appeal to consumers at retail and provide a positive store shopping experience, the PLCB continues to remodel stores to create welcoming environments that encourage consumers to spend time exploring expanded selections of products. Fine Wine & Good Spirits also engages customers through celebrity bottle signings, in-store tasting events, and off-site events like wine and whiskey festivals. Each year, stores conduct about 1 million ID checks and age verifications to ensure sales are only made to those 21 years of age and older.

A major initiative for the PLCB is growing e-commerce sales through redesign and rebuild of FineWineAndGoodSpirits.com to better suit consumers' needs and expectations for online shopping.

Wholesale Distribution of Alcohol to Licensees

As the wholesaler of wine and spirits to thousands of licensees, the PLCB is committed to partnering with licensees in building collaborative relationships, developing innovative delivery and product offerings, and effectively and efficiently coordinating distribution of alcohol in ways that meet wholesale customers' needs.

Licensees can order product through the [Licensee Online Order Portal \(LOOP\)](#), one of 13 Licensee Service Centers or from retail stores. Licensees ordering in larger volume can participate in the PLCB's Licensee Delivery Program, which offers direct delivery to licensee locations from PLCB distribution centers.

The PLCB's Wholesale Operations division also actively manages the growing number of wine-to-go retailers in Pennsylvania, including hundreds of grocery and convenience stores across the state.

Licensing

The PLCB licenses and regulates about 16,500 retail and wholesale licensees in the commonwealth, conducts about 8,000 investigations each year, and processes roughly 79,000 applications annually for various license and permit authorities.

While the PLCB is responsible for issuing and renewing liquor licenses, enforcement of liquor laws is the responsibility of the [Pennsylvania State Police Bureau of Liquor Control Enforcement](#). The PLCB can, however, refuse to renew a license, and has limited authority, through the [Licensee Compliance Program](#), to conduct on-site inspections of establishments and immediately suspend a license if a licensee fails to meet certain license requirements. The PLCB also has a nuisance bar program that uses partnerships with the local community, law enforcement agencies and government entities to build evidence when a licensee has abused license privileges to an extent that the PLCB will object to license renewal. The PLCB continues to offer multiple opportunities for expired restaurant licenses each year to individuals and entities seeking to obtain these licenses.

Alcohol Education

The PLCB [educates](#) the public on the responsible use of alcohol, focusing on three key pillars: delivering no-use and zero tolerance messages to those under the age of 21, encouraging responsible consumption for those over 21, and promoting responsible alcohol service and practices among licensees.

The Bureau of Alcohol Education educates the public about the dangers of underage and hazardous drinking through a variety of avenues, including a free alcohol education [conference](#), the creation and distribution of a wide range of educational materials, and training and technical assistance for organizations working to reduce issues related to irresponsible consumption.

The PLCB awards nearly \$1 million each year in [educational grants](#) that enable schools, colleges, community organizations and law enforcement agencies to combat underage and dangerous drinking. Additionally, the [Responsible Alcohol Management Program \(RAMP\)](#) offers responsible service training to Pennsylvania licensees.

The PLCB also developed an alcohol education and prevention campaign targeting Pennsylvania parents of children ages 8 through 12, [Know When. Know How](#). The objective of the campaign is to prevent underage drinking by providing parents with the information, tools and confidence they need to begin having meaningful and effective conversations about alcohol at an early age, before trial or use of alcohol begins.

Program: Liquor Control, continued

Program Recommendations:

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

	STATE STORES FUND			Comptroller Operations (EA)
	General Operations (EA)	\$	7	—to continue current program.
\$ 47,260	—to continue current program.			
	Purchase of Liquor (EA)			
\$ 65,900	—for inventory costs.			

This budget proposes a \$185.1 million profit transfer from the State Stores Fund to the General Fund.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
STATE STORES FUND:							
General Operations (EA) ...	\$ 591,980	\$ 624,440	\$ 671,700	\$ 691,000	\$ 701,400	\$ 711,900	\$ 722,600
Purchase of Liquor (EA)	1,432,488	1,464,700	1,530,600	1,568,900	1,608,100	1,648,300	1,689,500
Comptroller Operations (EA).....	6,025	6,123	6,130	6,130	6,130	6,130	6,130
Transfer to the General Fund (EA) .....	185,100	185,100	185,100	185,100	185,100	185,100	<u>185,100</u>
TOTAL STATE STORES FUND	<u>\$2,215,593</u>	<u>\$2,280,363</u>	<u>\$2,393,530</u>	<u>\$2,451,130</u>	<u>\$2,500,730</u>	<u>\$2,551,430</u>	<u>\$2,603,330</u>

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase revenue contributions to the General Fund by maximizing returns.							
Pennsylvania State Liquor Stores	601	607	605	603	598	598	598
Gross sales (in thousands, excluding liquor taxes and sales taxes).....	\$ 1,959,467	\$ 2,031,304	\$ 2,055,555	\$ 2,133,811	\$ 2,077,840	\$ 2,280,000	\$ 2,359,800
Total contributions from State Stores Fund (in thousands, including liquor taxes, sales taxes, and General Fund transfer)	\$ 591,936	\$ 729,503	\$ 712,033	\$ 726,851	\$ 726,851	\$ 758,200	\$ 778,300

Program: Liquor Control, continued

Program Measures, continued:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase the number of individuals that receive alcohol education to promote moderation and avoidance of abuse among legal consumers, and prevention of purchase and consumption by minors.							
Alcohol education grants awarded	65	63	66	66	50	50	50
Alcohol education grant money awarded (in thousands)	\$ 1,139	\$ 1,120	\$ 1,154	\$ 1,135	\$ 817	\$ 817	\$ 817
Owners/managers receiving Responsible Alcohol Management Program (RAMP) training ..	5,161	5,761	5,902	6,720	5,933	6,230	6,541
Servers/sellers receiving RAMP training.....	44,486	67,135	78,656	85,391	80,025	84,026	88,228
Establishments that are RAMP certified.....	1,471	1,455	1,589	1,946	1,713	1,799	1,889



DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Pennsylvania's Department of Military and Veterans Affairs has a dual mission: to provide quality service to the commonwealth's veterans and their families, and to oversee and support the members of the Pennsylvania National Guard.

The department provides resources and assistance to veterans and their families, and also provides quality care for aging and disabled veterans.

Military and Veterans Affairs prepares the Pennsylvania National Guard for combat, performing worldwide combat and combat support operations; provides global reach and the projection of United States military power in support of national objectives; and, at the command of the governor, also provides trained personnel to support state and local authorities in times of natural disaster or civil strife.

The department consists of the Adjutant General, the State Armory Board, the State Veterans Commission, the Pennsylvania Soldiers and Sailors Home in Erie, the Veterans Home in Hollidaysburg, the Southeastern Veterans Center in Spring City, the Gino J. Merli Veterans Center in Scranton, the Southwestern Veterans Center in Pittsburgh and the Delaware Valley Veterans Home in Philadelphia.

Programs and Goals

State Military Readiness: *To achieve and maintain a readiness capability in units of the Pennsylvania National Guard for quick and effective response to state or federal mobilization.*

Veterans Homes: *To provide nursing and domiciliary care for veterans.*

Compensation and Assistance: *To provide advisory and financial assistance to eligible Pennsylvania veterans, National Guardsmen and their dependents.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
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GENERAL FUND:

General Government:

General Government Operations	\$ 33,143	\$ 32,590	\$ 26,401
(F)Facilities Maintenance	77,685	84,000	79,800
(F)COVID- Facilities Maintenance Cares Act (EA)	409	1,039	-
(F)Federal Construction Grants.....	25,000	25,000	40,000
(F)Spotted Lanternfly (EA)	102	100	-
(F)PA State Opioid Response (EA).....	2,000	2,094	2,000
(A)Rental of Facilities	122	122	122
(A)Utility Reimbursements.....	139	146	146
(A)Housing Fees	79	86	88
(A)Miscellaneous.....	154	113	118
(R)Military Family Relief Assistance.....	16	100	100
(R)State Military Justice	-	1	1
Subtotal.....	\$ 138,849	\$ 145,391	\$ 148,776
National Guard Youth Challenge Program.....	1,000	1,493	1,400
Burial Detail Honor Guard.....	99	99	99
American Battle Monuments	50	50	50
Armory Maintenance and Repair.....	245	1,145	1,645
Special State Duty	35	35	35
Subtotal - State Funds.....	\$ 34,572	\$ 35,412	\$ 29,630
Subtotal - Federal Funds.....	105,196	112,233	121,800
Subtotal - Augmentations.....	494	467	474
Subtotal - Restricted Revenues	16	101	101
Total - General Government.....	\$ 140,278	\$ 148,213	\$ 152,005

Institutional:

Veterans Homes.....	\$ 101,580	\$ 100,321	\$ 108,660
(F)Operations and Maintenance	49,412	56,844	53,156
(F)COVID-Operations and Maintenance (EA).....	209	367	-
(F)Medical Reimbursements	177	159	159
(F)Enhanced Veterans Reimbursement.....	34,791	36,660	34,791
(F)COVID-Enhanced Veterans Reimbursement (EA).....	1,610	3,200	3,200
(F)COVID- Direct Relief Providers (EA)	3,223	2,264	-
(A)Aid and Attendance Payments	7,519	6,905	7,150
(A)Residential Fees.....	14,235	13,250	14,450
(A)Estate Collections.....	2,218	2,265	2,240
(A)Insurance and Third-Party Reimbursements.....	28	27	31

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(A)Physical and Occupational Therapy Reimbursements.....	536	535	536
(A)Pharmaceutical Reimbursements	3,126	2,905	3,012
(A)Miscellaneous.....	23	3	1,034
Subtotal.....	\$ 218,687	\$ 225,705	\$ 228,419
Subtotal - State Funds.....	\$ 101,580	\$ 100,321	\$ 108,660
Subtotal - Federal Funds.....	89,422	99,494	91,306
Subtotal - Augmentations.....	27,685	25,890	28,453
Total - Institutional.....	\$ 218,687	\$ 225,705	\$ 228,419
Grants and Subsidies:			
Education of Veterans Children	\$ 125	\$ 125	\$ 135
Transfer to Educational Assistance Program Fund.....	13,265	13,265	12,525
Blind Veterans Pension.....	222	222	222
Amputee and Paralyzed Veterans Pension	3,714	3,714	3,878
National Guard Pension	5	5	5
Supplemental Life Insurance Premiums	164	164	164
Civil Air Patrol	100	100	100
Disabled American Veterans Transportation.....	336	336	336
Veterans Outreach Services	3,139	3,139	3,279
Subtotal.....	\$ 21,070	\$ 21,070	\$ 20,644
Total - Grants and Subsidies.....	\$ 21,070	\$ 21,070	\$ 20,644
STATE FUNDS.....	\$ 157,222	\$ 156,803	\$ 158,934
FEDERAL FUNDS.....	194,618	211,727	213,106
AUGMENTATIONS	28,179	26,357	28,927
RESTRICTED REVENUES	16	101	101
GENERAL FUND TOTAL.....	\$ 380,035	\$ 394,988	\$ 401,068
OTHER FUNDS:			
EDUCATIONAL ASSISTANCE PROGRAM FUND:			
National Guard Education (EA).....	\$ 290 ^a	\$ - ^a	\$ - ^a
(R)Military Family Education (EA)	- ^a	- ^a	- ^a
EDUCATIONAL ASSISTANCE PROGRAM FUND TOTAL.....	\$ 290	\$ -	\$ -
PENNSYLVANIA VETERANS MONUMENTS AND MEMORIAL TRUST FUND:			
Veterans Memorial (EA)	\$ 116	\$ 93	\$ 95
STATE TREASURY ARMORY FUND:			
Armory Improvements.....	\$ 1,348	\$ 1,030	\$ 580
VETERANS TRUST FUND:			
Grants and Assistance (EA).....	\$ 1,755	\$ 1,755	\$ 1,755

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 157,222	\$ 156,803	\$ 158,934
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	194,618	211,727	213,106
AUGMENTATIONS.....	28,179	26,357	28,927
RESTRICTED.....	16	101	101
OTHER FUNDS.....	3,509	2,878	2,430
TOTAL ALL FUNDS.....	\$ 383,544	\$ 397,866	\$ 403,498

^a The National Guard Education (EA) for 2019-20 Actual is \$13,555,000; 2020-21 Available is \$12,971,000; and 2021-22 Budget is \$11,231,000. The (R)Military Family Education (EA) for 2019-20 Actual is \$265,000; 2020-21 Available is \$3,108,000; and 2021-22 Budget is \$4,579,000. The amount of the General Fund transfer into the Educational Assistance Program Fund is not included to avoid double counting.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
STATE MILITARY READINESS							
GENERAL FUND.....	\$ 33,572	\$ 33,919	\$ 28,230	\$ 29,202	\$ 29,202	\$ 29,202	\$ 29,202
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	105,196	112,233	121,800	121,800	121,800	121,800	121,800
AUGMENTATIONS	494	467	474	474	474	474	474
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	1,464	1,123	675	293	293	293	293
SUBCATEGORY TOTAL....	\$ 140,726	\$ 147,742	\$ 151,179	\$ 151,769	\$ 151,769	\$ 151,769	\$ 151,769
VETERANS HOMES							
GENERAL FUND.....	\$ 101,580	\$ 100,321	\$ 108,660	\$ 118,556	\$ 118,556	\$ 118,556	\$ 118,556
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	89,422	99,494	91,306	88,106	88,106	88,106	88,106
AUGMENTATIONS	27,685	25,890	28,453	28,792	28,792	28,792	28,792
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 218,687	\$ 225,705	\$ 228,419	\$ 235,454	\$ 235,454	\$ 235,454	\$ 235,454
COMPENSATION AND ASSISTANCE							
GENERAL FUND.....	\$ 22,070	\$ 22,563	\$ 22,044	\$ 29,568	\$ 34,429	\$ 39,960	\$ 44,072
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	16	101	101	101	101	101	101
OTHER FUNDS.....	2,045	1,755	1,755	1,755	1,755	1,755	1,755
SUBCATEGORY TOTAL....	\$ 24,131	\$ 24,419	\$ 23,900	\$ 31,424	\$ 36,285	\$ 41,816	\$ 45,928

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
ALL PROGRAMS:							
GENERAL FUND.....	\$ 157,222	\$ 156,803	\$ 158,934	\$ 177,326	\$ 182,187	\$ 187,718	\$ 191,830
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	194,618	211,727	213,106	209,906	209,906	209,906	209,906
AUGMENTATIONS	28,179	26,357	28,927	29,266	29,266	29,266	29,266
RESTRICTED.....	16	101	101	101	101	101	101
OTHER FUNDS.....	3,509	2,878	2,430	2,048	2,048	2,048	2,048
DEPARTMENT TOTAL	\$ 383,544	\$ 397,866	\$ 403,498	\$ 418,647	\$ 423,508	\$ 429,039	\$ 433,151

Program: State Military Readiness

Goal: To achieve and maintain a readiness capability in units of the Pennsylvania National Guard for quick and effective response to state or federal mobilization.

The [State Military Readiness](#) program provides the administrative, logistical and training support necessary for the Pennsylvania National Guard to maintain requisite readiness capability to serve during emergencies. Such emergencies may result in full or partial mobilization of the [Pennsylvania National Guard](#) for state service in the commonwealth or federal service anywhere in the world. Costs for military equipment, supplies and training are funded solely by the federal government. The readiness capability of Pennsylvania National Guard units is evaluated according to established federal inspection and training standards. Primary efforts are directed toward having the

Pennsylvania National Guard in top readiness condition to perform state and federal missions. The training of personnel is dependent upon the operation, maintenance and repair of numerous National Guard armories and readiness centers, support facilities, Air National Guard bases and installations. These facilities may also be utilized as mass care centers for disaster victims in addition to providing meeting and recreational facilities for local civic and youth organizations. A statewide communications network provides fast and effective response to state or federal mobilization.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations		Armory Maintenance and Repair	
\$ -5,884	—nonrecurring costs.	\$ 500	—to continue current program while ensuring continued solvency in the State Treasury Armory Fund.
<u>-305</u>	—to continue current program.		
\$ -6,189	<i>Appropriation Decrease</i>		

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
GENERAL FUND:							
General Government Operations.	\$ 33,143	\$ 32,590	\$ 26,401	\$ 26,991	\$ 26,991	\$ 26,991	\$ 26,991
Burial Detail Honor Guard.....	99	99	99	99	99	99	99
American Battle Monuments.....	50	50	50	50	50	50	50
Armory Maintenance and Repair .	245	1,145	1,645	2,027	2,027	2,027	2,027
Special State Duty	<u>35</u>	<u>35</u>	<u>35</u>	<u>35</u>	<u>35</u>	<u>35</u>	<u>35</u>
TOTAL GENERAL FUND	\$ 33,572	\$ 33,919	\$ 28,230	\$ 29,202	\$ 29,202	\$ 29,202	\$ 29,202

Program: State Military Readiness, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain the strength and readiness of the Pennsylvania Army National Guard.							
Pennsylvania Army National Guard End Strength Ceiling	15,381	15,546	14,800	14,204	13,800	14,355	14,355
Pennsylvania Army National Guard Assigned	15,597	15,513	14,890	14,204	13,863	14,050	14,355
Percentage of Pennsylvania Army National Guard Current Strength	101%	100%	101%	100%	100%	98%	100%
Department of Defense personnel receiving training at Fort Indiantown Gap	117,143	112,796	157,692	147,402	114,261	157,692	157,692
Non-Department of Defense personnel receiving training at Fort Indiantown Gap	7,121	7,412	5,802	4,314	7,719	7,451	7,451
Maintain the strength and readiness of the Pennsylvania Air National Guard.							
Pennsylvania Air National Guard End Strength Ceiling	4,102	4,102	4,119	4,133	4,126	4,140	4,140
Pennsylvania Air National Guard Assigned ..	4,000	3,922	4,007	4,115	4,096	4,124	4,124
Percentage of the Pennsylvania Air National Guard Current Strength	98%	96%	97%	100%	99%	100%	100%
Maintain a network of readiness centers and Air National Guard bases that provide a professional working environment, ensure cost effectiveness and establish the National Guard as a good neighbor.							
Percentage of readiness centers and field sites rated adequate to satisfy the mission..	45%	50%	53%	53%	70%	70%	70%

Program: Veterans Homes

Goal: To provide nursing and domiciliary care for veterans.

The Department of Military and Veterans Affairs provides Pennsylvania veterans with various levels of care, including skilled nursing, dementia/memory, domiciliary and personal care at the six [veterans homes](#) located throughout the commonwealth: the [Pennsylvania Soldiers and Sailors Home](#) in Erie, the [Hollidaysburg Veterans Home](#) in Duncansville, the [Southeastern Veterans Center](#) in Spring City, the [Gino J. Merli Veterans Center](#) in Scranton, the [Southwestern Veterans Center](#) in Pittsburgh and the

[Delaware Valley Veterans Home](#) in Philadelphia.

The United States Department of Veterans Affairs provides financial assistance for care received at the state veterans homes, including a personal needs allowance for residents. DMVA maximizes federal funds and augmentations through participation in the Enhanced Veterans Reimbursement initiative for residents eligible for Medicaid reimbursement, Medicare Part B, Medicare Part D and PACE/PACENET.

Expenditures by Institution: (Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22		2019-20	2020-21	2021-22
	Actual	Available	Budget		Actual	Available	Budget
Pennsylvania Soldiers and Sailors Home				Southwestern Veterans Center			
State Funds.....	\$ 10,252	\$ 11,171	\$ 11,709	State Funds.....	\$ 13,895	\$ 10,706	\$ 14,517
Federal Funds.....	10,692	9,772	10,001	Federal Funds.....	14,983	18,956	17,586
Augmentations.....	3,820	3,624	3,833	Augmentations.....	4,394	4,034	4,204
TOTAL.....	\$ 24,764	\$ 24,567	\$ 25,543	TOTAL.....	\$ 33,272	\$ 33,696	\$ 36,307
Hollidaysburg Veterans Home				Delaware Valley Veterans Home			
State Funds.....	\$ 23,861	\$ 22,421	\$ 30,334	State Funds.....	\$ 11,382	\$ 12,271	\$ 11,936
Federal Funds.....	22,281	23,768	19,802	Federal Funds.....	9,525	9,596	11,479
Augmentations.....	6,768	6,613	6,538	Augmentations.....	3,212	2,651	3,775
TOTAL.....	\$ 52,910	\$ 52,802	\$ 56,674	TOTAL.....	\$ 24,119	\$ 24,518	\$ 27,190
Southeastern Veterans Center				Central Veterans Homes Services			
State Funds.....	\$ 17,623	\$ 19,139	\$ 19,289	State Funds.....	\$ 14,231	\$ 18,053	\$ 12,271
Federal Funds.....	15,451	14,747	15,774	Federal Funds.....	2,024	5,831	-
Augmentations.....	5,089	4,552	5,582	Augmentations.....	-	-	-
TOTAL.....	\$ 38,163	\$ 38,438	\$ 40,645	TOTAL.....	\$ 16,255	\$ 23,884	\$ 12,271
Gino J. Merli Veterans Center							
State Funds.....	\$ 10,336	\$ 6,560	\$ 8,604				
Federal Funds.....	14,466	16,824	16,664				
Augmentations.....	4,402	4,416	4,521				
TOTAL.....	\$ 29,204	\$ 27,800	\$ 29,789				

Program: Veterans Homes, continued

Veterans Homes Populations for the Prior, Current and Upcoming Year

Institution	Population	Population	Projected	Projected	Projected
	July 2019	July 2020	Population July 2021	Bed Capacity July 2021	Percent of Capacity July 2021
Pennsylvania Soldiers and Sailors Home.....	178	161	165	207	79.7%
Hollidaysburg Veterans Home.....	343	307	315	424	74.3%
Southeastern Veterans Center	287	187	192	292	65.8%
Gino J. Merli Veterans Center.....	181	163	160	196	81.6%
Southwestern Veterans Center	215	195	187	236	79.2%
Delaware Valley Veterans Home	124	95	142	142	100.0%
Total.....	1,328	1,108	1,161	1,497	77.6%

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Veterans Homes

\$ -525	—to continue current program.
<u>8,864</u>	—impact of reduced carryover federal reimbursements.
\$ 8,339	<i>Appropriation Increase</i>

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Veterans Homes	<u>\$ 101,580</u>	<u>\$ 100,321</u>	<u>\$ 108,660</u>	<u>\$ 118,556</u>	<u>\$ 118,556</u>	<u>\$ 118,556</u>	<u>\$ 118,556</u>

Program: Compensation and Assistance

Goal: To provide advisory and financial assistance to eligible Pennsylvania veterans, National Guardsmen and their dependents.

The Department of Military and Veterans Affairs administers several activities within this program to aid qualified veterans, guardsmen and their families.

[Education of Children of Deceased and Disabled Veterans](#). The program provides financial assistance of up to \$500 per semester to children of honorably discharged veterans who have service-connected disabilities and served during a period of war or armed conflict and children of veterans who die or died in service during a period of war or armed conflict.

[Educational Assistance — National Guard](#). Tuition grants are provided for certain members of the Pennsylvania National Guard who enroll in a Pennsylvania institution of higher learning with degree-granting status.

[Military Family Education Program](#). Pennsylvania National Guard members who commit to an additional six years of service can receive ten semesters of higher education benefits for their spouses and children. The program is administered by the [Pennsylvania Higher Education Assistance Agency](#).

[Blind Veterans Pension](#). Pensions of \$150 per month are provided for Pennsylvania veterans who incurred functional blindness while performing active military service and are rated as blinded through service connection by the U.S. Department of Veterans Affairs (USDVA).

[Amputee and Paralyzed Veterans Pension](#). Pensions of \$150 per month are provided to Pennsylvania veterans who are rated by the USDVA to have a service-connected loss or loss of use of two or more extremities.

[National Guard Pension](#). The program provides compensation for guardsmen who are injured or disabled or to dependent family members of guardsmen who die while performing duty in active service to the commonwealth, or in the performance of other state military duty.

[Supplemental Life Insurance Premiums](#). DMVA pays or reimburses the cost not paid by the federal government of group life insurance premiums for eligible soldiers and airmen of the Pennsylvania National Guard.

[Veterans Outreach Services](#). The Veterans Service Organizations program provides grants to organizations for the improvement of the administration and delivery of services to Pennsylvania veterans.

[Disabled Veterans Real Estate Tax Exemption Program](#). This program provides a real estate tax exemption for any honorably discharged veteran who is determined by the USDVA to be 100 percent permanently disabled.

[Military Family Relief Assistance Program](#). The Military Family Relief Assistance Program was created to provide for short-term financial relief to families in need due to deployment of a family member.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

National Guard Youth Challenge Program		Transfer to Educational Assistance Program Fund	
\$ -844	—nonrecurring costs.	\$ -740	—based on most recent projection of program requirements.
<u>751</u>	—to continue and annualize current program.		
\$ -93	<i>Appropriation Decrease</i>		
Education of Veterans Children		Amputee and Paralyzed Veterans Pension	
\$ 10	—to continue current program.	\$ 164	—to continue current program.
		Veterans Outreach Services	
		\$ 140	—to continue current program.

All other appropriations are recommended at the current year funding levels.

Military and Veterans Affairs

Program: Compensation and Assistance, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
National Guard Youth Challenge Program ..	\$ 1,000	\$ 1,493	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400
Education of Veterans Children	125	125	135	135	135	135	135
Transfer to Educational Assistance Program Fund	13,265	13,265	12,525	20,049	24,910	30,441	34,553
Blind Veterans Pension	222	222	222	222	222	222	222
Amputee and Paralyzed Veterans Pension ..	3,714	3,714	3,878	3,878	3,878	3,878	3,878
National Guard Pension.....	5	5	5	5	5	5	5
Supplemental Life Insurance Premiums	164	164	164	164	164	164	164
Civil Air Patrol	100	100	100	100	100	100	100
Disabled American Veterans Transportation	336	336	336	336	336	336	336
Veterans Outreach Services.....	3,139	3,139	3,279	3,279	3,279	3,279	3,279
TOTAL GENERAL FUND	\$ 22,070	\$ 22,563	\$ 22,044	\$ 29,568	\$ 34,429	\$ 39,960	\$ 44,072

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Improve access and increase the number of eligible veterans and family members who receive federal, state and local benefits.							
Number of Burial Honors Program services	2,706	2,749	2,556	2,730	1,990	2,850	2,900
Number of veterans who received benefits in accordance with the Veterans Temporary Assistance (VTA) Program	463	522	585	560	488	500	500
Number of new federal claims for Pennsylvania veterans (compensation and pension claims)	8,362	8,065	6,970	7,195	6,726	6,500	6,500
Number of new claims filed by participants in the Veterans Service Officer Outreach Grant Program (Act 66 of 2007)	18,371	32,756	27,733	18,299	14,589	14,150	14,150
Increase placement and referral opportunities of transitioning service members, veterans and Pennsylvania reservists for behavioral health, education/training and career placement services.							
National Guard personnel receiving educational financial aid.....	2,606	2,586	2,277	2,023	1,996	2,300	2,300
National Guard personnel receiving Medical and Health Officer incentives.....	45	45	38	36	35	35	30
Number of veterans assisted through Veterans Trust Fund grants	7,965	10,992	7,310	10,070	7,732	9,500	10,992
Number of new individuals registered through the Veterans Registry - service in Armed Forces	3,196	7,374	4,231	8,927	8,655	8,500	8,500
Number of new individuals registered through the Veterans Registry - no service in Armed Forces.....	59	358	138	266	290	78	300



MILK MARKETING BOARD

The mission of the Milk Marketing Board is to ensure that Pennsylvania's dairy industry remains viable by providing a regulatory environment that facilitates a safe, adequate supply of wholesome milk while providing security for its dairy farmers and milk dealers and protection for the public health and welfare of consumers.

Programs and Goals

Milk Industry Regulation: *To maintain an adequate supply of wholesome fluid milk.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2019-20	2020-21	2021-22
ACTUAL	AVAILABLE	BUDGET

OTHER FUNDS:

MILK MARKETING FUND:

General Operations	\$ 2,840	\$ 2,840	\$ 2,840
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Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MILK INDUSTRY REGULATION							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	2,840	2,840	2,840	2,840	2,840	2,840	2,840
SUBCATEGORY TOTAL....	\$ 2,840	$ 2,840	$ 2,840	$ 2,840	$ 2,840	$ 2,840	$ 2,840
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	2,840	2,840	2,840	2,840	2,840	2,840	2,840
DEPARTMENT TOTAL	\$ 2,840	$ 2,840	$ 2,840	$ 2,840	$ 2,840	$ 2,840	$ 2,840

Program: Milk Industry Regulation

Goal: To maintain an adequate supply of wholesome fluid milk.

The [Milk Marketing Board](#) is a special fund agency financed from milk industry license fees, permit fees and fines. The board supervises, inspects and regulates the milk industry of the commonwealth and establishes reasonable trade control and marketing practices. It formulates policy, holds public hearings and subsequently issues and enforces general marketing orders, rules and regulations. The board also handles prosecution and levying of penalties against violators of the Milk Marketing Law, the Milk Producers' Security Act and board regulations.

The board's major function is to ensure an adequate milk supply by setting minimum [prices paid to farmers](#),

minimum prices dealers can charge [wholesale and retail](#) customers, and minimum prices stores can charge consumers. The regulation process is complicated by the existence of federal marketing orders, which are prices established by the federal government that must be paid to producers.

The board has implemented an automated milk accounting and regulatory system. The system values milk based on component pricing, allowing adaptation to changes in the state and federal regulatory environment. Pricing information collected through the system and from public hearings is used by the board to establish minimum milk prices.

Program Recommendations:

This budget recommends the following changes from the Milk Marketing Fund:(Dollar Amounts in Thousands)

General Operations is recommended at the current year funding level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MILK MARKETING FUND:							
General Operations	\$ 2,840	\$ 2,840	\$ 2,840	\$ 2,840	\$ 2,840	\$ 2,840	\$ 2,840

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain producer payment compliance at or above 99% for all payment amounts due to Pennsylvania dairy farmers.							
Percentage of producer payments made adequately and on time	99%	99%	99%	99%	99%	99%	99%
Establish a Class 1 over-order premium based upon industry testimony which enhances Pennsylvania producer revenue that also maintains orderly milk marketing in Pennsylvania.							
Public hearings held to consider the level and duration of the Class 1 over-order premium	2	2	2	2	2	2	2
Include current dealer and retail store costs in minimum resale prices.							
General and cost replacement hearings held to determine dealer and retailer costs..	6	6	6	6	6	6	6
Audit milk dealers for compliance with milk sales rules and regulations.							
Audits of milk dealers for compliance with milk sales rules and regulations.....	1,028	1,026	956	912	925	925	948
Ensure all licensed milk dealers purchasing PA producer milk are in compliance with bonding requirements.							
Percent compliance with producer security requirements of the Milk Producers' Security Act.....	N/A	N/A	N/A	N/A	N/A	N/A	100%



PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

The mission of the [Public School Employees' Retirement System](#) is to serve the members and stakeholders of the system by providing timely and accurate payment of benefits, maintaining a financially sound system, prudently investing the assets of the system, clearly communicating members' and employers' rights and responsibilities and effectively managing the resources of the system.

The system is responsible for administering the School Employees' Retirement Fund, the PSERS - Defined Contribution Fund, as well as [premium assistance](#) benefits and supplemental retirement allowances for annuitants.

Programs and Goals

Public School Employees' Retirement: *To provide retirement benefits to public school employees of the commonwealth of Pennsylvania.*

Public School Employees' Retirement System

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2019-20	2020-21	2021-22
ACTUAL	AVAILABLE	BUDGET

OTHER FUNDS:

SCHOOL EMPLOYEES' RETIREMENT FUND:

Administration.....	\$ 51,838	\$ 52,294	\$ 52,906
Investment Related Expenses.....	25,725	34,149	34,800
Investment Office Consolidation.....	4,000	-	-
(R)Health Insurance Account	1,967	2,001	2,004
(A)Health Options - Administration Reimbursement	1,408	1,414	1,354
SCHOOL EMPLOYEES' RETIREMENT FUND TOTAL	\$ 84,938	\$ 89,858	\$ 91,064

PSERS - DEFINED CONTRIBUTION FUND:

(R)Administration.....	\$ 2,454	\$ 1,083	\$ 955
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	87,392	90,941	92,019
TOTAL ALL FUNDS	\$ 87,392	\$ 90,941	\$ 92,019

Public School Employees' Retirement System

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PUBLIC SCHOOL EMPLOYEES' RETIREMENT							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	87,392	90,941	92,019	92,019	92,019	92,019	92,019
SUBCATEGORY TOTAL....	\$ 87,392	\$ 90,941	$ 92,019	$ 92,019	$ 92,019	$ 92,019	\$ 92,019
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	87,392	90,941	92,019	92,019	92,019	92,019	92,019
DEPARTMENT TOTAL	\$ 87,392	\$ 90,941	\$ 92,019	$ 92,019	$ 92,019	$ 92,019	$ 92,019

Public School Employees' Retirement System

Program: Public School Employees' Retirement

Goal: To provide retirement benefits to public school employees of the commonwealth of Pennsylvania.

The [Public School Employees' Retirement System \(PSERS\)](#) was established in 1917 to administer retirement benefits of eligible public school employees. The School Employees' Retirement Fund uses contributions from employees and their employers, as well as earnings from investments, to pay for annuities, disability benefits and administration of the system.

PSERS undergoes an annual independent [actuarial valuation](#) to calculate the assets and liabilities of the pension fund. Based on the actuarial valuation process and legal requirements, PSERS develops the recommended employer contribution rate. Normal retirement for most public school employees is age 60, or at any age with 35 years of service. Retirement is possible after five years of service but is actuarially reduced to the equivalent of the annuity that would have been payable at normal system retirement age.

PSERS' [investment portfolio](#) is diversified to emphasize a long-term investment approach. The return objectives are to invest the assets of the system to maximize the returns for the level of risk taken and strive to achieve a net-of-fee return that exceeds the Policy Index. The Policy Index is a custom benchmark, based on the

PSERS board-established asset allocation structure, that seeks to generate a return that meets the actuarial rate of return assumption.

PSERS' new "browser-based" system ensures the viability of PSERS' core pension administration system and provides an enhanced baseline platform with built-in features that will make future business processes and member self-service enhancements much easier to implement.

[Act 5 of 2017](#) implemented a substantial change to PSERS' operations and made significant changes to PSERS' benefit structure for new members. As of July 1, 2019, school employees who become new members of PSERS choose one of three new retirement plan options for their retirement benefits. The new plan design options include two hybrid plans consisting of defined benefit and defined contribution components and a stand-alone defined contribution plan. A stand-alone defined benefit plan is no longer available to new members as of July 1, 2019.

PSERS is also responsible for the administration of the School Retirees' Health Insurance Account that provides [premium assistance](#) benefits to retirees.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

SCHOOL EMPLOYEES' RETIREMENT FUND		PSERS - DEFINED CONTRIBUTION FUND	
Administration		Administration	
\$ 612	—to continue current program.	\$ -128	—non-recurring costs.

In addition, \$34,800,000 in Investment Related Expenses will be used to support the financial activities of this program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
SCHOOL EMPLOYEES' RETIREMENT FUND:							
Administration	\$ 51,838	\$ 52,294	\$ 52,906	\$ 52,906	\$ 52,906	\$ 52,906	\$ 52,906
Investment Related Expenses	25,725	34,149	34,800	34,800	34,800	34,800	34,800
Investment Office Consolidation	4,000	-	-	-	-	-	-
TOTAL SCHOOL EMPLOYEES' RETIREMENT FUND	\$ 81,563	\$ 86,443	\$ 87,706	$ 87,706	$ 87,706	$ 87,706	$ 87,706

Public School Employees' Retirement System

Program: Public School Employees' Retirement, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PSERS - DEFINED CONTRIBUTION FUND:							
Restricted Revenues							
Administration	\$ 2,454	\$ 1,083	\$ 955	\$ 955	\$ 955	\$ 955	\$ 955

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase members' awareness of PSERS benefits.							
Percentage of retiring members attending counseling with PSERS	72%	70%	70%	69%	70%	70%	70%
Provide timely and accurate retirement benefit payments.							
Total number of retired employees (annuitants), beneficiaries and survivor annuitants.....	224,828	230,014	233,288	237,339	239,614	242,814	246,014
Total Pension and Health Care Premium Assistance benefit payments (in billions)	\$ 6.38	\$ 6.53	\$ 6.64	\$ 6.77	\$ 6.99	\$ 7.11	\$ 7.22

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PUBLIC UTILITY COMMISSION

The mission of the Public Utility Commission is to provide for regulation of public utilities and includes establishing reasonable rates, providing for safe service, conducting audits, and ensuring compliance with public utility regulations.

The commission is comprised of five members appointed by the governor with senate confirmation.

Programs and Goals

Regulation of Public Utilities: *To ensure that safe and adequate public utility services are available to the public at fair and reasonable rates.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
(R)General Government Operations	\$ 75,533	\$ 78,061	\$ 78,477
(F)Natural Gas Pipeline Safety.....	4,414	3,892	3,995
(F)Motor Carrier Safety	1,138	1,130	1,058
Subtotal - Federal Funds.....	5,552	5,022	5,053
Subtotal - Restricted Revenues	75,533	78,061	78,477
Total - General Government.....	\$ 81,085	\$ 83,083	\$ 83,530
FEDERAL FUNDS.....	5,552	5,022	5,053
RESTRICTED REVENUES	75,533	78,061	78,477
GENERAL FUND TOTAL	\$ 81,085	\$ 83,083	\$ 83,530
OTHER FUNDS:			
MARCELLUS LEGACY FUND:			
Transfer to Highway Bridge Improvement (EA)	\$ 18,197	\$ 12,886	\$ 12,866
Transfer to Environmental Stewardship Fund (EA).....	7,279	5,154	5,146
Transfer to Hazardous Sites Cleanup Fund (EA).....	18,639	17,577	17,573
County Rec Planning, Development and Rehabilitation (EA)	10,918	7,732	7,719
Transfer to Commonwealth Financing Authority-H2O (EA)	9,098	6,443	6,433
Transfer to Commonwealth Financing Authority (EA).....	14,557	10,309	10,292
MARCELLUS LEGACY FUND TOTAL	\$ 78,688	\$ 60,101	\$ 60,029
UNCONVENTIONAL GAS WELL FUND:			
Gas Well Fee Administration (EA).....	\$ 1,000	\$ 1,000	\$ 1,000
Conservation District Grants (EA)	3,949	4,047	4,149
Transfer to Conservation District Fund (EA)	3,949	4,047	4,149
Transfer to Housing Afford & Rehab Enhancement Fund (EA)	5,942	5,000	5,000
Host Counties (EA).....	37,505	26,034	25,990
Host Municipalities (EA)	37,710	26,757	26,712
Local Municipalities (EA).....	28,023	19,525	19,492
Transfer to Marcellus Legacy Fund (EA)	72,787	51,544	51,462
UNCONVENTIONAL GAS WELL FUND TOTAL.....	\$ 190,865	\$ 137,954	\$ 137,954
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS.....	5,552	5,022	5,053
AUGMENTATIONS	-	-	-
RESTRICTED.....	75,533	78,061	78,477
OTHER FUNDS.....	269,553	198,055	197,983
TOTAL ALL FUNDS	\$ 350,638	\$ 281,138	\$ 281,513

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
REGULATION OF PUBLIC UTILITIES							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	5,552	5,022	5,053	5,053	5,053	5,053	5,053
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	75,533	78,061	78,477	79,928	79,928	79,928	79,928
OTHER FUNDS.....	269,553	198,055	197,983	197,912	197,837	197,761	197,682
SUBCATEGORY TOTAL....	\$ 350,638	\$ 281,138	\$ 281,513	\$ 282,893	\$ 282,818	\$ 282,742	\$ 282,663
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	5,552	5,022	5,053	5,053	5,053	5,053	5,053
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	75,533	78,061	78,477	79,928	79,928	79,928	79,928
OTHER FUNDS.....	269,553	198,055	197,983	197,912	197,837	197,761	197,682
DEPARTMENT TOTAL	\$ 350,638	\$ 281,138	\$ 281,513	\$ 282,893	\$ 282,818	\$ 282,742	\$ 282,663

Program: Regulation of Public Utilities

Goal: To ensure that safe and adequate public utility services are available to the public at fair and reasonable rates.

The [Pennsylvania Public Utility Commission](#) balances the needs of consumers and utilities to ensure safe and reliable utility service at reasonable rates; protects the public interest; educates consumers to make independent and informed utility choices; furthers economic development; and fosters new technologies and competitive markets in an environmentally sound manner.

The commission oversees nearly 9,000 entities furnishing a variety of essential services including electricity, natural gas, telephone, water, wastewater collection and steam heat. Also included are entities furnishing transportation of passengers and property by motor coach, truck, taxicab and natural gas pipeline operators including those who transport hazardous materials. The commission is empowered to enforce federal pipeline safety laws as they relate to non-public utility gas and hazardous liquids pipeline equipment and facilities within Pennsylvania. The commission is funded by assessments on the regulated entities based upon their operating revenues along with federal grant monies.

Utility Group	Regulated Utilities		
	2019-20	2020-21*	2021-22*
Electric Distribution	15	15	15
Gas Distribution	22	22	22
Electric Suppliers	452	470	475
Gas Suppliers	338	358	378
Telephone	325	310	300
Water/Wastewater	128	124	120
Transportation	7,760	7,740	7,720
Rate Requests Received	40	35	30
Rate Cases Completed	28	26	24

* Estimated

The focus of the commission has expanded from the traditional role of approving the cost-based rates and

regulating the service of all public utilities to a broader mandate of also enabling and facilitating competitive markets for the electric, natural gas and telecommunications industries. The commission experiences a steady number of rate requests from electric, natural gas and water companies. Commission approval of mergers and acquisitions is an ongoing process, especially affecting the water and telecommunications industries.

The commission also:

- collects unconventional gas well impact fees under [Act 13 of 2012](#) and distributes the proceeds to counties and municipalities;
- ensures Pennsylvania's seven largest electric distribution companies develop [energy efficiency and conservation](#) plans to reduce the amount of electricity consumed by residential and business consumers;
- enforces the [statute](#) requiring electric distribution companies and generation suppliers to include electricity generated from alternative energy resources in their sales to retail customers;
- monitors the [broadband](#) deployment initiatives requiring participating incumbent local exchange carriers to provide access to broadband service to all Pennsylvanians at minimum speed standards for uploads and downloads;
- ensures that telecommunications services for [eligible low-income consumers and households](#) meet or exceed national standards;
- reviews petitions authorized under [Act 11 of 2012](#) by jurisdictional water and wastewater, natural gas and electric utilities to implement a distribution system improvement charge funding infrastructure upgrade; and
- provides oversight of transportation services under [Act 164 of 2016](#), including services ranging from traditional taxis and limousines to ride-hailing Transportation Network Companies.

Program Recommendations:

This budget recommends the following change from the restricted account: (Dollar Amounts in Thousands)

General Government Operations

\$ 416 —to continue current program.

In addition, this budget includes distributions of \$60,029,000 from the Marcellus Legacy Fund and \$137,954,000 from the Unconventional Gas Well Fund in accordance with Act 13 of 2012.

Program: Regulation of Public Utilities, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Restricted Revenues							
General Government Operations...	\$ 75,533	\$ 78,061	\$ 78,477	\$ 79,928	\$ 79,928	\$ 79,928	\$ 79,928

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain safe and reliable utility services at affordable rates for consumers.							
Fixed Utility Audits Conducted - Special.....	374	384	373	456	460	485	470
Fixed Utility Audits Conducted - Management	10	9	6	10	14	11	7
Enforcement/Investigations Audits Conducted - Gas safety	1,200	1,000	1,150	1,250	1,354	1,363	1,350
Transportation Audits Conducted - Rail safety	2,056	1,900	2,000	2,050	2,053	2,018	2,020
Transportation Audits Conducted - Motor safety	8,000	8,000	8,300	8,500	8,476	8,419	8,300

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DEPARTMENT OF REVENUE

The mission of the Department of Revenue is to fairly, efficiently and accurately administer the tax laws and other revenue programs of the commonwealth to fund necessary government services.

The department collects all tax levies as well as various fees, fines and other monies due the commonwealth. The department also supervises the administration and collection of monies for the first and second class county sales tax and various special funds.

The department prepares the official estimates of the tax yield due the commonwealth and analyzes the effect on revenues of proposed changes in either the laws or the tax structure of the commonwealth.

Programs and Goals

Revenue Collection and Administration: *To assure the availability of resources for the commonwealth's programs through the equitable and efficient administration of Pennsylvania's revenue system.*

Community Development and Preservation: *To equitably distribute the Public Utility Realty Tax to all reporting local taxing authorities.*

Homeowners and Renters Assistance: *To increase economic stability by assisting eligible Pennsylvania citizens to maintain their homes.*

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	ACTUAL	AVAILABLE	BUDGET
<u>GENERAL FUND:</u>			
<i>General Government:</i>			
General Government Operations	\$ 146,511	\$ 142,954	\$ 142,954
(A) Services to Special Funds	14,815	12,976	12,976
(A) EDP and Staff Support	7,691	7,584	7,584
(A) Reimbursed Costs from Other Agencies	772	780	780
(A) AOPC Intercept Administrative Costs	506	500	500
(A) Tax Information	686	686	686
(A) Local Sales Tax	6,751	6,600	6,600
(A) Cost of Collecting Philadelphia Cigarette Tax	607	605	605
(A) Cigarette Fines and Penalties	67	65	65
(A) Small Games of Chance	72	72	72
(A) RTT Local Collection	88	87	87
(A) Prepaid Wireless E-911	3	3	3
(A) Sale of Equipment	11	-	-
Technology and Process Modernization	5,700	4,750	4,750
Commissions - Inheritance & Realty Transfer Taxes (EA)	13,007	11,801	12,791
(R) Enhanced Revenue Collection Account	30,000	30,000	30,000
(R) Host Municipality Tavern Games Local Share Account	113	110	110
Subtotal - State Funds	\$ 165,218	\$ 159,505	\$ 160,495
Subtotal - Augmentations	32,069	29,958	29,958
Subtotal - Restricted Revenues	30,113	30,110	30,110
Total - General Government	\$ 227,400	\$ 219,573	\$ 220,563
<i>Grants and Subsidies:</i>			
Distribution of Public Utility Realty Tax	\$ 29,187	\$ 29,213	\$ 32,209
STATE FUNDS	\$ 194,405	\$ 188,718	\$ 192,704
AUGMENTATIONS	32,069	29,958	29,958
RESTRICTED REVENUES	30,113	30,110	30,110
GENERAL FUND TOTAL	\$ 256,587	\$ 248,786	\$ 252,772
<u>MOTOR LICENSE FUND:</u>			
<i>General Government:</i>			
Collections - Liquid Fuels Tax	\$ 19,285	\$ 23,136	\$ 21,792
(F) Federal Fuel Tax Evasion Project (EA)	-	90	150
Subtotal - State Funds	\$ 19,285	\$ 23,136	\$ 21,792
Subtotal - Federal Funds	-	90	150
Total - General Government	\$ 19,285	\$ 23,226	\$ 21,942

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	ACTUAL	AVAILABLE	BUDGET
Refunds:			
Refunding Liquid Fuels Tax (EA)	\$ 30,875	\$ 28,700	\$ 29,000
STATE FUNDS	\$ 50,160	\$ 51,836	\$ 50,792
FEDERAL FUNDS	\$ -	\$ 90	\$ 150
MOTOR LICENSE FUND TOTAL	\$ 50,160	\$ 51,926	\$ 50,942
LOTTERY FUND:			
General Government:			
General Operations (EA)	\$ 78,842	\$ 66,848	\$ 68,808
(A)License Fees	149	153	153
(A)Sale of Automobiles and Other Vehicles	-	15	-
(A)Annuity Assignment Fees	8	15	5
Lottery Advertising (EA)	51,000	51,000	51,000
(A)Reimbursed Costs from Other Agencies	500	500	500
Property Tax Rent Rebate - General Operations (EA)	15,651	21,024	18,952
On-Line Vendor Commissions (EA)	57,556	60,000 ^a	62,100
Instant Vendor Commissions (EA)	41,199	41,831 ^b	42,500
iLottery Vendor Commissions (EA)	1,113	7,469	9,000
Payment of Prize Money (EA)	378,000	415,000 ^c	429,525
Subtotal - State Funds	\$ 623,361	663,172	681,885
Subtotal - Augmentations	657	683	658
Total - General Government	\$ 624,018	\$ 663,855	\$ 682,543
Grants and Subsidies:			
Property Tax & Rent Assistance for Older Pennsylvanians (EA)	\$ 482,400 ^d	\$ - ^d	\$ 234,900
STATE FUNDS	\$ 1,105,761	\$ 663,172	\$ 916,785
AUGMENTATIONS	657	683	658
LOTTERY FUND TOTAL	\$ 1,106,418	\$ 663,855	\$ 917,443
OTHER FUNDS:			
FANTASY CONTEST FUND:			
(R)Fantasy Contest Operations	\$ 182	\$ 418	\$ 418
PA RACE HORSE DEVELOPMENT TRUST FUND:			
(R)Transfer to State Racing - Drug Testing	\$ 10,066	\$ 10,066	\$ 10,066
(R)Transfer to State Racing - Promotion of Racing (EA)	2,376	1,711	1,972
PA RACE HORSE DEVELOPMENT TRUST FUND TOTAL	\$ 12,442	\$ 11,777	\$ 12,038
PROPERTY TAX RELIEF FUND:			
Transfer to the State Lottery Fund (EA)	\$ - ^e	\$ - ^e	\$ - ^e
RACING FUND:			
Collections - State Racing	\$ 246	\$ 261	\$ 262

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
STATE GAMING FUND:			
(R)General Operations	\$ 5,838	\$ 5,840 ^f	\$ 6,707
Transfer to Compulsive/Problem Gambling Treatment Fund (EA)	- ^g	- ^g	- ^g
Transfer to the Property Tax Relief Fund (EA).....	- ^h	- ^h	- ^h
STATE GAMING FUND TOTAL.....	\$ 5,838	\$ 5,840	\$ 6,707
VIDEO GAMING FUND:			
(R)Video Gaming Operations	\$ 216	\$ 567	\$ 683
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 194,405	\$ 188,718	\$ 192,704
MOTOR LICENSE FUND	50,160	51,836	50,792
LOTTERY FUND	1,105,761	663,172	916,785
FEDERAL FUNDS	-	90	150
AUGMENTATIONS	32,726	30,641	30,616
RESTRICTED	30,113	30,110	30,110
OTHER FUNDS	18,924	18,863	20,108
TOTAL ALL FUNDS	\$ 1,432,089	\$ 983,430	\$ 1,241,265

^a Includes recommended supplemental executive authorization of \$6,000,000.

^b Includes recommended supplemental executive authorization of \$7,500,000.

^c Includes recommended supplemental executive authorization of \$15,287,000.

^d Act 20 of 2020 authorized the early payment of Property Tax and Rent Relief payments shifting payments from July 2020 to the prior fiscal year.

^e Not added to avoid double counting with the program expenditures from the Lottery Fund: 2019-20 Actual is \$265,000,000, 2020-21 Available is \$0, and 2021-22 Budget is \$114,500,000.

^f Includes recommended supplemental appropriation of \$350,000.

^g Not added to avoid double counting with the program expenditures from the Compulsive and Problem Gambling Treatment Fund shown in the Department of Drug and Alcohol Programs: 2019-20 Actual is \$7,431,000, 2020-21 Available is \$8,618,000, and 2021-22 Budget is \$9,250,000.

^h Not added to avoid double counting with the program expenditures from the Property Tax Relief Fund shown in the Department of Education: 2019-20 Actual is \$620,500,000, 2020-21 Available is \$621,000,000, and 2021-22 Budget is \$621,000,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
REVENUE COLLECTION AND ADMINISTRATION							
GENERAL FUND.....	\$ 165,218	\$ 159,505	\$ 160,495	\$ 162,932	\$ 162,932	\$ 162,932	\$ 162,932
MOTOR LICENSE FUND ...	50,160	51,836	50,792	50,792	50,792	50,792	50,792
LOTTERY FUND	623,361	663,172	681,885	701,210	721,700	742,946	764,980
FEDERAL FUNDS.....	-	90	150	150	150	150	150
AUGMENTATIONS	32,726	30,641	30,616	30,616	30,616	30,616	30,616
RESTRICTED.....	30,113	30,110	30,110	30,110	30,110	30,110	30,110
OTHER FUNDS.....	18,924	18,863	20,108	20,528	20,489	20,486	20,502
SUBCATEGORY TOTAL....	\$ 920,502	\$ 954,217	\$ 974,156	\$ 996,338	\$ 1,016,789	\$ 1,038,032	\$ 1,060,082
COMMUNITY DEVELOPMENT AND PRESERVATION							
GENERAL FUND.....	\$ 29,187	\$ 29,213	\$ 32,209	\$ 32,209	\$ 32,209	\$ 32,209	\$ 32,209
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 29,187	\$ 29,213	\$ 32,209	$ 32,209	$ 32,209	$ 32,209	$ 32,209
HOMEOWNERS AND RENTERS ASSISTANCE							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	482,400	-	234,900	230,800	226,800	222,800	222,800
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 482,400	\$ -	\$ 234,900	\$ 230,800	\$ 226,800	\$ 222,800	\$ 222,800
ALL PROGRAMS:							
GENERAL FUND.....	\$ 194,405	\$ 188,718	\$ 192,704	\$ 195,141	\$ 195,141	\$ 195,141	\$ 195,141
MOTOR LICENSE FUND ...	50,160	51,836	50,792	50,792	50,792	50,792	50,792
LOTTERY FUND	1,105,761	663,172	916,785	932,010	948,500	965,746	987,780
FEDERAL FUNDS.....	-	90	150	150	150	150	150
AUGMENTATIONS	32,726	30,641	30,616	30,616	30,616	30,616	30,616
RESTRICTED.....	30,113	30,110	30,110	30,110	30,110	30,110	30,110
OTHER FUNDS.....	18,924	18,863	20,108	20,528	20,489	20,486	20,502
DEPARTMENT TOTAL	\$ 1,432,089	\$ 983,430	\$ 1,241,265	\$ 1,259,347	\$ 1,275,798	\$ 1,293,041	\$ 1,315,091

Program: Revenue Collection and Administration

Goal: To assure the availability of resources for the commonwealth's programs through the equitable and efficient administration of Pennsylvania's revenue system.

This program administers the commonwealth's revenue statutes by assessing and collecting various taxes. Major revenue sources for the General Fund include corporation, personal income, inheritance, sales and use, cigarette, beverage and realty transfer taxes. Tax revenue is also collected for the first and second class county sales taxes and for the Motor License, Racing and Gaming Funds.

The department continues to expand the use of technology, permitting quick deposit of funds and an efficient review of a tax return's accuracy. One such application is the [Electronic Tax Information Data Exchange System \(e-Tides\)](#), a web portal system for filing business taxes such as sales tax, employer withholding tax, liquid fuels tax, fuel tax and corporation tax extensions and estimates. Another example is the Pennsylvania Tax Hub or

[myPaTH](#), a web portal system which includes filing taxes and [payment of personal income tax](#), liquid fuels tax, fuels tax, and applying for a property tax rent rebate. Revenue collection efforts are being enhanced to improve violation enforcement and improve business practices. To ensure fairness in tax administration, the department audits and verifies tax returns to detect fraud and non-filers. In addition, there is an extensive delinquent tax collection effort that involves automation as well as traditional tax collection methods.

This program is responsible for the administration of the [State Lottery](#). Through a network of private retailers, the commonwealth sells lottery tickets, the proceeds of which support [programs for older Pennsylvanians](#).

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND:		Property Tax Rent Rebate -	
Commissions - Inheritance & Realty Transfer Taxes (EA)		General Operations (EA)	
\$ 990	—based on current estimates.	\$ -3,789	—nonrecurring costs.
		<u>1,717</u>	—to continue current program.
		\$ -2,072	<i>Executive Authorization Decrease</i>
MOTOR LICENSE FUND:		On-Line Vendor Commissions (EA)	
Collections - Liquid Fuels Tax		—based on the latest projection of program requirements.	
\$ -2,697	—nonrecurring costs.	\$ 2,100	
<u>1,353</u>	—to continue current program.		
\$ -1,344	<i>Appropriation Decrease</i>		
Refunding Liquid Fuels Tax (EA)		Instant Vendor Commissions (EA)	
\$ 300	—based on current estimates.	\$ 669	—based on the latest projection of program requirements.
LOTTERY FUND:		iLottery Vendor Commissions (EA)	
General Operations (EA)		—based on the latest projection of program requirements.	
\$ 1,960	—to continue current program.	\$ 1,531	
		\$ 14,525	Payment of Prize Money (EA) —based on the latest projection of program requirements.

All other appropriations and executive authorizations are recommended at the current year funding levels.

Program: Revenue Collection and Administration, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations.....	\$ 146,511	\$ 142,954	\$ 142,954	\$ 145,391	\$ 145,391	\$ 145,391	\$ 145,391
Technology and Process Modernization..	5,700	4,750	4,750	4,750	4,750	4,750	4,750
Commissions - Inheritance & Realty Transfer Taxes (EA)	13,007	11,801	12,791	12,791	12,791	12,791	12,791
TOTAL GENERAL FUND	\$ 165,218	\$ 159,505	\$ 160,495	\$ 162,932	\$ 162,932	\$ 162,932	\$ 162,932
MOTOR LICENSE FUND:							
Collections - Liquid Fuels Tax.....	\$ 19,285	\$ 23,136	\$ 21,792	\$ 21,792	\$ 21,792	\$ 21,792	\$ 21,792
Refunding Liquid Fuels Tax (EA)	30,875	28,700	29,000	29,000	29,000	29,000	29,000
TOTAL MOTOR LICENSE FUND	\$ 50,160	\$ 51,836	$ 50,792	$ 50,792	$ 50,792	$ 50,792	\$ 50,792
LOTTERY FUND:							
General Operations (EA)	\$ 78,842	\$ 66,848	\$ 68,808	\$ 68,808	\$ 68,808	\$ 68,808	\$ 68,808
Lottery Advertising (EA)	51,000	51,000	51,000	51,000	51,000	51,000	51,000
Property Tax Rent Rebate - General Operations (EA)	15,651	21,024	18,952	18,952	18,952	18,952	18,952
On-Line Vendor Commissions (EA).....	57,556	60,000	62,100	64,274	66,523	68,851	71,261
Instant Vendor Commissions (EA).....	41,199	41,831	42,500	43,988	46,187	48,496	50,921
iLottery Vendor Commissions (EA).....	1,113	7,469	9,000	9,630	10,112	10,617	11,148
Payment of Prize Money (EA)	378,000	415,000	429,525	444,558	460,118	476,222	492,890
TOTAL LOTTERY FUND.....	\$ 623,361	\$ 663,172	\$ 681,885	\$ 701,210	\$ 721,700	\$ 742,946	\$ 764,980

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Continually improve customer service.							
Average wait time of customer phone calls to the Customer Experience Center (in minutes)	7.55	10.23	11.48	18.04	9.08	13.00	11.00
Continually improve business processes and technology.							
Percentage of returns filed electronically	N/A	N/A	N/A	84.8%	87.0%	90.0%	93.0%
Continually improve lottery sales and net profits.							
Increase Lottery Profits (in Billions)	\$ 1.120	\$ 1.036	\$ 1.089	\$ 1.160	\$ 1.071	\$ 1.126	\$ 1.152
Continually improve public confidence.							
Percentage of refunds paid by the required timeframe.....	N/A	96.0%	91.0%	95.0%	95.0%	95.0%	95.0%

Program: Community Development and Preservation

Goal: To equitably distribute the Public Utility Realty Tax to all reporting local taxing authorities.

A 1968 amendment to the state constitution exempted public utilities from locally administered property taxes and authorized the collection of a similar statewide tax known as the [Public Utility Realty Tax](#). The proceeds of the tax are distributed to each local taxing authority thereby providing local revenue while ensuring fair treatment for utilities.

The distribution is based on the ratio between the total tax receipts of a local taxing authority and the total tax receipts of all reporting tax authorities. This ratio is then applied to the total amount of taxes that reporting authorities could have collected had they been able to directly tax public utility realty.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Distribution of Public Utility Realty Tax

\$ 2,996 —reflects normal fluctuations in tax assessments.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
GENERAL FUND	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Distribution of Public Utility Realty Tax.....	\$ 29,187	\$ 29,213	\$ 32,209	\$ 32,209	\$ 32,209	\$ 32,209	\$ 32,209

Program: Homeowners and Renters Assistance

Goal: To increase economic stability by assisting eligible Pennsylvania citizens to maintain their homes.

This program allows Pennsylvanians 65 years of age or older, surviving spouses over 50, and permanently disabled citizens 18 years of age or older who meet household income limits to lead fuller lives by restoring a portion of their income through property tax and rent rebate assistance.

The [Property Tax and Rent Rebate Program](#) provides eligible homeowners with household incomes of \$35,000 or

less with rebates from \$250 to \$650. Renters with household incomes of \$15,000 or less qualify for rebates from \$500 to \$650. Certain homeowners with incomes under \$30,000 may be eligible for supplemental assistance that brings the maximum rebate to \$975.

In 2019-20, the average tax assistance payment was \$442, and the average rent rebate was \$546.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Property Tax & Rent Assistance for Older Pennsylvanians (EA)

\$ 234,900 —based on current estimates for participation.

Act 20 of 2020 authorized a one-time early payment of claims due to the pandemic. The recommendation assumes traditional timing of Property Tax & Rent Assistance payments will be restored in 2021-22.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
LOTTERY FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Property Tax & Rent Assistance for Older Pennsylvanians (EA).....	\$ 482,400	\$ -	\$ 234,900	\$ 230,800	\$ 226,800	\$ 222,800	\$ 222,800

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Continually improve business processes and technology.							
Property Tax/Rent Rebate claims paid by July 1st (for applications received by June 1st).....	N/A	92%	89%	90%	98%	95%	95%

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DEPARTMENT OF STATE

The mission of the [Department of State](#) is to promote the integrity of the electoral process; to provide the initial infrastructure for economic development through corporate organizations and transactions; and to protect the health, safety and welfare of the public. The department will encourage the highest standards of ethics and competence in the areas of elections, campaign finance, notarization, professional and occupational licensure, charitable solicitation and professional boxing, wrestling and mixed martial arts. Through the implementation of the latest technology, the department will provide exceptional public service and will remain a leader in all regulatory and enforcement policies and practices aimed at protecting every resident of the commonwealth.

The Department of State is administered by the Secretary of the Commonwealth and includes the Bureau of Corporations and Charitable Organizations; the Bureau of Commissions, Elections and Legislation; the State Athletic Commission; the Bureau of Enforcement and Investigation; and the Bureau of Professional and Occupational Affairs, which provides support to 29 professional and occupational licensing boards and commissions.

Programs and Goals

Consumer Protection: *To protect the consumer from fraudulent solicitation and unqualified professional and occupational practitioners and establishments.*

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	ACTUAL	AVAILABLE	BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	\$ 4,319	\$ 4,239	\$ 5,795
(F)Federal Election Reform	20,046	30,194	18,122
(F)COVID-Election Security (EA)	14,156	-	-
(F)Occupational Licensing Assessment	2,500	-	-
(F)Occupational Licensing Assessment (EA)	365	301	-
(A)Election Non-Federal Grant Awards	-	16,531	-
(R)Professional and Occupational Affairs	55,525	56,700	55,325
(R)State Board of Medicine	9,581	9,248	8,849
(R)State Board of Osteopathic Medicine	2,564	2,532	2,490
(R)State Board of Podiatry	420	393	393
(R)State Athletic Commission	845	868	868
(R)Bureau of Corporations and Charitable Organizations (EA)	8,071	8,893	7,709
Subtotal	<u>\$ 118,392</u>	<u>\$ 129,899</u>	<u>\$ 99,551</u>
Statewide Uniform Registry of Electors	7,305	7,305	11,791
Voter Registration and Education	494	485	462
Lobbying Disclosure	294	283	285
(R)Lobbying Disclosure	538	500	516
Subtotal	<u>\$ 832</u>	<u>\$ 783</u>	<u>\$ 801</u>
Publishing Constitutional Amendments (EA)	1,375	2,784	1,275
Electoral College	-	10	-
Publishing Federal Reapportionment Maps	-	-	400
Publishing State Reapportionment Maps	-	-	2,500
Subtotal - State Funds	\$ 13,787	\$ 15,106	\$ 22,508
Subtotal - Federal Funds	37,067	30,495	18,122
Subtotal - Augmentations	-	16,531	-
Subtotal - Restricted Revenues	<u>77,544</u>	<u>79,134</u>	<u>76,150</u>
Total - General Government	<u>\$ 128,398</u>	<u>\$ 141,266</u>	<u>\$ 116,780</u>
Grants and Subsidies:			
Voting of Citizens in Military Service	\$ 20	\$ 20	\$ 20
County Election Expenses (EA)	400	400	400
Election Code Debt Service	-	9,044	9,275
Total - Grants and Subsidies	<u>\$ 420</u>	<u>\$ 9,464</u>	<u>\$ 9,695</u>
STATE FUNDS	\$ 14,207	\$ 24,570	\$ 32,203
FEDERAL FUNDS	37,067	30,495	18,122
AUGMENTATIONS	-	16,531	-
RESTRICTED REVENUES	<u>77,544</u>	<u>79,134</u>	<u>76,150</u>
GENERAL FUND TOTAL	\$ 128,818	\$ 150,730	\$ 126,475

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2019-20	2020-21	2021-22
ACTUAL	AVAILABLE	BUDGET

OTHER FUNDS:**REAL ESTATE RECOVERY FUND:**

Real Estate Recovery Payments (EA)	\$ 150	\$ 150	\$ 150
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COUNTY VOTING APPARATUS FUND:

County Voting Apparatus	\$ -	\$ 90,000	\$ -
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND	\$ 14,207	\$ 24,570	\$ 32,203
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	37,067	30,495	18,122
AUGMENTATIONS	-	16,531	-
RESTRICTED	77,544	79,134	76,150
OTHER FUNDS	150	90,150	150
TOTAL ALL FUNDS	\$ 128,968	\$ 240,880	\$ 126,625

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
CONSUMER PROTECTION							
GENERAL FUND.....	\$ 14,207	\$ 24,570	\$ 32,203	\$ 28,113	\$ 27,263	\$ 27,219	\$ 27,173
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	37,067	30,495	18,122	18,122	18,122	18,122	18,122
AUGMENTATIONS	-	16,531	-	-	-	-	-
RESTRICTED.....	77,544	79,134	76,150	76,150	76,150	76,150	76,150
OTHER FUNDS.....	150	90,150	150	150	150	150	150
SUBCATEGORY TOTAL....	\$ 128,968	\$ 240,880	\$ 126,625	\$ 122,535	\$ 121,685	\$ 121,641	\$ 121,595
ALL PROGRAMS:							
GENERAL FUND.....	\$ 14,207	\$ 24,570	\$ 32,203	\$ 28,113	\$ 27,263	\$ 27,219	\$ 27,173
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	37,067	30,495	18,122	18,122	18,122	18,122	18,122
AUGMENTATIONS	-	16,531	-	-	-	-	-
RESTRICTED.....	77,544	79,134	76,150	76,150	76,150	76,150	76,150
OTHER FUNDS.....	150	90,150	150	150	150	150	150
DEPARTMENT TOTAL	\$ 128,968	\$ 240,880	\$ 126,625	\$ 122,535	\$ 121,685	\$ 121,641	\$ 121,595

Program: Consumer Protection

Goal: To protect the consumer from fraudulent solicitation and unqualified professional and occupational practitioners and establishments.

The [Department of State](#) administers several programs within the Consumer Protection Program.

Protection of the Electoral Process

This program ensures efficiency, uniformity, integrity and security in the administration of the Election Code. The Pennsylvania Voter Registration Act integrates voter registration into driver's license applications and complies with the National Voter Registration Act. A statewide voter registration database serves as the official registry of all voters in the commonwealth. The [Bureau of Election](#) and [Notary Services](#) reviews nomination petitions for compliance with statutory standards and are processed for inclusion on the ballot. As required by the Election Code, committees file campaign expense reports with the Bureau of [Campaign Finance](#) and [Civic Engagement](#), and the public is provided the opportunity to review the reports. The department tabulates, publishes and disseminates statistics for both voter registration and all elections. It also serves as the primary repository of the maps and descriptions of over 9,000 election precincts.

The Bureau of [Election Security](#) and [Technology](#) works with county election officials, election stakeholders and federal and state security and law enforcement partners to maintain a secure and safe electoral process in Pennsylvania. These partnerships supplement the commonwealth's ongoing efforts to maintain the security and integrity of the statewide voter registry and other election-related software applications. This also enables the department to connect counties with free or low-cost training opportunities to supplement their own efforts to secure election infrastructure. The Bureau of Election Security and Technology also provides support for online services, like [Online Voter Registration](#) and [Online Absentee Ballot Request](#).

The department continues to assist counties with a newer generation of voting systems that utilize a [modern and secure](#) platform and that employ a [voter verifiable paper record](#). These systems provide enhanced voter confidence in the electoral process, increased resiliency of our election process and meaningful auditability of election results. All counties transitioned to a new voting system prior to the 2020 Primary Election.

Protection through Voter Record Accuracy and Integrity

The department also develops and maintains an integrated voter registration database containing all electors in the commonwealth. The integrated [Statewide Uniform Registry of Electors](#) (SURE) database also includes an electronic voter registration application that makes

registration easier and more convenient while enhancing the accuracy of the voter rolls. In addition to supporting public-facing web applications to assist commonwealth voters, the database also supports county election offices and their voter list maintenance activities to maintain up-to-date and accurate voter rolls.

Protection of Public Health and Safety through Professional Licensing

This program protects the health and safety of the public from fraudulent and unethical practitioners through the administration of the professional and occupational licensing programs. The 29 licensing boards and commissions, established by statute, ensure that professionals provide high-quality and safe services to the citizens of the commonwealth. To accomplish this, these boards and commissions have been authorized to set standards for both initial licensure and practice and to enforce standards.

The [Bureau of Professional and Occupational Affairs](#) works with [board and commission members](#), professional occupation stakeholders and the licensing community to modernize operations and administers licensure in the commonwealth. The bureau successfully released the [Pennsylvania Licensing System \(PALS\)](#) and will continue to pursue and implement solutions to modernize the licensing process through the reduction of processing times, increased electronic and automated workflows and continuous improvement of existing processes and technologies.

Protection through Regulation of Consumer Products and Promotion of Fair Business Practices

This program encompasses the activities of the Bureau of Corporations and Charitable Organizations and the State Athletic Commission.

The [Bureau of Corporations and Charitable Organizations](#) maintains the records repository of more than 3 million companies that do business in the commonwealth and serves as the centralized filing office for [Uniform Commercial Code](#) financing statements. To register a business, online filing is available through [PennFile](#) to ensure expeditious processing of corporate documents. The bureau also administers the state's charitable solicitation law. It maintains [registration](#) and financial information on over 13,000 charities soliciting in the commonwealth, as well as more than 450 professional solicitors and fundraising counsels.

Program: Consumer Protection, continued

The [State Athletic Commission](#) monitors and regulates all professional and amateur boxing, kickboxing and mixed martial arts events, professional wrestling contests and the licensing of all persons who participate in these events. The individual license categories include announcer, agent,

boxer, judge, manager, matchmaker, physician, promoter (including those promoting professional wrestling), referee, second, timekeeper, trainer and athletic agents. The commission is financially self-sufficient and relies solely from relevant license fees.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND	
General Government Operations	
\$ 1,556	—to continue current program.
Statewide Uniform Registry of Electors	
\$ 543	—to continue current program.
1,619	—to reflect change to federal support for system maintenance costs.
2,324	—for continued system upgrades to assist in election modernization.
<hr/>	
\$ 4,486	<i>Appropriation Increase</i>
Voter Registration and Education	
\$ -23	—to continue current program.
Lobbying Disclosure	
\$ 2	—based on most recent projection of biennial fees.
Publishing Constitutional Amendments (EA)	
\$ -1,509	—nonrecurring costs associated with advertising and publishing proposed Constitutional Amendments.
Electoral College	
\$ -10	—nonrecurring travel and contingent expenses of presidential electors.
Publishing State Reapportionment Maps	
\$ 2,500	—decennial reapportionment costs.
Publishing Federal Reapportionment Maps	
\$ 400	—decennial reapportionment costs.
Election Code Debt Service	
\$ 231	—the net effect on principal and interest requirements and other costs relating to debt service.

This budget includes \$516,000 in augmentations to support Lobbying Disclosure. This augmentation is provided through a \$300 biennial fee.

This budget also recommends the following changes in appropriations and executive authorizations from restricted accounts:

Professional and Occupational Affairs	
\$ -1,375	—to continue current program.
State Board of Medicine	
\$ -399	—to continue current program.
State Board of Osteopathic Medicine	
\$ -42	—to continue current program.
Bureau of Corporations and Charitable Organizations (EA)	
\$ -1,184	—to continue current program.

All other appropriations from restricted accounts are recommended at the current year funding levels.

All other appropriations and executive authorizations are recommended at the current year funding levels.

Program: Consumer Protection, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND							
General Government Operations.....	\$ 4,319	\$ 4,239	\$ 5,795	\$ 5,889	\$ 5,889	\$ 5,889	\$ 5,889
Statewide Uniform Registry of Electors	7,305	7,305	11,791	10,502	9,660	9,615	9,584
Voter Registration and Education	494	485	462	469	469	469	469
Lobbying Disclosure	294	283	285	294	294	294	294
Publishing Constitutional Amendments (EA).....	1,375	2,784	1,275	1,275	1,275	1,275	1,275
Electoral College.....	-	10	-	-	-	10	-
Publishing State Reapportionment Maps	-	-	2,500	-	-	-	-
Publishing Federal Reapportionment Maps	-	-	400	-	-	-	-
Voting of Citizens in Military Service.....	20	20	20	20	20	20	20
County Election Expenses (EA).....	400	400	400	400	400	400	400
Election Code Debt Service.....	-	9,044	9,275	9,264	9,256	9,247	9,242
TOTAL GENERAL FUND	\$ 14,207	\$ 24,570	\$ 32,203	\$ 28,113	\$ 27,263	\$ 27,219	\$ 27,173

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Regulate all State Athletic Commission sports in a safe and orderly manner by professionally licensing athletes and ensuring rules and regulations are followed at all wrestling, boxing, and mixed martial arts events.							
Number of wrestling events; professional and amateur boxing events and kickboxing events; and mixed martial arts events	495	505	477	455	444	300	500
Ensure voter records are accurate and effectively maintained.							
Percentage of voter registration applications submitted by calendar year through the online voter registration process versus through paper submission	18%	49%	31%	56%	60%	68%	65%
Percentage of absentee ballot applications submitted by calendar year through the online process versus paper submission	N/A	N/A	N/A	N/A	32%	65%	70%
Strengthen public safety by increasing compliance in inspections for licensed facilities.							
Number of inspections and investigations completed	27,153	29,214	28,270	28,968	22,948	28,600	28,600
Modernizing the Charities Registration System allows for an online presence to file transactions.							
Percentage of charities filings online	N/A	N/A	N/A	N/A	10%	30%	40%

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STATE EMPLOYEES' RETIREMENT SYSTEM

The mission of the [State Employees' Retirement System](#) is to provide retirement benefits and services to its members through sound administration and prudent investments.

The system is responsible for administering the State Employees' Retirement Fund, the SERS - Defined Contribution Fund, the supplemental retirement allowances and cost-of-living increases for annuitants. The system also administers the commonwealth's Deferred Compensation Program.

Programs and Goals

State Employees' Retirement: To provide retirement benefits to employees of the Commonwealth of Pennsylvania.

State Employees' Retirement System

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
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OTHER FUNDS:

STATE EMPLOYEES' RETIREMENT FUND:

Administration.....	\$ 31,808	\$ 30,696	\$ 33,568
Investment Related Expenses.....	7,422	11,432	11,613
Investment Office Consolidation.....	1,400	-	-

STATE EMPLOYEES' RETIREMENT FUND TOTAL.....	\$ 40,630	\$ 42,128	\$ 45,181
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SERS - DEFINED CONTRIBUTION FUND:

(R)Administration.....	\$ 3,852	\$ 4,557	\$ 4,398
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	-	-	-
AUGMENTATIONS.....	-	-	-
RESTRICTED.....	-	-	-
OTHER FUNDS.....	44,482	46,685	49,579
TOTAL ALL FUNDS.....	\$ 44,482	\$ 46,685	\$ 49,579

State Employees' Retirement System

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
STATE EMPLOYEES' RETIREMENT							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	44,482	46,685	49,579	48,824	49,901	51,004	52,099
SUBCATEGORY TOTAL....	\$ 44,482	\$ 46,685	\$ 49,579	\$ 48,824	\$ 49,901	\$ 51,004	\$ 52,099
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	44,482	46,685	49,579	48,824	49,901	51,004	52,099
DEPARTMENT TOTAL	\$ 44,482	\$ 46,685	\$ 49,579	\$ 48,824	\$ 49,901	\$ 51,004	\$ 52,099

State Employees' Retirement System

Program: State Employees' Retirement

Goal: To provide retirement benefits to employees of the Commonwealth of Pennsylvania.

The [State Employees' Retirement System](#) (SERS) was established in 1923 to administer the commonwealth's defined benefit pension plan. The State Employees' Retirement Fund is funded by employer and employee contributions and investment earnings, all of which are used solely for payment of pension benefits and administration of the defined benefit plan. SERS undergoes an annual independent [actuarial valuation](#) to calculate the value of system actuarial assets and liabilities, and based on the expected employer payroll, the [employer contribution rates](#).

Most members, depending on when they entered SERS membership, contribute 6.25 percent of pay toward their pension. Their membership class also determines their vesting period and benefit formula, which is based on years of credited service, final average salary and the annual accrual rate. Normal retirement for most employees is age 60 or at any age with 35 years of service.

[Act 5 of 2017](#) changed the benefit structure for new employees beginning January 1, 2019. New employees can choose one of three new retirement plan options: two [hybrid plans](#) containing defined benefit and defined contribution components or a stand-alone [defined contribution plan](#) (similar to a 401(k) plan). The pension component of each hybrid plan features different benefit accrual rates and different employee and employer contribution rates. The defined contribution plan has three-year vesting for employer contributions and immediate vesting for employee contributions.

SERS is also responsible for the administration of the commonwealth's [Deferred Compensation Program](#) that allows commonwealth employees to voluntarily defer a portion of their salaries to a retirement savings account.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

STATE EMPLOYEES' RETIREMENT FUND		SERS - DEFINED CONTRIBUTION FUND	
Administration		Administration	
\$ 2,872	—to continue current program.	\$ -159	—non-recurring costs.

In addition, \$11,613,000 in Investment Related Expenses will be used to support the financial activities of this program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
STATE EMPLOYEES' RETIREMENT FUND:							
Administration	\$ 31,808	\$ 30,696	\$ 33,568	\$ 32,878	\$ 33,994	\$ 35,068	\$ 36,077
Investment Related Expenses	7,422	11,432	11,613	11,648	11,682	11,715	11,747
Investment Office Consolidation	1,400	-	-	-	-	-	-
TOTAL STATE EMPLOYEES' RETIREMENT FUND	\$ 40,630	\$ 42,128	\$ 45,181	\$ 44,526	\$ 45,676	\$ 46,783	\$ 47,824
SERS - DEFINED CONTRIBUTION FUND:							
Restricted Revenues							
Administration	\$ 3,852	\$ 4,557	\$ 4,398	\$ 4,298	\$ 4,225	\$ 4,221	\$ 4,275

State Employees' Retirement System

Program: State Employees' Retirement, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Provide adequate retirement counseling sessions to members as requested.							
Retirement counseling sessions	5,500	5,300	5,200	5,900	5,100	5,900	6,000
Maintain a record of the total number of retired employees.							
Total number of retired employees and beneficiaries.....	122,250	124,690	127,340	129,470	131,570	135,000	137,000
Maintain a record of total benefit payments.							
Total benefit payments (in billions)	\$ 2.90	\$ 3.10	\$ 3.25	\$ 3.33	\$ 3.47	\$ 3.70	\$ 3.90

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STATE POLICE

The mission of the Pennsylvania State Police is to seek justice, preserve peace and improve the quality of life for all.

The State Police promotes traffic safety, investigates crime and reduces criminal activity, and provides investigative assistance and support services to all law enforcement agencies within the commonwealth. In addition, the State Police maintains and provides to criminal justice agencies up-to-date law enforcement information, evaluates the competence level of law enforcement within the commonwealth and provides prompt, competent service in emergency situations. The State Police ensures personal protection and security for the governor and other persons designated by proper authority, and enforces all other state statutes as directed by proper authority.

Programs and Goals

Public Protection and Law Enforcement: *To enforce the law and preserve the peace through detection of crime and apprehension of criminals, patrol of highways and enforcement of the Vehicle and Liquor Codes.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
General Government Operations	\$ 342,100	\$ 183,253	\$ 273,338
(F)COVID-RF General Government Operations	-	225,970	-
(F)Area Computer Crime	8,745	10,555	12,095
(F)Homeland Security Grants (EA)	3,620	4,820	4,965
(F)Law Enforcement Preparedness (EA)	6,900	7,590	7,450
(F)Law Enforcement Projects (EA).....	4,681	7,592	12,310
(F)PA State Opioid Response (EA).....	1,250	1,250	1,250
(F)COVID-Emergency Supplemental Funding (EA).....	-	512	-
(A)Municipality Police Coverage Fee	-	-	168,028
(A)Turnpike Police Coverage	61,945	52,000	58,000
(A)Delaware River Toll Bridge Police Coverage	3,083	2,600	3,000
(A)Construction Zone Patrolling	4,178	4,500	4,500
(A)Criminal History Record Checks.....	31,056	34,000	33,000
(A)Fingerprint Record Checks.....	2,144	2,150	2,050
(A)Reimbursement for Services	2,522	2,500	2,600
(A)Superload Reimbursements.....	1,366	2,400	2,200
(A)Miscellaneous.....	1,831	2,903	2,981
(R)Federal Property Forfeiture	53	2,925	2,925
(R)State Drug Act Forfeiture.....	4,482	3,000	3,000
(R)State Criminal Enforcement Forfeiture	-	65	65
(R)Crime Lab User Fees	976	1,100	1,100
(R)Auto Theft & Insurance Fraud Investigation.....	2,417	2,650	2,650
(R)Vehicle Code Fines	-	1,300	1,300
Subtotal.....	\$ 483,349	\$ 555,635	\$ 598,807
(F)Office of Homeland Security (EA).....	2,000	2,021	2,021
Statewide Public Safety Radio System	12,683	12,033	6,992
(F)Broadband Network Planning.....	4,050	4,050	4,050
(R)Radio Systems Development Project.....	5	2,000	2,000
(R)Tower Management	868	800	800
(R)Broadband Middle Mile.....	109	5	5
Subtotal.....	\$ 17,715	\$ 18,888	\$ 13,847
Law Enforcement Information Technology	6,899	6,899	6,899
Municipal Police Training	1,716	1,708	1,708
(A)Pre-Employment Testing.....	56	50	50
(A)Retired Law Enforcement Identification.....	10	5	5
Subtotal.....	\$ 1,782	\$ 1,763	\$ 1,763

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Automated Fingerprint Identification System	885	885	885
Gun Checks	4,400	4,400	5,652
(R)Firearm Records Check	2,949	3,075	2,500
(R)Firearms License Validation System.....	-	500	500
Subtotal.....	\$ 7,349	\$ 7,975	\$ 8,652
Subtotal - State Funds.....	\$ 368,683	\$ 209,178	\$ 295,474
Subtotal - Federal Funds.....	31,246	264,360	44,141
Subtotal - Augmentations.....	108,191	103,108	276,414
Subtotal - Restricted Revenues	11,859	17,420	16,845
Subtotal - General Government	\$ 519,979	\$ 594,066	\$ 632,874
STATE FUNDS.....	\$ 368,683	\$ 209,178	\$ 295,474
FEDERAL FUNDS.....	31,246	264,360	44,141
AUGMENTATIONS	108,191	103,108	276,414
RESTRICTED REVENUES	11,859	17,420	16,845
GENERAL FUND TOTAL	\$ 519,979	\$ 594,066	\$ 632,874
 <u>MOTOR LICENSE FUND:</u>			
<i>General Government:</i>			
General Government Operations	\$ 647,395	\$ 617,164	\$ 599,652
Statewide Public Safety Radio System	38,076	36,153	20,977
Law Enforcement Information Technology	20,697	20,697	20,697
Municipal Police Training	1,724	1,708	1,708
Patrol Vehicles	12,000	12,000	12,000
(R)Vehicle Sales and Purchases.....	3	1,500	1,500
Subtotal.....	\$ 719,895	\$ 689,222	\$ 656,534
Commercial Vehicle Inspections	12,708	12,808	13,427
(F)Motor Carrier Safety	9,186	8,954	8,335
(A)Sale of Vehicles.....	12	35	35
Subtotal.....	\$ 21,906	\$ 21,797	\$ 21,797
Subtotal - State Funds.....	\$ 732,600	\$ 700,530	\$ 668,461
Subtotal - Federal Funds.....	9,186	8,954	8,335
Subtotal - Augmentations.....	12	35	35
Subtotal - Restricted Revenues	3	1,500	1,500
Total - General Government.....	\$ 741,801	\$ 711,019	\$ 678,331
 <i>Grants and Subsidies:</i>			
Municipal Police Training Grants	\$ 5,000	\$ 5,000	\$ 5,000
STATE FUNDS.....	\$ 737,600	\$ 705,530	\$ 673,461
FEDERAL FUNDS.....	9,186	8,954	8,335

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
AUGMENTATIONS	12	35	35
RESTRICTED REVENUES	3	1,500	1,500
MOTOR LICENSE FUND TOTAL.....	\$ 746,801	\$ 716,019	\$ 683,331
OTHER FUNDS:			
DNA DETECTION FUND:			
DNA Detection of Offenders (EA).....	\$ 5,182	\$ 5,152	\$ 5,152
STATE GAMING FUND:			
(R)Gaming Enforcement	\$ 18,447	\$ 29,769 ^a	\$ 30,033
STATE STORES FUND:			
Liquor Control Enforcement.....	\$ 32,875	\$ 33,167	\$ 33,196
(A)Enforcement Reimbursement.....	-	25	25
(A)Sale of Vehicles.....	57	50	50
STATE STORES FUND TOTAL	\$ 32,932	\$ 33,242	\$ 33,271
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 368,683	\$ 209,178	\$ 295,474
MOTOR LICENSE FUND	746,801	716,019	683,331
LOTTERY FUND	-	-	-
FEDERAL FUNDS.....	31,246	264,360	44,141
AUGMENTATIONS	108,191	103,108	276,414
RESTRICTED	11,859	17,420	16,845
OTHER FUNDS.....	56,561	68,163	68,456
TOTAL ALL FUNDS	\$ 1,323,341	\$ 1,378,248	\$ 1,384,661

^a Includes recommended supplemental appropriation of \$12,892,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PUBLIC PROTECTION AND LAW ENFORCEMENT							
GENERAL FUND.....	\$ 368,683	\$ 209,178	\$ 295,474	\$ 331,774	\$ 363,844	\$ 395,913	\$ 427,983
MOTOR LICENSE FUND ...	737,600	705,530	673,461	641,392	609,322	577,253	545,183
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	40,432	273,314	52,476	52,476	52,476	52,476	52,476
AUGMENTATIONS	108,203	103,143	276,449	276,449	276,449	276,449	276,449
RESTRICTED.....	11,862	18,920	18,345	18,345	18,345	18,345	18,345
OTHER FUNDS.....	56,561	68,163	68,456	66,477	66,477	66,477	66,477
SUBCATEGORY TOTAL....	\$ 1,323,341	\$ 1,378,248	\$ 1,384,661	\$ 1,386,913	\$ 1,386,913	\$ 1,386,913	\$ 1,386,913
ALL PROGRAMS:							
GENERAL FUND.....	\$ 368,683	\$ 209,178	\$ 295,474	\$ 331,774	\$ 363,844	\$ 395,913	\$ 427,983
MOTOR LICENSE FUND ...	737,600	705,530	673,461	641,392	609,322	577,253	545,183
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	40,432	273,314	52,476	52,476	52,476	52,476	52,476
AUGMENTATIONS	108,203	103,143	276,449	276,449	276,449	276,449	276,449
RESTRICTED.....	11,862	18,920	18,345	18,345	18,345	18,345	18,345
OTHER FUNDS.....	56,561	68,163	68,456	66,477	66,477	66,477	66,477
DEPARTMENT TOTAL	\$ 1,323,341	\$ 1,378,248	\$ 1,384,661	\$ 1,386,913	\$ 1,386,913	\$ 1,386,913	\$ 1,386,913

Program: Public Protection and Law Enforcement

Goal: To enforce the law and preserve the peace through detection of crime and apprehension of criminals, patrol of highways and enforcement of the Vehicle and Liquor Codes.

Traffic Supervision

Enforcing the commonwealth's traffic laws is a major responsibility of the State Police. The State Police has jurisdiction in all political subdivisions within the commonwealth and routinely [aids](#) municipal, state and federal law enforcement agencies. The department patrols a significant portion of the commonwealth's roadways while providing various levels of police services and traffic enforcement to municipalities. The State Police is also responsible for providing primary police services and traffic enforcement on the Pennsylvania Turnpike and the interstate highway system.

The [Commercial Vehicle Safety Division](#) seeks to reduce commercial motor vehicle crashes, fatalities and injuries through consistent, uniform and effective commercial motor vehicle safety programs.

Criminal Law Enforcement and Crime Prevention

Most State Police efforts in criminal law enforcement are performed at the station level and consist of investigations of violent crimes and property crimes. At the statewide level, the department conducts special drug and narcotic investigations, organized crime, terrorism, white-collar crime, public corruption, arson, computer crime, technology crimes and criminal personality profiling. State Police troopers, along with local, state and federal agencies, target major drug-trafficking organizations utilizing a comprehensive strategy that involves intelligence gathering, financial background information, criminal investigation and asset forfeiture proceedings.

The State Police administers and manages the [Pennsylvania Amber Alert System](#), a child abduction alert notification system. Amber Alert utilizes the Emergency Alert System and the commonwealth's "[Alert-PA](#)" website to inform the public of an abduction of a child under the age of 18 whom the police believe to be in danger of serious bodily harm or death.

To reduce the incidence of crime, the department works with citizen involvement and educational crime prevention techniques. Initiatives such as Neighborhood Crime Watch, block parents, [Crime Stoppers](#), and business tip programs encourage the reporting of suspicious activity.

The State Police ensures the timely exchange of relevant information pertaining to sexually violent predators and other sexual offenders between public agencies and officials, and releases information regarding offenders to the public as required by [Megan's Law](#).

The State Police is responsible for managing the Pennsylvania Instant Check System (PICS). [PICS](#) provides instant access to background records on an individual to determine if the person is eligible to acquire a firearm or a license to carry a firearm.

Emergency Assistance

The State Police has primary police jurisdiction in the majority of the commonwealth's land area. The State Police is normally called upon whenever a medium to large-scale emergency occurs within the commonwealth. The State Police Watch Center provides situational awareness of emergencies to all levels of the department by establishing a standard alert condition procedure. [The Pennsylvania Statewide Radio Network \(PA-STARNet\)](#) is the two-way public safety radio system used by the State Police and various other commonwealth agencies. [The Governor's Office of Homeland Security](#) works with federal agencies, regional task forces, local governments and the private sector to prevent, protect and mitigate against acts of terrorism. The office develops and reviews a strategic plan, identifying and reducing the vulnerabilities of critical infrastructure and key resources through a unified outreach campaign and collaborating with the All-Hazards Fusion Center, the Pennsylvania Criminal Intelligence Center (PaCIC) and other recognized regional fusion centers.

Liquor Control and Gaming Enforcement

[Liquor Control Enforcement](#) directs and controls coordinated enforcement of the Pennsylvania Liquor Code and related sections of the Crimes Code. Operations include covert and overt investigations, assisting municipal police agencies, conducting routine license investigations, and performing establishment audits and border patrols. The State Police is also responsible for investigating and prosecuting criminal infractions, conducting various background checks and providing overall law enforcement services for Pennsylvania's gaming facilities.

Program: Public Protection and Law Enforcement, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND AND MOTOR LICENSE FUND COMBINED:		Statewide Public Safety Radio System
General Government Operations		—nonrecurring costs. Completion of statewide radio system upgrade.
\$ 5,017	—to continue current program.	
225,970	—to replace federal funding received in 2020-21 under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.	
9,614	—for cadet class schedule, including two new classes beginning in 2021-22.	
-168,028	—Initiative—to charge municipalities for policing services.	
\$ 72,573	<i>Appropriation Increase</i>	
	\$ -20,217	
		Gun Checks
		—to supplement insufficient gun check fees to cover Pennsylvania Instant Check System (PICS) costs.
	\$ 1,252	
		Commercial Vehicle Inspections
		—to continue current program.
	\$ 619	

All other appropriations are recommended at the current year funding levels.

In addition, funding for the Pennsylvania Instant Check System includes \$2,500,000 from the Firearm Records Check restricted account and \$500,000 from the Firearms License Validation System restricted account.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20 Actual	2020-21 Available	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
GENERAL FUND:							
General Government Operations.....	\$342,100	\$183,253	\$273,338	\$309,638	\$341,708	\$373,777	\$405,847
Statewide Public Safety Radio System....	12,683	12,033	6,992	6,992	6,992	6,992	6,992
Law Enforcement Information Technology	6,899	6,899	6,899	6,899	6,899	6,899	6,899
Municipal Police Training.....	1,716	1,708	1,708	1,708	1,708	1,708	1,708
Automated Fingerprint Identification System.....	885	885	885	885	885	885	885
Gun Checks.....	4,400	4,400	5,652	5,652	5,652	5,652	5,652
TOTAL GENERAL FUND.....	<u>\$368,683</u>	<u>\$209,178</u>	<u>\$295,474</u>	<u>\$331,774</u>	<u>\$363,844</u>	<u>\$395,913</u>	<u>\$427,983</u>
MOTOR LICENSE FUND:							
General Government Operations.....	\$647,395	\$617,164	\$599,652	\$567,583	\$535,513	\$503,444	\$471,374
Statewide Public Safety Radio System....	38,076	36,153	20,977	20,977	20,977	20,977	20,977
Law Enforcement Information Technology	20,697	20,697	20,697	20,697	20,697	20,697	20,697
Municipal Police Training.....	1,724	1,708	1,708	1,708	1,708	1,708	1,708
Patrol Vehicles.....	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Commercial Vehicle Inspections.....	12,708	12,808	13,427	13,427	13,427	13,427	13,427
Municipal Police Training Grants	5,000	5,000	5,000	5,000	5,000	5,000	5,000
TOTAL MOTOR LICENSE FUND	<u>\$737,600</u>	<u>\$705,530</u>	<u>\$673,461</u>	<u>\$641,392</u>	<u>\$609,322</u>	<u>\$577,253</u>	<u>\$545,183</u>

Program: Public Protection and Law Enforcement, continued

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Reduce motor vehicle crashes.							
Number of motor vehicle crashes	76,887	80,232	83,722	82,617	76,910	75,600	74,300
Reduce fatal motor vehicle crashes.							
Number of fatal motor vehicle crashes	651	612	546	533	452	440	440
Reduce DUI-related crashes.							
DUI-related crashes	4,482	4,889	5,051	4,848	4,649	4,570	4,490
Reduce violent crime.							
Number of violent crimes per 100,000 population	111	128	122	129	127	125	123
Arrests for violent crimes per 100,000 population	83	94	101	88	90	92	93
Percentage of violent crimes cleared (i.e., cases solved and prosecuted or disposed of through other legal means)	70%	74%	73%	71%	74%	76%	79%
Reduce property crime.							
Number of property crimes per 100,000 population	939	842	773	708	700	690	680
Arrests for property crimes per 100,000 population	298	243	245	222	230	230	230
Percentage of property crimes cleared (i.e., cases solved and prosecuted or disposed of through other legal means)	35%	31%	34%	35%	36%	37%	39%
Achieve and maintain a clearance rate at or above the state and national averages for Crime Index offenses.							
Percentage of Crime Index offenses cleared (i.e., cases solved and prosecuted or disposed of through other legal means)	39%	37%	39%	41%	42%	43%	45%
Crime Index offenses per 100,000 population	1,049	970	895	837	830	810	800
Arrests for Crime Index offenses per 100,000 population	380	338	347	310	320	320	330
Increase drug enforcement efforts.							
Drug offenses per 100,000 population	320	331	365	424	420	410	400
Drug-related arrests per 100,000 population ..	273	293	316	380	390	390	400
Increase compliance with liquor laws at licensed establishments.							
Liquor law violations	12,214	10,282	11,043	14,438	11,248	11,100	10,900
Ensure intelligence information obtained concerning criminal activity and possible terrorism is shared with law enforcement agencies throughout the commonwealth.							
Municipal law enforcement agencies receiving information from the Pennsylvania Criminal Intelligence Center	1,074	1,098	1,156	1,206	1,156	1,180	1,200
Intelligence products disseminated by the Pennsylvania Criminal Intelligence Center and the Western Pennsylvania All Hazards Fusion Center	54,744	57,709	57,563	57,102	56,743	57,700	58,600

Program: Public Protection and Law Enforcement, continued

Program Measures, continued:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Ensure the rapid collection and appropriate dissemination of accurate information on emergency situations throughout the commonwealth.							
Emergency Preparedness and Response							
Department Watch Center immediate reports	2,451	1,838	2,341	2,637	3,422	3,480	3,540
Municipal public safety agencies receiving road closure reports from the Department Watch Center.....	1,270	1,270	1,270	1,270	1,270	1,270	1,270
Increase the effectiveness of the Pennsylvania Statewide Radio Network (PA-STARNet).							
Percentage of statewide land area covered by Pennsylvania Statewide Radio Network (PA-STARNet)	97.3%	97.3%	97.3%	97.3%	97.9%	98.3%	98.6%
Percentage of statewide road coverage by PA-STARNet.....	98.1%	98.1%	98.1%	98.1%	98.2%	98.5%	98.8%
Increase the number of cadet applications, applicant retention rates and applicants from traditionally underrepresented groups.							
Cadet applications	11,507	14,395	10,752	7,890	7,131	7,250	7,370
Cadet applications from traditionally underrepresented groups	4,322	5,177	4,192	3,038	2,858	2,910	2,950
Total number of individuals from traditionally underrepresented groups graduating from the Academy	47	30	40	65	63	8 *	39 *
Total number of individuals graduating from the Academy	294	253	279	393	398	51 *	244 *
Average length of time in months from application date until Academy start date	20	21	25	33	22	22	22

* Reflects reduction in size and frequency of cadet classes due to COVID pandemic.

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DEPARTMENT OF TRANSPORTATION

The mission of the Department of Transportation is to enhance, connect and add value to our communities by providing a sustainable, equitable transportation system and quality services for all.

Programs and Goals

Transportation Support Services: *To provide an effective administrative system supporting both non-highway and highway transportation programs.*

Highways and Bridges: *To provide a safe and efficient state-administered highway network through road and bridge improvements, as well as through ongoing maintenance activities including winter traffic services.*

Local Highway and Bridge Assistance: *To assist local governments in the maintenance and construction of their portion of the total highway and bridge system.*

Multimodal Transportation: *To support public transportation, intercity bus, intercity rail, rail freight, ports, aviation and bicycle and pedestrian facilities options that improve the mobility and the quality of life for urban and rural Pennsylvanians, and enhance economic activity throughout the commonwealth.*

Driver and Vehicle Services: *To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
Vehicle Sales Tax Collections	\$ 1,025	\$ 655	\$ 520
Infrastructure Projects	1,900	1,900	-
Voter Registration.....	520	573	550
(R)Child Passenger Restraint Fund	200	300	300
(R)School Bus Safety Grant Program	11	25	25
Subtotal - State Funds.....	\$ 3,445	\$ 3,128	\$ 1,070
Subtotal - Restricted Revenues	211	325	325
Total - General Government.....	\$ 3,656	\$ 3,453	\$ 1,395
<i>Grants and Subsidies:</i>			
(F)Surface Transportation Assistance.....	\$ 750	\$ 750	\$ 750
(F)FTA - Capital Improvement Grants.....	30,000	30,000	30,000
(F)TEA 21 - Access to Jobs	2,000	2,000	2,000
(F)Surface Transportation - Operating	15,000	15,000	15,000
(F)Surface Transportation Assistance Capital	35,000	40,000	40,000
(F)FTA - Safety Oversight	3,000	3,000	3,000
(F)FTA - Keystone Corridor Equipment & Purchases	85,000	60,000	60,000
(F)COVID-FTA - Keystone Corridor Equipment & Purchases (EA)	-	63,869	-
(F)FTA - Hybrid Mass Transit Vehicles	30,000	30,000	30,000
(F)Line and Track Improvement	3,000	3,000	-
(F)FRA - State of Good Repair.....	-	15,000	15,000
(F)COVID-FTA - Non-Urbanized Formula (EA).....	81,000	-	-
(F)COVID-FTA - Enhanced Mobility (EA).....	-	2,313 ^a	-
(R)Reimbursements to Municipalities - Vehicle Code Fines	6,228	7,000	7,000
Subtotal - Federal Funds.....	284,750	264,932	195,750
Subtotal - Restricted Revenues	6,228	7,000	7,000
Total - Grants and Subsidies.....	\$ 290,978	\$ 271,932	\$ 202,750
STATE FUNDS	\$ 3,445	\$ 3,128	\$ 1,070
FEDERAL FUNDS	284,750	264,932	195,750
RESTRICTED REVENUES	6,439	7,325	7,325
GENERAL FUND TOTAL	\$ 294,634	\$ 275,385	\$ 204,145
MOTOR LICENSE FUND:			
<i>General Government:</i>			
General Government Operations	\$ 56,771	\$ 63,900	\$ 68,600
(A)Reimbursements	1,113	1,748	1,414

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(A) Duplicating Services	472	300	300
(A) Administrative Hearings.....	3	40	40
Welcome Centers.....	3,470	4,115	4,115
Subtotal.....	<u>\$ 61,829</u>	<u>\$ 70,103</u>	<u>\$ 74,469</u>
Highway and Safety Improvements	190,000	170,000	190,000
(F) Highway Research, Planning and Construction	1,211,970	1,275,000	1,275,000
(F) COVID-FHWA - Surface Transportation.....	-	407,152 ^b	-
(A) Highway Construction Contributions and Reimbursements	8,261	12,213	12,213
(A) Joint Use Leases.....	543	415	415
(A) Reimbursements	188	206	206
(A) Proceeds from Sale of Right-of-Way	121	85	85
(A) Licensing Fees - Engineering Software.....	11	81	81
Highway Capital Projects (EA)	230,000	230,000	230,000
(R) Highway Capital Projects - Excise Tax (EA)	421,704	320,207 ^c	398,480
(R) Bridges - Excise Tax (EA)	127,367	113,610	129,688
(R) Highway Bridge Projects (EA).....	170,000	145,000	125,000
(F) Federal Aid - Highway Bridge Projects.....	290,365	500,000	500,000
(A) Bridge Construction Contributions.....	2,831	2,803	2,803
(A) Reimbursements from Local Governments.....	24	200	200
Subtotal.....	<u>\$ 2,653,385</u>	<u>\$ 3,176,972</u>	<u>\$ 2,864,171</u>
Highway Maintenance	802,054	840,546	896,879
(F) Highway Research, Planning and Construction	48,557	148,460	149,845
(F) Disaster Recovery - FHWA.....	6,338	12,500	12,500
(F) Disaster Recovery - FEMA	1,035	12,500	12,500
(F) Highway Safety - Maintenance (EA).....	25,546	25,546	28,540
(A) Highway Maintenance Contributions.....	8,409	21,047	23,191
(A) Accident Damage Claims	10,835	9,128	8,000
(A) Sale of Equipment and Supplies	3,032	5,000	5,000
(A) Marcellus Shale Road Damage.....	601	986	700
(A) Heavy Hauling - Bonded Roads	210	551	500
(A) Miscellaneous.....	398	128	100
(R) Highway Maintenance - Excise Tax (EA).....	185,997	164,507	189,544
(R) Highway Maintenance Enhancement (EA)	275,267	243,941 ^d	280,240
(R) Expanded Highway and Bridge Maintenance (EA)	329,021	294,129 ^e	336,288
(A) Expanded Maintenance Contributions	1,541	9,000	10,000
(R) Automated Work Zone Speed Enforcement (EA)	- ^f	- ^f	- ^f
Highway Systems Technology and Innovation	16,000	16,000	16,000
(F) Intelligent Transportation System	1,229	2,080	2,080

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Reinvestment in Facilities	9,600	5,000	16,000
(A) Proceeds from Bond Sales.....	10,500	12,241	-
(R) Delegated Facility Projects.....	1,137	-	-
Subtotal.....	\$ 1,737,307	\$ 1,823,290	\$ 1,987,907
Driver and Vehicle Services	178,136	208,403	225,834
Homeland Security - REAL ID	26,749	25,901	25,901
(F) Motor Carrier Safety Improvement (EA)	3,000	4,000	4,000
(A) Photo ID Program.....	29,365	32,500	32,500
(A) Reimbursements	1,151	1,162	1,172
(A) Postage	642	564	564
(A) Miscellaneous.....	85	227	217
(R) Reimbursements to Other States - Apportioned Registration	5,328	15,000	15,000
(R) Motorcycle Safety Education.....	3,316	5,000	5,000
(R) CDL - Hazardous Material Fees.....	304	500	500
Subtotal.....	\$ 248,076	\$ 293,257	\$ 310,688
(R) Aviation Operations	6,228	3,814	5,530
(F) Aviation Planning (EA).....	275	772	411
(A) Reimbursement - Flight Operations	499	460	460
(A) Airport Inspections and Licensing.....	1,133	40	40
Subtotal.....	\$ 8,135	\$ 5,086	\$ 6,441
Subtotal - State Funds.....	\$ 1,512,780	\$ 1,563,865	\$ 1,673,329
Subtotal - Federal Funds.....	1,588,315	2,388,010	1,984,876
Subtotal - Augmentations.....	81,968	111,125	100,201
Subtotal - Restricted Revenues	1,525,669	1,305,708	1,485,270
Total - General Government.....	\$ 4,708,732	\$ 5,368,708	\$ 5,243,676
Grants and Subsidies:			
Local Road Maintenance and Construction Payments	\$ 253,576	\$ 239,816	\$ 247,905
Supplemental Local Road Maintenance & Construction Payments	5,000	5,000	5,000
Municipal Roads and Bridges	30,000	30,000	30,000
Maintenance and Construction of County Bridges	5,000	5,000	5,000
Municipal Traffic Signals	10,000	10,000	40,000
(A) Green Light Go Match Program	423	-	-
Payment to Turnpike Commission (EA)	28,000	28,000	28,000
(R) Local Road Payments - Excise Tax (EA)	117,262	104,810	119,713
(R) Payments to Municipalities (EA).....	81,631	73,068	83,796
(R) Local Grants for Bridge Projects (EA)	25,000	25,000	25,000
(F) Federal Aid - Local Grants for Bridge Projects	15,983	12,500	12,500

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
(A)Bridge Reimbursements from Local Governments	449	100	100
(R)Local Bridge Projects (EA)	27,250	24,100	27,750
(R)County Bridges - Excise Tax (EA).....	16,591	19,115	17,198
(F)Federal Aid - County Bridges	(48)	200	200
(R)County Bridge Projects - Marcellus Shale (EA)	23,343	18,197	12,886
(R)Toll Roads - Excise Tax (EA)	139,844	131,993	141,500
(R)Annual Maintenance Payments - Highway Transfer (EA).....	19,232	19,300	19,372
(R)Restoration Projects - Highway Transfer (EA)	11,000	11,000	11,000
(R)Airport Development.....	6,500	6,500	6,000
(F)Airport Development (EA).....	40,000	40,000	40,000
(F)COVID-Airport Development (EA)	-	65,621 ⁹	-
(F)COVID-Airport Operations (EA).....	-	2,000	-
(R)Real Estate Tax Rebate	250	250	250
(R)Fee for Local Use	35,027	30,000	30,000
(R)Federal Reimbursements - Local Bridge Projects.....	55,915	75,000	75,000
(R)Red Light Photo Enforcement	4,954	5,000	5,000
(R)Federal Reimbursements - Political Subdivisions	80,549	140,000	140,000
Subtotal.....	<u>\$ 1,032,731</u>	<u>\$ 1,121,570</u>	<u>\$ 1,123,170</u>
Subtotal - State Funds.....	\$ 331,576	\$ 317,816	\$ 355,905
Subtotal - Federal Funds.....	55,935	120,321	52,700
Subtotal - Augmentations.....	872	100	100
Subtotal - Restricted Revenues	<u>644,348</u>	<u>683,333</u>	<u>714,465</u>
Total - Grants and Subsidies.....	<u>\$ 1,032,731</u>	<u>\$ 1,121,570</u>	<u>\$ 1,123,170</u>
Refunds:			
Refunding Collected Monies (EA).....	<u>\$ 1,600</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>
Subtotal.....	<u>\$ 1,600</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>
STATE FUNDS.....	\$ 1,845,956	\$ 1,884,181	\$ 2,031,734
FEDERAL FUNDS.....	1,644,250	2,508,331	2,037,576
AUGMENTATIONS	82,840	111,225	100,301
RESTRICTED REVENUES	<u>2,170,017</u>	<u>1,989,041</u>	<u>2,199,735</u>
MOTOR LICENSE FUND TOTAL.....	<u>\$ 5,743,063</u>	<u>\$ 6,492,778</u>	<u>\$ 6,369,346</u>
LOTTERY FUND:			
Grants and Subsidies:			
Older Pennsylvanians Shared Rides (EA).....	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 75,000</u>
Transfer to Public Transportation Trust Fund (EA).....	<u>95,907</u>	<u>95,907</u>	<u>95,907</u>
Total - Grants and Subsidies.....	<u>\$ 170,907</u>	<u>\$ 170,907</u>	<u>\$ 170,907</u>
LOTTERY FUND TOTAL	<u>\$ 170,907</u>	<u>\$ 170,907</u>	<u>\$ 170,907</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2019-20
ACTUAL

2020-21
AVAILABLE

2021-22
BUDGET

OTHER FUNDS:

HIGHWAY BEAUTIFICATION FUND:

Control of Outdoor Advertising (EA)..... \$ 600 \$ 350 \$ 350

LIQUID FUELS TAX FUND:

Payments to Counties \$ 27,439 \$ 26,029 \$ 29,206

Auditor General's Audit Costs (EA) 700 700 700

LIQUID FUELS TAX FUND TOTAL **\$ 28,139 \$ 26,729 \$ 29,906**

MOTOR VEHICLE TRANSACTION RECOVERY FUND:

Titling and Registration Fees..... \$ 8 \$ 4 \$ 4

Titling and Registration- Sales Tax 28 16 16

MOTOR VEHICLE TRANSACTION RECOVERY FUND TOTAL..... **\$ 36 \$ 20 \$ 20**

MULTIMODAL TRANSPORTATION FUND:

Aviation Grants (EA)..... \$ 6,466 \$ 6,466 \$ 6,725

Rail Freight Grants (EA) 10,775 10,775 11,206

Passenger Rail Grants (EA) 8,621 8,621 8,966

Ports and Waterways Grants (EA) 10,775 10,775 11,206

Bicycle and Pedestrian Facilities Grants (EA)..... 2,155 2,155 2,241

Statewide Programs Grants (EA) 40,000 40,000 40,000

Multimodal Administration and Oversight (EA) 4,317 4,317 4,317

Transfer to Commonwealth Financing Authority (EA)..... 59,123 46,552 61,139

PennPORTS-Philadelphia Regional Port Authority Debt Service 4,607 4,608 -

MULTIMODAL TRANSPORTATION FUND TOTAL..... **\$ 146,839 \$ 134,269 \$ 145,800**

PENNSYLVANIA INFRASTRUCTURE BANK FUND:

Infrastructure Bank Loans (EA) \$ 39,199 \$ 42,500 \$ 30,000

PUBLIC TRANSPORTATION ASSISTANCE FUND:

Mass Transit (EA)..... \$ 250,808 \$ 248,064 ^h \$ 259,569

Transfer to Public Transportation Trust Fund (EA) - ⁱ - ⁱ - ⁱ

PUBLIC TRANSPORTATION ASSISTANCE FUND TOTAL..... **\$ 250,808 \$ 248,064 \$ 259,569**

GOV. CASEY ORGAN & TISSUE DONATION AWARENESS FUND:

Reimbursement to Transportation (EA) \$ 225 \$ 100 \$ 80

PUBLIC TRANSPORTATION TRUST FUND:

(R)Mass Transit Operating (EA)..... \$ 854,093 ^j 854,093 ^j 884,093 ^j

(R)Asset Improvement (EA) 505,000 880,000 375,000

(R)Capital Improvement (EA) 38,132 67,465 25,000

(A)Capital Improvement - Reimbursements 1,622 2,000 2,000

(R)Programs of Statewide Significance (EA) 110,000 210,000 120,000

(A)Programs of Statewide Significance - CNG Capital 156 200 200

(R)Transit Administration and Oversight (EA)..... 4,488 4,488 4,488

PUBLIC TRANSPORTATION TRUST FUND TOTAL **\$ 1,513,491 \$ 2,018,246 \$ 1,410,781**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
UNCONVENTIONAL GAS WELL FUND:			
Rail Freight Assistance (EA)	\$ 1,000	\$ 1,000	\$ 1,000
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 3,445	\$ 3,128	\$ 1,070
MOTOR LICENSE FUND	1,845,956	1,884,181	2,031,734
LOTTERY FUND	170,907	170,907	170,907
FEDERAL FUNDS	1,929,000	2,773,263	2,233,326
AUGMENTATIONS	82,840	111,225	100,301
RESTRICTED	2,176,456	1,996,366	2,207,060
OTHER FUNDS	1,980,337	2,471,278	1,877,506
TOTAL ALL FUNDS	\$ 8,188,941	\$ 9,410,348	\$ 8,621,904

^a Includes recommended supplemental executive authorization of \$2,313,000, which represents an estimate of federal grant distributions.

^b Represents an estimate of federal grant distributions.

^c Includes recommended supplemental executive authorization reduction of \$80,440,000.

^d Includes recommended supplemental executive authorization reduction of \$920,000.

^e Includes recommended supplemental executive authorization reduction of \$1,104,000.

^f Not added to avoid double counting: 2019-20 Actual is \$1,500,000, 2020-21 Available is \$4,000,000, and 2021-22 Budget is \$4,000,000.

^g Includes recommended supplemental executive authorization of \$48,621,000, which represents an estimate of federal grant distributions.

^h Includes recommended supplemental executive authorization of 18,835,000.

ⁱ Not added to avoid double counting: 2019-20 Actual is \$23,778,000, 2020-21 Available is \$23,736,000, and 2021-22 Budget is \$24,631,000.

^j Lottery Fund Transfer to the Public Transportation Trust Fund not added to the total to avoid double counting. Mass Transit Operating (EA) for 2019-20 Actual is \$950,000,000, 2020-21 Available is \$950,000,000, and 2021-22 Budget is \$980,000,000. Includes recommended 2020-21 Available supplemental executive authorization reduction of \$40,000,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
TRANSPORTATION SUPPORT SERVICES							
GENERAL FUND.....	\$ 1,900	\$ 1,900	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	58,371	66,400	71,100	71,100	71,100	71,100	71,100
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	131,490	-	-	-	-	-
AUGMENTATIONS	1,588	2,088	1,754	1,754	1,754	1,754	1,754
RESTRICTED.....	211	325	325	325	325	325	325
OTHER FUNDS.....	8	4	4	4	4	4	4
SUBCATEGORY TOTAL....	\$ 62,078	\$ 202,207	\$ 73,183	$ 73,183	$ 73,183	$ 73,183	$ 73,183
HIGHWAYS AND BRIDGES							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	1,279,124	1,293,661	1,380,994	1,441,895	1,507,406	1,557,494	1,605,374
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,585,040	2,383,238	1,980,465	1,980,465	1,980,465	1,980,465	1,980,465
AUGMENTATIONS	47,505	74,084	63,494	63,494	63,494	63,494	63,494
RESTRICTED.....	1,650,641	1,413,887	1,601,240	1,628,334	1,629,877	1,628,080	1,622,209
OTHER FUNDS.....	39,799	42,850	30,350	30,350	30,350	30,350	30,350
SUBCATEGORY TOTAL....	\$ 4,602,109	\$ 5,207,720	\$ 5,056,543	\$ 5,144,538	\$ 5,211,592	\$ 5,259,883	\$ 5,301,892
LOCAL HIGHWAY AND BRIDGE ASSISTANCE							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	303,576	289,816	327,905	338,134	337,014	337,155	336,771
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	15,935	12,700	12,700	12,700	12,700	12,700	12,700
AUGMENTATIONS	872	100	100	100	100	100	100
RESTRICTED.....	497,754	544,590	566,715	563,958	564,295	564,039	563,141
OTHER FUNDS.....	28,139	26,729	29,906	29,780	29,797	29,754	29,680
SUBCATEGORY TOTAL....	\$ 846,276	\$ 873,935	\$ 937,326	\$ 944,672	\$ 943,906	\$ 943,748	\$ 942,392

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MULTIMODAL TRANSPORTATION							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	170,907	170,907	170,907	170,907	170,907	170,907	170,907
FEDERAL FUNDS.....	325,025	241,835	236,161	236,161	236,161	236,161	236,161
AUGMENTATIONS	1,632	500	500	500	500	500	500
RESTRICTED.....	19,206	17,564	18,780	15,864	15,864	15,864	15,864
OTHER FUNDS.....	1,912,363	2,401,679	1,817,230	1,837,878	1,854,678	1,887,593	1,928,387
SUBCATEGORY TOTAL....	\$ 2,429,133	\$ 2,832,485	\$ 2,243,578	\$ 2,261,310	\$ 2,278,110	\$ 2,311,025	\$ 2,351,819
DRIVER AND VEHICLE SERVICES							
GENERAL FUND.....	\$ 1,545	\$ 1,228	\$ 1,070	\$ 1,070	\$ 1,070	\$ 1,070	\$ 1,070
MOTOR LICENSE FUND...	204,885	234,304	251,735	252,884	256,561	258,619	258,969
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	3,000	4,000	4,000	4,000	4,000	4,000	4,000
AUGMENTATIONS	31,243	34,453	34,453	34,453	34,453	34,453	34,453
RESTRICTED.....	8,644	20,000	20,000	20,000	20,000	20,000	20,000
OTHER FUNDS.....	28	16	16	16	16	16	16
SUBCATEGORY TOTAL....	\$ 249,345	\$ 294,001	\$ 311,274	\$ 312,423	\$ 316,100	\$ 318,158	\$ 318,508
ALL PROGRAMS:							
GENERAL FUND.....	\$ 3,445	\$ 3,128	\$ 1,070	\$ 1,070	\$ 1,070	\$ 1,070	\$ 1,070
MOTOR LICENSE FUND...	1,845,956	1,884,181	2,031,734	2,104,013	2,172,081	2,224,368	2,272,214
LOTTERY FUND	170,907	170,907	170,907	170,907	170,907	170,907	170,907
FEDERAL FUNDS.....	1,929,000	2,773,263	2,233,326	2,233,326	2,233,326	2,233,326	2,233,326
AUGMENTATIONS	82,840	111,225	100,301	100,301	100,301	100,301	100,301
RESTRICTED.....	2,176,456	1,996,366	2,207,060	2,228,481	2,230,361	2,228,308	2,221,539
OTHER FUNDS.....	1,980,337	2,471,278	1,877,506	1,898,028	1,914,845	1,947,717	1,988,437
DEPARTMENT TOTAL	\$ 8,188,941	\$ 9,410,348	\$ 8,621,904	\$ 8,736,126	\$ 8,822,891	\$ 8,905,997	\$ 8,987,794

Program: Transportation Support Services

Goal: To provide an effective administrative system supporting both non-highway and highway transportation programs.

The department develops general guidelines for highway-related activities while directing and coordinating construction, maintenance, and safety functions discussed under the [Highways and Bridges program](#) and the [Driver and Vehicle Services program](#). Managerial responsibilities include providing support in legal, budgetary, accounting, personnel, procurement, information systems, and public relations matters. A central [municipal services staff](#) handles grant allocations to local governments and coordinates highway transfer activities which are discussed under the Local Highway and Bridge Assistance program

section. In addition, the [State Transportation Commission](#) and the Transportation Advisory Committee are funded within this program. This program also provides for refunds of Motor License Fund overpayments associated with operator licenses, vehicle registrations and safety inspection stickers.

Funding for direct supervision and oversight of aviation, mass transportation, rail freight, ports and waterways, and bicycle and pedestrian facilities activities is shown under the [Multimodal Transportation program](#).

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND	MOTOR LICENSE FUND
Infrastructure Projects	General Government Operations
\$ -1,900 —program elimination.	\$ 4,700 —to continue current program.

The Refunding Collected Monies executive authorization is recommended at the current year funding level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Infrastructure Projects.....	\$ 1,900	\$ 1,900	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND:							
General Government Operations...	\$ 56,771	\$ 63,900	\$ 68,600	\$ 68,600	\$ 68,600	\$ 68,600	\$ 68,600
Refunding Collected Monies (EA)..	1,600	2,500	2,500	2,500	2,500	2,500	2,500
TOTAL MOTOR LICENSE FUND .	\$ 58,371	\$ 66,400	$ 71,100	$ 71,100	$ 71,100	$ 71,100	\$ 71,100

Program: Highways and Bridges

Goal: To provide a safe and efficient state-administered highway network through road and bridge improvements, as well as through ongoing maintenance activities including winter traffic services.

Highway and Bridge Construction/Reconstruction

[Highway and Bridge Construction/Reconstruction](#)

supports the economic vitality of the commonwealth and the mobility and quality of life of its residents. The department is responsible for approximately 40,000 miles of roadway and 25,000 bridges.

Managing Pennsylvania's highway and bridge system, along with aviation, bicycle, pedestrian, and other facilities in our state is a large, cooperative effort. The department, with federal and local partners, provides programs, tools and resources to assess projects in the near term, as well as the future, and meet financial realities and customer needs.

Staff are actively involved in facilitating and making improvements to the transportation system, and also in planning them in the near and long term. These staff are liaisons for [Metropolitan and Rural Planning Organizations](#), the [State Transportation Commission](#), and the Transportation Advisory Committee, as well as transportation management associations, the public and other stakeholders. The products of this collaboration, at a high level are the state's Transportation Improvement Program and [Twelve Year Program](#), which include projects highlighted on the [PA Transportation Projects](#) website.

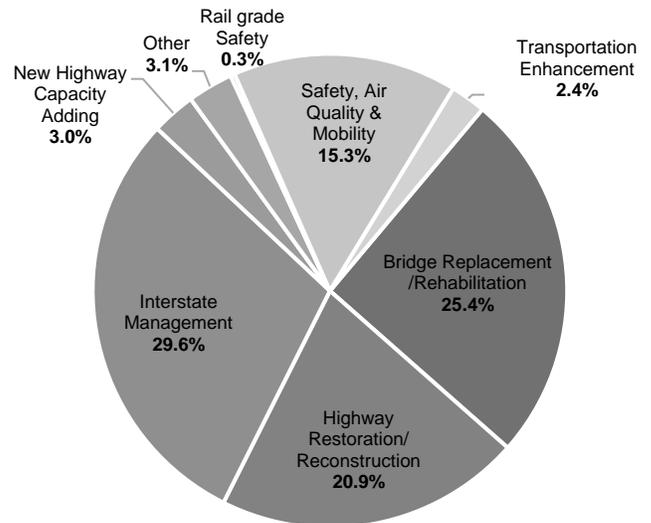
State Highway and Bridge Maintenance

Pennsylvania experiences high volumes of traffic and is subject to inclement weather. Roadway treatments that prolong the useful life of infrastructure range from crack sealing and seal coats to more extensive surface treatment such as resurfacing. Bridge activity ranges from deck washing and cleaning drainage outlets, to repair and preventive maintenance of deck surface and structural components.

Unscheduled maintenance services must be performed in response to flooding, windstorms, landslides, sinkholes, and similar acts of nature. An event that is declared a national disaster becomes eligible for federal assistance,

Current Four-Year Project Distribution

(October 2018 – September 2022)



which typically covers approximately half of the total costs incurred.

A base level of [State Highway and Bridge Maintenance](#) activity is funded by a portion of the unrestricted Motor License Fund. This is supplemented by a dedicated share of the Oil Company Franchise Tax.

The Highway Systems Technology and Innovation appropriation includes costs associated with the department's traffic management centers, operation and maintenance of intelligent transportation equipment, traveler information provided to public, and other key traffic operations efforts. This also covers costs for 511 services including the 511 PA website, the alert service, and a mobile application to communicate with Pennsylvania travelers.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

MOTOR LICENSE FUND

Highway and Safety Improvements

\$ 20,000 —to continue program based on current revenue estimates.

Highway Maintenance

\$ 56,333 —to continue current program.

Reinvestment in Facilities

\$ 11,000 —based on estimated program requirements.

All other appropriations and executive authorizations are recommended at the current year funding levels.

Program: Highways and Bridges, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MOTOR LICENSE FUND:							
Welcome Centers	\$ 3,470	\$ 4,115	\$ 4,115	\$ 4,115	\$ 4,115	\$ 4,115	\$ 4,115
Highway and Safety Improvements	190,000	170,000	190,000	240,000	285,000	325,000	355,000
Highway Capital Projects (EA)	230,000	230,000	230,000	235,000	240,000	240,000	240,000
Highway Maintenance	802,054	840,546	896,879	902,780	918,291	928,379	946,259
Highway Systems Technology and Innovation	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Reinvestment in Facilities ..	9,600	5,000	16,000	16,000	16,000	16,000	16,000
Payment to Turnpike Commission (EA)	28,000	28,000	28,000	28,000	28,000	28,000	28,000
TOTAL MOTOR LICENSE FUND	\$1,279,124	\$1,293,661	\$1,380,994	\$1,441,895	\$1,507,406	\$1,557,494	\$1,605,374

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase the percentage of highway system in good or excellent condition.							
<u>Highway and Bridge Construction/Reconstruction</u>							
Miles of new highway construction	28	26	18	14	12	16	10
Miles of Interstate reconstruction or restoration	56	32	101	164	73	95	80
Miles of non-Interstate reconstruction or restoration	141	144	83	335	216	197	160
Percentage of Interstate Highway System in good condition	81.6%	80.9%	67.2%	65.0%	67.1%	67.0%	70.3%
Percentage of Interstate Highway System in fair condition	15.2%	15.9%	32.4%	34.7%	32.5%	32.6%	31.4%
Percentage of Interstate Highway System in poor condition	0.3%	0.3%	0.4%	0.2%	0.4%	0.4%	0.7%
Percentage of National Highway System non-Interstate highways in good condition ..	63.7%	65.4%	36.8%	33.1%	36.6%	36.4%	35.5%
Percentage of National Highway System non-Interstate highways in fair condition	22.7%	22.2%	60.9%	65.7%	60.9%	60.9%	60.4%
Percentage of National Highway System non-Interstate highways in poor condition ...	13.6%	12.4%	2.3%	1.2%	2.5%	2.7%	4.2%
Percentage of bridges in good condition by count	29.3%	30.2%	31.7%	32.8%	33.6%	34.2%	34.0%

Program: Highways and Bridges, continued

Program Measures, continued:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Percentage of bridges in fair condition by count	56.0%	56.2%	56.2%	56.1%	56.0%	55.9%	56.1%
Percentage of bridges in poor condition by count	14.8%	13.6%	12.1%	11.1%	10.3%	9.9%	9.9%
Poor bridges rehabilitated/replaced	415	556	402	171	181	261	195
Number of closed bridges	56	29	28	34	29	69	108
Number of posted bridges	750	653	553	488	456	518	552
Bridge Preservations	216	248	229	181	191	314	346
Highway and Bridge Maintenance							
<u>Miles of state-maintained highways improved:</u>							
Structural restoration	71	70	86	415	323	271	452
Resurfacing.....	1,810	1,769	2,754	1,780	2,449	2,194	1,343
Surface repairs	3,410	3,466	3,316	2,990	3,369	3,606	4,072
Total miles of state-maintained highways improved	5,291	5,305	6,156	5,185	6,141	6,071	5,866

Program: Local Highway and Bridge Assistance

Goal: To assist local governments in the maintenance and construction of their portion of the total highway and bridge system.

The commonwealth provides several programs to assist municipal and county governments in the maintenance and construction of their approximately 78,000 miles of roadway (roughly two-thirds of Pennsylvania highways) and 6,500 bridges that are greater than twenty feet. The majority of state funds are distributed by statutory formula, while federal funds are allocated in partnership with the [Metropolitan and Rural Transportation Planning Organizations](#).

A portion of the revenues from motor fuel taxes, certain Vehicle Code fines, and other sources are directed by law to municipalities. Grants may be used for a broad range of highway and bridge activities. The department provides technical assistance to local governments and is responsible for assuring expenditures are made in accordance with the law.

Dedicated Motor License Fund revenues are received from a portion of the Oil Company Franchise Tax and registration fees of commonwealth-registered vehicles having a gross weight in excess of 26,000 pounds. For the local program, both municipalities and counties are eligible

for grants on approximately 6,500 bridges greater than 20 feet long owned by these political subdivisions. Projects are selected by the Metropolitan and Rural Planning Organizations and must be approved in the commonwealth's capital budget.

The [Highway Transfer program](#) is a voluntary program in which the department pays to upgrade a road segment to acceptable standards, transfers ownership to a political subdivision, and provides a \$4,000 per mile per year subsidy for future maintenance.

There are three programs specifically directed toward county governments. General assistance for highway maintenance and construction, and assistance for economically distressed counties with the local share of bridge improvement projects are each funded from a portion of the Oil Company Franchise Tax. A third program for maintenance and construction of county bridges specifies the distribution of an annual appropriation based on each county's percentage of the total county-owned bridge deck area in the state.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

MOTOR LICENSE FUND

Local Road Maintenance and Construction Payments

\$ 8,089 —to continue current program.

Municipal Traffic Signals

\$ 30,000 —based on estimated program requirements.

All other appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MOTOR LICENSE FUND:							
Local Road Maintenance and Construction Payments.....	\$ 253,576	\$ 239,816	\$ 247,905	\$ 258,134	\$ 257,014	\$ 257,155	\$ 256,771
Supplemental Local Road Maintenance & Construction Payments	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Municipal Roads and Bridges	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Maintenance and Construction of County Bridges	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Municipal Traffic Signals	10,000	10,000	40,000	40,000	40,000	40,000	40,000
TOTAL MOTOR LICENSE FUND	\$ 303,576	\$ 289,816	\$ 327,905	\$ 338,134	\$ 337,014	\$ 337,155	\$ 336,771

Program: Multimodal Transportation

Goal: To support public transportation, intercity bus, intercity rail, rail freight, ports, aviation and bicycle and pedestrian facilities options that improve the mobility and the quality of life for urban and rural Pennsylvanians, and enhance economic activity throughout the commonwealth.

Multimodal Transportation provides support primarily for the commonwealth's non-highway infrastructure that includes public transportation, aviation, bicycle, pedestrian, passenger and freight rail, and ports. Improvements and programs for non-highway transportation are funded through various sources.

Public Transportation

[Public transportation](#) service within Pennsylvania is provided by 35 transit systems. Operating grants to these organizations are determined by a base allocation equal to the prior-year subsidy and supplemental funding distributed on four performance factors, including total passengers, senior passengers, revenue vehicle miles, and revenue vehicle hours.

The Asset Improvement account provides public transportation capital funding to maintain and improve vehicles, communication equipment, technology, and transit facilities. Through the Programs of Statewide Significance account, the commonwealth supports affordable access to demographic groups whose mobility would otherwise be more limited.

Free Transit Services for Seniors

The commonwealth's older citizens have benefited from greater mobility through the implementation of the [Free Transit and the Shared Ride programs](#). Both programs are funded from a portion of the revenues received from the state lottery.

The Free Transit Program provides free rides on participating local fixed route operations to Pennsylvanians who are 65 years of age or older, while the Shared Ride Program enables senior citizens 65 years or older to use demand-responsive service at a significant fare discount. These programs both serve to enhance the ability of older Pennsylvanians to remain connected with local services and their community.

Intercity Transportation

The commonwealth's [intercity bus program](#) supports operations on routes where, without state assistance, essential service would be terminated. As private operators propose termination of such services, the department evaluates the economic and social impacts of service termination and determines the merits of public subsidy. The operations are funded with state and Federal Transit Administration funds.

[Intercity rail passenger service](#) in Pennsylvania, as distinguished from local or regional commuter service, is

provided by Amtrak. The department has contracted with Amtrak to provide service from Harrisburg to Philadelphia (The Keystone) and between Philadelphia and Pittsburgh (The Pennsylvanian).

PennPORTS

Pennsylvania's ports provide a cost-effective method of moving freight and are a competitive advantage for the commonwealth in attracting and retaining businesses. Pennsylvania boasts a deep-water port in Philadelphia, a busy, sprawling inland port in Pittsburgh, and a Great Lakes port in Erie with access to the world through the St. Lawrence Seaway, as well as numerous privately-owned and operated terminals throughout the commonwealth. [PennPORTS](#) supports the operation and maintenance of the ports of Erie, Pittsburgh, and Philadelphia as well as strategic planning, policy development, and project oversight.

Rail Freight

The department administers programs to assist railroad owners with infrastructure improvements, acquisition, accelerated maintenance, and new construction. Through the [Rail Freight Assistance Program and the Rail Transportation Assistance Program](#), grants may be issued to private railroads, companies utilizing rail in their shipping process, and public authorities or municipalities that are conduits for rail activities. These two grant programs have been used to improve track, make acquisitions and construct new rail facilities.

The department also receives annual funding from the Unconventional Gas Well Fund to provide rail freight grants for projects related to or directly benefitting the commonwealth's Marcellus Shale gas drilling industry.

Aviation

The department provides programs to improve the safety and effectiveness of the commonwealth's aviation network, including an airport inspection and licensing program. The department administers state and federal grant [programs](#) that are available for the commonwealth's public use airports. The State Aviation Development Program is used for public use airports to meet safety, security, capacity, environmental, and planning needs. The Real Estate Tax Reimbursement Program allows for publicly operated airports to receive rebates on real estate taxes for land that is essential for airport public use. In addition, capital bond funds are available through the Aviation Transportation Assistance Program for airports that have a public sector sponsor.

Program: Multimodal Transportation, continued

Multimodal Transportation Fund Statewide Program Grants

Act 89 of 2013 established a dedicated [Multimodal Transportation Fund \(MTF\)](#) intended to stabilize funding for ports and rail freight, increase aviation investments, establish dedicated funding for bicycle and pedestrian improvements, and allow targeted funding for priority investments in any mode. The department provides grants to municipalities, councils of government, businesses, economic development organizations, public transportation agencies, and rail freight, passenger rail, and port entities through the MTF to improve transportation

assets that enhance communities, pedestrian safety, and transit revitalization.

Bicycle and Pedestrian Facilities

The department has developed a Statewide Active Transportation Plan to outline a vision and overall strategies to implement bicycle and pedestrian projects throughout Pennsylvania. The plan focuses around six themes, including safety, connectivity, partnerships, economic mobility, transportation equity, and public health.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

The Lottery Fund's executive authorizations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
LOTTERY FUND:							
Older Pennsylvanians Shared Rides (EA).....	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Transfer to Public Transportation Trust Fund (EA).....	95,907	95,907	95,907	95,907	95,907	95,907	95,907
TOTAL LOTTERY FUND...	\$ 170,907	\$ 170,907	\$ 170,907	\$ 170,907	\$ 170,907	\$ 170,907	\$ 170,907
PUBLIC TRANSPORTATION TRUST FUND:							
Mass Transit Operating (EA).....	\$ 854,093	^a \$ 854,093	^a \$ 884,093	^a \$ 894,093	^a \$ 894,093	^a \$ 914,093	^a \$ 934,093
Asset Improvement (EA)....	505,000	880,000	375,000	395,000	400,000	405,000	410,000
Capital Improvement (EA) .	38,132	67,465	25,000	25,000	25,000	25,000	25,000
Programs of Statewide Significance (EA)	110,000	210,000	120,000	100,000	100,000	100,000	105,000
Transit Administration and Oversight (EA)	4,488	4,488	4,488	4,488	4,488	4,488	4,488
TOTAL PUBLIC TRANSPORTATION TRUST FUND.....	\$ 1,511,713	\$ 2,016,046	\$ 1,408,581	\$ 1,418,581	\$ 1,423,581	\$ 1,448,581	\$ 1,478,581

^a Lottery Fund Transfer to the Public Transportation Trust Fund not added to the total to avoid double counting.

Program: Multimodal Transportation, continued

Appropriations within this Program, continued:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MULTIMODAL TRANSPORTATION FUND:							
Aviation Grants (EA)	\$ 6,466	\$ 6,466	\$ 6,725	\$ 6,725	\$ 6,994	\$ 6,994	\$ 7,274
Rail Freight Grants (EA)	10,775	10,775	11,206	11,206	11,654	11,654	12,120
Passenger Rail Grants (FΔ)	8,621	8,621	8,966	8,966	9,325	9,325	9,698
Ports and Waterways Grants (EA)	10,775	10,775	11,206	11,206	11,654	11,654	12,120
Bicycle and Pedestrian Facilities Grants (EA)	2,155	2,155	2,241	2,241	2,331	2,331	2,424
Statewide Programs Grants (EA)	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Multimodal Administration and Oversight (EA)	4,317	4,317	4,317	4,317	4,317	4,317	4,317
Transfer to Commonwealth Financing Authority (EA)	59,123	46,552	61,139	60,839	62,025	62,425	63,747
PennPORTS-Philadelphia Regional Port Authority Debt Service	4,607	4,608	-	-	-	-	-
TOTAL MULTIMODAL TRANSPORTATION FUND	\$ 146,839	\$ 134,269	\$ 145,800	\$ 145,500	\$ 148,300	\$ 148,700	\$ 151,700

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Support public transportation, intercity bus, intercity rail, rail freight, ports and aviation operations that improve the mobility and quality of life for urban and rural Pennsylvanians, and enhance economic activity throughout the commonwealth.							
<u>Mass Transportation</u>							
Passengers carried by state-assisted operators (in millions)	425.7	403.8	397.4	387.4	299.1	179.5	188.5
Passengers per vehicle hour	38.5	36.4	35.4	34.4	28.9	17.3	18.0
<u>Older Pennsylvanians Transit</u>							
Number of free transit trips (in millions)	34.6	33.5	33.7	33.8	27.5	16.5	17.3
Trips on state-assisted shared ride vehicles (in millions)	3.9	3.7	3.5	3.3	3.1	1.9	2.0
Cost to the commonwealth per trip:							
Free transit	\$ 2.77	\$ 2.87	\$ 2.85	\$ 2.83	\$ 3.49	\$ 3.48	\$ 3.65
State-assisted shared ride vehicles	\$ 18.72	\$ 19.20	\$ 19.65	\$ 19.98	\$ 23.87	\$ 23.77	\$ 24.96

Program: Multimodal Transportation, continued

Program Measures, continued:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
<u>Intercity Transportation</u>							
Intercity Bus:							
Passengers handled (in thousands)	236.3	226.3	211.8	204.6	163.7	109.7	115.2
Intercity Rail:							
Passengers handled (in thousands)	1,639.0	1,760.5	17,313.5	1,567.7	1,273.8	325.0	340.0
Subsidy per passenger mile	\$ 0.11	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.12	\$ 0.78	\$ 0.51
<u>Aviation:</u>							
Runways with a pavement condition index of fair or better	94%	86%	84%	90%	92%	92%	92%

Program: Driver and Vehicle Services

Goal: To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.

[Driver and Vehicle Services](#) processes applications and collects fees for all vehicle registrations, titles, and operator licenses, and oversees operator and vehicular licensing activities such as testing, inspections, financial responsibility, and revocations. This includes [driver's license examinations](#) which certify an individual possesses the knowledge and skills to safely operate passenger and commercial vehicles and motorcycles.

The [Vehicle Safety Inspection Program](#) is intended to minimize traffic accidents due to mechanical failure. The commonwealth operates an annual [Vehicle Emissions Inspection Program](#) in 25 counties. In the remaining 42 counties not required to participate in the Vehicle Emissions Inspection Program, the annual Vehicle Safety Inspection Program incorporates a visual anti-tampering check for the presence of federally required emission control components that were installed on the vehicle by the manufacturer.

Pennsylvania enforcement officials are responsible for the issuance of citations for Vehicle Code violations. In addition to assigning points for driver infractions, the department suspends, revokes, disqualifies, or recalls driver's licenses for many violations, including accumulation of points. Driver's License program areas also administer

the [Motor Voter](#) program and the commonwealth's [Organ Donor](#) program.

The department processes cancellation notices received from insurance companies. Notification of cancellation prompts the department to have registrants revalidate proper insurance coverage for the vehicle.

Driver and Vehicle Services currently has 101 offices statewide offering driver examination and/or photo licensing services and is working with private business to further decentralize its services to improve access. As part of its ongoing efforts to enhance customer service options and provide customers with another convenient option for taking their driver's skills test, the department has authorized a limited number of third-party entities to administer driver skills testing. Customers can also process transactions on the department's internet renewal system. This budget continues to include funding to comply with federal homeland security requirements, which allows Pennsylvania residents to obtain an [optional REAL ID compliant driver's license or state identification card](#) that will be accepted for boarding a domestic commercial flight or entering a federal building.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	GENERAL FUND		MOTOR LICENSE FUND
	Vehicle Sales Tax Collections		Driver and Vehicle Services
\$ -135	—to continue current program.	\$ 11,631	—to continue current program which maintains current photo fee.
	Voter Registration		—to continue and annualize the Enhancing Customer Service initiative.
\$ -23	—to continue current program.	5,800	<i>Appropriation Increase</i>
		\$ 17,431	

The Homeland Security - Real ID appropriation is recommended at the current year funding level.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Vehicle Sales Tax Collections	\$ 1,025	\$ 655	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520
Voter Registration	520	573	550	550	550	550	550
TOTAL GENERAL FUND.....	\$ 1,545	\$ 1,228	$ 1,070	$ 1,070	$ 1,070	$ 1,070	\$ 1,070

Program: Driver and Vehicle Services, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MOTOR LICENSE FUND:							
Driver and Vehicle Services.....	\$ 178,136	\$ 208,403	\$ 225,834	\$ 228,207	\$ 232,511	\$ 234,569	\$ 234,919
Homeland Security - REAL ID	26,749	25,901	25,901	24,677	24,050	24,050	24,050
TOTAL MOTOR LICENSE FUND	\$ 204,885	\$ 234,304	\$ 251,735	\$ 252,884	\$ 256,561	\$ 258,619	\$ 258,969

Program Measures:

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Provide exceptional customer service through a customer-focused business approach.							
Number of online eGov transactions (in millions).....	8.7	8.9	10.0	10.6	12.5	11.9	11.9
Percentage of service center customers served within 30 minutes.....	80.3%	79.9%	69.1%	65.0%	82.0%	80.0%	80.0%
Access rate of driver and vehicle services call center	99.6%	99.1%	99.1%	99.0%	99.3%	99.5%	99.5%



LEGISLATURE

The mission of the General Assembly of Pennsylvania is to formulate and enact the public policy of the commonwealth.

Through legislation and resolution, the General Assembly defines the functions of state government, provides for revenue for the commonwealth and appropriates money for the operation of state agencies and other purposes.

The General Assembly is composed of two bodies – the Senate and the House of Representatives. Its sessions begin on the first Tuesday of each year unless otherwise convened by proclamation of the governor.

Programs and Goals

Legislature: *To formulate and enact the public policy of the commonwealth, to define the functions of state government, to provide revenue for the commonwealth and to appropriate money for the operation of state agencies and for other purposes.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2019-20 2020-21 2021-22
ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

Senate:

Senators' Salaries	\$ 8,864	\$ 8,864	\$ 8,864
Employees of Chief Clerk.....	3,085	3,085	3,085
Salaried Officers and Employees	13,973	13,973	13,973
Incidental Expenses.....	3,595	3,595	3,595
Expenses - Senators.....	1,416	1,416	1,416
Legislative Printing and Expenses	8,048	8,048	8,048
Committee on Appropriations (R) and (D).....	-	1,759	3,015
Committee on Appropriations (R).....	1,508	628	-
Committee on Appropriations (D).....	1,507	628	-
Caucus Operations (R) and (D).....	-	46,586	79,861
Caucus Operations (R)	42,326	17,969	-
Caucus Operations (D)	37,535	15,306	-
Subtotal	\$ 121,857	\$ 121,857	\$ 121,857

House of Representatives:

Members' Salaries, Speaker's Extra Compensation	\$ 35,290	\$ 35,290	\$ 35,290
Caucus Operations (R) and (D).....	-	-	133,375
Caucus Operations (R)	69,275	69,275	-
Caucus Operations (D)	64,100	64,100	-
Speaker's Office	1,810	1,810	1,810
Bi-Partisan Committee, Chief Clerk, Comptroller and EMS	14,834	14,834	14,834
Mileage - Representatives, Officers and Employees	572	572	572
Chief Clerk and Legislative Journal	2,816	2,816	2,816
Contingent Expenses (R) and (D).....	-	-	1,209
Speaker	20	20	-
Chief Clerk	1,091	1,091	-
Floor Leader (R).....	7	7	-
Floor Leader (D).....	7	7	-
Whip (R).....	6	6	-
Whip (D).....	6	6	-
Chairman - Caucus (R).....	3	3	-
Chairman - Caucus (D).....	3	3	-
Secretary - Caucus (R).....	3	3	-
Secretary - Caucus (D).....	3	3	-
Chairman - Appropriations Committee (R)	6	6	-
Chairman - Appropriations Committee (D)	6	6	-

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
Chairman - Policy Committee (R)	2	2	-
Chairman - Policy Committee (D)	2	2	-
Caucus Administrator (R).....	2	2	-
Caucus Administrator (D).....	2	2	-
Administrator for Staff (R).....	20	20	-
Administrator for Staff (D).....	20	20	-
Incidental Expenses.....	7,569	7,569	7,569
Expenses - Representatives.....	4,251	4,251	4,251
Legislative Printing and Expenses.....	10,674	10,674	10,674
Committee on Appropriations (R).....	3,223	3,223	3,223
Committee on Appropriations (D).....	3,223	3,223	3,223
Special Leadership Account (R)	6,045	6,045	6,045
Special Leadership Account (D)	6,045	6,045	6,045
Subtotal	\$ 230,936	\$ 230,936	\$ 230,936
Total - General Government.....	\$ 352,793	\$ 352,793	\$ 352,793
GENERAL FUND TOTAL	\$ 352,793	\$ 352,793	\$ 352,793

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
LEGISLATURE							
GENERAL FUND.....	\$ 352,793	\$ 352,793	\$ 352,793	\$ 352,793	\$ 352,793	\$ 352,793	\$ 352,793
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 352,793	$ 352,793	$ 352,793	$ 352,793	$ 352,793	$ 352,793	$ 352,793
ALL PROGRAMS:							
GENERAL FUND.....	\$ 352,793	\$ 352,793	\$ 352,793	\$ 352,793	\$ 352,793	\$ 352,793	\$ 352,793
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
DEPARTMENT TOTAL .....	$ 352,793	$ 352,793	$ 352,793	$ 352,793	$ 352,793	$ 352,793	\$ 352,793

Program: Legislature

Goal: To formulate and enact the public policy of the commonwealth, to define the functions of state government, to provide revenue for the commonwealth and to appropriate money for the operation of state agencies and for other purposes.

This program provides for the operation of the [General Assembly](#), which consists of a 50 member [Senate](#) and a 203 member [House of Representatives](#), funded by numerous General Fund appropriations.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Legislature	\$ 352,793	\$ 352,793	\$ 352,793	\$ 352,793	\$ 352,793	\$ 352,793	\$ 352,793

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JUDICIARY

The mission of the judicial system of the commonwealth is to provide citizens with prompt and equitable justice under the law.

The court system includes the Supreme Court, Superior Court, Commonwealth Court, Courts of Common Pleas and community courts including Philadelphia Municipal Court, Pittsburgh Municipal Court and magisterial district courts.

Programs and Goals

State Judicial System: *To provide the citizens of the commonwealth with prompt and equitable justice under the law.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
Supreme Court:			
Supreme Court	\$ 17,150	\$ 17,150	\$ 17,150
Justice Expenses	118	118	118
Judicial Center Operations.....	814	814	814
Judicial Council.....	141	141	141
District Court Administrators.....	19,657	19,657	19,657
Interbranch Commission	350	350	350
Court Management Education	73	73	73
Rules Committees	1,595	1,595	1,595
Court Administrator	11,577	11,577	11,577
(F)Court Improvement Project	1,130	1,130	1,130
(F)Adult Drug Court Outcome Evaluation	225	225	175
(F)Language Access Grant.....	50	50	50
(F)PA Reestablishment Analysis of Magisterial District Courts	-	80	80
(F)COVID-Emergency Supplemental Funding	-	1,404	-
(F)STOP Violence Against Women (EA)	339	268	237
(F)Veteran's Treatment Court Strategic Planning (EA)	200	100	200
(F)SJI Civil Case Management (EA).....	-	-	60
Integrated Criminal Justice System	2,372	2,372	2,372
(F)JNET (EA)	170	100	-
(R)Judicial Computer System	44,426	45,626	45,626
Unified Judicial System Security.....	2,002	2,002	2,002
Office of Elder Justice in the Courts	496	496	496
Subtotal.....	\$ 102,885	\$ 105,328	\$ 103,903
Superior Court:			
Superior Court	\$ 32,377	\$ 32,377	\$ 32,377
Judges Expenses	183	183	183
Subtotal.....	\$ 32,560	\$ 32,560	\$ 32,560
Commonwealth Court:			
Commonwealth Court	\$ 21,192	\$ 21,192	\$ 21,192
Judges Expenses	132	132	132
Subtotal.....	\$ 21,324	\$ 21,324	\$ 21,324
Courts of Common Pleas:			
Courts of Common Pleas	\$ 117,739	\$ 117,739	\$ 117,739
Senior Judges.....	4,004	4,004	4,004
Judicial Education.....	1,247	1,247	1,247

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2019-20	2020-21	2021-22
	ACTUAL	AVAILABLE	BUDGET
Ethics Committee	62	62	62
Problem-Solving Courts	1,103	1,103	1,103
Subtotal	\$ 124,155	\$ 124,155	\$ 124,155
Magisterial District Judges:			
Magisterial District Judges	\$ 82,802	\$ 82,802	\$ 82,802
Magisterial District Judge Education	744	744	744
Subtotal	\$ 83,546	\$ 83,546	\$ 83,546
Philadelphia Courts:			
Municipal Court	\$ 7,794	\$ 7,794	\$ 7,794
Subtotal	\$ 7,794	\$ 7,794	\$ 7,794
Judicial Conduct:			
Judicial Conduct Board	\$ 2,468	\$ 2,468	\$ 2,505
Court of Judicial Discipline	468	468	468
Subtotal	\$ 2,936	\$ 2,936	\$ 2,973
Subtotal - State Funds	\$ 328,660	\$ 328,660	\$ 328,697
Subtotal - Federal Funds	2,114	3,357	1,932
Subtotal - Restricted Revenues	44,426	45,626	45,626
Total - General Government	\$ 375,200	\$ 377,643	\$ 376,255
Grants and Subsidies:			
Reimbursement of County Costs:			
Juror Cost Reimbursement	\$ 1,118	\$ 1,118	\$ 1,118
County Court Reimbursement	23,136	23,136	23,136
Senior Judge Reimbursement	1,375	1,375	1,375
Court Interpreter County Grant	1,500	1,500	1,500
Subtotal	\$ 27,129	\$ 27,129	\$ 27,129
Total - Grants and Subsidies	\$ 27,129	\$ 27,129	\$ 27,129
STATE FUNDS	\$ 355,789	\$ 355,789	\$ 355,826
FEDERAL FUNDS	2,114	3,357	1,932
RESTRICTED REVENUES	44,426	45,626	45,626
GENERAL FUND TOTAL	\$ 402,329	\$ 404,772	\$ 403,384

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
STATE JUDICIAL SYSTEM							
GENERAL FUND.....	\$ 355,789	\$ 355,789	\$ 355,826	\$ 355,826	\$ 355,826	\$ 355,826	\$ 355,826
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	2,114	3,357	1,932	1,932	1,932	1,932	1,932
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	44,426	45,626	45,626	46,638	35,386	28,794	28,794
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 402,329	\$ 404,772	\$ 403,384	\$ 404,396	\$ 393,144	\$ 386,552	\$ 386,552
ALL PROGRAMS:							
GENERAL FUND.....	\$ 355,789	\$ 355,789	\$ 355,826	\$ 355,826	\$ 355,826	\$ 355,826	\$ 355,826
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	2,114	3,357	1,932	1,932	1,932	1,932	1,932
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	44,426	45,626	45,626	46,638	35,386	28,794	28,794
OTHER FUNDS.....	-	-	-	-	-	-	-
DEPARTMENT TOTAL	\$ 402,329	\$ 404,772	\$ 403,384	\$ 404,396	\$ 393,144	\$ 386,552	\$ 386,552

Program: State Judicial System

Goal: To provide the citizens of the commonwealth with prompt and equitable justice under the law.

Pennsylvania's [Unified Judicial System](#) is a layered court system consisting of the Supreme Court, Commonwealth Court, Superior Court, Courts of Common Pleas, the magisterial district courts, and Philadelphia Municipal Court. The Judiciary's core mission is the delivery of fair, timely, and accessible justice for all Pennsylvanians.

In counties other than Philadelphia, courts at the first level of the system are presided over by [Magisterial District Judges](#) who have jurisdiction over summary criminal cases, landlord-tenant matters, and other civil actions where the amount claimed does not exceed \$12,000. They also have jurisdiction to issue warrants, hold arraignments and preliminary hearings in all criminal cases, and accept guilty pleas under certain circumstances. In Philadelphia, the [Municipal Court](#) is the initial level of the court system. Its limited jurisdiction is analogous to that of the Magisterial District Judges.

The second level in the court system is the [Courts of Common Pleas](#), which are courts of general trial jurisdiction. They have original jurisdiction over all cases not exclusively assigned to another court. Appellate jurisdiction extends to appeals from final orders of the lower courts and appeals from certain state and most local government agencies.

Appeals from the Courts of Common Pleas are generally handled by one of the two intermediate-level appellate courts: [Commonwealth Court](#) and [Superior Court](#). Commonwealth Court has jurisdiction over appeals involving government agencies and officials and not-for-profit corporations, as well as original jurisdiction over Election Code matters and cases involving state officials. Superior Court has jurisdiction over all direct appeals not within the specific statutory jurisdiction of another appellate court. The [Supreme Court](#) is Pennsylvania's court of last

resort and is responsible for administration of the entire Unified Judicial System.

As defined by the state constitution, statute, and court rule, the Court Administrator of Pennsylvania heads the Administrative Office of Pennsylvania Courts (AOPC), the administrative arm of the Supreme Court in the court's oversight responsibility of the Unified Judicial System. At the direction of the Supreme Court, the AOPC has undertaken initiatives to assist those in need and educate the public by making court documents and information more accessible. In response, the [Office of Elder Justice in the Courts](#) and the [Office for Children and Families in the Courts](#) work to protect the needs of the most vulnerable. In addition, the AOPC is focused on the continued expansion of its [problem-solving courts](#) program, assisting with the treatment and rehabilitation of behaviors and conditions that are often linked to crime and social problems. And through the Judiciary's commitment to continued improvements in language access and interpreter services, individuals who are limited-English proficient, deaf, or hard-of-hearing are able to fully participate in court processes, preserving their access to justice.

Pennsylvania's state court system was the second system in the country to go online, and through its [Judicial Computer System](#) (JCS) has been among the nation's leaders in using technology to more efficiently administer its courts and broaden public accessibility to court information. The JCS is now an integral part of not only court operations statewide but also in supplying data for a broad array of state and local government agencies, especially in law enforcement through [JNET](#), the commonwealth's multi-agency Pennsylvania Justice Network.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Judicial Conduct Board
 \$ 37 —to continue current program.

All other state appropriations are recommended at the current funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND							
Judiciary.....	\$ 355,789	\$ 355,789	\$ 355,826	\$ 355,826	\$ 355,826	\$ 355,826	\$ 355,826

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GOVERNMENT SUPPORT AGENCIES

The mission of the Government Support Agencies is to serve the members of the legislature, legislative committees, the governor, heads of state agencies and, in certain cases, citizens of the commonwealth, by providing research, fiscal and regulatory review, and administrative and operational support.

Programs and Goals

Government Support Agencies: *To provide research, fiscal and regulatory review, and administrative and operational support.*

Government Support Agencies

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2019-20 ACTUAL	2020-21 AVAILABLE	2021-22 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
Legislative Reference Bureau:			
Legislative Reference Bureau - Salaries and Expenses.....	\$ 9,691	\$ 9,691	\$ 9,691
Printing of PA Bulletin and PA Code.....	886	886	886
Contingent Expenses.....	25	25	25
Subtotal	\$ 10,602	\$ 10,602	\$ 10,602
Legislative Budget and Finance Committee.....	2,020	2,020	2,020
Legislative Data Processing Center	32,255	32,255	32,255
LDP - Information Technology Modernization.....	2,500	2,500	2,500
Joint State Government Commission	1,701	1,701	1,701
Local Government Commission	1,283	1,283	1,283
Local Government Codes.....	24	24	24
Joint Legislative Air and Water Pollution Control Committee.....	582	-	-
Legislative Audit Advisory Commission.....	285	285	285
Independent Regulatory Review Commission	2,155	2,155	2,155
Capitol Preservation Committee.....	827	827	827
Capitol Restoration	3,157	3,157	3,157
Commission on Sentencing	2,553	2,553	2,553
Center for Rural Pennsylvania.....	1,128	1,128	1,128
Commonwealth Mail Processing Center.....	3,583	3,583	3,583
Legislative Reapportionment Commission	1,053	1,053	1,053
Independent Fiscal Office.....	2,343	2,343	2,343
Subtotal	\$ 57,449	\$ 56,867	\$ 56,867
Total - General Government.....	\$ 68,051	\$ 67,469	\$ 67,469
GENERAL FUND TOTAL	\$ 68,051	\$ 67,469	\$ 67,469
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 68,051	\$ 67,469	\$ 67,469
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	-	-	-
TOTAL ALL FUNDS.....	\$ 68,051	\$ 67,469	\$ 67,469

Government Support Agencies

Program Funding Summary

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GOVERNMENT SUPPORT AGENCIES							
GENERAL FUND.....	\$ 68,051	\$ 67,469	\$ 67,469	\$ 67,469	\$ 67,469	\$ 67,469	\$ 67,469
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	400	400	400	-
SUBCATEGORY TOTAL....	\$ 68,051	\$ 67,469	\$ 67,469	\$ 67,869	\$ 67,869	\$ 67,869	\$ 67,469
ALL PROGRAMS:							
GENERAL FUND.....	\$ 68,051	\$ 67,469	\$ 67,469	\$ 67,469	\$ 67,469	\$ 67,469	\$ 67,469
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	400	400	400	-
DEPARTMENT TOTAL	\$ 68,051	\$ 67,469	\$ 67,469	\$ 67,869	\$ 67,869	\$ 67,869	\$ 67,469

Program: Government Support Agencies

Goal: To provide research, fiscal and regulatory review, and administrative and operational support.

The [Legislative Reference Bureau](#) prepares legislative bills and resolutions for introduction in the General Assembly; advises members of the legislature and legislative committees; and, from time to time, prepares proposed codifications of existing general statutes for adoption or rejection by the General Assembly.

The [Legislative Budget and Finance Committee](#) is a bipartisan, bicameral legislative service agency that conducts studies and makes recommendations aimed at eliminating unnecessary expenditures, promoting economy in the government of the commonwealth and assuring that state funds are being expended in accordance with legislative intent and law.

The [Legislative Data Processing Center](#) establishes and operates computer systems capable of storing and retrieving all of the financial, factual, procedural and legal information necessary to serve all of the committees, officers and agencies of the General Assembly.

The [Joint State Government Commission](#) serves as the bipartisan and bicameral research agency of the General Assembly.

The [Local Government Commission](#) is a bipartisan legislative service agency offering research assistance to propose legislation that will enable local governments to be more effective and efficient in providing services.

The [Legislative Audit Advisory Commission](#) plans and performs the audit of the General Assembly's financial transactions.

The [Independent Regulatory Review Commission](#) reviews commonwealth agency regulations to ensure that they are in the public interest.

The [Capitol Preservation Committee](#) works to preserve the art, architecture and history of the Pennsylvania Capitol Building and Complex.

The [Commission on Sentencing](#) creates and maintains a consistent and rational statewide sentencing policy through the adoption of guidelines that promote fairer and more uniform sentencing throughout the commonwealth.

The [Center for Rural Pennsylvania](#) serves as a resource for rural policy within the General Assembly.

The Commonwealth Mail Processing Center screens and dispatches correspondence, packages and parcels.

The Legislative Reapportionment Commission receives the Census Bureau redistricting data in each year following the year of the federal decennial census. It is used as a basis for apportioning seats in the U.S. House of Representatives. Census data is also used to redraw legislative districts for the Pennsylvania House of Representatives and the state Senate.

The [Independent Fiscal Office](#) provides nonpartisan budget information and analysis.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Government Support Agencies....	\$ 68,051	\$ 67,469	\$ 67,469	\$ 67,469	\$ 67,469	\$ 67,469	\$ 67,469



Commonwealth of Pennsylvania

Governor's Executive Budget

CAPITAL BUDGET

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Program Summary

This section presents the 2021-22 Capital Budget and Five Year Capital Program. The proposed funding sources and amounts needed to support capital programs are projected for five fiscal years.

All projects are grouped by categories regardless of the source of funding. The six categories, as explained below, are consistently used for projects which are to be funded by commonwealth debt obligations, current revenues and funds received from other jurisdictions. Funding source distinctions are clearly noted throughout the section which itemizes the recommended capital program.

Public Improvement Projects — this category includes various types of renovation projects and new buildings, nonstructural improvements and the acquisition of land. The Department of General Services administers design and construction for the majority of these projects. However, Keystone Recreation, Park and Conservation and Environmental Stewardship projects are administered by the Department of Conservation and Natural Resources.

Public Improvement — Original Furniture and Equipment Projects — this category provides for the equipping of newly completed public improvement projects by purchasing original movable furniture and equipment through the Department of General Services. Replacement furniture and equipment to be used in existing buildings are purchased as fixed assets.

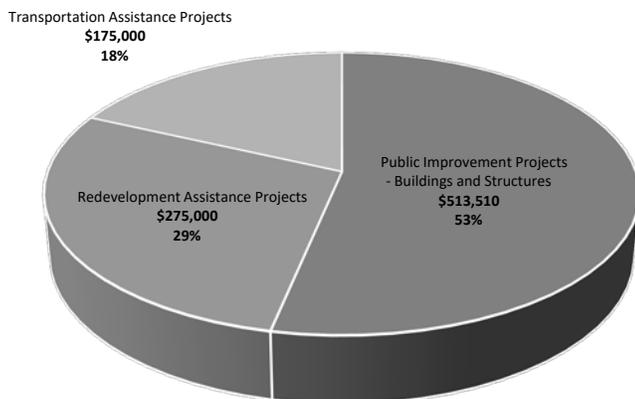
Transportation Assistance Projects — this category of projects includes: the purchase of rolling stock and construction or improvement of facilities operated by mass transportation agencies throughout the commonwealth; the acquisition, construction and equipping of rural and intercity common carrier surface transportation systems or any components thereof; and air transportation systems. These projects are administered by the Department of Transportation.

Redevelopment Assistance Projects — this category provides grants for the acquisition and construction of regional economic, cultural, civic, recreational, and historical improvements.

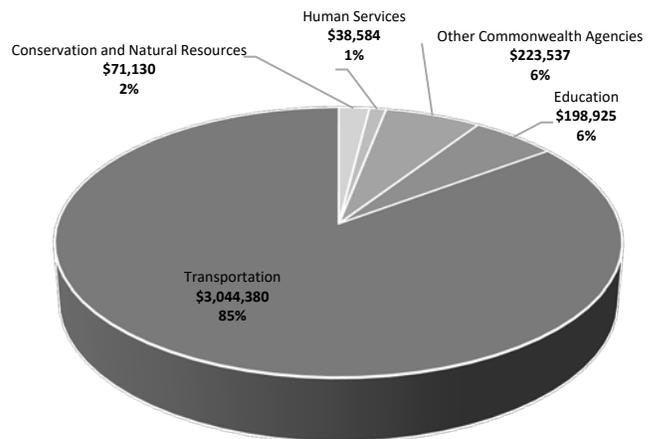
Flood Control Projects — this category provides the state's share of federal flood control works and improvements to prevent floods and to preserve, control and regulate the flow of rivers and streams in the commonwealth. These projects are administered by the Department of Environmental Protection.

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

**2021-22 Estimated Capital Expenditures
Capital Facilities Bond Fund**
(Dollar Amounts in Thousands)



Recommended 2021-22 New Project Authorizations
(Dollar Amounts in Thousands)



Capital Budget Financing. Most project authorizations recommended in the capital budget are debt financed by General Obligation Bonds. However, other capital projects are financed by current revenues either from dedicated sources or appropriations through operating budgets. An additional \$2.9 billion in 2021-22 new project authorizations (mostly highway projects) is financed by current revenues.

Program Summary, continued

The Capital Budget section consists of the following three subsections.

2021-22 New Project Authorizations — this section itemizes and describes the new capital projects recommended for authorization and their proposed source of funding. The projects are listed by department and capital project category.

Impact on Operating Costs — the description of each recommended capital project contains a statement concerning the impact on program operating costs expected from the implementation of the capital project. With certain exceptions, the statement indicates little or no effect on operating costs. This is due to the fact that most capital projects involve the renovation or replacement of existing facilities. Consequently, any operating cost impact is derived from such items as efficiencies in energy consumption and avoided maintenance. These items, when viewed in terms of the total agency or program budget, generally tend to be negligible.

An exception is when a large-scale project is implemented which will dramatically change efficiencies and other components of an operating budget. In this case, the expected change in operating expenses is quantified. The net change in operating cost also is quantified when new construction will result in a significant increase in the capital asset base. A more precise figure will be recommended in the agency's operating budget when the project has been completed, which is usually several years after a capital project is authorized.

There are several categories of capital authorizations for which no estimate of operating cost impact is provided. Among these are Redevelopment Assistance, Flood Control, Transportation Assistance and flood protection projects undertaken as part of the Public Improvement category. These projects constitute improvements to the property of other entities, primarily local jurisdictions such as cities, boroughs, townships and universities, among others. Any change in operating costs will, therefore, be borne by an entity other than the commonwealth.

Finally, the Highway Projects category also will not provide a statement of operating cost impact. This is because the bulk of capital spending in this category is for the rehabilitation of the existing highway network rather than the addition of new mileage. As rehabilitation takes place, high maintenance costs are avoided. These avoided maintenance costs are then shifted to other segments of roadway where repair needs are relatively significant. As a result, the total highway operating budget experiences little net change.

Future New Project Authorizations — this section contains a dollar forecast of new capital projects requested during each of the fiscal years 2021-22 through 2025-26. The projections are grouped by department and capital project category. Since design, acquisition and construction of a project are not generally completed during the fiscal year in which the project is initiated, actual expenditures usually occur over several fiscal years. The estimated expenditures determine the amount of bonds which must be issued, or the current revenue appropriations required in each fiscal year.

ESTIMATED CAPITAL EXPENDITURES State Funds

This table presents summary data on the source of funding and use for currently authorized and proposed capital projects. Detailed information on debt issued for capital projects is contained in the Public Debt section of this budget document.

(Dollar Amounts in Thousands)

	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
GENERAL OBLIGATION BOND FUNDING					
Revenues					
Capital Facilities Bonds:					
Public Improvement Projects - Buildings and Structures.....	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000
Public Improvement Projects - Furniture and Equipment.....	10,000	10,000	10,000	10,000	10,000
Redevelopment Assistance Projects.....	275,000	275,000	275,000	275,000	275,000
Flood Control Projects.....	0	0	0	0	0
Transportation Assistance Projects.....	175,000	175,000	175,000	175,000	175,000
Less: Costs of Issue.....	-2,500	-2,500	-2,500	-2,500	-2,500
Miscellaneous Revenue.....	6,000	6,000	6,000	6,000	6,000
Change in Available Cash.....	43,617	74,829	110,205	111,871	93,069
Total.....	<u>\$ 969,883</u>	<u>\$ 938,671</u>	<u>\$ 903,295</u>	<u>\$ 901,629</u>	<u>\$ 920,431</u>
Expenditures					
Capital Facilities Fund:					
Public Improvement Projects - Buildings and Structures.....	\$ 519,883	\$ 488,671	\$ 453,295	\$ 451,629	\$ 470,431
Public Improvement Projects - Furniture and Equipment.....	0	0	0	0	0
Redevelopment Assistance Projects.....	275,000	275,000	275,000	275,000	275,000
Flood Control Projects.....	0	0	0	0	0
Transportation Assistance Projects.....	175,000	175,000	175,000	175,000	175,000
Total - General Obligation Bonds.....	<u>\$ 969,883</u>	<u>\$ 938,671</u>	<u>\$ 903,295</u>	<u>\$ 901,629</u>	<u>\$ 920,431</u>
FROM CURRENT REVENUES					
State Forestry Bridge –					
Parks and Forest Management.....	\$ 6,140	\$ 0	\$ 0	\$ 0	\$ 0
Keystone Recreation, Park and Conservation Fund–					
Acquisition, Rehabilitation and Development Projects.....	22,750	20,000	20,000	20,000	20,000
Environmental Stewardship Fund –					
Acquisition, Rehabilitation and Development Projects.....	16,780	15,000	15,000	15,000	15,000
Forest Regeneration Funds –					
Parks and Forest Management.....	925	0	0	0	0
Dirt and Gravel Funds –					
Acquisition, Improvements and Rehabilitation.....	1,100	0	0	0	0
Highway Projects - Motor License Fund.....	2,840,351	2,965,900	2,993,200	2,992,100	2,990,000
Total Current Revenues.....	<u>\$ 2,888,046</u>	<u>\$ 3,000,900</u>	<u>\$ 3,028,200</u>	<u>\$ 3,027,100</u>	<u>\$ 3,025,000</u>
TOTAL - ALL FUNDS	<u>\$ 3,857,929</u>	<u>\$ 3,939,571</u>	<u>\$ 3,931,495</u>	<u>\$ 3,928,729</u>	<u>\$ 3,945,431</u>

FORECAST OF NEW PROJECT AUTHORIZATIONS State Funds

This table provides a summary of the budget recommendations and potential future authorizations by department.

	(Dollar Amounts in Thousands)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Agriculture.....	\$ 28,475	\$ 29,895	\$ 18,770	\$ 25,965	\$ 25,000	\$ 112,097
Conservation and Natural Resources.....	71,130	48,997	50,591	50,291	53,935	266,778
Criminal Justice.....	40,277	40,015	39,742	39,926	36,711	196,671
Education.....	198,925	178,960	139,019	165,287	164,190	854,131
Environmental Protection.....	21,195	18,351	20,808	23,591	22,734	106,678
General Services.....	22,831	24,635	32,057	32,543	36,657	148,723
Historical and Museum Commission.....	11,031	14,471	6,956	14,093	14,786	61,338
Human Services.....	38,584	38,961	33,289	52,128	55,516	218,478
Military and Veterans Affairs.....	35,670	35,671	33,526	31,482	32,330	166,985
State Police.....	64,057	56,987	81,879	25,079	25,544	253,547
Transportation.....	<u>3,044,380</u>	<u>3,169,361</u>	<u>3,193,553</u>	<u>3,197,936</u>	<u>3,195,381</u>	<u>15,800,612</u>
TOTAL.....	<u>\$ 3,576,556</u>	<u>\$ 3,656,305</u>	<u>\$ 3,640,412</u>	<u>\$ 3,651,126</u>	<u>\$ 3,663,750</u>	<u>\$ 18,186,038</u>

RECOMMENDED 2021-22 NEW PROJECT AUTHORIZATIONS State Funds

This table provides a summary of new project authorizations by department and capital program category within bond and current revenue sources.

(Dollar Amounts in Thousands)

Capital Facilities Bond Funds

	Public Improvement Projects	Original Furniture & Equipment	Transportation Assistance Projects	Flood Control Projects
Agriculture.....	\$ 28,475	\$ 0	\$ 0	\$ 0
Conservation and Natural Resources.....	23,435	0	0	0
Criminal Justice.....	40,277	0	0	0
Education.....	198,925	0	0	0
Environmental Protection.....	21,195	0	0	0
General Services.....	22,831	0	0	0
Historical and Museum Commission.....	11,031	0	0	0
Human Services.....	38,584	0	0	0
Military and Veterans Affairs.....	35,670	0	0	0
State Police.....	64,067	0	0	0
Transportation.....	29,029	0	175,000	0
TOTAL.....	\$ 513,510	\$ 0	\$ 175,000	\$ 0

Current Revenues

All Funds

	Highway Projects	Public Improvement Projects	
Agriculture.....	\$ 0	\$ 0	\$ 28,475
Conservation and Natural Resources.....	0	47,695	71,130
Criminal Justice.....	0	0	40,277
Education.....	0	0	198,925
Environmental Protection.....	0	0	21,195
General Services.....	0	0	22,831
Historical and Museum Commission.....	0	0	11,031
Human Services.....	0	0	38,584
Military and Veterans Affairs.....	0	0	35,670
State Police.....	0	0	64,057
Transportation.....	2,840,531	0	3,044,380
TOTAL.....	\$ 2,840,531	\$ 47,695	\$ 3,576,556

DEPARTMENT OF AGRICULTURE

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
2021-22 PUBLIC IMPROVEMENT PROJECTS	
Protection and Development of Agricultural Industries.....	\$ 28,475
TOTAL	<u>\$ 28,475</u>
SOURCE OF FUNDS	
General Obligation Bond Issues	
Capital Facilities Fund - Buildings and Structures.....	\$ 28,475
TOTAL	<u>\$ 28,475</u>

Department of Agriculture 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUND

Program: Protection and Development of Agricultural Industries

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<u>CHESTER COUNTY</u>	
Diagnostic Laboratory	\$ 28,475
CONSTRUCTION: New PA Equine Toxicology & Research Laboratory at the University of Pennsylvania.	
 PROGRAM TOTAL	 <u>\$ 28,475</u>

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

2021-22 PUBLIC IMPROVEMENT PROJECTS

	Total Project Cost
Parks and Forest Management.....	\$ 71,130
TOTAL	\$ 71,130

SOURCE OF FUNDS

General Obligation Bond Issues

Capital Facilities Fund - Buildings and Structures.....	\$ 23,435
Capital Facilities Fund - Furniture and Equipment.....	0
Subtotal General Obligation Bond Issues.....	<u>\$ 23,435</u>

Current Revenues

Keystone Recreation, Park and Conservation Fund – Improvements and Rehabilitation.....	\$ 22,750
State Forestry Bridge - Parks and Forest Management.....	6,140
Environmental Stewardship Funds – Parks and Forest Management.....	16,780
Forest Regeneration Funds - Parks and Forest Management.....	925
Dirt and Gravel Funds – Acquisition, Improvements and Rehabilitation.....	1,100
Subtotal Current Revenues.....	<u>\$ 47,695</u>
TOTAL	\$ 71,130

Department of Conservation and Natural Resources 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUND Program: Parks and Forest Management

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Adams/Cumberland Counties</u>		
Michaux State Forest		
DESIGN: Construct Resource Management Center and Storage Building.	\$	450
<u>Bucks County</u>		
Washington Crossing Historic Park		
CONSTRUCTION: Upgrades to park.		989
Delaware Canal State Park		
DESIGN: Construct New Resource Center w/ Storage.		620
CONSTRUCTION: Phase 2: Replacement of bridges along the Delaware Canal.		2,005
<u>Cambria County</u>		
Gallitzin State Park		
CONSTRUCTION & CLOSE-OUT: New district office.		122
<u>Carbon County</u>		
Hickory Run State Park		
DESIGN: Replace Pit Latrines with modern comfort stations.		2,948
Lehigh Gorge State Park		
CLOSE-OUT: Rehabilitate White Haven public access area to include trail improvements, parking, comfort station and boat launch.		34
<u>Crawford County</u>		
Pymatuning State Park		
CONSTRUCTION: Rehabilitate state park campground facilities.		188
<u>Erie County</u>		
Presque Isle State Park		
CONSTRUCTION: Beach nourishment.		1,500
<u>Forest County</u>		
Cornplanter State Forest		
CLOSE-OUT: Plug 100 Orphan Oil and Gas Wells.		9
<u>Greene County</u>		
Ryerson Station State Park		
CONSTRUCTION: Improvements to Ryerson Station State Park -Stream corridor restoration.		1,401
CONSTRUCTION: Improvements to Ryerson Station State Park -Park Improvements.		4,160
<u>Lycoming County</u>		
Tiadaghton & Tioga State Forest		
CLOSE-OUT: Pine Creek trail offices.		24
Forest District 12		
CLOSE-OUT: Demo Old Building and Construct Public Restrooms and Contact Station on Pine Creek Rail Trail.		45
<u>Mercer County</u>		
MK Goddard State Park		
CONSTRUCTION: Replace Existing Marina Facilities with New Structure.		2,132
<u>Monroe County</u>		
Gouldsboro State Park		
CLOSE-OUT: Dam rehabilitation.		10
Tobyhanna State Park		
CONSTRUCTION & CLOSE-OUT: Rehabilitate Tobyhanna No. 2 Dam.		225
<u>Northumberland County</u>		
Shikellamy State Park		
CONSTRUCTION: Fish passageway.		4,497

Department of Conservation and Natural Resources 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUND Program: Parks and Forest Management

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Philadelphia County</u>		
Benjamin Rush State Park		
CONSTRUCTION: Park Development.	\$	1,948
<u>Pike County</u>		
Delaware State Forest		
CLOSE-OUT: New Resource Center.		70
<u>Somerset County</u>		
Laurel Hill State Park		
CLOSE-OUT: Group camp rehabilitation.		40
<u>Venango County</u>		
Oil Creek State Park		
DESIGN: Group camp rehabilitation.		18
PROGRAM TOTAL		<u>\$ 23,435</u>

Department of Conservation and Natural Resources 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM KEYSTONE RECREATION, PARK AND CONSERVATION CURRENT REVENUES

Program: Parks and Forest Management

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Bucks County</u>		
Delaware Canal State Park		
New Hope Area Access.		\$ 1,900
<u>Berks County</u>		
French Creek State Park		
Pool Liner Replacement.		300
<u>Butler County</u>		
Moraine State Park		
Road Rehabilitation, Ph 1.		1,500
<u>Cambria County</u>		
Prince Gallitzin State Park		
Construct Water Well(s)		275
Dam Repairs - Glendale Lake and Sandy Run Dams.		450
<u>Cameron County</u>		
Elk State Forest		
District Office Pipe Replacement and Paving.		300
<u>Cumberland County</u>		
Kings Gap EEC		
Kings Gap Road - Resurface/Seal Road.		275
<u>Chester County</u>		
Marsh Creek State Park		
Construct New Park Office.		2,500
<u>Clearfield County</u>		
Moshannon State Forest		
Shaggers Inn Waterfowl Dam Repairs.		2,000
<u>Delaware County</u>		
Ridley Creek State Park		
Park Roads Repaving - Sandy Flash Road and Lot Paving, Phase 2.		1,500
<u>Lackawana County</u>		
Pinchot State Forest		
Construct Stream Crossing - Red Pine Plantation Trail across Sand Spring Run.		500
Seven Tubs Road and Parking Lot Rehabilitation.		450
<u>Luzerne County</u>		
Ricketts Glen State Park		
Construct Modern Camping Shower Houses.		1,600
<u>Northampton County</u>		
Jacobsburg EEC		
Office HVAC Repairs.		250
<u>Northumberland County</u>		
Shikellamy State Park		
Bag 6 Replacement on Adam T. Bower Memorial Dam at Shikellamy State Park.		300
Resurface Parking Lots and Park Roads.		500
<u>Schuylkill County</u>		
Locust Lake State Park		
Pave CG Loop Roads for Sites 89 - 213 and Tent Loop and Beach Lot.		1,000
Sewer Rehab and I/I Repairs.		300
<u>Tioga County</u>		
Hills Creek State Park		
PCRT Trail Surface and Fencing Rehab.		4,000

Department of Conservation and Natural Resources 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM KEYSTONE RECREATION, PARK AND CONSERVATION CURENT REVENUES

Program: Parks and Forest Management

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	Total Project Cost
<u>Westmoreland County</u>		
Forbes State Forest		
Pave Road into State Highpoint at Mt. Davis.	\$	350
<u>Various Counties</u>		
Various State Parks and Forests		
Construct Pre-Manufactured Restroom Buildings – Statewide.		2,500
PROGRAM TOTAL	\$	<u>22,750</u>

Department of Conservation and Natural Resources 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM STATE FORESTRY BRIDGE CURRENT REVENUES

Program: Parks and Forest Management

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Adams County</u>		
Michaux State Forest		
Structure Replacement, Bridge No. 01-0032, Big Pond Road over Hairy Springs Run.	\$	350
Structure Replacement, Bridge No. 01-0031, Birch Run Road over Birch Run.		320
<u>Bedford County</u>		
Buchanan State Forest		
Structure Replacement, Bridge No. 02-0011, Oregon Road over Oregon Creek.		280
Structure Replacement, Bridge No. 02-0012, Roaring Spring Trail over West Fork Roaring Run.		320
<u>Bradford County</u>		
Loyalsock State Forest		
Structure Replacements: Pleasant Stream Road over Pleasant Stream (Bridge 41-7935-5120-9020) and Pleasant Stream Road over Sixth Bottom (Bridge 41-7935-5120-9016).		650
<u>Cameron County</u>		
Elk State Forest		
Structure Replacement, East Cowley Run Road over UNT East Branch Cowley.		310
<u>Centre County</u>		
Bald Eagle State Forest		
Structure Replacement, Bridge No. 07-0063, Buffalo Flat Road over Buffalo Creek.		280
Structure Replacement, Bridge No. 07-0064, Cherry Run Road over Bear Run.		260
<u>Clearfield County</u>		
Moshannon State Forest		
Structure Replacement, Claymine Road over Corbin Run and Six Mile Run Road over Wolf Rocks Run (2 Structures).		480
Caledonia Pike over Trib Little Medix Run and Caledonia Pike over Trib Trout Run and Caledonia Pike over Trout Run and Caledonia Pike over Trib Little Medix Run (4 Structures).		810
Tyler Road over Trib Abbot Run and Blackwell Road/Tyler Road Intersect over Trib Abbot Run (2 Structures).		580
<u>Clinton County</u>		
Sproul State Forest		
Graham Road over East Ferney and Graham Road over Graham Run (2 Structures).		600
<u>Lackawanna County</u>		
Pinchot State Forest		
Structure Replacements: Sand Springs Road over Butler Run (Bridge 35-7935-5111-0006) and Sand Spring Road over Butler Run (Bridge 35-7935-5111-0007).		550
<u>Tioga County</u>		
Tioga State Forest		
Cedar Mountain Road over Cedar Run.		350
PROGRAM TOTAL	\$	<u>6,140</u>

Department of Conservation and Natural Resources 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM DIRT AND GRAVEL ROAD FUNDS CURRENT REVENUES

Program: Parks and Forest Management

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Adams County</u>		
Michaux State Forest		
Milesburn Road Rehab.		\$ 250
<u>Cameron County</u>		
Elk State Forest		
Roadway Improvements - Sterling Run Tract.		250
<u>Delaware County</u>		
Ridley Creek State Park		
Repave Forge Road.		300
<u>Lycoming County</u>		
Tiadaghton State Forest		
Limbaugh Road Rehab.		300
PROGRAM TOTAL		<u>\$ 1,100</u>

Department of Conservation and Natural Resources 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM ENVIRONMENTAL STEWARDSHIP FUNDS CURRENT REVENUES

Program: Parks and Forest Management

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Bucks County</u>		
Delaware Canal State Park		
7726 Bowman's Hill Wastegate Repair.	\$	300
Renovate Interior of Odettes Building.		350
<u>Clarion County</u>		
Cook Forest State Park		
Old Office Demolition and Site Rehabilitation.		600
<u>Fayette County</u>		
Ohioyle State Park		
Construct Solar Array at Heliport.		2,500
<u>Mercer County</u>		
Clear Creek State Forest		
McKeeever Facility Renovations.		1,500
<u>York County</u>		
Gifford Pinchot State Park		
Day Use Area Sustainability Improvements.		2,000
<u>Various Counties</u>		
Parks Central Office		
Dam Repairs at Various Dams in Eastern PA.		5,480
Dam Repairs at Various Dams in Western and Central PA.		4,050
PROGRAM TOTAL	\$	<u>16,780</u>

Department of Conservation and Natural Resources 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM FOREST REGENERATION FUNDS CURRENT REVENUES

Program: Parks and Forest Management

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Indiana and Elk County</u>		
Forestry Central Office		
Construct Woven Wire Deer Fencing - Forest Districts #6 and #13.	\$	400
<u>McKean and Tioga County</u>		
Forestry Central Office		
Construct Woven Wire Deer Fencing - Forest Districts #15 and #16.		525
PROGRAM TOTAL	\$	<u>925</u>

DEPARTMENT OF CRIMINAL JUSTICE

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

2021-22 PUBLIC IMPROVEMENT PROJECTS

	Total Project Cost
Institutionalization of Offenders.....	\$ 40,277
TOTAL	<u>\$ 40,277</u>

SOURCE OF FUNDS

General Obligation Bond Issues

Capital Facilities Fund - Buildings and Structures.....	\$ 40,277
Capital Facilities Fund - Furniture and Equipment.....	0
Subtotal General Obligation Bond Issues.....	<u>\$ 40,277</u>

Other Revenues

Buildings and Structures.....	0
TOTAL	<u>\$ 40,277</u>

Department of Criminal Justice 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUNDS Program: Institutionalization of Offenders

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Centre County</u>		
State Correctional Institution at Brenner		
RENOVATE INSTITUTION: Bus/Maintenance Facility Upgrades.	\$	1,984
State Correctional Institution at Rockview		
RENOVATE INSTITUTION: Replace Windows in Treatment Building.		2,160
RENOVATE INSTITUTION: Expand Parking and Re-Pave Roads & Lots.		140
RENOVATE INSTITUTION: Replace Water Tank.		258
RENOVATE INSTITUTION: Renovate dining and auditorium exterior walls.		140
<u>Clearfield County</u>		
Quehanna Motivational Boot Camp		
RENOVATE INSTITUTION: Renovations to building D.		3,356
<u>Crawford County</u>		
State Correctional Institution at Cambridge Springs		
RENOVATE INSTITUTION: Replace perimeter intrusion system.		15
RENOVATE INSTITUTION: Addition to Dietary Building.		65
RENOVATE INSTITUTION: Air Condition Program Services and Bldg 3 (Medical).		88
RENOVATE INSTITUTION: Upgrade Fire Alarm System.		88
<u>Cumberland County</u>		
State Correctional Institution at Camp Hill		
RENOVATE INSTITUTION: Renovate Boiler Plant.		2,109
RENOVATE INSTITUTION: Renovate Kitchen No. 2.		3,280
RENOVATE INSTITUTION: Renovate HVAC systems.		484
RENOVATE INSTITUTION: Replace water plant.		637
RENOVATE INSTITUTION: Replacement of roofs on various buildings.		180
RENOVATE INSTITUTION: New Housing and Medical Building.		950
<u>Delaware County</u>		
State Correctional Institution at Chester		
RENOVATE INSTITUTION: Replacement of roofs on various buildings construction.		101
<u>Erie County</u>		
State Correctional Institution at Albion		
RENOVATE INSTITUTION: Renovate Chilled Water Plant.		527
RENOVATE INSTITUTION: Masonry Repairs.		108
<u>Fayette County</u>		
State Correctional Institution at Fayette		
RENOVATE INSTITUTION: Renovate Boiler Plant.		160
RENOVATE INSTITUTION: Upgrade Security System.		18
<u>Forest County</u>		
State Correctional Institution at Forest		
RENOVATE INSTITUTION: Renovation to water tower.		52
<u>Greene County</u>		
State Correctional Institution at Greene		
RENOVATE INSTITUTION: Wall Repairs.		1,068
<u>Huntingdon County</u>		
State Correctional Institution at Huntingdon		
RENOVATE INSTITUTION: Electrical upgrades.		1,985
RENOVATE INSTITUTION: Replace condensate.		225

Department of Criminal Justice 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUNDS Program: Institutionalization of Offenders

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Indiana County</u>		
State Correctional Institution at Pine Grove		
RENOVATE INSTITUTION: Replace various roofs.		\$ 2,276
<u>Lancaster County</u>		
Elizabethtown Training Academy		
RENOVATE INSTITUTION: Construction of boiler plant renovations.		1,800
RENOVATE INSTITUTION: Construction of HVAC renovations.		405
RENOVATE INSTITUTION: Construction of water line renovations.		450
<u>Luzerne County</u>		
State Correctional Institution at Retreat		
RENOVATE INSTITUTION: Bridge repairs.		78
<u>Lycoming County</u>		
State Correctional Institution at Muncy		
RENOVATE INSTITUTION: Replace Existing Sewer Lines.		1,532
RENOVATE INSTITUTION: New treatment plant.		943
RENOVATE INSTITUTION: Replace Perimeter Intrusion System.		21
RENOVATE INSTITUTION: Install Water Tower and municipal tie-ins.		105
RENOVATE INSTITUTION: Construct New Intake/Admin Area and Renovate Inmate Dining.		450
<u>Montgomery County</u>		
State Correctional Institution at Graterford		
RENOVATE INSTITUTION: Expansion loops and support reinforcing for pipes.		140
<u>Northumberland County</u>		
State Correctional Institution at Coal Township		
RENOVATE INSTITUTION: Replacement of roofs on various buildings construction.		246
<u>Schuylkill County</u>		
State Correctional Institution at Frackville		
RENOVATE INSTITUTION: Roof replacement.		834
RENOVATE INSTITUTION: Upgrade Main Electrical Switchgear.		465
RENOVATE INSTITUTION: Air conditioning of housing units and replacement of absorption chiller.		4,475
State Correctional Institution at Mahanoy		
RENOVATE INSTITUTION: Replacement of rubber roofs on various buildings.		130
RENOVATE INSTITUTION: Expansion of parking and repaving of roads and parking lots.		554
<u>Somerset County</u>		
State Correctional Institution at Laurel Highlands		
RENOVATE INSTITUTION: Replace Perimeter Intrusion System.		32
State Correctional Institution at Somerset		
RENOVATE INSTITUTION: Install New Water Pump.		5
RENOVATE INSTITUTION: Replace Digital Management System Panels.		4
RENOVATE INSTITUTION: Renovate Boiler Plant.		21
RENOVATE INSTITUTION: Replace roof-top units.		8
<u>Wayne County</u>		
State Correctional Institution at Waymart		
RENOVATE INSTITUTION: Construction of boiler plant renovations.		1,168
RENOVATE INSTITUTION: Repoint and Repair Masonry.		205
RENOVATE INSTITUTION: Expand Parking and Pave Roads & Lots.		105
RENOVATE INSTITUTION: Storm and Sewer Line Separation.		2,578
RENOVATE INSTITUTION: Replace Steam Lines and Traps.		291
RENOVATE INSTITUTION: Renovate and Expand A Block Housing Unit.		175
RENOVATE INSTITUTION: Air Condition Three Housing Units .		175
PROGRAM TOTAL		<u>\$ 40,277</u>

DEPARTMENT OF EDUCATION

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
2021-22 PUBLIC IMPROVEMENT PROJECTS	
Higher Education - State-Related Universities.....	\$ 110,000
Higher Education - State System of Higher Education.....	88,925
Educational Support Services.....	0
	<hr/>
TOTAL	\$ 198,925
	<hr/> <hr/>
SOURCE OF FUNDS	
General Obligation Bond Issues	
Capital Facilities Fund - Buildings and Structures.....	\$ 198,925
Capital Facilities Fund - Furniture and Equipment.....	0
Subtotal General Obligation Bond Issues.....	\$ 198,925
	<hr/>
TOTAL	\$ 198,925
	<hr/> <hr/>

Department of Education 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUNDS

Program: Higher Education - State Related Universities

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	Total Project Cost
<u>Allegheny County</u>		
University of Pittsburgh		
CONSTRUCTION FUNDING: Provide funding for project 1103-67 Phase 3, Renovations OF Hillman Library.	\$	16,536
PROJECT CLOSE-OUT FUNDING: Provide funding for project 1103-74 Phase 2, Renovations to Chevron Science Center.		50
CONSTRUCTION FUNDING: Provide funding for project 1103-77 Phase 2, Crawford Complex Renovations.		3,414
<u>Centre County</u>		
Pennsylvania State University		
CONSTRUCTION FUNDING: Provide funding for Construction of Physics Building.		38,800
DESIGN & CONSTRUCTION FUNDING: Provide funding for Henning Building Renewal.		1,200
<u>Chester County</u>		
Lincoln University		
CONSTRUCTION CLOSE-OUT FUNDING: Provide funding for project 1101-51 Phase 1, Renovate and Expand Amos Hall for Information Technology and Museum.		894
CONSTRUCTION FUNDING: Provide funding for renovation to Vail Hall.		350
CONSTRUCTION FUNDING: Provide funding for Renovations to Cresson Hall.		400
DESIGN & CONSTRUCTION FUNDING: Provide funding for Renovate Manuel Rivero (Hall) Gymnasium.		2,918
<u>Lancaster County</u>		
Thaddeus Stevens College of Technology		
CONSTRUCTION CLOSE-OUT FUNDING: Provide funding for a Community Learning Center.		50
CONSTRUCTION FUNDING: Provide funding for a Leonard/Dorm.		918
DESIGN FUNDING: Provide funding for New Multi-Purpose Dorm Building.		15,532
LAND ACQUISITION		3,500
<u>Philadelphia County</u>		
Temple University		
CONSTRUCTION FUNDING: Paley Renovations project 1104-70 Phase1.		20,000
PROGRAM TOTAL	\$	<u>110,000</u>

Department of Education 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM CAPITAL FACILITIES BOND FUNDS

Program: Higher Education - State System of Higher Education

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	Total Project Cost
<u>Berks County</u>		
Kutztown University		
CONSTRUCTION FUNDING: Provide funding for DeFrancesco Education Building Renovation.	\$	919
DESIGN FUNDING: Provide funding for Poplar House Renovation/Addition		455
<u>Butler County</u>		
Slippery Rock University		
CONSTRUCTION FUNDING: Provide funding for the Student Success Center renovation.		1,005
<u>Chester County</u>		
West Chester University		
CONSTRUCTION FUNDING: Provide funding for the Sturzebecker Health Science Center addition.		7,326
CONSTRUCTION CLOSE-OUT FUNDING: Demolition of Underutilized and Obsolete Buildings		9
CONSTRUCTION FUNDING: Provide funding for the Sciences and Engineering Center and The Commons		15,000
<u>Clarion County</u>		
Clarion University		
DESIGN & CONSTRUCTION FUNDING: Facility Space Renovation, Consolidate and Demolition.		3,515
<u>Columbia County</u>		
Bloomsburg University		
CONSTRUCTION FUNDING: McCormick Center Renovation.		5,106
<u>Cumberland County</u>		
Shippensburg University		
DESIGN FUNDING: Franklin Science Center Renovation.		2,924
<u>Delaware County</u>		
Cheney University		
CONSTRUCTION FUNDING: Provide funding for completion of project 403-83 Phase 1, Browne Hall Renovation.		259
CONSTRUCTION FUNDING: Provide funding for Cope Hall Renovation/Addition.		3,373
DESIGN FUNDING: Provide funding for project 403-85 phase2, Deferred Maintenance and Repairs.		125
<u>Erie County</u>		
Edinboro University		
CONSTRUCTION FUNDING: BF Library Addition and Renovation.		15,290
CONSTRUCTION FUNDING: Provide funding for 407-75 phase1, Demolition of Underutilized and Obsolete Buildings.		25
<u>Indiana County</u>		
Indiana University		
CONSTRUCTION FUNDING: Provide funding for project 407-73 Phase 1, Weyandt/Walsh Hall Renovation or Replacement.		14,617
CONSTRUCTION CLOSE-OUT FUNDING: Provide funding for the demolition of Foster Hall.		25
CONSTRUCTION FUNDING: Provide funding for 407-75 phase1, Demolition of Underutilized and Obsolete Buildings.		215
DESIGN FUNDS: Chilled Water Plant Expansion.		280
<u>Lancaster County</u>		
Millersville University		
CONSTRUCTION CLOSE-OUT FUNDING: Provide funding for demolition of underutilized and obsolete buildings.		5
DESIGN FUNDING: Provide funding for Brooks Hall Business School.		360
<u>Monroe County</u>		
East Stroudsburg University		
CONSTRUCTION FUNDING: Provide funding for project 405-58 Phase 1, Information Commons Construction.		4,000
<u>Washington County</u>		
California University of Pennsylvania		
CONSTRUCTION FUNDING: Provide funding for 402-63 phase1, Demolition of Underutilized and Obsolete Buildings.		3,693
 PROGRAM TOTAL	 \$	 121,695

DEPARTMENT OF ENVIRONMENTAL PROTECTION

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
2021-22 PUBLIC IMPROVEMENT PROJECTS	
Environmental Protection and Management.....	\$ 21,195
TOTAL	<u>\$ 21,195</u>
 SOURCE OF FUNDS	
General Obligation Bond Issues	
Capital Facilities Fund - Buildings and Structures.....	\$ 21,195
TOTAL	<u>\$ 21,195</u>

Department of Environmental Protection 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUND Program: Environmental Protection and Management

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	Total Project Cost
<u>Allegheny County</u>		
Pitcairn	\$	532
CONSTRUCTION FUNDING: Provide funding for project 184-33, Flood Control - Concrete Channel Protection.		
<u>Bedford County</u>		
Hyndman 2		10
CLOSE-OUT FUNDING: Provide funds for project 183-8, Phase 2, Flood Control.		
<u>Berks County</u>		
New Kernsville Dam Facility		45
CONSTRUCTION FUNDING: Provide construction funds for project 100-29 Phase 2, Repairs.		
New Kernsville Dam		3,748
CONSTRUCTION FUNDING: Provide construction funds for project 100-30 Phase 1, Full removal.		
<u>Butler County</u>		
Butler 1		10
CLOSE-OUT FUNDING: Provide funds for project 183-21 Phase 1, Sullivan Run Flood Protection.		
<u>Cambria County</u>		
Flood Control		240
CONSTRUCTION FUNDING: Provide construction funds for project 183-23.		
Little Conemaugh AMD Treatment Facility		8,038
CONSTRUCTION FUNDING: Provide funding for construction of treatment plant.		
<u>Indiana County</u>		
Wehrum AMD Treatment Facility		4,667
CONSTRUCTION FUNDING: Provide funding for project 193-38, active mine treatment facility.		
<u>Jefferson County</u>		
Weisner Hollow Slurry Dam Reclamation		450
DESIGN FUNDING: Provide funds to regrade a stream channel and close off a coal refuse channel, including the overflow channels.		
<u>Montour County</u>		
Danville 2		303
CONSTRUCTION FUNDING: Provide funding for project 181-5, Flood Control.		
<u>Montgomery/Philadelphia County</u>		
Flat Rock Dam Facilities		362
CONSTRUCTION FUNDING: Provide construction funds for project 100-29 Phase 1, Flood Control.		
<u>Schuylkill County</u>		
Auburn Dam Facility		47
CONSTRUCTION FUNDING: Provide construction funds for project 100-29 Phase 2, Repairs.		
Tamaqua Dam Facility		66
CONSTRUCTION FUNDING: Provide construction funds for project 100-29 Phase 2, Repairs.		
<u>Westmoreland County</u>		
Jeannette 2		1,712
CONSTRUCTION FUNDING: Provide construction funds for project 182-7 Phase 2, Flood Control.		
PROGRAM TOTAL	\$	21,195

DEPARTMENT OF GENERAL SERVICES

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

2020-21 PUBLIC IMPROVEMENT PROJECTS

	Total Project Cost
Facility, Property and Commodity Management.....	\$ 22,831
TOTAL	\$ 22,831

SOURCE OF FUNDS

General Obligation Bond Issues

Capital Facilities Fund - Buildings and Structures.....	\$ 22,831
Capital Facilities Fund - Furniture and Equipment.....	0
TOTAL	\$ 22,831

Department of General Services 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUND

Program: Facility, Property and Commodity Management

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Dauphin County</u>		
Capitol Complex - Central Plant		
CONSTRUCTION FUNDING: Provide funding for steam tunnel repairs.	\$	1,070
DESIGN FUNDING: Building Renovations, Chiller System Replacement and Electrical System Upgrades.		627
Capitol Complex		
CONSTRUCTION FUNDING: Provide funding to repoint balustrades and replace plaza concrete.		836
DESIGN & CONSTRUCTION FUNDING: Automation system Upgrades.		3,440
Capitol Complex - East Wing		
CONSTRUCTION FUNDING: Provide funding for project 948-94 Phase 1, Upgrade/replace emergency generators.		520
Capitol Complex - East Wing/Capital Core		
DESIGN FUNDING: Water Infiltration Study/Project.		337
Forum Building		
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 948-82 Phase 1, Elevators.		1,347
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 948-82, Phase 1, Improvements to the Forum Building.		6,782
Irvis Building		
CONSTRUCTION FUNDING: Provide funding for renovations and elevators upgrades.		1,990
DESIGN FUNDING: Renovations.		350
Finance Building		
DESIGN FUNDING: Elevator Renovations.		445
Judicial Building		
CONSTRUCTION FUNDING: Provide funding for a water intrusion project.		9
DESIGN AND CONSTRUCTION FUNDING: Provide funding for a water intrusion phase 2.		2,225
L&I and H&W		
DESIGN AND CONSTRUCTION FUNDING: Provide funding for caulking exteriors.		2,683
Museum		
DESIGN FUNDING: Paver Repair/Replacement.		70
State Street Bridge		
CONSTRUCTION FUNDING: Upgrades.		100
PROGRAM TOTAL	\$	<u>22,831</u>

HISTORICAL AND MUSEUM COMMISSION

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

2021-22 PUBLIC IMPROVEMENT PROJECTS

	<u>Total Project Cost</u>
State Historic Preservation.....	\$ 11,031
TOTAL	<u>\$ 11,031</u>

SOURCE OF FUNDS

General Obligation Bond Issues

Capital Facilities Fund - Buildings and Structures.....	\$ 11,031
TOTAL	<u>\$ 11,031</u>

Historical and Museum Commission 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUND Program: State Historic Preservation

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Berks County</u>		
Daniel Boone Homestead		
DESIGN & CONSTRUCTION FUNDING: infrastructure, building and site improvements.	\$	618
Conrad Weiser Homestead		
CONSTRUCTION FUNDING: Building and infrastructure renovations and demolition of non-historic structures.		889
<u>Centre County</u>		
Military Museum		
PROJECT CLOSE-OUT FUNDING: Provide funding for project 977-9 Phase 1, for upgrades to infrastructure, sewage system, HVAC, geothermal system, and energy saving equipment.		80
CONSTRUCTION FUNDING: New permanent exhibits.		1,708
<u>Dauphin County</u>		
State Archives		
PROJECT CLOSE-OUT FUNDING: Provide funding for project 987-1 Phase 1, New Archives Building.		485
State Museum of PA		
DESIGN AND CONSTRUCTION FUNDING: Infrastructure upgrades and renovations.		1,390
<u>Erie County</u>		
Erie Maritime Museum		
CONSTRUCTION FUNDING: Provide funding for project 974-9, Restore US Brig Niagara.		160
<u>Lancaster County</u>		
Landis Valley		
CONSTRUCTION FUNDING: Infrastructure upgrades.		5,201
<u>Lackawanna County</u>		
Scranton Cultural Center		
DESIGN FUNDING: Renovations.		500
PROGRAM TOTAL	\$	<u>11,031</u>

DEPARTMENT OF HUMAN SERVICES

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

2021-22 PUBLIC IMPROVEMENT PROJECTS

	<u>Total Project Cost</u>
Human Services.....	\$ 38,584
TOTAL	<u>\$ 38,584</u>

SOURCE OF FUNDS

General Obligation Bond Issues

Capital Facilities Fund – Buildings and Structures.....	\$ 38,584
Capital Facilities Fund – Furniture and Equipment.....	0
TOTAL	<u>\$ 38,584</u>

Department of Human Services 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUND Program: Human Services

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	Total Project Cost
<u>Berks County</u>		
Wernersville State Hospital		
CONSTRUCTION FUNDING: Provide funding for elevator/lift upgrades.	\$	972
<u>Cambria County</u>		
Ebensburg Center		
CONSTRUCTION FUNDING: Provide funding for project 583-22 ph1, Upgrade fire alarm systems.		119
CONSTRUCTION FUNDING: Provide funding for electrical upgrades.		1,174
<u>Franklin County</u>		
South Mountain Center		
CONSTRUCTION CLOSE-OUT FUNDING: Provide funding for project 557-21 Phase 1, Provide for Breech of Carbaugh Dam and Land Restoration.		122
<u>Bucks County</u>		
Pennsbury Manor		
PROJECT CLOSE-OUT FUNDING: Provide funding for completion of project 971-9 for rehabilitation of up to 23 buildings and development of infrastructure throughout the site.		2
South Mountain Restoration Center & Secure Treatment Unit		
CONSTRUCTION CLOSE-OUT FUNDING: Provide funding for project 557-22 ph1, Replace HVAC systems.		107
CONSTRUCTION CLOSE-OUT FUNDING: Provide funding for roof replacement.		26
CONSTRUCTION FUNDING: Provide funding for electrical upgrades.		3,531
<u>Lackawanna County</u>		
Clarks Summit State Hospital		
CONSTRUCTION FUNDING: Provide funding for upgrades to fire alarm systems.		26
CONSTRUCTION CLOSE-OUT FUNDING: Provide funding for project 502-33 Phase 1, Upgrade waste water treatment.		50
<u>Montgomery County</u>		
Norristown State Hospital		
DESIGN AND CONSTRUCTION FUNDING: Provide funding for New Forensic Building.		29,456
<u>Montour County</u>		
Danville State Hospital		
CONSTRUCTION FUNDING: Provide funding for roof replacement.		976
<u>Perry County</u>		
Loysville Youth Development Center		
CONSTRUCTION FUNDING: Provide funding for HVAC upgrades.		226
CONSTRUCTION FUNDING: Provide funding for hydrant upgrades.		25
<u>Snyder County</u>		
Selinsgrove Center		
CONSTRUCTION FUNDING: Provide funding for project 553-40, Upgrades to fire alarm systems.		177
<u>Warren County</u>		
Warren State Hospital		
CONSTRUCTION FUNDING: Provide funding for boiler replacement.		360
CONSTRUCTION FUNDING: Provide funding for steam condensate and hot water line replacement.		80
<u>Westmoreland County</u>		
Torrance State Hospital		
CONSTRUCTION CLOSE-OUT FUNDING: Provide funding for Wastewater Treatment Plant.		70
CONSTRUCTION FUNDING: Provide funding for electrical upgrades.		101
CONSTRUCTION FUNDING: Provide funding for security camera upgrades.		986
PROGRAM TOTAL	\$	38,584

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost
2021-22 PUBLIC IMPROVEMENT PROJECTS	
State Military Readiness.....	\$ 37,752
Veterans Homes.....	7,547
TOTAL	\$ 45,299
SOURCE OF FUNDS	
General Obligation Bond Issues	
Capital Facilities Fund - Buildings and Structures.....	\$ 35,670
Other Revenues	
Federal Funds.....	9,692
TOTAL	\$ 45,299

Department of Military and Veterans Affairs 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUND Program: State Military Readiness

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

		(Dollar Amounts in Thousands)	Total Project Cost
<u>Carbon County</u>			
Lehigh Readiness Center			
REHABILITATE READINESS CENTER: Close-out funds for rehabilitation for the readiness center.	State	\$	22
	Fed.		526
<u>Chester County</u>			
Spring City Readiness Center			
REHABILITATE READINESS CENTER: Construction funds for the rehabilitation of the readiness center.	State		2,360
	Fed.		1,500
<u>Clearfield County</u>			
Clearfield Readiness Center			
NEW CENTER: Construction funds for the construction of a new facility.	State		6,275
	Fed.		0
<u>Dauphin County</u>			
Harrisburg Military Post-Readiness Center			
REHABILITATE READINESS CENTER: Construction funds for the rehabilitation of the readiness center.	State		505
	Fed.		500
Williamstown Readiness Center			
REHABILITATE READINESS CENTER: Close-out funds for rehabilitation of the readiness center.	State		30
	Fed.		1,500
<u>Fayette County</u>			
Hiller Army Reserve Center			
REHABILITATE RESERVE CENTER: Construction funds for rehabilitation of the reserve center.	State		225
	Fed.		2,500
<u>Lebanon County</u>			
FTIG Readiness Center			
NEW POLICE STATION: Close-out funds for new police station.	State		56
	Fed.		3
REHABILITATE READINESS CENTER: Close-out funds for rehabilitation of CAB.	State		94
	Fed.		1,000
REPAIRS TO MARQUETE LAKE DAM: Design funds for improvements to Dam.	State		512
	Fed.		100
NEW YOUTH CHALLENGE BUILDING: Design & Construction funds for multi-purpose building.	State		627
	Fed.		0
NEW AUDITORIUM: Design funds for new auditorium.	State		675
	Fed.		0
<u>Luzerne County</u>			
Wilkes-Barre Readiness Center			
REHABILITATE READINESS CENTER: Construction funds for the rehabilitation of the readiness center.	State		10,550
	Fed.		0
<u>Mercer County</u>			
Hermitage Readiness Center			
REHABILITATE READINESS CENTER: Design funds for the rehabilitation of the readiness center.	State		270
	Fed.		1,000
<u>Montgomery County</u>			
Plymouth Meeting Readiness Center			
REHABILITATE READINESS CENTER: Construction funds for the rehabilitation of the readiness center.	State		3,538
	Fed.		1,000
Horsham Readiness Center			
REHABILITATE READINESS CENTER: Construction funds for the rehabilitation of the readiness center.	State		2,384
	Fed.		0
TOTAL STATE			28,123
TOTAL FEDERAL			9,629
PROGRAM TOTAL		\$	37,752

Department of Military and Veterans Affairs 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUND Program: Veterans Homes

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	Total Project Cost
<u>Blair County</u>		
Hollidaysburg Veterans Home		
VETERANS HOME: Construction funds for renovations and general repairs to the veterans home.	State	\$ 193
	Fed.	0
VETERANS HOME: Construction funds for expansion of dietary department.	State	2,299
	Fed.	0
<u>Erie County</u>		
Pennsylvania Soldiers and Sailors Home		
VETERANS HOME: Construction funds for renovations and general repairs to the veterans home.	State	709
	Fed.	0
<u>Lebanon County</u>		
Fort Indiantown Gap		
PA VETERANS MEMORIAL: Design & Construction funds for the veterans memorial.	State	1,080
	Fed.	0
<u>Philadelphia County</u>		
Harrisburg Military Post-Readiness Center		
VETERANS HOME: Design & Construction funds for renovations and chiller replacement.	State	3,266
	Fed.	0
TOTAL STATE		7,547
TOTAL FEDERAL		0
PROGRAM TOTAL		\$ 7,547

*VA Federal reimbursement of \$4.2 million will be reimbursed to the State once projects are completed.

STATE POLICE

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

2021-22 PUBLIC IMPROVEMENT PROJECTS

	Total Project Cost
Public Protection and Law Enforcement.....	\$ 64,057
TOTAL	\$ 64,057

SOURCE OF FUNDS

General Obligation Bond Issues

Capital Facilities Fund – Buildings and Structures.....	\$ 64,057
Capital Facilities Fund – Furniture and Equipment.....	0
TOTAL	\$ 64,057

State Police 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUND Program: Public Protection and Law Enforcement

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Berks County</u>		
Reading HQ		
DESIGN FUNDING: Provide funding for New Headquarters.	\$	500
<u>Dauphin County</u>		
BESO HQ		
DESIGN FUNDING: Provide funding, New Bureau of Emergency and Special Operations facility.		7,129
Training Academy		
CONSTRUCTION FUNDING: Provide funding for 211-05, Modernization of Training Academy.		55,116
<u>Erie County</u>		
Erie Headquarters		
CONSTRUCTION FUNDING: Provide funding for project 218-3 Phase 1, New Headquarters Building.		1,068
<u>WESTMORELAND COUNTY</u>		
DNA Laboratory		
PROJECT CLOSE-OUT FUNDING: Provide funding for project 210-4 Phase 1, New DNA Lab.		244
PROGRAM TOTAL	\$	<u>64,057</u>

DEPARTMENT OF TRANSPORTATION

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
2021-22 PUBLIC IMPROVEMENT PROJECTS	
State Highway, Bridge & Administration Construction/Reconstruction.....	\$ 1,873,600
HIGHWAY AND BRIDGE PROJECTS	
State Highway and Bridge Maintenance.....	277,751
TRANSPORTATION ASSISTANCE PROJECTS	
Urban Mass Transportation.....	147,000
Rail Freight Transportation.....	28,000
Subtotal.....	<u>\$ 175,000</u>
TOTAL	<u>\$ 2,326,351</u>
 SOURCE OF FUNDS	
General Obligation Bond Issues	
Capital Facilities Fund - Public Improvement Projects.....	\$ 29,028
Capital Facilities Fund - Furniture and Equipment.....	0
Capital Facilities Fund - Transportation Assistance.....	175,000
Subtotal.....	<u>\$ 204,028</u>
 Current Revenues	
Motor License Fund.....	\$ 2,840,352
Federal Funds.....	0
Local Funds.....	0
Subtotal.....	<u>\$ 2,840,352</u>
TOTAL	<u>\$ 3,044,380</u>

Department of Transportation 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM BOND FUND OR CURRENT REVENUES

Program: State Highway, Bridge & Administration Construction/Reconstruction

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Allegheny County</u>		
Maintenance Facility		\$ 4,000
Renovate, Expand, Replace, Upgrade Facilities Back up Generator, switchgear, Transformer and Electrical system Fort Pitt, Liberty and Squirrel Hill Tunnel Facilities.		
Maintenance Facility		10,000
New construction, renovations, expansion & alterations to existing maintenance facility, including site acquisition & development, design, construction & utility work at Fort Pitt Tunnel.		
Maintenance Facility		10,000
New construction, renovations, expansion & alterations to existing maintenance facility, including site acquisition & development, design, construction & utility work at Liberty Tunnel.		
Maintenance Facility		10,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at the Material Testing Lab.		
Maintenance Facility		1,500
Replace roof systems at the Fort Pitt, Liberty and Squirrel Hill Tunnel Facilities, Renovate, Expand, Replace, Upgrade Facilities building systems, including HVAC, boilers, building envelope, and interior upgrades.		
<u>Cambria County</u>		
Maintenance Facility		11,000
Develop a new Stockpile including; site purchase, design and construction -replace Johnstown Leased Site and Patton Leased Site. \$5,500 each.		
<u>Dauphin County</u>		
Fleet Management Facility		4,000
Fleet Management Maintenance Facility Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work.		
Server Farm Facility		4,000
Server Farm Maintenance Facility Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work.		
Sign Shop Facility		4,000
Sign Shop Maintenance Facility Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work.		
Testing Lab Facility		4,000
Testing laboratory Maintenance Facility Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work.		
<u>Fayette County</u>		
District Office		5,000
New construction, renovations, expansion & alterations to existing district office, including site acquisition & development, design, construction & utility work.		
<u>Indiana County</u>		
District Office		10,000
New construction, renovations, expansion & alterations to existing district office, including site acquisition & development, design, construction & utility work.		
<u>Philadelphia County</u>		
Maintenance Facility		5,000
New construction, renovations, expansion & alterations to existing Salt Warehouse Building Hunting Park facility, including site acquisition & development, design, construction & utility work.		

Department of Transportation 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM BOND FUND OR CURRENT REVENUES

Program: State Highway, Bridge & Administration Construction/Reconstruction

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>ALL 67 COUNTIES</u>		
Maintenance Facility		\$ 102,000
Two in the following county: Erie		
Renovate, Expand, Replace, Upgrade Facilities Back up Generator, switchgear, Transformer and Electrical system. \$1,500 each.		
<u>All counties except: Carbon, Delaware, Elk, Philadelphia, Susquehanna, Westmoreland and Wyoming.</u>		
<u>Two buildings in Somerset</u>		244,000
Salt Storage Building		
This project will provide for the construction of four (4) salt or general storage buildings. \$4,000 per building.		
<u>All counties except: Carbon, Delaware, Elk, Philadelphia, Somerset, Susquehanna and Westmoreland.</u>		
Salt Storage Building, High Capacity		360,000
This project will provide for the construction of four (4) high capacity salt storage buildings. \$6,000 per building.		
<u>All counties except: Berks. Two in Dauphin.</u>		
Vehicle Wash Facility		201,000
This project will provide for the construction or retrofitting of facility and may include; site work, utilities and equipment. \$3,000 per facility.		
<u>All counties except: Adams, Allegheny, Armstrong, Beaver, Bedford, Berks, Blair, Bradford, Bucks, Butler, Cambria, Cameron, Carbon, Centre, Chester, Clarion, Clearfield, Clinton, Columbia, Crawford, Cumberland, Dauphin and Delaware.</u>		
General Storage Building		176,000
This project will provide for the construction or renovation of four (4) general storage buildings. \$4,000 per building.		
<u>Allegheny, Cambria, Centre, Crawford, Fayette, Greene, Lawrence, Lebanon, Mercer, Mifflin, Schuylkill, Snyder, Somerset, Venango, and Warren.</u>		
Driver Licensing Facility		120,000
Renovate, Construct new, and Expand including; roof replacement, upgrade building systems, sidewalks, curbing, step replacement, parking lot upgrades and sewage plant upgrades. \$8,000 per building.		
<u>Montour</u>		
Maintenance Facility		1,600
Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work.		
<u>Crawford and Potter</u>		
Maintenance Facility		6,000
Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work. \$3,000 each facility.		
<u>Clarion, Mercer, Monroe, Venango, Washington</u>		
Maintenance Facility		20,000
Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work. \$4,000 each facility.		
<u>Butler, Cambria, Centre, Clearfield, Clinton, Elk, Erie, Fayette, Forest, Greene, Huntingdon, Indiana, Jefferson, Juniata, Lackawanna, Lehigh, McKean, Philadelphia, Tioga, Warren and Westmoreland</u>		
Maintenance Facility		105,000
Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work. \$5,000 each facility.		
<u>Columbia, Fulton and Lebanon</u>		
Maintenance Facility		18,000
Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work. \$6,000 each facility.		

Department of Transportation 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM BOND FUND OR CURRENT REVENUES

Program: State Highway, Bridge & Administration Construction/Reconstruction

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	Total Project Cost
<u>Adams, Berks, Bradford, Cameron, Chester, Perry and Susquehanna</u> Maintenance Facility		\$ 49,000
Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work. \$7,000 each facility.		
<u>Dauphin, Lycoming and York</u> Maintenance Facility		24,000
Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work. \$8,000 each facility.		
<u>Pike County</u> Maintenance Facility		9,000
Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work.		
<u>Armstrong, Beaver, Bucks and Mifflin</u> Maintenance Facility		40,000
Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work. \$10,000 each facility.		
<u>Somerset and Wayne</u> Maintenance Facility		22,000
Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work. \$11,000 each facility.		
<u>Blair County</u> Maintenance Facility		16,000
Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work.		
<u>Delaware, Lancaster, Luzerne, Montgomery and Sullivan</u> Maintenance Facility		82,500
Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work. \$16,500 each facility.		
<u>Schuylkill County</u> Maintenance Facility		17,000
Construct New, Upgrade or Replace: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work.		
<u>Allegheny, Armstrong (2), Beaver, Bedford, Dauphin (2), Delaware, Fayette, Lackawanna, Perry and Washington</u> Stockpile Facility		66,000
Develop New, Upgrade or Replace: This project will provide for the construction of a new, or renovation of an existing stockpile facility to meet code and program requirements. \$5,500 each.		
<u>Columbia (2), Monroe, Cumberland (2) and Clinton (2)</u> Rest Area Facility		65,000
New construction, renovations, expansion & alterations to existing roadside rest area at Site 37, including site acquisition & development, design, construction & utility work. \$10,000 each except Monroe is \$5,000.		
<u>Erie, Franklin and Tioga</u> Welcome Center Facility		30,000
New construction, renovations, expansion & alterations to existing welcome center at Site A, including site acquisition & development, design, construction & utility work. \$10,000 each facility.		
<u>Mercer County</u> Welcome Center Facility		4,000
New construction, renovations, expansion & alterations to existing welcome center at Site A, including site acquisition & development, design, construction & utility work.		

Department of Transportation 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM BOND FUND OR CURRENT REVENUES

Program: State Highway, Bridge & Administration Construction/Reconstruction

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Monroe County</u>		
Welcome Center Facility		\$ 5,000
New construction, renovations, expansion & alterations to existing welcome center at Site A, including site acquisition & development, design, construction & utility work.		
<u>Washington County</u>		
Welcome Center Facility		8,000
New construction, renovations, expansion & alterations to existing welcome center at Site A, including site acquisition & development, design, construction & utility work.		
PROGRAM TOTAL		<u>\$ 1,873,600</u>

Department of Transportation 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM MOTOR LICENSE FUNDS

Program: State Highway and Bridge Maintenance – Highway

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Allegheny County</u>		
Highway Projects		
Install all weather pavement markers in various locations within District 11.	\$	300
Install all weather pavement markers in various locations within District 11.		300
Slide correction on SR 1032, Oak Manor Road, at segment 70 in Harrison Township, Allegheny County.		350
Traffic adaptive signal system on US Route 19, Banksville Road from McMonagle Street to Crane Avenue in the City of Pittsburgh, Allegheny County.		701
Design and Construction of an Adaptive Traffic Signal System along SR 51, Clairton Boulevard, from Peters Creek Road to Provost Road in the City of Pittsburgh, Baldwin, Brentwood, Jefferson, Pleasant Hills and Whitehall Boroughs, all within Allegheny County.		1,980
Design and Construction of a Traffic Adaptive Signal System along SR 1001 – Freeport Road from 8 th Street in Sharpsburg to Powers Run Road in O'Hara Township, Allegheny County.		1,760
Design and Construction of a Traffic Adaptive Signal System along SR 3069 – Washington Road/West Liberty Avenue from Cochran Road to the Liberty Tunnel in Dormont, Mt. Lebanon and City of Pittsburgh, Allegheny County.		1,250
Slides correction on SR 4032, Little Sewickley Creek Road at segment 0010 – 0030 in Edgeworth Borough and Leet Township, Allegheny County.		1,000
<u>Armstrong County</u>		
Highway Projects		
Resurfacing to include milling of existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses and minor drainage and guiderail upgrades along SR 3011 (Worthington Slatelick/Bear/Worthington Road) from SR 3004 (Sarver Road) to US Route 422 in South Buffalo, North Buffalo, West Franklin Townships and Worthington Borough, Armstrong County.		1,215
Resurfacing to include milling of existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses and minor drainage and guiderail upgrades along PA 268 from T-880 (Lemon Hollow Road) to the a point 0.35 miles south of T-501 (Boltz Road) in East Franklin Township, Armstrong County.		3,412
<u>Berks County</u>		
Highway Projects		
This project involves the upgrade of the existing concrete barrier and fence system to better withstand the debris and rocks that fall down the slope on SR 724 (Philadelphia Avenue) from Valley Stream Road to Kennel Road in Cumru Township, Berks County.		1,689
This project involves the addition of an auxiliary lane along US Route 222 Southbound between Paper Mill Road and the US Routes 222 and 422 Interchanges in Wyomissing Borough, Berks County. The project begins where Berkshire Boulevard passes over US Route 222 and continues up and around the hard curve to the Paper Mill Road exit. Currently there is an alternatives analysis underway to incorporate northbound improvements as well. Project also includes preventative maintenance measures to the bridge spanning Crossing Drive and concrete patching and resurfacing on adjacent section of roadway.		13,442
<u>Bucks County</u>		
Highway Projects		
Add turning lanes at the intersection of Almshouse & Jacksonville Roads.		2,274
<u>Butler County</u>		
Highway Projects		
Resurfacing to include milling of existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses and minor drainage and guiderail upgrades along PA 68 from 0.07 miles east of the Chicora Borough Line to Glennford Village Road in Chicora Borough and Donegal Township, Butler County.		1,656
Resurfacing to include milling of existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses and minor drainage and guiderail upgrades along PA 173 from PA 108 to the Mercer County Line in Slippery Rock and Mercer Townships, Butler County.		1,900
Resurfacing to include milling of existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses and minor drainage and guiderail upgrades along PA 68 from Baumgart Lane (Township Road 840) to Chicora in Oakland and Donegal Townships, Butler County.		2,280

Department of Transportation 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM MOTOR LICENSE FUNDS

Program: State Highway and Bridge Maintenance – Highway

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	Total Project Cost
<u>Butler County</u>		
Highway Projects, continued		
Signal replacement/rehabilitation along the Route 8 Corridor from Penn Street to Pittsburgh Street in Butler City, Butler County.	\$	3,000
Resurfacing to include milling of the existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses, and minor drainage and guide rail upgrades Along US 19 from the Allegheny County Line to just north of the Intersection with PA 528 in Cranberry & Jackson Townships and Zelienople Borough.		8,407
<u>Centre County</u>		
Highway Projects		
Roadway Restoration/Resurfacing on State Route 26 (Marine Sergeant DJ Emery Highway), near I-80 Exit 161 to near Shay Lane Marion Township, Centre County.		6,789
Bridge Rehabilitations, 3 locations, in Spring, Curtin & Miles Townships, Centre County.		1,950
Bridge Replacement on Mill St Bridge in Howard Borough and Railroad St Bridge in Bellefonte Borough in Centre County.		3,000
<u>Clarion County</u>		
Highway Projects		
Resurfacing to include milling of existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses and minor drainage and guiderail upgrades along PA 861 from T-461 (Hawkhill Road) to State Route 2007 (Curlsville Road) in Madison and Porter Townships, Clarion County.		1,300
Resurfacing to include milling of existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses and minor drainage and guiderail upgrades along PA 68 from a point .02 miles east of T-456 (Pin Oak Road) to 0.37 miles east of SR 2011 (Curlsville Road) in Toby Township.		3,872
Resurfacing to include milling of existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses and minor drainage and guiderail upgrades along SR 1005 (Fifth Avenue) from the bridge 0.15 miles north of Fireman's Road to the intersection with PA 36 in Highland Township, Clarion County.		3,144
Resurfacing to include milling of existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses and minor drainage and guiderail upgrades along PA 66 from T-620 (Stoney Road) to Interstate 80 in Limestone and Clarion Townships.		2,237
Resurfacing to include milling of existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses and minor drainage and guiderail upgrades along PA 861 from State Route 2007 (Curlsville Road) to T-303 (Cottage Hill Road) in Porter Township, Clarion County.		4,605
<u>Clarion County</u>		
Highway Projects		
Mill, Resurface, Shoulder Improvements, Bridge Replacement, and Bridge Extension, on SR 339 from Smith Hollow Road to the Nescopek Borough, Mifflin and Nescopek Townships, Columbia County.		8,800
<u>Delaware County</u>		
Highway Projects		
Construction of a drainage system along SR 291 between Crum Creek and Darby Creek in Delaware County.		1,551
<u>Fayette County</u>		
Highway Projects		
The SR 0119, Section SE4 (US 119 Connellsville CMAQ) project is located in the City of Connellsville, Fayette County. The project consists of traffic signal upgrades at six intersections that include US 119's intersections with: SR 1037 (Pittsburgh Street); McDonald's Driveway; York Avenue; Shopping Plaza Driveway; US 119 Southbound & SR 0711/SR 1051 (Crawford Avenue)/SR 0201 (Vanderbilt Road); and US 119 Northbound & SR 0711 (Crawford Avenue). The project will upgrade traffic signal controllers and other equipment as well as include hardware to support coordination of the intersections to improve traffic flow and reduce congestion and queueing. The project also includes upgrading existing ADA and pedestrian facilities at the signalized intersections, and replacement of signing & pavement markings.		530
<u>Indiana County</u>		
Highway Projects		
Resurfacing to include milling of existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses and minor drainage and guiderail upgrades along SR 4009 (Copper Valley Road) from SR 2004 (Copper Valley Road) to SR 2002 (Indiana Street) in Washington Township, Indiana County.		1,582

Department of Transportation 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM MOTOR LICENSE FUNDS

Program: State Highway and Bridge Maintenance – Highway

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Jefferson County</u>		
Highway Projects		
Resurfacing to include milling of existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses and minor drainage and guiderail upgrades along PA 36 from SR 3005 (Pansy Ringgold Road) to T-392 (Ballentine Road) in Beaver and Rose Townships.	\$	1,910
Resurfacing to include milling of existing bituminous wearing courses, bituminous patching, paving, leveling, binder and wearing courses and minor drainage and guiderail upgrades along SR 3017 (Altman Avenue Extension) from State Route 2013 (Juneau Road) to US Route 119 in Bell and Young Townships and Punxsutawney Borough, Jefferson County.		1,208
<u>Lackawanna County</u>		
Highway Projects		
This project will link Interstate 81 and the Pennsylvania Turnpike's Northeastern Extension (I-476), creating a beltway around the City of Scranton. The project will widen I-81 to six lanes and provide new ramps to connect I-81 and the Turnpike (I-476), south of Scranton in the Borough of Dupont and Pittston Township, in Luzerne County and to the north of Scranton in South Abington Township, Lackawanna County.		40,000
Safety Improvements on State Route K107 (Main Street) in Dickson City Borough, Lackawanna County.		335
<u>Lancaster County</u>		
Highway Projects		
Resurface SR 3017 (Church Street and Stoney Battery Road) from SR 4020 (Main Street) to PA 23 (Marietta Avenue) in East and West Hempfield Townships, Lancaster County.		2,545
<u>Montgomery County</u>		
Highway Projects		
Intersection improvements on Blair Mill Road from South of Witmer Road to North of SR 611 in Upper Moreland Township, Montgomery County.		3,903
<u>Montour County</u>		
Highway Projects		
Remove Bridge as part of the SEDACOG Local Bridge Removal Bundle on T-392 (Cromley Road) over Mud Creek, Derry Township, Montour County.		625
<u>Northampton County</u>		
Highway Projects		
Improvements to existing signalized intersections along SR 1002 (Main Street) at Van Buren Road (T-516) in Palmer Township and at SR 1002 (Uhler Road) at both Bushkill Drive (SR 2019) and Sullivan Trail (SR 2025) in Forks Township. Approximately 0.6 mile extension to the existing through lanes at Main Street and Van Buren Road.		5,000
<u>Philadelphia County</u>		
Highway Projects		
Construction of the Schuylkill River Trail, a multi-use trail in the City of Philadelphia.		41,671
<u>Somerset County</u>		
Highway Projects		
Resurfacing on Casebeer Church Road (SR 4015) from Husband Road (SR 4009) to Million Dollar Highway (SR 4023) in Lincoln and Jenner Townships, Somerset County.		2,522
<u>Westmoreland County</u>		
Highway Projects		
This project is for roadway and drainage repairs to the roadway under the railroad tunnel on SR 1030 (Roseytown Road) in Hempfield Township, Westmoreland County.		419
TOTAL STATE FUNDS	\$	186,414
TOTAL FEDERAL FUNDS		0
TOTAL LOCAL FUNDS		0
PROGRAM TOTAL	\$	186,414

Department of Transportation 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM MOTOR LICENSE FUNDS

Program: State Highway and Bridge Maintenance – Bridge

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	Total Project Cost
<u>Allegheny County</u>		
Bridge Project		
Bridge Preservation with minimal roadway approach work on SR 60, Steubenville Pike, 2 miles east of I-79 exit in Robinson Township/City of Pittsburgh, Allegheny County.	\$	8,200
Bridge rehabilitation/replacement on SR 3015 (Cochran Mills Road) over Lick Run Creek in Jefferson Hills Borough, Allegheny County.		2,030
Deck replacement on SR 910, Gibsonia Road over Deer Creek in West Deer Township, Allegheny County		2,050
<u>Armstrong County</u>		
Bridge Project		
Replacement, with a precast reinforced box culvert and other miscellaneous construction, of the existing structure carrying SR 2033 (Shady Plain Road) over a tributary to Crooked Creek in Kiskiminetas Township, Armstrong County.		719
<u>Beaver County</u>		
Bridge Project		
Bridge Replacement or restoration on SR 65, Mercer Road over Branch of Bennett Run in North Sewickley Township, Beaver County.		1,800
Relocation and realignment SR 288 (Zelienople Road) and SR 1010 (Lake Road) near Zelienople Airport improve sight distance deficiencies, in Franklin Township Beaver County.		2,918
<u>Blair County</u>		
Bridge Project		
Bridge Improvement of the structure on 5 th Avenue over Mill Run in City of Altoona, Blair County.		1,587
<u>Bradford County</u>		
Bridge Project		
Bridge replacement on SR 4011 (Rolling Hills Road) over Tomjack Creek in Smithfield Township, Bradford County.		300
Bridge rehabilitation on SR 4031 (Coryland Rd) Over Trb Wolfe Creek in Columbia Township, Bradford County.		300
<u>Bucks County</u>		
Bridge Project		
Bridge replacement on Rosedale Road in Milford Township, Buck County.		2,336
<u>Butler County</u>		
Bridge Project		
Rehabilitation/replacement of the existing structure carrying PA 488 (East Portersville Road) over Interstate 79 northbound and southbound in Muddy Creek Township, Butler County.		6,703
<u>Carbon County</u>		
Bridge Project		
Consultant design and construction of bridge repairs and preservation of various bridges in Carbon, Monroe, and Schuylkill Counties to reduce outstanding priority bridge repair items.		5,835
<u>Chester County</u>		
Bridge Project		
Bridge replacement on Birchrun Road over Birch Run in West Vincent Township, Chester County.		1,272
Remove and replace existing Structurally Deficient, Weight Restricted Bridge on Art School Road over Branch Pickering Creek in West Pikeland Township, Chester County.		2,946
<u>Clinton County</u>		
Bridge Project		
Bridge Improvements on SR 0150 over Bald Eagle Creek in Bald Eagle Township, SR 0150 over Chatham Run in Dunstable Township, and SR 0220 over Fishing Creek in Lamar Township all in Clinton County.		5,000
<u>Erie County</u>		
Bridge Project		
This project includes the application of shotcrete to the insides of metal culvert bridges to prolong their life. Various locations are included on state routes throughout Erie County in 2022.		300

Department of Transportation 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM MOTOR LICENSE FUNDS

Program: State Highway and Bridge Maintenance – Bridge

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Greene County</u>		
Bridge Project		
This project is the replacement/rehabilitation of the structure carrying SR 4025 (Iams Station Road) over a Branch of Browns Creek in Morris Township, Greene County.		\$ 300
This project is the replacement/rehabilitation of the structure carrying SR 3011 (Hargus Creek Road) over a branch of Hargus Creek in Center Township, Greene County.		300
<u>Huntingdon County</u>		
Bridge Project		
Replacement of structure carrying South Moore Street over Hill Valley Creek near the intersection of Liverpool Alley in Mount Union Borough, Huntingdon County.		1,000
<u>Jefferson County</u>		
Bridge Project		
Replacement of the existing structures carrying PA 949 and SR 1013 (Airport Road) over Mill Run, Pine Run, and Keys Run in Eldred, Heath, and Washington Townships, Jefferson County.		3,656
<u>Lancaster County</u>		
Bridge Project		
This project consists of a bridge replacement on PA 441 (Water Street) over Schumans Run in Manor Township, Lancaster County.		1,300
<u>Lawrence County</u>		
Bridge Project		
Bridge replacement at the intersection of Old Route 18 and Possum Hollow Road, just south of the Stonecrest Golf Course in New Beaver Borough, Lawrence County.		510
		823
<u>Luzerne County</u>		
Bridge Project		
Pipe replacement at the intersection of State Route 1043 (Pioneer Avenue) and State Route 1014 (East Overbrook Road) over an unnamed stream in Dallas Township, Luzerne County.		1,026
<u>Lycoming County</u>		
Bridge Project		
Bridge improvement on US Route 220 over Ramp A (West Fourth Street), T-331 and the SEDACOG railroad in Woodward Township, Lycoming County.		12,946
<u>McKean County</u>		
Bridge Project		
Bridge Improvements on State Route 346 over Township Road 398 and WNYPA RR, includes State Route 1023, in Eldred Borough, McKean County.		4,175
<u>Mifflin County</u>		
Bridge Project		
Bridge Removal on Township Road 420 over Kish Creek in Derry Township, Mifflin County.		310
<u>Montgomery County</u>		
Bridge Project		
Bridge replacement on Niantic Road over West Branch of the Perkiomen Creek in Douglass Township, Montgomery County.		1,817
Bridge restoration of two Ridge Pike railroad bridges in Plymouth Township, Montgomery County.		12,744
<u>Northampton County</u>		
Bridge Project		
This project involves the superstructure replacement of the bridge that carries SR 4019 (Bushkill Drive) over the West fork of the Bushkill Creek in Moore Township, Northampton County.		300
<u>Potter County</u>		
Bridge Project		
Bridge Replacement on State Route 449 over Pine Creek in Ulysses Township, Potter County.		1,297

Department of Transportation 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM MOTOR LICENSE FUNDS

Program: State Highway and Bridge Maintenance – Bridge

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

	(Dollar Amounts in Thousands)	<u>Total Project Cost</u>
<u>Schuylkill County</u>		
Bridge Project		
This project involves the replacement or rehabilitation of the bridge carrying Berne Drive (State Route 2009) over Red Creek in South Manheim Township in Schuylkill County.	\$	835
<u>Somerset County</u>		
Bridge Project		
Replacement of structure carrying Bicycle Road (SR 4004) over Beaver Dam Creek near the intersection of Milow Kimmel Road (T-665) in Lincoln and Quemahoning Townships, Somerset County.		660
<u>Tioga County</u>		
Bridge Project		
Bridge replacement on SR 249 over Tributary of Crooked Creek in Chatham Township, Tioga County.		724
<u>Union County</u>		
Bridge Project		
Remove Bridge as part of the SEDA-COG Local Bridge Removal Bundle on T-357 (Dietrich Road) over North Branch of Buffalo Creek, West Buffalo Township, Union County.		300
<u>Washington County</u>		
Bridge Project		
This project is the replacement/rehabilitation of the structure carrying SR 3021 (McGuffey Road) over a branch of Middle Wheeling Creek in West Finley Township, Washington County.		300
<u>Westmoreland County</u>		
Bridge Project		
This project is for bridge rehabilitation/replacement on structure carrying PA 366 (Greensburg Road) over Branch of Pucketa Creek in Washington Township, Westmoreland County.		300
<u>York County</u>		
Bridge Project		
This project consists of the bridge replacement on State Route 2051 (Miller Road) over Neill Run in Peach Bottom Township, York County.		619
This project consists of the bridge replacement on State Route 851 (Bryansville Road) over Scott Creek in Peach Bottom Township, York County.		800
TOTAL STATE FUNDS	\$	<u>91,338</u>
TOTAL FEDERAL FUNDS		0
TOTAL LOCAL FUNDS		0
PROGRAM TOTAL	\$	<u>91,338</u>

Department of Transportation 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUNDS Program: Rail Freight Transportation

This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

(Dollar Amounts in Thousands)

	Total Project Cost
<u>STATEWIDE</u>	
Rail Infrastructure	
This project will provide for safety improvements to Pennsylvania's freight or passenger rail infrastructure.	\$ 20,000
This project will provide infrastructure improvements to freight or passenger rail to promote economic development.	8,000
TOTAL STATE FUNDS	<u>\$ 28,000</u>
PROGRAM TOTAL	<u>\$ 28,000</u>

Department of Transportation 2021-22 Projects

PUBLIC IMPROVEMENT PROJECTS FROM CAPITAL FACILITIES BOND FUNDS Program: Transportation

	(Dollar Amounts in Thousands)	Total Project Cost
<u>STATEWIDE</u>		
Rolling Stock		
This project will provide replacement rolling stock used on the Keystone Corridor for intercity train service.	\$	300,000
<u>Allegheny County</u>		
Panhandle Bridge Rehabilitation		
A Port Authority owned and maintained bridge, built in 1902 and retrofitted in 1984 measures approximately 2,500-ft across 40 spans carrying the Authority Light Rail over Second Ave, Try Street, First Avenue, Penn-Lincoln Parkway, Monongahela River, CSX Railroad, McKean Street, Station Square, East Carson Street, South First Street, Arlington Ave, South Busway and Norfolk Southern Railways; which requires rehabilitation of the structure due to deterioration. The current remaining service life without repairs is approximately 17 years (+/-). The bridge is currently in fair condition. If the necessary improvements are not made, the structure will continue to deteriorate, undermining the structural integrity of the bridge to a point where the structure could rate structurally deficient. The structural preservation project is intended to be performed during phases construction and generally consists of superstructure steel repairs, structural steel painting, concrete repairs, and substructure masonry repairs.		60,000
Bus Replacement Program		
This program provides the state funds to match federal capital funding to replace buses.		50,000
Infrastructure Safety Renewal Program (ISRP)		
This program provides for Port Authority's Infrastructure Safety Renewal Program which includes capital improvements to stations, signals, track, power, fixed guideways, bridges, tunnels, incline and operating/maintenance facilities		50,000
Bus & Rail Vehicle Overhaul Program		
This project will provide for Port Authority's Vehicle Overhaul Program, which includes the overhaul of existing bus and rail car assets.		50,000
<u>Bucks, Chester, Delaware, Montgomery, and Philadelphia</u>		
Urbanized Area Formula Program of Projects		
To provide state funds to match federal capital funding to replace buses and rehabilitate or replace various facilities and infrastructure to bring them to improve the system and bring assets to a state of good repair.		60,000
Federal State of Good Repair Program		
To provide state funds to match federal capital funding to rehabilitate or replace existing facilities, vehicles, and infrastructure to bring them to a state of good repair.		70,000
Bus and Bus Facilities Program		
To provide state funds to match federal capital funding to rehabilitate or replace existing bus facilities and vehicles to bring them to a state of good repair.		4,000
Bus Purchase Flex Program		
To provide state funds to match federal capital funding to replace buses and rehabilitate or replace various facilities and infrastructure to bring them to a state of good repair.		12,000
Federal Grant Program		
Projects include but are not limited to: vehicle purchases and overhauls; signal system modernization; accessibility, stations and parking; new payment technologies, system improvements and state of good repair initiatives.		10,000
Infrastructure Safety Renewal Program (ISRP)		
To provide state funds to rehabilitate or replace existing facilities and infrastructure to bring them to a state of good repair.		100,000
State of Good Repair Program		
To provide state funds to rehabilitate or replace existing facilities and infrastructure to bring them to a state of good repair.		20,000
System Improvements Program		
To provide state funds to improve transit service in Southeastern Pennsylvania.		50,000
TOTAL STATE FUNDS	\$	836,000
PROGRAM TOTAL	\$	836,000

FORECAST OF FUTURE PROJECTS

This section contains estimated authorizations (State funds only) for Capital Budgets. Amounts in this section are grouped by department, along with the general types of projects involved, and are identified by capital project category.

CAPITAL FACILITIES BOND FUNDS & CURRENT REVENUES	(Dollar Amounts in Thousands)				
	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
Agriculture PUBLIC IMPROVEMENT PROJECTS: Provides for improvements at the Farm Show Complex and the laboratory.	\$ 28,475	\$ 29,895	\$ 8,992	\$ 18,770	\$ 25,965
Conservation and Natural Resources PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of support, day use, camping facilities and utility systems at the state parks; construction of district offices, central garages, radio communications systems and rehabilitation of forest roads in forest districts. Also may include original furniture and equipment authorizations.	23,425	13,997	15,591	15,291	18,935
Conservation and Natural Resources (Current Revenues) PUBLIC IMPROVEMENT PROJECTS — KEYSTONE RECREATION, PARK AND CONSERVATION FUND: Provides for the rehabilitation, repair and development of state park and forest facilities which are critical for visitor safety and environmental protection or essential for facility operation.	28,890	20,000	20,000	20,000	20,000
Conservation and Natural Resources (Current Revenues) PUBLIC IMPROVEMENT PROJECTS — ENVIRONMENTAL STEWARDSHIP FUND: Provides for the acquisition, rehabilitation and development of open space, forests, parks and scenic environments.	18,805	15,000	15,000	15,000	15,000
Criminal Justice PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of administrative, industrial, educational and housing facilities and utilities at the state-owned correctional institutions. Also may include original furniture and equipment authorizations.	40,277	40,015	39,742	39,926	36,711
Education PUBLIC IMPROVEMENT PROJECTS — Provides for construction, expansion, renovation and conversion of classroom and auxiliary buildings, utilities and recreational facilities for the State System of Higher Education, State-Owned schools and for the State-Related Universities. Also may include original furniture and equipment authorizations.	198,925	178,960	139,019	165,190	164,190
Environmental Protection PUBLIC IMPROVEMENT PROJECTS: Provides for construction and improvement projects to protect the environment and the health and safety of citizens using state lands and waterways. These projects include flood protection construction. Also may include original furniture and equipment authorizations.	21,195	18,351	20,808	23,591	22,734
General Services PUBLIC IMPROVEMENT PROJECTS: Provides for the construction, renovation and improvements to state office buildings and facilities.	22,831	24,635	32,057	32,543	36,657
Historical and Museum Commission PUBLIC IMPROVEMENT PROJECTS: Provides for restoration and renovation of historic facilities, installation of fire and security systems, development of fixed exhibits and miscellaneous building and utility improvements at commonwealth owned museums and historic sites. Also may include original furniture and equipment authorizations.	11,031	14,471	6,956	14,096	14,786

FORECAST OF FUTURE PROJECTS

	(Dollar Amounts in Thousands)				
	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
Human Services					
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of patient buildings, support facilities and utilities at the state institutions for the mentally ill and intellectually disabled, restoration centers and youth development centers. Also may include original furniture and equipment authorizations.	\$ 38,584	\$ 38,961	\$ 33,289	\$ 52,128	\$ 55,516
Military and Veterans Affairs					
PUBLIC IMPROVEMENT PROJECTS: Provides for land acquisition, renovations, additions and replacement at the state armories and veterans' homes. Also may include original furniture and equipment authorizations.	35,670	35,671	33,526	31,482	32,330
State Police					
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation, expansion and construction of troop headquarters/station facilities and driver examination facilities. Also may include original furniture and equipment authorizations.	64,057	56,987	81,879	25,079	25,544
Transportation					
PUBLIC IMPROVEMENT PROJECTS: Provides for construction of and additions to highway maintenance and district office buildings, driver examination facilities, welcome centers and state-owned airport facilities. Also may include original furniture and equipment authorizations.	29,029	28,461	25,353	30,836	30,381
Transportation					
TRANSPORTATION ASSISTANCE PROJECTS: Provides for the purchase/rehabilitation of rolling stock and equipment and for construction/renovation of facilities operated by local mass transportation agencies. Also includes the purchase and improvement of rail lines.	175,000	175,000	175,000	175,000	175,000
Transportation (Current Revenues)					
HIGHWAY PROJECTS — MOTOR LICENSE FUND: Provides for the purchase of right-of-way, construction, and reconstruction of highways and bridges on the commonwealth road system and major federally designated safety projects.	2,840,351	2,965,900	2,993,200	2,992,100	2,990,000
CAPITAL FACILITIES BOND FUNDS					
Total — Public Improvement Program.....	\$ 513,510	\$ 480,405	\$ 437,212	\$ 449,026	\$ 463,750
Total — Transportation Assistance Program.....	175,000	175,000	175,000	175,000	175,000
SUBTOTAL— CAPITAL FACILITIES BOND FUNDS.....	\$ 688,510	\$ 655,405	\$ 612,212	\$ 624,026	\$ 638,750
FROM CURRENT REVENUES					
CURRENT REVENUES					
Total — Public Improvement Program.....	\$ 47,695	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Total — Highway Program.....	2,840,351	2,965,900	2,993,200	2,992,100	2,990,000
SUBTOTAL — CURRENT REVENUES.....	\$ 2,888,046	\$ 3,000,900	\$ 3,028,200	\$ 3,027,100	\$ 3,025,000
TOTAL — ALL PROGRAMS.....	\$ 3,576,556	\$ 3,656,305	\$ 3,640,412	\$ 3,651,126	\$ 3,663,750



Commonwealth of Pennsylvania

Governor’s Executive Budget

PUBLIC DEBT

This section presents data on the debt obligations of the commonwealth. Debt financing is used by the commonwealth to finance its capital programs, finance voter-approved bond referendums and fund certain disaster relief programs. Most long-term financing by the commonwealth is provided by the issuance of general obligation debt. Appropriation-backed debt has been used in limited instances for capital purposes. Data on such debt is included in this presentation only in the calculation of the debt ratios shown.

The Commonwealth Constitution permits debt to be issued for (i) capital projects in approved capital budgets; (ii) purposes approved by voter referendum; and (iii) response to disasters. The following items are guidelines the commonwealth follows in executing its capital and other debt financing activities:

- Referenda to authorize additional debt should be submitted to the voters only for critical needs when sufficient other resources are not available.
- The general obligation pledge of the commonwealth is the preferred source of security for commonwealth debt.
- A moral obligation pledge of the commonwealth should not be given beyond those already given.
- Revenue pledges are to be used only by independent agencies and authorities that cannot pledge the commonwealth’s general obligation.
- Lease revenue debt should be used only when budgetary restraints prohibit current revenue funding for assets that are infrequently obtained and do not meet capital project definitions. Debt should be structured to mature within the useful life of the projects being financed.
- All long-term financing should be sold by competitive bid.
- Short-term borrowing should not comprise a majority of outstanding debt. Debt service paid by the General Fund should not exceed five percent of revenues.
- Capital projects addressing health, safety and public protection receive top priority for activation. New construction projects have the lowest priority.
- Highway capital projects should be funded from current revenues of the Motor License Fund.

Five-Year General Obligation Rating History

	Fitch	Moody's	S&P
Jan-2016	AA-	Aa3	AA-
Sep-2017	AA-	Aa3	A+
Dec-2020	AA-	Aa3	A+

Any changes to ratings over the five-year period are noted in the table.

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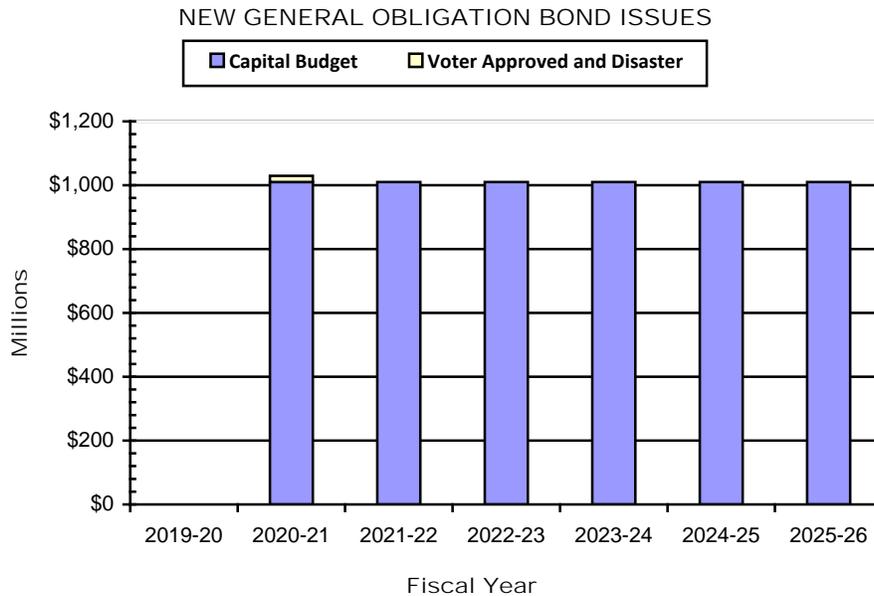
DEBT AUTHORIZED, ISSUED AND OUTSTANDING

The following statement reflects the debt of the commonwealth as of December 31, 2020. Issues for which all authorized debt has been previously issued and for which said debt has been completely redeemed are not included. The constitution permits capital budget debt to be issued without voter approval but subject to a debt limit. Except for debt issued for disaster recovery purposes, all other debt requires voter approval.

	(Dollar Amounts in Thousands)		
	Total Debt Authorized	Total Original Debt Issued	Debt Outstanding
Debt Subject to Constitutional Limit			
Capital Budget	\$ 182,354,974	\$ 27,855,955	\$ 6,448,277
Capital Budget Refunding Bonds Outstanding	NA	NA	3,443,525
Less: Capital Debt Fund Balance	NA	NA	-1
Subtotal.....	<u>\$ 182,354,974</u>	<u>\$ 27,855,955</u>	<u>\$ 9,891,801</u>
Debt Not Subject to Constitutional Limit - Voter Approved and Disaster			
Disaster Relief	\$ 192,708	\$ 170,800	\$ -
Disaster Relief 1996	110,000	26,000	-
Economic Revitalization.....	190,000	176,000	-
Land and Water Development	500,000	499,700	-
Vietnam Veterans' Compensation	65,000	62,000	-
Volunteer Companies Loan	100,000	50,000	-
Water Facilities - 1981 Referendum	300,000	288,500	-
PENNVEST- 1988 & 1992 Referenda	650,000	634,000	60,110
PENNVEST- 2008 Referendum	400,000	400,000	87,770
Local Criminal Justice.....	200,000	197,000	-
Nursing Home Loans	100,000	69,000	-
Water Supply and Wastewater Infrastructure	250,000	250,000	29,875
Growing Greener	625,000	625,000	129,358
Persian Gulf Conflict Veterans' Compensation.....	20,000	7,000	-
Refunding Bonds Outstanding	NA	NA	600,190
Less: Non-capital Sinking Fund Balances	NA	NA	-4,676
Subtotal.....	<u>\$ 3,702,708</u>	<u>\$ 3,455,000</u>	<u>\$ 902,627</u>
TOTAL.....	<u>\$ 186,057,682</u>	<u>\$ 31,310,955</u>	<u>\$ 10,794,428</u>

GENERAL OBLIGATION BOND ISSUES 2019-20 THROUGH 2025-26

This table shows the projected amount of general obligation bonds of the commonwealth to be issued during the prior and current fiscal year and the subsequent five fiscal years based on current projects. Refunding bonds are not included in the data.

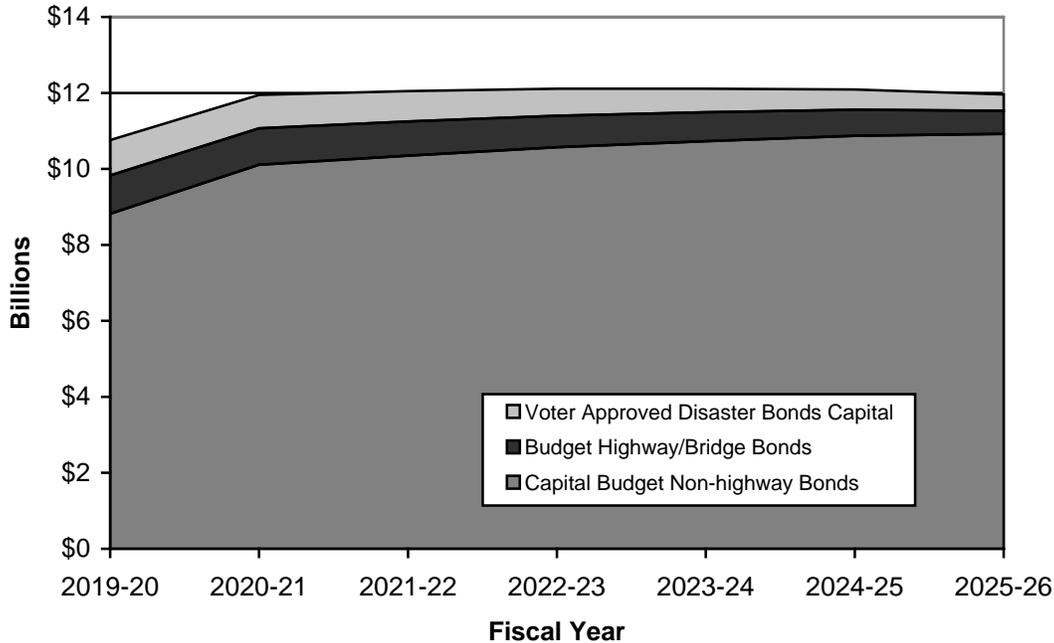


(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Estimated	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
Capital Budget							
Buildings and Structures.....	\$ 0	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000
Flood Control	0	0	0	0	0	0	0
Furnishings and Equipment.....	0	10,000	10,000	10,000	10,000	10,000	10,000
Redevelopment Assistance.....	0	275,000	1,275,000	275,000	275,000	275,000	275,000
Transportation Assistance.....	0	175,000	175,000	175,000	175,000	175,000	175,000
Bridge Projects.....	0	0	0	0	0	0	0
Subtotal.....	\$ 0	\$ 1,010,000	\$ 2,010,000	\$ 1,010,000	\$ 1,010,000	\$ 1,010,000	\$ 1,010,000
Voter Approved and Disaster							
PENNVEST -- 1988, 1992 & 2008 Ref.....	\$ 0	\$ 19,600	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Water and Wastewater Referendum.....	0	0	0	0	0	0	0
Growing Greener Referendum.....	0	0	0	0	0	0	0
Subtotal.....	\$ 0	\$ 19,600	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 1,029,600	\$ 2,010,000	\$ 1,010,000	\$ 1,010,000	\$ 1,010,000	\$ 1,010,000

GENERAL OBLIGATION DEBT OUTSTANDING 2019-20 THROUGH 2025-26

Outstanding debt of the commonwealth is projected using the proposed bond issuance contained in this budget and encompasses all general obligation debt. Sinking fund balances are excluded. Only capital budget debt is subject to the constitutional debt limit [Article VIII, Section 7(a)(4)].

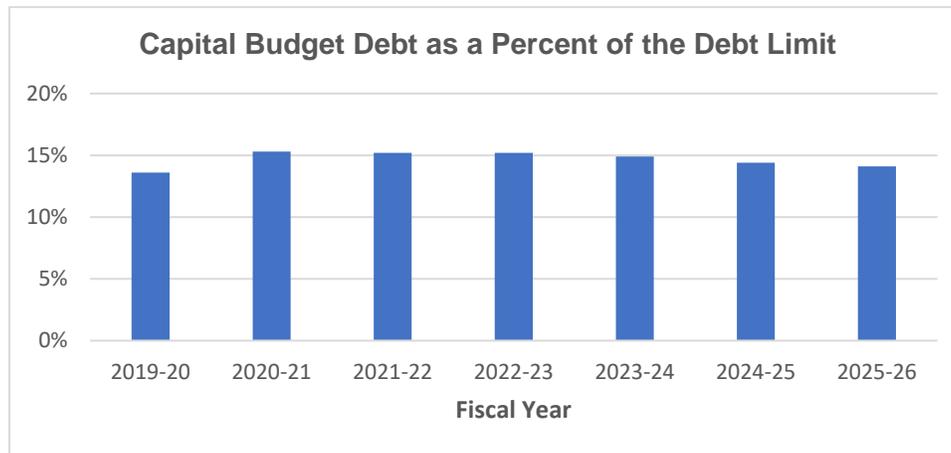


(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Estimated	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
Debt Outstanding							
Capital Budget Non-Highway Bonds.....	\$ 8,815,500	\$ 10,108,138	\$ 10,349,078	\$ 10,565,682	\$ 10,727,529	\$ 10,869,932	\$ 10,923,957
Capital Budget Highway/Bridge Bonds.....	1,010,005	964,219	900,945	833,957	762,712	687,135	608,703
Voter Approved and Disaster Bonds.....	929,475	876,688	797,787	712,536	621,719	528,287	429,263
TOTAL	<u>\$ 10,754,980</u>	<u>\$ 11,949,045</u>	<u>\$ 12,047,810</u>	<u>\$ 12,112,175</u>	<u>\$ 12,111,960</u>	<u>\$ 12,085,354</u>	<u>\$ 11,961,923</u>

CONSTITUTIONAL DEBT LIMIT 2019-20 THROUGH 2025-26

The state constitution limits outstanding capital budget debt to 1.75 times the average tax revenues during the previous five (5) fiscal years. Voter approved and disaster relief debt are not subject to the constitutional debt limit. The table and chart below present actual data for one fiscal year and current projections for six fiscal years.



(Dollar Amounts in Thousands)

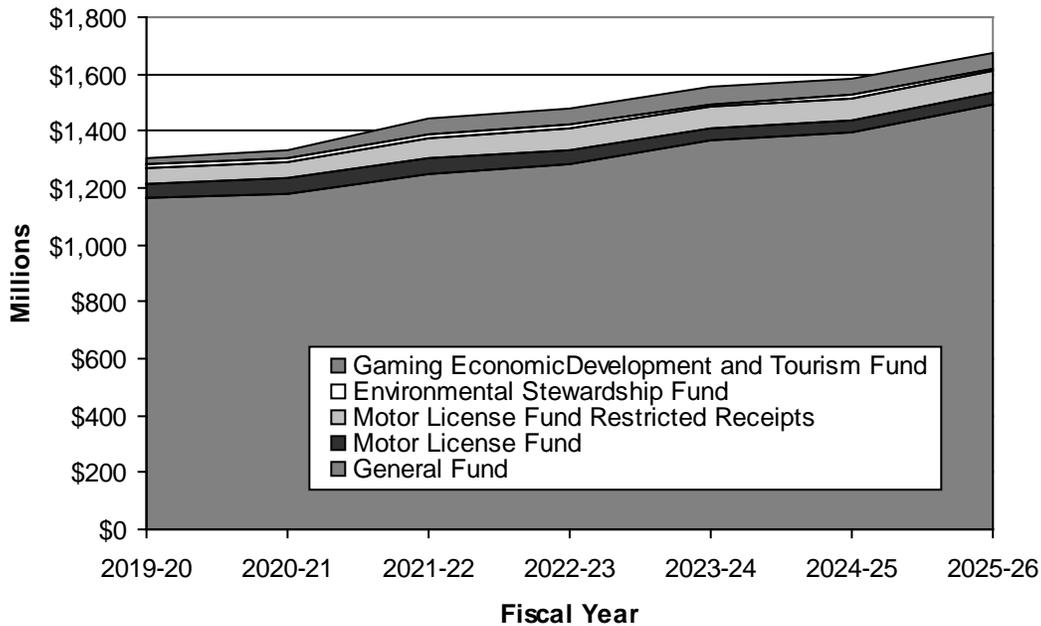
	2019-20 Actual	2020-21 Estimated	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
Debt Limit Projection							
Outstanding Debt							
Beginning of Fiscal Year*.....	\$ 10,574,173	\$ 9,821,858	\$ 11,058,710	\$ 11,236,375	\$ 11,385,991	\$ 11,476,593	\$ 11,543,418
Debt to be Issued**.....	0	2,010,000	1,010,000	1,010,000	1,010,000	1,010,000	1,010,000
Debt to be Retired	<u>-752,315</u>	<u>-773,148</u>	<u>-832,335</u>	<u>-860,384</u>	<u>-919,398</u>	<u>-943,175</u>	<u>-1,034,407</u>
Outstanding Debt							
End of Fiscal Year*	<u>\$ 9,821,858</u>	<u>\$ 11,058,710</u>	<u>\$ 11,236,375</u>	<u>\$ 11,385,991</u>	<u>\$ 11,476,593</u>	<u>\$ 11,543,418</u>	<u>\$ 11,519,011</u>
Debt Limit (from below)	\$ 72,121,252	\$ 72,360,869	\$ 73,941,249	\$ 75,103,072	\$ 77,296,797	\$ 79,977,228	\$ 81,576,772
Capital Budget Debt as a percent of Debt Limit.....	13.6%	15.3%	15.2%	15.2%	14.9%	14.4%	14.1%
Calculation of Debt Limit:							
Average Tax Revenues							
Previous Five Years.....	\$ 41,212,144	\$ 41,349,068	\$ 42,252,142	\$ 42,916,041	\$ 44,169,598	\$ 45,701,273	\$ 46,615,298
Debt Limit (1.75 times revenues) ...	<u>\$ 72,121,252</u>	<u>\$ 72,360,869</u>	<u>\$ 73,941,249</u>	<u>\$ 75,103,072</u>	<u>\$ 77,296,797</u>	<u>\$ 79,977,228</u>	<u>\$ 81,576,772</u>

* Actual year amount is net of June 30 Capital Debt Fund balance.

** Fiscal year 2020-21 includes \$450,000 of bonds already issued.

DEBT SERVICE ON GENERAL OBLIGATION DEBT 2019-20 THROUGH 2025-26

This table shows the estimated net debt service payable by the commonwealth on currently outstanding general obligation bonds and on projected general obligation bond issues.



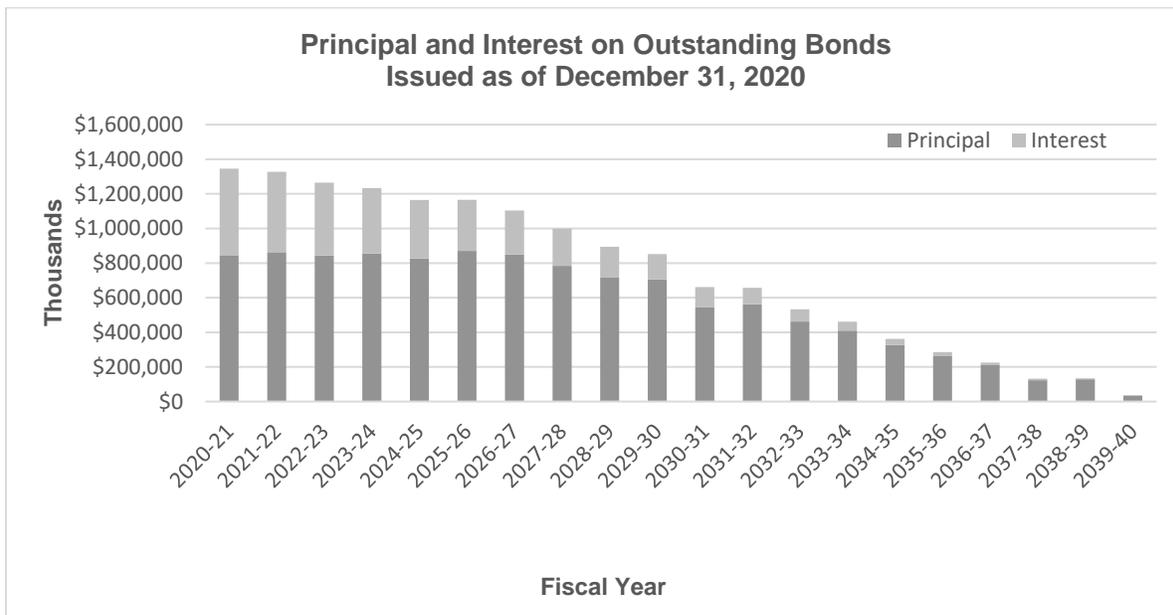
(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Estimated	2021-22 Budget	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated
General Fund							
Capital Budget Non-Highway	\$ 1,145,434	\$ 1,167,197	\$ 1,244,822	\$ 1,273,543	\$ 1,357,274	\$ 1,385,872	\$ 1,485,425
Voter Approved and Disaster	17,067	15,236	15,178	8,512	7,609	6,971	5,420
Subtotal	\$ 1,162,501	\$ 1,182,433	\$ 1,260,000	\$ 1,282,055	\$ 1,364,883	\$ 1,392,843	\$ 1,490,845
Environmental Stewardship Fund							
Growing Greener II	\$ 19,081	\$ 13,777	\$ 13,795	\$ 12,605	\$ 10,826	\$ 10,874	\$ 10,931
Gaming Economic Development and Tourism Fund							
Pennsylvania Convention Center	\$ 18,000	\$ 18,000	\$ 56,797	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000
Motor License Fund*							
Capital Budget -- Highways	\$ 35,661	\$ 35,736	\$ 35,779	\$ 35,826	\$ 35,873	\$ 35,920	\$ 35,942
Capital Budget	17,148	18,459	18,266	17,877	11,799	11,593	9,465
Subtotal	\$ 52,809	\$ 54,195	\$ 54,045	\$ 53,703	\$ 47,672	\$ 47,513	\$ 45,407
Motor License Fund Restricted Rec.							
Highway Bridge Improvement -- Cap. Bdgt.	51,155	56,565	71,369	71,862	72,713	73,099	72,125
Subtotal	51,155	56,565	71,369	71,862	72,713	73,099	72,125
TOTAL	\$ 1,303,546	\$ 1,285,970	\$ 1,456,006	\$ 1,478,225	\$ 1,554,094	\$ 1,582,329	\$ 1,677,308

* Build America Bond subsidies transferred to the Motor License Fund (not netted out).

ANNUAL DEBT SERVICE ON OUTSTANDING GENERAL OBLIGATION BONDS Bonds Issued as of December 31, 2020

Fiscal year principal and interest payments on general obligation bonds issued as of the end of calendar year 2020 are shown in the table below. Debt service on projected bond issues is excluded from this data.



General Obligation Bond Annual Debt Service

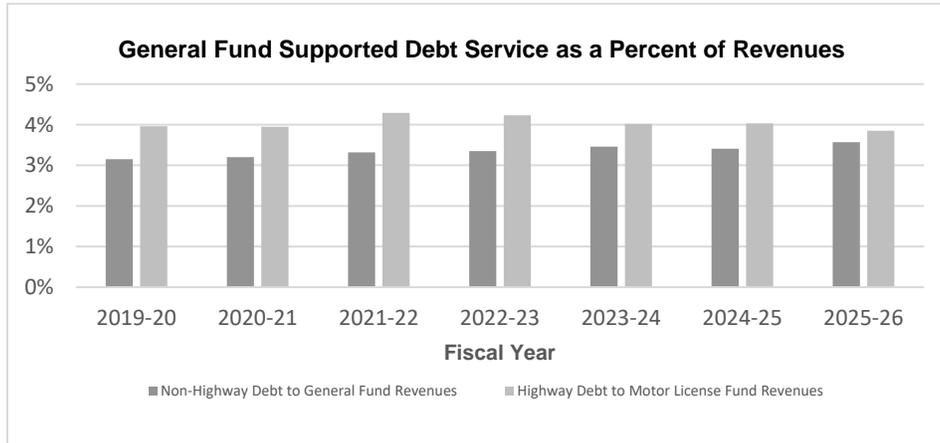
(Dollar Amounts in Thousands)

Fiscal Year	Capital Budget (Non-highway)			Capital Budget (Highway)			Voter Approved and Disaster			Grand Total
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	
2020-21	\$ 727,362	\$ 409,359	\$ 1,136,721	\$ 45,786	\$ 46,513	\$ 92,299	\$ 72,387	\$ 43,618	\$ 116,005	\$ 1,345,025
2021-22	720,594	380,057	1,100,651	63,275	43,871	107,146	78,902	40,111	119,012	1,326,809
2022-23	691,506	343,961	1,035,467	66,988	40,699	107,687	85,251	36,080	121,331	1,264,484
2023-24	692,719	309,737	1,002,456	71,245	37,339	108,584	90,817	31,697	122,513	1,233,553
2024-25	658,490	276,663	935,153	75,578	33,440	109,018	93,433	27,164	120,596	1,164,767
2025-26	693,064	242,789	935,853	78,432	29,633	108,065	99,024	22,298	121,322	1,165,241
2026-27	669,271	210,191	879,462	85,643	26,067	111,710	95,406	17,622	113,028	1,104,200
2027-28	616,531	179,228	795,759	90,506	21,921	112,427	76,919	13,416	90,334	998,520
2028-29	565,122	150,530	715,652	87,006	17,429	104,435	64,057	10,000	74,057	894,144
2029-30	556,446	125,711	682,157	84,638	13,211	97,849	64,506	7,293	71,799	851,806
2030-31	454,330	103,399	557,729	52,280	9,928	62,208	37,250	4,900	42,150	662,086
2031-32	478,181	83,643	561,824	50,858	7,826	58,684	32,956	3,312	36,268	656,775
2032-33	398,480	63,128	461,608	43,253	5,661	48,913	20,358	2,175	22,532	533,054
2033-34	362,854	46,280	409,134	38,427	3,854	42,281	9,024	1,349	10,373	461,788
2034-35	282,124	32,701	314,825	37,109	2,322	39,431	7,053	964	8,017	362,272
2035-36	215,771	22,015	237,786	38,984	1,079	40,063	7,410	694	8,104	285,953
2036-37	205,195	14,884	220,079	-	-	-	4,955	469	5,424	225,503
2037-38	118,240	9,282	127,522	-	-	-	4,485	301	4,786	132,308
2038-39	125,450	4,859	130,309	-	-	-	3,415	135	3,550	133,859
2039-40	33,770	718	34,488	-	-	-	1,470	31	1,501	35,989

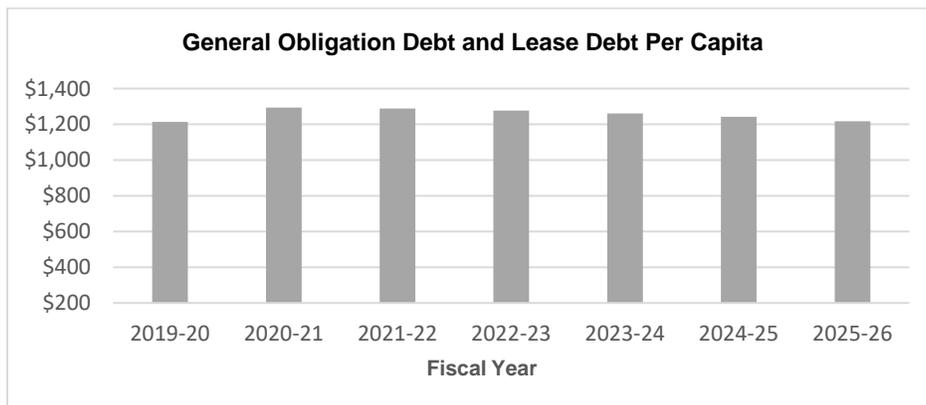
TRENDS IN DEBT SERVICE AND DEBT RATIOS 2019-20 THROUGH 2025-26

The charts portray projections for indicators of the cost of projected annual debt service and the burden of projected debt outstanding. Debt service and outstanding debt includes general obligation debt and debt secured by lease rental payments or operating subsidies from various commonwealth departments.

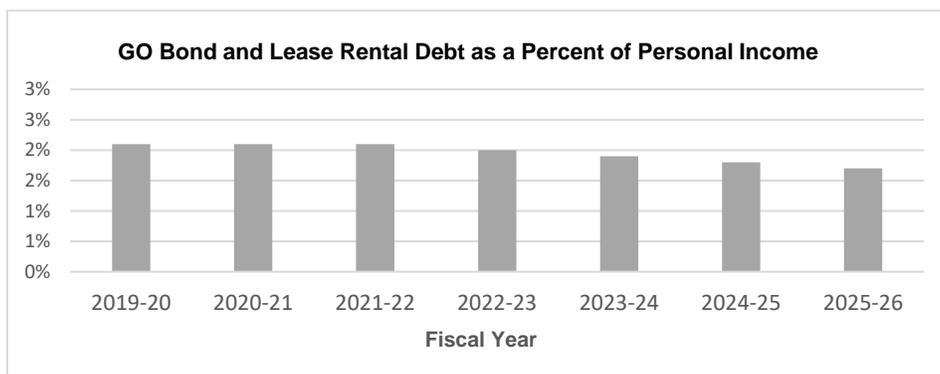
General Fund debt service as a percent of revenues remains below Standard & Poor's criteria of 5% for issuers considered to have a "low debt burden."



Per capita debt levels remain relatively low, although the lack of population growth in the commonwealth affects per capita levels.



Growing personal income keeps the planned bond issuance affordable.



OUTSTANDING INDEBTEDNESS OF PENNSYLVANIA AGENCIES AND AUTHORITIES

The indebtedness of the following agencies and authorities is not an obligation of the Commonwealth of Pennsylvania but represents the debt of those agencies and authorities created by the commonwealth for a public purpose. These obligations are not considered as debt under Article VIII of the State Constitution.

	Bonds and Notes as of 12/31/20 (in millions)
Commonwealth Financing Authority	
Created to promote health, safety, employment, business opportunities, economic activity and the general welfare of the commonwealth. Debt service on the bonds is paid from revenues of the authority and sales tax revenue transfers.	\$ 4,273.6
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.	692.9
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, tunnels and other projects for port improvement and development. The authority operates a rapid transit system, which it constructed. Debt service on the bonds is paid from tolls, fares, rents and other revenue of the authority.	1,307.0
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.	4,944.4
Pennsylvania Higher Education Assistance Agency	
Makes or guarantees student loans for graduate and undergraduate programs to students or parents, lending institutions or postsecondary institutions. Debt service on the bonds is paid by loan interest and repayments and by other agency revenues.	3,026.3
Pennsylvania Higher Educational 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.	5,480.4
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 a "moral obligation" of the commonwealth.	3,124.6
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.	87.2
Pennsylvania Infrastructure Investment Authority	
Provides low interest rate loans and grants for constructing new and for improving existing water supply and sewage disposal systems. Loans and grants are available to local governments and, in certain circumstances, to private companies. The bonds are secured by principal repayments and interest payments on loans.	95.9
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.	13,906.4
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.	2,543.1
TOTAL	<u>\$ 39,481.9</u>



Commonwealth of Pennsylvania

Governor's Executive Budget

OTHER SPECIAL FUNDS

This section provides information and financial data for the more than 150 Other Special Funds contributing revenue to the commonwealth's operating budget. The funds included here were created to more closely relate specific revenue sources to specific programs or to support particular government programs or activities. This information is presented to demonstrate the magnitude and complexity of the commonwealth's financial structure as well as provide important details about the various funds. Additional information on Other Special Funds expenditures can be found in each agency's Summary by Fund and Appropriation statement, which is located in Section E.

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OTHER SPECIAL FUNDS

This section contains a brief presentation of all active commonwealth funds not given an expanded treatment in the other sections of the budget. In a limited number of cases certain expenditures from funds presented in this section are included in other presentations.

Generally, the commonwealth uses a modified cash basis of accounting for financial reporting where certain revenues are reported when collected and, for certain taxes, when accrued and expenditures are reported when disbursed or committed.

For the funds included in this section, all financial data shown herein is on a calculated cash basis. Receipts include only those items actually received and credited to the funds. Several funds carrying long-term investments show an investment adjustment to reflect the current value of the fund as of June 30. Disbursements are recorded at the time payment requisitions and invoices are posted to the commonwealth's accounting system and do not include commitments or encumbrances. Please see the Reader's Guide (Page 12) for additional discussion regarding the basis of accounting for financial reporting.

The cash beginning and ending balances reported through this format may differ from the actual cash balance in Treasury and/or the cash general ledger account in the commonwealth's accounting system due to timing differences, but the calculated cash balances reported provide an accurate reflection of the true cash position of the fund.

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

Governmental Funds: Collectively these funds account for and report activities that are associated with routine, ordinary governmental functions and are financed largely by tax and grant revenues. The group includes the General Fund, Special Revenue Funds, Capital Project Funds and Debt Service Funds.

Special Revenue Funds — These funds are used to account for revenues from specific taxes or other earmarked revenue sources, which by law are designated to finance particular functions or activities.

Capital Project Funds — Bond funds are used to account for the receipt and disbursement of bond sale proceeds that normally finance the construction or acquisition of designated fixed assets.

Debt Service Funds — These funds account for the accumulation of resources, principally from transfers from other funds, for the payment of general long-term debt principal and interest.

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

Enterprise Funds — These funds accommodate the operation of public service programs financed wholly or mostly by user charges, or where the periodic determination of net income is deemed appropriate.

Internal Service Funds — These funds account for the financing of goods or services provided by one department or agency on a cost-reimbursement basis to other departments or agencies within the commonwealth or to other governmental units.

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

The special funds are categorized on the next two pages.

SPECIAL FUND CATEGORIES

Governmental Funds – Special Revenue Funds

Acid Mine Drainage Abatement and Treatment Fund	Motor Vehicle Transaction Recovery Fund
Administration Fund	Multimodal Transportation Fund
Agricultural College Land Scrip Fund	Municipalities Financial Recovery Revolving Aid Fund
Agricultural Conservation Easement Purchase Fund	Non-Coal Surface Mining Conservation and Reclamation Fund
Anthracite Emergency Bond Fund	Nutrient Management Fund
Automobile Theft Prevention Trust Fund	Oil and Gas Lease Fund
Banking Fund	PA Health Insurance Exchange Fund
Ben Franklin Tech Development Authority Fund	PA Rural Health Redesign Center Fund
Boat Fund	Patient Safety Trust Fund
Budget Stabilization Reserve Fund	Pennsylvania Gaming Economic Development and Tourism Fund
Capitol Restoration Trust Fund	Pennsylvania Historical and Museum Commission Trust Fund
Catastrophic Loss Benefits Continuation Fund	Pennsylvania Race Horse Development Trust Fund
Children's Trust Fund	Pennsylvania Veterans Monuments and Memorial Trust Fund
Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund	PENNVEST Bond Authorization Fund
Clean Air Fund	PENNVEST Drinking Water Revolving Fund
Coal Lands Improvement Fund	PENNVEST Fund
Community College Capital Fund	PENNVEST Water Pollution Control Revolving Fund
Compulsive and Problem Gambling Treatment Fund	Persian Gulf Conflict Veterans' Comp Bond Fund
Conrad Weiser Memorial Park Trust Fund	Pharmaceutical Assistance Fund
Conservation District Fund	Philadelphia Regional Port Authority Fund
County Voting Apparatus Fund	PlanCon Bond Projects Fund
DNA Detection Fund	Port of Pittsburgh Commission Fund
Dog Law Administration	Property Tax Relief Fund
Educational Assistance Program Fund	Public Transportation Assistance Fund
Emergency Medical Services Operating Fund	Public Transportation Trust Fund
Energy Development Fund	Racing Fund
Environmental Education Fund	Real Estate Recovery Fund
Environmental Stewardship Fund	Recycling Fund
Fantasy Contest Fund	Remining Financial Assurance Fund
Farm Products Show Fund	School Safety and Security Fund
Fire Insurance Tax Fund	Self-Insurance Guaranty Fund
Fish Fund	Special Administration Fund
Game Fund	State Gaming Fund
Gov Robert P. Casey Memorial Organ and Tissue Donation Awareness Trust Fund	State Insurance Fund
Growing Greener Bond Fund	State Treasury Armory Fund
Hazardous Material Response Fund	Storage Tank Fund
Hazardous Sites Cleanup Fund	Substance Abuse Education and Demand Reduction
Higher Education Assistance Fund	Surface Mining Conservation and Reclamation Fund
Highway Beautification Fund	Tobacco Settlement Fund
HOME Investment Trust Fund	Treasury Initiative Support Fund
Homeowners Assistance Settlement Fund	UC-FEMA ONA Lost Wages Fund
Housing Affordability and Rehabilitation Enhancement Fund	Unconventional Gas Well Fund
Industrial Sites Cleanup Fund	Underground Storage Tank Indemnification Fund
Insurance Fraud Prevention Trust Fund	Uninsured Employers Guaranty Fund
Insurance Regulation and Oversight Fund	Video Gaming Fund
Job Training Fund	Vocational Rehabilitation Fund
Justice Reinvestment Fund	Water and Sewer Systems Assistance Bond Fund
Marcellus Legacy Fund	Water Supply and Wastewater Treatment Fund
Medical Care Availability and Reduction of Error Fund	Wild Resources Conservation Fund
Medical Marijuana Program Fund	Workers' Compensation Security Fund
Milk Marketing Fund	Workmen's Compensation Administration Fund
Mine Safety Fund	Workmen's Compensation Supersedeas Fund
Monetary Penalty Endowments Trust Fund	911 Fund

SPECIAL FUND CATEGORIES

Governmental Funds – Capital Project Funds

Capital Facilities Fund

Keystone Recreation, Park and Conservation Fund

Governmental Funds – Debt Service Funds

Capital Debt Fund

Growing Greener Bond Sinking Fund

PENNVEST Redemption Fund

Water and Sewer System Assist Bond Sinking Fund

Water Supply and Wastewater Treatment Sinking Fund

Proprietary Funds – Enterprise Funds

Coal and Clay Mine Subsidence Insurance Fund

Employment Fund for the Blind

Historical Preservation Fund

Local Government Capital Project Loan Fund

Machinery and Equipment Loan Fund

Minority Business Development Fund

Pennsylvania Infrastructure Bank

Philadelphia Taxicab and Limousine Regulatory Fund

Philadelphia Taxicab Medallion Fund

Rehabilitation Center Fund

Small Business First Fund

State Restaurant Fund

State Stores Fund

State Workers' Insurance Fund

Tuition Account Guaranteed Savings Program Fund

Unemployment Comp Benefit Payment Fund

Unemployment Compensation Contribution Fund

Unemployment Compensation Debt Service Fund

Veterans Trust Fund

Volunteer Companies Loan Fund

Proprietary Funds – Internal Service Funds

Manufacturing Fund

Purchasing Fund

Fiduciary Funds

Achieving a Better Life Experience Fund

Benefit Completion Fund

City Revitalization and Improvement Fund

Deferred Compensation Fund

Deferred Compensation Fund-Short-Term Portfolio

Insurance Liquidation Fund

Liquid Fuels Tax Fund

Liquor License Fund

Local Cigarette Tax Fund

Military Installation Remediation Fund

Municipal Pension Aid Fund

Neighborhood Improvement Zone Fund

Pennsylvania Municipal Retirement Fund

PSERS – Defined Contribution Fund

Rightful Owners' Claims Payment Fund

School Employees' Retirement Fund

SERS – Defined Contribution Fund

State Employees' Retirement Fund

Tuition Account Investment Program Fund

Achieving a Better Life Experience Fund

The Achieving a Better Life Experience (ABLE) Fund was created by Act 17 of 2016 to encourage savings accounts for individuals with disabilities. Individuals are eligible for an ABLE account if entitled to Social Security benefits based on blindness or a disability occurring before the age of 26. With the new accounts, people with disabilities will be able to accrue up to \$100,000 in savings without losing access to Social Security and other government benefits. This tax free savings account would cover qualified expenses approved by the United States Secretary of the Treasury including education, housing and transportation expenses.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 1,208	\$ 999	\$ 721
Receipts:			
Account Deposits	\$ 32	\$ 24	\$ 20
Transfer from General Fund.....	1,130	900	900
Interest	32	4	2
Total Receipts	1,194	928	922
Total Funds Available	\$ 2,402	\$ 1,927	\$ 1,643
Disbursements:			
Treasury	\$ 1,403	\$ 1,206	\$ 1,130
Total Disbursements	(1,403)	(1,206)	(1,130)
Cash Balance, Ending	\$ 999	\$ 721	\$ 513

Acid Mine Drainage Abatement and Treatment Fund

This fund was created in 1992 to receive money authorized by Title IV of the Federal Surface Mining Control and Reclamation Act. This fund receives up to ten percent of the commonwealth's federal Title IV grant for abandoned mine reclamation. Funds are used for acid mine drainage abatement and treatment.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 75,333	\$ 74,660	\$ 47,174
Receipts:			
Federal Receipts	\$ 6,066	\$ 2,000	\$ 2,000
Interest	2,237	1,736	1,373
Total Receipts	8,303	3,736	3,373
Total Funds Available	\$ 83,636	\$ 78,396	\$ 50,547
Disbursements:			
Environmental Protection	\$ 8,976	\$ 31,222	\$ 25,014
Total Disbursements	(8,976)	(31,222)	(25,014)
Cash Balance, Ending	\$ 74,660	\$ 47,174	\$ 25,533

Administration Fund

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

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 7,063	\$ 700	\$ 715
Receipts:			
Federal Funds - Unemployment.....	\$ 156,262	\$ 155,784	\$ 148,000
Federal Funds - COVID - Unemployment.....	12,920	91,757	-
Federal Funds - Workforce.....	53,450	96,383	93,219
Interest.....	115	15	15
Other.....	569	3,207	1,706
Total Receipts.....	<u>223,316</u>	<u>347,146</u>	<u>242,940</u>
Total Funds Available	<u>\$ 230,379</u>	<u>\$ 347,846</u>	<u>\$ 243,655</u>
Disbursements:			
Labor and Industry.....	\$ 229,679	\$ 347,131	\$ 242,925
Total Disbursements.....	<u>(229,679)</u>	<u>(347,131)</u>	<u>(242,925)</u>
Cash Balance, Ending	<u>\$ 700</u>	<u>\$ 715</u>	<u>\$ 730</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. The income derived from the investment of the monies in the fund plus appropriations which may be made from time to time by the General Assembly serve as revenue to the fund. Monies in this fund can be disbursed only for use by the officially designated land grant college (Pennsylvania State University) for the benefit of Agriculture and Mechanical Arts. Act 26 of 2011 established a restricted revenue account in the Fund for the Department of Agriculture.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 659	\$ 661	\$ 675
Receipts:			
Transfer from General Fund.....	\$ 54,960	\$ 54,960	\$ 54,960
Interest.....	85	14	14
Total Receipts.....	<u>55,045</u>	<u>54,974</u>	<u>54,974</u>
Total Funds Available	<u>\$ 55,704</u>	<u>\$ 55,635</u>	<u>\$ 55,649</u>
Disbursements:			
Agriculture.....	\$ 54,960	\$ 54,960	\$ 54,960
Treasury.....	83	-	-
Total Disbursements.....	<u>(55,043)</u>	<u>(54,960)</u>	<u>(54,960)</u>
Cash Balance, Ending	<u>\$ 661</u>	<u>\$ 675</u>	<u>\$ 689</u>

Agricultural Conservation Easement Purchase Fund

This fund was created by Act 64 of 1988 to implement the referendum approved by the electorate on November 8, 1988. That referendum authorized the commonwealth to incur indebtedness of \$100 million to be used for farmland preservation through the purchase of agricultural conservation easements. Act 23 of 1992 increased the annual ceiling on easement purchases from bond sales from \$20 to \$25 million. All bonds authorized have been issued.

Act 89 of 2002 changed the annual transfer of cigarette tax revenues from the first two thirty-firsts of the cigarette tax to \$20,485,000 to be made in two equal payments by July 15th and January 15th. Act 84 of 2016 increased the annual transfer of Cigarette Tax revenues to \$25,485,000. Act 15 of 1999 created a supplemental program for farmland preservation. Beginning in 2005-06 the program receives a set percentage of the Environmental Stewardship Fund for the continued purchase of agricultural easements.

Act 10 of 2020 authorized the Secretary of the Budget to transfer up to \$50 million of special fund balances to a General Fund restricted account for COVID Health Care System Assistance. Act 24 of 2020 returned the funds, and Act 114 of 2020 transferred the funds to the General Fund for appropriation by the General Assembly.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 35,707	\$ 41,042	\$ 39,361
Receipts:			
Transfer of Cigarette Tax	\$ 25,485	\$ 25,485	\$ 25,485
Transfer from Environmental Stewardship Fund.....	14,448	13,240	13,675
Act 24 of 2020 Return of COVID Transfer.....	-	5,000	-
Interest	903	154	151
Total Receipts	<u>40,836</u>	<u>43,879</u>	<u>39,311</u>
Total Funds Available	<u>\$ 76,543</u>	<u>\$ 84,921</u>	<u>\$ 78,672</u>
Disbursements:			
Agriculture	\$ 30,501	\$ 40,560	\$ 40,000
Transfer to COVID Health Care System Assistance	5,000	-	-
Transfer to General Fund	-	5,000	-
Total Disbursements	<u>(35,501)</u>	<u>(45,560)</u>	<u>(40,000)</u>
Cash Balance, Ending	<u>\$ 41,042</u>	<u>\$ 39,361</u>	<u>\$ 38,672</u>

Anthracite Emergency Bond Fund

This fund was created by Act 171 of 1986 to provide loans for anthracite underground mine operators who cannot obtain necessary bonding or whose bonding has been cancelled due to insolvency or bankruptcy of the original bonding company. Revenues are provided by a fee for each ton of coal estimated by certain mine operations and payments made by operators in lieu of a bond. Act 173 of 1992 extended the program to anthracite surface mine operators.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 704	\$ 716	\$ 270
Receipts:			
Operator Payments	\$ -	\$ 2	\$ 2
Interest	12	2	1
Total Receipts	<u>12</u>	<u>4</u>	<u>3</u>
Total Funds Available	\$ <u>716</u>	\$ <u>720</u>	\$ <u>273</u>
Disbursements:			
Environmental Protection	\$ -	\$ 450	\$ 273
Total Disbursements	<u>-</u>	<u>(450)</u>	<u>(273)</u>
Cash Balance, Ending	\$ <u><u>716</u></u>	\$ <u><u>270</u></u>	\$ <u><u>-</u></u>

Automobile Theft Prevention Trust Fund

The Automobile Theft Prevention Trust Fund was created by Act 171 of 1994. The purpose of the fund is to finance programs in the commonwealth to prevent, combat and reduce automobile theft as well as improve and support automobile theft prosecutions. Revenue to the fund consists of assessments on the insurance companies that conduct business in the commonwealth, interest earnings, and fines and penalties.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 1,122	\$ 6,153	\$ 5,535
Receipts:			
Assessments	\$ 12,623	\$ 7,600	\$ 7,600
Interest	<u>6</u>	<u>3</u>	<u>3</u>
Total Receipts	<u>12,629</u>	<u>7,603</u>	<u>7,603</u>
Total Funds Available	\$ 13,751	\$ 13,756	\$ 13,138
Disbursements:			
Automobile Theft Prevention Authority	\$ 7,598	\$ 8,221	\$ 7,993
Total Disbursements	<u>(7,598)</u>	<u>(8,221)</u>	<u>(7,993)</u>
Cash Balance, Ending	\$ 6,153	\$ 5,535	\$ 5,145

Banking Fund

The Banking Fund is a special revenue fund comprised of monies received from fees, assessments, charges and penalties collected or recovered from persons, firms, corporations or associations under the supervision of the Department of Banking and Securities. It provides for the administration of the Department of Banking and Securities and regulation of the financial services industry. The Institution Resolution Restricted Account is to be used at the discretion of the Secretary of Banking and Securities in the event of a seizure or liquidation of a financial institution, association or credit union.

Act 20 of 2019 authorized the Secretary of the Budget to transfer up to \$45 million of special fund balances to the General Fund for environmental programs.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Restricted Cash Balance, Beginning	\$ 11,500	\$ 16,500	\$ 19,500
Institution Resolution:			
Receipts	5,000	3,000	3,000
Disbursements - Banking	-	-	-
Restricted Cash Balance, Ending	<u>\$ 16,500</u>	<u>\$ 19,500</u>	<u>\$ 22,500</u>
 Unrestricted Cash Balance, Beginning	 \$ 25,360	 \$ 9,913	 \$ 10,757
Receipts:			
Licenses and Fees	\$ 28,882	\$ 28,509	\$ 25,722
Fines and Penalties	1,539	809	400
Interest	913	418	500
Total Receipts	<u>31,334</u>	<u>29,736</u>	<u>26,622</u>
Total Funds Available	<u>\$ 56,694</u>	<u>\$ 39,649</u>	<u>\$ 37,379</u>
Disbursements:			
Banking and Securities	\$ 20,781	\$ 25,892	\$ 23,786
Transfer to Institution Resolution Account	5,000	3,000	3,000
Transfer to Environmental Programs	21,000	-	-
Total Disbursements	<u>(46,781)</u>	<u>(28,892)</u>	<u>(26,786)</u>
Unrestricted Cash Balance, Ending	<u>\$ 9,913</u>	<u>\$ 10,757</u>	<u>\$ 10,593</u>
 Total Cash Balance, Beginning	 36,860	 26,413	 30,257
Receipts	36,334	32,736	29,622
Disbursements	(46,781)	(28,892)	(26,786)
Total Cash Balance, Ending	<u>\$ 26,413</u>	<u>\$ 30,257</u>	<u>\$ 33,093</u>

Ben Franklin Technology Development Authority Fund

Act 38 of 2001 created the Ben Franklin Technology Development Authority Fund. This fund merges the activities of the Ben Franklin Partnership and the Pennsylvania Technology Investment Authority (PTIA) under one authority. The Ben Franklin component assists small and medium sized technology, research and start-up companies to do applied research and development projects and to develop and introduce new products and processes. PTIA provides high-tech financing to small and medium-sized businesses; stimulates the adoption and expansion of electronic commerce; and coordinates and expands university-based research and development in high-tech fields. Revenue to the fund includes annual transfers from the General Fund, loan repayments, tax credit sale proceeds and interest earnings.

The Ben Franklin Centers support the commonwealth's technology strategy by building on regional strengths, capitalizing on new opportunities and addressing the specific needs of our diverse communities. Funds available were curtailed significantly during the 2018-19 fiscal year after exhausting supplemental funds through a prior three-year initiative that securitized Insurance Premiums Tax proceeds to provide additional funds for technology investment.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 32,439	\$ 23,070	\$ 19,217
Receipts:			
Transfer from General Fund.....	\$ 14,500	\$ 14,500	\$ 14,500
Loan Principal and Interest Repayments	1,455	1,700	1,700
Interest	715	73	65
Other	32	60	45
Total Receipts	<u>16,702</u>	<u>16,333</u>	<u>16,310</u>
Total Funds Available	<u>\$ 49,141</u>	<u>\$ 39,403</u>	<u>\$ 35,527</u>
Disbursements:			
Community and Economic Development	\$ 26,071	\$ 20,186	\$ 35,000
Total Disbursements	<u>(26,071)</u>	<u>(20,186)</u>	<u>(35,000)</u>
Cash Balance, Ending	<u>\$ 23,070</u>	<u>\$ 19,217</u>	<u>\$ 527</u>

Benefit Completion Fund

This fund was created in 2003 to accumulate reserves for the payment of pensions to eligible former state employees with a statutory benefit entitlement under the State Employees' Retirement Code that exceeds the limits of Section 415(b) of the Internal Revenue Code (IRC). Reserves in this fund are disbursed to members of the retirement system in accordance with the provision of IRC Section 415(m).

The fund receives revenue from employer contributions and interest income. Employer contributions are an actuarially determined percentage of payroll sufficient to fund the benefit payments of the forthcoming calendar year and the on-going expenses to administer the plan. Management of the fund and payment of benefits is overseen by the State Employees' Retirement Board.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 775	\$ 1,131	\$ 1,078
Receipts:			
Employer Contributions	\$ 1,770	\$ 1,997	\$ 2,054
Interest	25	6	6
Total Receipts	<u>1,795</u>	<u>2,003</u>	<u>2,060</u>
Total Funds Available	<u>\$ 2,570</u>	<u>\$ 3,134</u>	<u>\$ 3,138</u>
Disbursements:			
State Employees' Retirement System	\$ 1,439	\$ 2,056	\$ 2,113
Total Disbursements	<u>(1,439)</u>	<u>(2,056)</u>	<u>(2,113)</u>
Cash Balance, Ending	<u>\$ 1,131</u>	<u>\$ 1,078</u>	<u>\$ 1,025</u>

Boat Fund

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

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 64,175	\$ 66,042	\$ 61,871
Receipts:			
Licenses and Fees	\$ 9,023	\$ 8,555	\$ 8,555
Fines and Penalties.....	178	200	200
Transfer from Motor License Fund	12,221	12,300	12,300
Transfer from Liquid Fuels Tax Fund	105	110	110
Federal Receipts	3,796	6,184	5,102
Interest	1,502	853	746
Other	34	22	22
Total Receipts	<u>26,859</u>	<u>28,224</u>	<u>27,035</u>
Total Funds Available	\$ 91,034	\$ 94,266	\$ 88,906
Disbursements:			
Fish and Boat Commission	\$ 24,992	\$ 32,395	\$ 34,028
Total Disbursements	<u>(24,992)</u>	<u>(32,395)</u>	<u>(34,028)</u>
Cash Balance, Ending	\$ 66,042	\$ 61,871	\$ 54,878

Budget Stabilization Reserve Fund

This fund was created on July 15, 2002 by Act 91 of 2002 to replace the Tax Stabilization Reserve Fund. The fund provides financial assistance to minimize future revenue shortfalls and deficits, and promote greater continuity and predictability in the funding of vital government services. It minimizes the need to increase taxes to balance the budget of the commonwealth during periods of economic distress. Act 91 provides revenue through an annual transfer of twenty-five percent of the General Fund fiscal year end surplus. If the ending balance would equal or exceed six percent of actual General Fund revenues for the fiscal year in which the surplus occurs, the General Fund transfer would be reduced to ten percent. The transfer had been suspended for fiscal years 2010-11 through 2015-16. There was no surplus for fiscal year 2016-17. Act 42 of 2018 reinstated a transfer of fifty percent of the 2017-18 General Fund surplus, and Act 20 of 2019 transferred one hundred percent of the 2018-19 General Fund surplus. There was no surplus for fiscal year 2019-20. Act 114 of 2020 transferred \$100 million to the General Fund. This budget reflects no surplus for fiscal year 2020-21.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 23,224	\$ 342,957	\$ 243,917
Receipts:			
Transfer from General Fund.....	\$ 316,872	\$ -	\$ -
Interest	2,861	960	960
Total Receipts	<u>319,733</u>	<u>960</u>	<u>960</u>
Total Funds Available	<u>\$ 342,957</u>	<u>\$ 343,917</u>	<u>\$ 244,877</u>
Disbursements:			
Transfer to General Fund.....	\$ -	\$ 100,000	\$ -
Total Disbursements	<u>-</u>	<u>(100,000)</u>	<u>-</u>
Cash Balance, Ending	<u>\$ 342,957</u>	<u>\$ 243,917</u>	<u>\$ 244,877</u>

Capital Debt Fund

Principal and interest payments on bonds issued for purposes of capital budget projects are paid from this fund. Annual appropriations from various funds for payment of interest and principal due on general obligation bonds are the primary sources of revenue. Funds in excess of interest and principal falling due in any one particular fiscal year may be used by the Board of Finance and Revenue to retire any other general obligation bonds issued to provide revenue to the Capital Facilities Fund.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances, including \$45,500,000 in transfers from PENNVEST funds. This budget proposes that the entire \$45,500,000 from PENNVEST funds be eliminated and replaced with an equal transfer from the PENNVEST Trustee as expedited debt service payments directed under the 2010 Trust Indenture and Repayment Agreement. Trustee transfers shall be received into the Capital Debt Fund, with General Obligation Debt Service reimbursements paid into the PENNVEST Redemption Fund over a four-year period.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 215	\$ 3,647	\$ 1,155
Receipts:			
Transfer from Other Funds.....	\$ 1,269,912	\$ 1,302,457 ^a	\$ 1,413,180
Refunding Bond Maturing Escrow Funds.....	727,370	496,255	622,499
Build America Bond Federal Subsidies.....	14,893	2,978	6,173
Interest on Securities.....	89	10	50
Total Receipts.....	<u>2,012,264</u>	<u>1,801,700</u>	<u>2,041,902</u>
Total Funds Available	\$ 2,012,479	\$ 1,805,347	\$ 2,043,057
Disbursements:			
Treasury.....	\$ 1,281,462	\$ 1,307,937	\$ 1,416,725
Refunding Bond Maturing Escrow Funds.....	727,370	496,255	622,499
Total Disbursements.....	<u>(2,008,832)</u>	<u>(1,804,192)</u>	<u>(2,039,224)</u>
Cash Balance, Ending	\$ 3,647	\$ 1,155	\$ 3,833

^a Includes \$45,500,000 transfer from the PENNVEST Trustee.

Capital Facilities Fund

This fund is used to meet the financial costs of capital projects authorized by capital budget acts. Revenue for this fund comes principally from the sale of general obligation debt and interest earnings. Debt issued for this fund is subject to a debt limit equal to one and three quarter times the average of annual tax revenues in the preceding five fiscal years. This fund has at least one account for each category of capital projects. Interest earned on investment or deposit of monies in the fund is credited to the account in the fund to which such invested or deposited money was originally credited.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 741,071	\$ 135,619	\$ 138,246
Receipts:			
Sale of Bonds.....	\$ 501	\$ 1,010,000	\$ 1,010,000
Premium on Sale of Bonds.....	-	67,027	-
Interest on Securities.....	10,374	700	700
Other	23,088	20,000	20,000
Total Receipts.....	<u>33,963</u>	<u>1,097,727</u>	<u>1,030,700</u>
Total Funds Available	\$ 775,034	\$ 1,233,346	\$ 1,168,946
Disbursements:			
Community and Economic Development	\$ 139,576	\$ 240,000	\$ 264,000
Conservation and Natural Resources	-	100	100
General Services.....	339,553	660,000	700,000
Transportation	142,336	175,000	175,000
Treasury	555	1,000	1,000
Other	17,395	19,000	19,000
Total Disbursements.....	<u>(639,415)</u>	<u>(1,095,100)</u>	<u>(1,159,100)</u>
Cash Balance, Ending	\$ 135,619	\$ 138,246	\$ 9,846

Capitol Restoration Trust Fund

This fund was created by Act 327 of 1982 to finance the maintenance, restoration, preservation and rehabilitation of artifacts, documents and other historical objects or resources located within and around or associated with the State Capitol Building, and the acquisition of artifacts, documents and other historical objects or resources which contribute to the historical significance of the State Capitol Building. This fund is administered by the Capitol Preservation Committee. Revenue is derived from gifts, donations and legacies of money from individuals, organizations, public or private corporations, and from the sale of commemorative medals and other items of a similar nature which promote the historic preservation and restoration of the State Capitol Building.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 441	\$ 479	\$ 481
Receipts:			
Contribution and Sales	\$ 30	\$ 1	\$ 1
Interest	8	1	1
Total Receipts	<u>38</u>	<u>2</u>	<u>2</u>
Total Funds Available	<u>\$ 479</u>	<u>\$ 481</u>	<u>\$ 483</u>
Disbursements:			
Capitol Preservation Committee	\$ -	\$ -	\$ 230
Total Disbursements	<u>-</u>	<u>-</u>	<u>(230)</u>
Cash Balance, Ending	<u>\$ 479</u>	<u>\$ 481</u>	<u>\$ 253</u>

Catastrophic Loss Benefits Continuation Fund

This fund was established by Act 24 of 1989 to replace the Catastrophic Loss Trust Fund. The purpose of the Catastrophic Loss Benefits Continuation Fund (CAT fund) is to pay all medical claims owed by the Catastrophic Loss Trust Fund. Monies in the former Catastrophic Loss Trust Fund were transferred to this fund effective July 1, 1989.

Act 13 of 2002 established the Medical Care Availability and Reduction of Error (Mcare) Fund and mandated that all surcharges levied and collected under the CAT fund be remitted to the Mcare Fund beginning in January 2004. Act 50 of 2009 redirected the surcharge to the General Fund for 2009-10 and 2010-11. Act 26 of 2011 redirected the surcharge to the General Fund for 2011-12 and for each fiscal year thereafter.

This fund will continue to pay claimants from its balance and interest earnings until no further obligations exist. The most recent actuarial report estimates final expenditure in 2093.

No obligation or expense of, or claim against, the fund constitutes a debt of the commonwealth or a charge against the General Fund or the Motor License Fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 79,168	\$ 77,768	\$ 72,451
Receipts:			
Interest	\$ 2,644	\$ 2,079	\$ 2,586
Other	1,130	650	659
Total Receipts	3,774	2,729	3,245
Total Funds Available	\$ 82,942	\$ 80,497	\$ 75,696
Disbursements:			
Insurance.....	\$ 5,174	\$ 8,046	\$ 7,935
Total Disbursements.....	(5,174)	(8,046)	(7,935)
Cash Balance, Ending	\$ 77,768	\$ 72,451	\$ 67,761

Children's Trust Fund

Act 151 of 1988 created the Children's Trust Fund. Revenue is generated by a \$10 surcharge on marriage licenses and divorce applications. Expenditures are for community-based children's programs and services for child abuse and neglect prevention.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 1,628	\$ 1,208	\$ 716
Receipts:			
Marriage/Divorce Surcharge	\$ 952	\$ 1,000	\$ 1,000
Children's Trust Fund Donations	10	15	15
Interest	26	3	2
Total Receipts	988	1,018	1,017
Total Funds Available	\$ 2,616	\$ 2,226	\$ 1,733
Disbursements:			
Human Services	\$ 1,408	\$ 1,510	\$ 1,400
Total Disbursements.....	(1,408)	(1,510)	(1,400)
Cash Balance, Ending	\$ 1,208	\$ 716	\$ 333

Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund

Act 42 of 2008 provides for cigarette fire safety, for certification of compliance by manufacturers, for package markings, and for enforcement and penalties. Certification fees are collected by the Department of Revenue at a rate of \$1,000 per brand family and \$500 for each additional listing within a brand family. Penalties are charged for specified violations. The Attorney General's Office enforces the Act. Pursuant to the enabling legislation, fund money may only be appropriated by the General Assembly to the Department of Revenue and the Office of Attorney General for the purpose of processing, testing, enforcement and oversight activities related to this act.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 410	\$ 352	\$ 141
Receipts:			
Fees	\$ 20	\$ 100	\$ 19
Interest	7	1	1
Total Receipts	<u>27</u>	<u>101</u>	<u>20</u>
Total Funds Available	<u>\$ 437</u>	<u>\$ 453</u>	<u>\$ 161</u>
Disbursements:			
Attorney General	\$ 85	\$ 162	\$ 50
Transfer to General Fund	-	150	-
Total Disbursements	<u>(85)</u>	<u>(312)</u>	<u>(50)</u>
Cash Balance, Ending	<u><u>\$ 352</u></u>	<u><u>\$ 141</u></u>	<u><u>\$ 111</u></u>

City Revitalization and Improvement Fund

The City Revitalization and Improvement Fund is a fiduciary fund established by Act 52 of 2013, which authorizes City Revitalization and Improvement Zones to provide economic development and job creation in cities with populations greater than 30,000. Each zone is comprised of parcels designated by the contracting authority constructing facilities in the zone. Bonds are issued by the contracting authority, and state and local taxes collected within a zone are used for program efforts and to repay debt service. Prior to 2016, up to two zones and one pilot zone were authorized. Beginning in 2016, up to two additional zones within cities may be approved each calendar year.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2	\$ -	\$ -
Receipts:			
State Tax Share	\$ 8,075	\$ 9,487	\$ 11,000
Local Tax Share	312	414	-
Interest	(2)	-	-
Total Receipts	<u>8,385</u>	<u>9,901</u>	<u>11,000</u>
Total Funds Available	<u>\$ 8,387</u>	<u>\$ 9,901</u>	<u>\$ 11,000</u>
Disbursements:			
Treasury	\$ 8,387	\$ 9,901	\$ 11,000
Total Disbursements	<u>(8,387)</u>	<u>(9,901)</u>	<u>(11,000)</u>
Cash Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Clean Air Fund

This fund was created to meet the provisions of Act 787 of 1959, as amended by Act 95 of 1992, to finance the attainment of air quality standards, the administration of the rules and regulations promulgated under these acts, the reduction of interstate air pollution transport and a program to assist businesses in meeting emission standards. Fines, civil penalties and fees from air pollution emitters, as well as appropriations from the General Assembly, federal or local governments and interest earnings are deposited in this fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 35,094	\$ 34,409	\$ 31,330
Receipts:			
Fines and Penalties.....	\$ 7,113	\$ 1,636	\$ 1,900
Fees	15,130	27,117	28,285
Interest	1,278	1,146	1,147
Other	440	402	402
Total Receipts	<u>23,961</u>	<u>30,301</u>	<u>31,734</u>
Total Funds Available	\$ 59,055	\$ 64,710	\$ 63,064
Disbursements:			
Environmental Protection	\$ 24,646	\$ 33,380	\$ 30,236
Total Disbursements	<u>(24,646)</u>	<u>(33,380)</u>	<u>(30,236)</u>
Cash Balance, Ending	\$ <u>34,409</u>	\$ <u>31,330</u>	\$ <u>32,828</u>

Coal and Clay Mine Subsidence Insurance Fund

This fund was created by Act 484 of 1961 to provide insurance to home owners in mining areas against damages resulting from subsidence. Revenue is derived from premiums paid by policyholders for subsidence insurance. Act 155 of 2002 updated this insurance program by further defining and establishing coverage by insurance providers and requiring the Department of Environmental Protection to prepare an annual report on the program and insurance sales. Disbursements are used to cover the payment of insurance claims and commissions to insurance agents who forward insurance applications as outlined in Act 155. A sufficient balance in the fund must be maintained to provide adequate protection for the solvency of the fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 121,196	\$ 128,112	\$ 130,675
Receipts:			
Premiums Collected	\$ 6,885	\$ 6,600	\$ 6,800
Interest	3,727	2,929	2,930
Other	-	1	1
Total Receipts	10,612	9,530	9,731
Total Funds Available	\$ 131,808	\$ 137,642	\$ 140,406
Disbursements:			
Environmental Protection	\$ 3,696	\$ 6,967	\$ 6,778
Total Disbursements	(3,696)	(6,967)	(6,778)
Cash Balance, Ending	\$ 128,112^a	\$ 130,675^a	\$ 133,628^a

^a Includes the following reserves for reinsurance and catastrophies: 2019-20 Actual is \$123,623,000, 2020-21 Available is \$121,000,000, and 2021-22 Estimated is \$128,000,000.

Coal Lands Improvement Fund

This fund was created by Act 117 of 1965 to finance the restoration of land acquired by the commonwealth through eminent domain or amicable methods which has been defaced by open pit or strip mining and has been declared a health hazard. Initially, the fund was provided a \$1 million appropriation, but subsequent revenue is derived from the sale of restored land and interest on investments.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2,089	\$ 1,726	\$ 891
Receipts:			
Interest	\$ 34	\$ 5	\$ 1
Total Receipts	34	5	1
Total Funds Available	\$ 2,123	\$ 1,731	\$ 892
Disbursements:			
Environmental Protection	\$ 397	\$ 840	\$ 690
Total Disbursements	(397)	(840)	(690)
Cash Balance, Ending	\$ 1,726	\$ 891	\$ 202

Community College Capital Fund

This fund was established by Act 46 of 2005. Fund revenue consists of an appropriation from the General Fund for transfer to the Community College Capital Fund. Monies in this fund can be disbursed only for payment of the commonwealth's annual share of approved capital debt service and lease payments to Pennsylvania's community colleges.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 3,919	\$ 3,362	\$ 695
Receipts:			
Transfer from General Fund.....	\$ 48,869	\$ 48,869	\$ 52,078
Interest	426	55	57
Total Receipts	49,295	48,924	52,135
Total Funds Available	\$ 53,214	\$ 52,286	\$ 52,830
Disbursements:			
Education	\$ 49,852	\$ 51,591	\$ 52,119
Total Disbursements	(49,852)	(51,591)	(52,119)
Cash Balance, Ending	\$ 3,362	\$ 695	\$ 711

Compulsive and Problem Gambling Treatment Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the Compulsive and Problem Gambling Treatment Fund to support a compulsive and problem gambling program. This program provides public education, awareness and training regarding both the problem of compulsive and problem gambling and its treatment and prevention. Act 1 of 2010 amended the funding for this program by increasing revenues provided based on the greater of \$2 million or .002 multiplied by the gross terminal revenue of all active and operating gaming entities. It also provides for an annual \$3 million transfer to the Compulsive and Problem Gambling Treatment Fund for drug and alcohol addiction treatment services, including addiction related to compulsive and problem gambling. Act 42 of 2017 expanded gaming to include a new category of slot machine licenses, fantasy contest and sports wagering, video, and interactive gaming. The act amends program funding to include .002 multiplied by the various gaming revenues, as specified in the act, for either compulsive and problem gambling related programs or for drug and alcohol addiction treatment services.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Restricted Cash Balance, Beginning	\$ 7,648	\$ 6,739	\$ 5,206
Compulsive and Problem Gambling Treatment Programs:			
Receipts:			
Transfer from State Gaming Fund.....	\$ 4,431	\$ 4,767	\$ 5,507
Transfer of iGaming Tax.....	43	166	413
Transfer of Sports Wagering Tax	-	226	463
Transfer from Video Gaming Fund.....	12	52	79
Total Receipts	<u>4,486</u>	<u>5,211</u>	<u>6,462</u>
Total Funds Available	\$ 12,134	\$ 11,950	\$ 11,668
Disbursements:			
Compulsive and Problem Gambling Treatment	\$ 5,395	\$ 6,744	\$ 5,800
Total Disbursements	<u>(5,395)</u>	<u>(6,744)</u>	<u>(5,800)</u>
Restricted Cash Balance, Ending	\$ 6,739	\$ 5,206	\$ 5,868
Unrestricted Cash Balance, Beginning	\$ 1,273	\$ 1,193	\$ 868
Drug and Alcohol Programs:			
Receipts:			
Transfer from State Gaming Fund - Drug and Alcohol.....	\$ 3,000	\$ 3,851	\$ 3,743
Transfer of iGaming Tax.....	-	166	413
Transfer of Sports Wagering Tax	43	226	463
Transfer of Fantasy Contest Tax.....	52	44	57
Interest	226	29	29
Total Receipts	<u>3,321</u>	<u>4,316</u>	<u>4,705</u>
Total Funds Available	\$ 4,594	\$ 5,509	\$ 5,573
Disbursements:			
Drug and Alcohol Programs	\$ 3,401	\$ 4,641	\$ 4,676
Total Disbursements	<u>(3,401)</u>	<u>(4,641)</u>	<u>(4,676)</u>
Unrestricted Cash Balance, Ending	\$ 1,193	\$ 868	\$ 897
Total Cash Balance, Beginning	\$ 8,921	\$ 7,932	\$ 6,074
Receipts	7,807	9,527	11,167
Disbursements	(8,796)	(11,385)	(10,476)
Total Cash Balance, Ending	\$ 7,932	\$ 6,074	\$ 6,765

Conrad Weiser Memorial Park Trust Fund

This fund was created to provide for control, management, supervision, restoration and improvement of the Conrad Weiser Memorial Park, Berks County. Source of revenue for the fund is interest from the \$20,000 perpetual endowment created by the estate of Colonel Conrad Weiser.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 77	\$ 79	\$ 79
Receipts:			
Interest	\$ 2	\$ -	\$ -
Total Receipts	<u>2</u>	<u>-</u>	<u>-</u>
Total Funds Available	<u>\$ 79</u>	<u>\$ 79</u>	<u>\$ 79</u>
Disbursements:			
Historical and Museum Commission	\$ -	\$ -	\$ -
Total Disbursements	<u>-</u>	<u>-</u>	<u>-</u>
Cash Balance, Ending	<u>\$ 79</u>	<u>\$ 79</u>	<u>\$ 79</u>

Conservation District Fund

Act 110 of 2006 created the Conservation District Fund to assist local conservation districts in the conservation of soil, water and natural resources. Revenue may be provided from state appropriations, federal appropriations, interest earnings and other funds available to the State Conservation Commission. Act 13 of 2012 provided for the collection and distribution of unconventional gas well impact fees, including transfers to conservation districts from the Public Utility Commission. Of these conservation district transfers, fifty percent is distributed directly by the Public Utility Commission in equal payments to all county conservation districts. The remaining fifty percent is deposited into the Conservation District Fund to provide additional conservation district support. The Conservation Districts are delegated legal authority for permitting, inspections and enforcement for many state water programs to assist the commonwealth in meeting its regulatory obligations.

In 2019-20 the DEP portion of the revenue transfer from the General Fund was reduced and replaced with a transfer from the Environmental Stewardship Fund. Act 20 of 2019 (Fiscal Code) authorized the transfer of \$45 million from commonwealth special funds for operations within the Department of Conservation and Natural Resources and Department of Environmental Protection. This provision was utilized in 2019-20 to reverse the impact of the appropriations that were shifted from the General Fund to the Environmental Stewardship Fund and Recycling Fund. The financial statement below reflects this reversal.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 6,147	\$ 6,534	\$ 5,428
Receipts:			
Transfer from General Fund.....	\$ 3,375	\$ 3,375	\$ 3,375
Transfer from Unconventional Gas Well Fund.....	3,949	4,047	4,149
Interest.....	100	17	16
Total Receipts.....	<u>7,424</u>	<u>7,439</u>	<u>7,540</u>
Total Funds Available	\$ 13,571	\$ 13,973	\$ 12,968
Disbursements:			
Environmental Protection.....	\$ 4,363	\$ 5,069	\$ 4,581
Agriculture.....	2,674	3,476	3,200
Total Disbursements.....	<u>(7,037)</u>	<u>(8,545)</u>	<u>(7,781)</u>
Cash Balance, Ending	\$ <u>6,534</u>	\$ <u>5,428</u>	\$ <u>5,187</u>

County Voting Apparatus Fund

The County Voting Apparatus Fund was established in accordance with Act 77 of 2019 to account for the deposit of proceeds for the county voting machine bonds. The legislation authorizes the Pennsylvania Economic Development Financing Authority (PEDFA) to issue bonds on behalf of the Department of State for up to \$90,000,000 to provide funding for counties to replace voting systems. Debt service payments would be subject to annual appropriations by the General Assembly. Counties shall apply for funding no later than July 1, 2020, and would be eligible to receive 60 percent of the costs incurred in securing their voting systems.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ -	\$ -	\$ 42,291
Receipts:			
Sale of Bonds.....	\$ -	\$ 75,195	\$ -
Premium on Sale of Bonds.....	-	7,056	-
Interest	-	40	41
Total Receipts	<u>-</u>	<u>82,291</u>	<u>41</u>
Total Funds Available	<u>\$ -</u>	<u>\$ 82,291</u>	<u>\$ 42,332</u>
Disbursements:			
State:			
County Voting Apparatus Reimbursements	\$ -	\$ 40,000	\$ 30,000
Total Disbursements	<u>-</u>	<u>(40,000)</u>	<u>(30,000)</u>
Cash Balance, Ending	<u>\$ -</u>	<u>\$ 42,291</u>	<u>\$ 12,332</u>

Deferred Compensation Fund

Act 81 of 1987 established the Commonwealth Deferred Compensation Program (DCP). The DCP enables commonwealth employees to voluntarily defer a portion of their compensation into a supplemental retirement savings plan. The State Employees' Retirement System (SERS) is responsible for administration of the DCP.

Contributions to the DCP began in 1988. The DCP is funded primarily from participant fees and interest as detailed in the footnote below. Participant contributions, together with the returns they earn less expenses, are available to formerly eligible employees for distribution when they meet requirements such as retirement. Cash balance is a reflection of uninvested funds at a point in time.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 59,433	\$ 66,889	\$ 74,531
Receipts:			
Employee Contributions	\$ 252,858	\$ 259,179	\$ 265,658
Sale or Purchase of Securities	176	180	185
Interest	822 ^a	843 ^a	864 ^a
Total Receipts	<u>253,856</u>	<u>260,202</u>	<u>266,707</u>
Total Funds Available	\$ 313,289	\$ 327,091	\$ 341,238
Disbursements:			
Benefits and Rollovers	\$ 243,513	\$ 249,601	\$ 255,841
Fees and Expenses.....	2,887	2,959	3,033
Total Disbursements	<u>(246,400)</u>	<u>(252,560)</u>	<u>(258,874)</u>
Cash Balance, Ending	\$ 66,889	\$ 74,531	\$ 82,364

^a Includes interest earned on funds controlled by SERS and the Treasury Department.

Deferred Compensation Fund - Short-Term Portfolio

Act 81 of 1987 established the Commonwealth Deferred Compensation Program (DCP) and Act 2017-5 established the State Employees' Defined Contribution Plan (DC). In both of these plans, Pennsylvania Treasury Department's Short-Term Money Market Fund is one of the available funds for employees to choose as an investment option. In order to maintain the identity of these investments separately, the Deferred Compensation Fund – Short Term Portfolio was established.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 77,160	\$ 79,596	\$ 80,927
Receipts:			
Transfers from Deferred Compensation Fund	\$ 36,192	\$ 37,097	\$ 38,024
Interest	1,357	225	228
Total Receipts	<u>37,549</u>	<u>37,322</u>	<u>38,252</u>
Total Funds Available	<u>\$ 114,709</u>	<u>\$ 116,918</u>	<u>\$ 119,179</u>
Disbursements:			
State Employees' Retirement System.....	\$ 35,113	\$ 35,991	\$ 36,891
Total Disbursements	<u>(35,113)</u>	<u>(35,991)</u>	<u>(36,891)</u>
Cash Balance, Ending	<u>\$ 79,596</u>	<u>\$ 80,927</u>	<u>\$ 82,288</u>

DNA Detection Fund

The DNA Detection Fund was created by Act 14 of Special Session One of 1995 to account for the collection and processing of Deoxyribonucleic Acid (DNA) samples by State Police from individuals convicted, adjudicated delinquent or granted accelerated rehabilitation disposition for a felony sex offense or other specified offense. Revenues are derived from mandatory fees which are assessed on sexual offenders. Expenditures are made to establish and maintain a DNA database and DNA bank. Act 57 of 2002 reestablished this fund as well as the State DNA Database and State DNA Data Bank. Additional requirements provide for testing and the imposition of related costs on certain offenders, while further defining the apportionment of liability and damages against defendants.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 6,719	\$ 5,770	\$ 2,936
Receipts:			
Assessments	\$ 2,311	\$ 2,350	\$ 2,400
Interest	119	17	3
Total Receipts	<u>2,430</u>	<u>2,367</u>	<u>2,403</u>
Total Funds Available	<u>\$ 9,149</u>	<u>\$ 8,137</u>	<u>\$ 5,339</u>
Disbursements:			
State Police	\$ 3,379	\$ 5,201	\$ 5,152
Total Disbursements	<u>(3,379)</u>	<u>(5,201)</u>	<u>(5,152)</u>
Cash Balance, Ending	<u>\$ 5,770</u>	<u>\$ 2,936</u>	<u>\$ 187</u>

Dog Law Administration

The Dog Law Restricted Account was established by Act 225 of 1982 (amended 1996-151 and 2008-119) to fund the Bureau of Dog Law Enforcement, which is responsible for ensuring the welfare of breeding of dogs and puppies in kennels, regulating safety activities, licensing oversight and other dog control policy. Revenues to the Account are derived from dog licensing, fines and fees, as well as any interest accrued on the account. Dog license fees, which are the primary revenue source of the Account, have not been increased since 1996. The Account reimburses counties and municipalities for dog control operations and administers a Dog Control Facility Reimbursement grant program to reimburse licensed non-profit entities for assistance in funding operating costs. A one-time \$4 million transfer from the Account to the General Fund in 2010-11 was not restored, further exacerbating the financial position of the Account.

This budget includes a \$1,200,000 supplemental General Fund transfer in fiscal year 2020-21 and a \$1,500,000 transfer in fiscal year 2021-22 to allow for continuation of the current program.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 1,393	\$ 305	\$ 59
Receipts:			
Licenses and Fees	\$ 6,154	\$ 6,833	\$ 6,864
Fines and Penalties.....	259	286	286
Act 64 Transfer.....	(190)	(210)	(210)
Transfer from General Fund.....	-	1,200	1,500
Interest	20	1	1
Other	270	250	250
Total Receipts.....	<u>6,513</u>	<u>8,360</u>	<u>8,691</u>
Total Funds Available	\$ 7,906	\$ 8,665	\$ 8,750
Disbursements:			
Agriculture	\$ 7,601	\$ 8,606	\$ 8,685
Total Disbursements.....	<u>(7,601)</u>	<u>(8,606)</u>	<u>(8,685)</u>
Cash Balance, Ending	\$ 305	\$ 59	\$ 65

Educational Assistance Program Fund

The Educational Assistance Program Fund was established in Act 212 of 2004 to fund the Educational Assistance Program for members of the National Guard. Act 78 of 2014 added the Medical and Health Officer Incentive Program to this fund. Act 32 of 2019 established the National Guard Family Education Program and created a restricted revenue account in the Educational Assistance Program Fund for the Department of Military and Veterans Affairs.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 3,422	\$ 5,813	\$ 3,269
Receipts:			
Transfer from General Fund.....	\$ 13,265	\$ 13,265	\$ 12,525
Interest	132	28	16
Total Receipts	13,397	13,293	12,541
Total Funds Available	\$ 16,819	\$ 19,106	\$ 15,810
Disbursements:			
Military and Veterans Affairs:			
National Guard Education	\$ 10,891	\$ 12,713	\$ 11,231
Military Family Education	115	3,124	4,579
Total Disbursements	(11,006)	(15,837)	(15,810)
Cash Balance, Ending	\$ 5,813	\$ 3,269	\$ -

Emergency Medical Services Operating Fund

The fund was created by the Emergency Medical Services Act, Act 45 of 1985, to assist in activities relating to the prevention and reduction of premature death and disability in the commonwealth; to provide assistance, coordination and support of the development and maintenance of the comprehensive emergency medical services system; to determine qualifications, eligibility and certification of emergency medical services personnel; and to fund ambulance services. Revenue is derived from fines levied on all moving traffic violations and fees imposed on persons admitted to programs for Accelerated Rehabilitation Disposition (ARD) related to driving under the influence of drugs and/or alcohol. These fines are in addition to other fines imposed at the discretion of the court. This statement includes both the Emergency Medical and Catastrophic Medical and Rehabilitation components of the Act.

Act 93 of 2020 increased the fee imposed for ARD from \$25 to \$50 and the moving traffic violation fine from \$10 to \$20.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 10,288	\$ 9,105	\$ 3,702
Receipts:			
Fines.....	\$ 10,291	\$ 8,545	\$ 10,545
Interest	331	243	220
Other	<u>369</u>	<u>299</u>	<u>299</u>
Total Receipts	<u>10,991</u>	<u>9,087</u>	<u>11,064</u>
Total Funds Available	\$ 21,279	\$ 18,192	\$ 14,766
Disbursements:			
Health	\$ <u>12,174</u>	\$ <u>14,490</u>	\$ <u>12,500</u>
Total Disbursements.....	<u>(12,174)</u>	<u>(14,490)</u>	<u>(12,500)</u>
Cash Balance, Ending	\$ <u>9,105</u>	\$ <u>3,702</u>	\$ <u>2,266</u>

Employment Fund for the Blind

This fund was created in 1967 to make loans to persons who are blind to purchase equipment, stock, merchandise and accessories necessary to put into operation vending or refreshment stands or other suitable business enterprises in suitable locations to be leased or arranged for by state agencies. Act 15 of 1999 transferred the authority to administer the fund from the Department of Human Services to the Department of Labor and Industry.

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

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2,398	\$ 2,611	\$ 2,649
Receipts:			
Vending Stand Equipment Rentals	\$ 170	\$ 101	\$ 121
Vending Machine Receipts.....	317	173	207
Interest	45	8	8
Other	298	172	206
Total Receipts	<u>830</u>	<u>454</u>	<u>542</u>
Total Funds Available	\$ <u>3,228</u>	\$ <u>3,065</u>	\$ <u>3,191</u>
Disbursements:			
Labor and Industry	\$ 617	\$ 416	\$ 500
Total Disbursements	<u>(617)</u>	<u>(416)</u>	<u>(500)</u>
Cash Balance, Ending	\$ <u>2,611</u>	\$ <u>2,649</u>	\$ <u>2,691</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 (PEDA) including the sale of bonds. Activities of the fund include preparation of the energy development plan, payment of administrative costs, the making of grants and loans for limited research intended to make the greatest possible contributions to energy conservation and development, and the establishment of reserves in respect to loans guaranteed or bonds issued by the authority. The fund is supported by loan repayments and interest earnings. Under statute, if the Energy Development Authority determines that funds held for the credit of the fund are more than the amount needed to carry out the purposes of the enabling law, then the authority must transfer the excess money to the General Fund.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 3,480	\$ 3,476	\$ 137
Receipts:			
Interest	\$ 114	\$ 94	\$ 2
Total Receipts	<u>114</u>	<u>94</u>	<u>2</u>
Total Funds Available	\$ 3,594	\$ 3,570	\$ 139
Disbursements:			
Environmental Protection	\$ 118	\$ 2,433	\$ 139
Transfer to General Fund	<u>-</u>	<u>1,000</u>	<u>-</u>
Total Disbursements	<u>(118)</u>	<u>(3,433)</u>	<u>(139)</u>
Cash Balance, Ending	\$ 3,476	\$ 137	\$ -

Environmental Education Fund

This fund was authorized by Act 24 of 1993 to provide environmental education programs and to provide grants to schools and other organizations. Funding is from the transfer of five percent of fines and penalties deposited in the special funds and restricted revenue accounts which are administered by the Department of Environmental Protection. Act 18 of 1995 requires that not less than 25 percent of the annual receipts of this fund shall be provided to the Department of Conservation and Natural Resources.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2,057	\$ 2,287	\$ 2,640
Receipts:			
Transfers from Other Funds.....	\$ 853	\$ 2,332	\$ 539
Interest	46	10	6
Total Receipts	<u>899</u>	<u>2,342</u>	<u>545</u>
Total Funds Available	<u>\$ 2,956</u>	<u>\$ 4,629</u>	<u>\$ 3,185</u>
Disbursements:			
Conservation and Natural Resources	\$ 88	\$ 410	\$ 583
Environmental Protection	581	1,079	881
Transfer to General Fund	-	500	-
Total Disbursements	<u>(669)</u>	<u>(1,989)</u>	<u>(1,464)</u>
Cash Balance, Ending	<u>\$ 2,287</u>	<u>\$ 2,640</u>	<u>\$ 1,721</u>

Environmental Stewardship Fund

The Environmental Stewardship Fund is a special revenue fund composed of monies from certain landfill fees. The fund provides for farmland preservation projects, open space protection, abandoned mine reclamation, watershed protection and restoration, water and sewer infrastructure and the improvement and conservation of commonwealth and community parks and recreational facilities. The fund originally received revenue from a 25 cent per ton, or 25 cent per three cubic yards, fee for all solid waste received at a landfill in the commonwealth. Act 90 of 2002 added an additional \$4 per ton disposal fee for all solid waste disposed of at any municipal waste landfill. For 2002-03, the first \$50 million received from this fee was deposited into this special fund. In 2003-04, and thereafter, all revenue from these fees is deposited in this special fund. Act 13 of 2012 authorized an annual transfer from the Marcellus Legacy Fund into the Environmental Stewardship Fund and Act 44 of 2017 modified this transfer. The dollars and interest generated by this fund are specifically designated for implementing the programs found in 27 Pa. Code Chapter 61. The fund is also used to service debt for the Growing Greener program.

The 2019-20 enacted budget included multiple appropriations out of the Environmental Stewardship Fund for agency programs. Act 20 of 2019 (Fiscal Code) authorized the transfer of \$45 million from commonwealth special funds for operations within the Department of Conservation and Natural Resources and Department of Environmental Protection. This provision was utilized in 2019-20 to reverse the impact of the appropriations that were shifted from the General Fund to the Environmental Stewardship Fund and Recycling Fund. The financial statement below reflects this reversal, including the lapsing of the associated authorizations. Act 20 also reduced the transfer from the Marcellus Legacy Fund (originating with the Oil and Gas Lease Fund) and institutes a transfer from the personal income tax to offset the cost of debt service for Growing Greener.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 141,042	\$ 154,896	\$ -
Receipts:			
Licenses and Fees	\$ 78,968	\$ 83,759	\$ 87,110
Transfer from Marcellus Legacy Fund.....	7,279	5,154	5,146
Personal Income Tax	20,000	13,777	13,795
Interest	3,985	2,424	2,515
Total Receipts	<u>110,232</u>	<u>105,114</u>	<u>108,566</u>
Total Funds Available	\$ 251,274	\$ 260,010	\$ 108,566
Disbursements:			
Treasury:			
Debt Service for Growing Greener	\$ 20,000	\$ 13,777	\$ 13,795
Agriculture:			
Agricultural Conservation Easement Program.....	14,818	13,579	14,026
Conservation and Natural Resources:			
Community Conservation Grants.....	6,986	20,604	7,000
Parks and Forest Facility Rehabilitation	6,561	54,393	15,515
Natural Diversity Conservation Grants	440	954	325
Environmental Protection:			
Watershed Protection and Restoration.....	23,843	134,958	35,444
Infrastructure Investment Authority:			
Storm Water, Water and Sewer Grants	23,730	21,745	22,461
Total Disbursements	<u>(96,378)</u>	<u>(260,010)</u>	<u>(108,566)</u>
Cash Balance, Ending	\$ 154,896	\$ -	\$ -

Fantasy Contest Fund

As a result of Act 42 of 2017, the Fantasy Contest Fund was administratively established to receive all assessments from licensees for the administration and enforcement of fantasy contests provided by the Gaming Control Board and Department of Revenue.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 382	\$ 659	\$ 422
Receipts:			
Licensee Deposit Accts	\$ 536	\$ 418	\$ 470
Fantasy Contest Application Fees	33	40	40
Interest	9	1	1
Total Receipts	<u>578</u>	<u>459</u>	<u>511</u>
Total Funds Available	<u>\$ 960</u>	<u>\$ 1,118</u>	<u>\$ 933</u>
Disbursements:			
Gaming Control Board:			
Application and Licensure	\$ 100	\$ 100	\$ 20
Administrative Appropriations:			
Gaming Control Board.....	189	156	100
Revenue	12	440	418
Total Disbursements	<u>(301)</u>	<u>(696)</u>	<u>(538)</u>
Cash Balance, Ending	<u>\$ 659</u>	<u>\$ 422</u>	<u>\$ 395</u>

Farm Products Show Fund

The Farm Products Show Fund is a special revenue fund composed of monies received from the leasing of space to exhibitors and from rental, entry fees and other monies received or collected by the Farm Products Show Commission. It also includes a transfer from the Pennsylvania Race Horse Development Trust Fund. The fund is used for salaries and expenses of the Farm Products Show Commission, for the maintenance of the Farm Show Building and for prizes and premiums.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 3,708	\$ 3,080	\$ 4,136
Receipts:			
Transfer from PA Race Horse Development Trust Fund	\$ 5,000	\$ 5,000	\$ 5,000
Rentals	2,312	3,215	2,000
Parking	2,026	10	1,700
Exhibit Fees.....	390	10	300
Service Charges.....	772	883	550
Concession.....	1,219	10	900
Interest	108	8	3
Other	390	1,920	100
Total Receipts	<u>12,217</u>	<u>11,056</u>	<u>10,553</u>
Total Funds Available	\$ 15,925	\$ 14,136	\$ 14,689
Disbursements:			
Agriculture	\$ 12,845	\$ 10,000	\$ 13,000
Total Disbursements.....	<u>(12,845)</u>	<u>(10,000)</u>	<u>(13,000)</u>
Cash Balance, Ending	\$ 3,080	\$ 4,136	\$ 1,689

Fire Insurance Tax Fund

This fund was created by Act 205 of 1984 and is administered by the Auditor General. 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 firefighting organization serving the city, town, township or borough.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 74,516	\$ 76,394	\$ 75,370
Receipts:			
Foreign Fire Insurance Premiums Tax.....	\$ 76,131	\$ 75,370	\$ 76,124
Total Receipts.....	<u>76,131</u>	<u>75,370</u>	<u>76,124</u>
Total Funds Available	<u>\$ 150,647</u>	<u>\$ 151,764</u>	<u>\$ 151,494</u>
Disbursements:			
Auditor General:			
Transfer to Municipal Pension Aid Fund	\$ 14,177	\$ 15,847	\$ 15,074
Aid to Local Jurisdictions.....	<u>60,076</u>	<u>60,547</u>	<u>60,296</u>
Total Disbursements.....	<u>(74,253)</u>	<u>(76,394)</u>	<u>(75,370)</u>
Cash Balance, Ending	<u>\$ 76,394</u>	<u>\$ 75,370</u>	<u>\$ 76,124</u>

Fish Fund

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

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 76,452	\$ 79,587	\$ 68,843
Receipts:			
Licenses and Fees	\$ 29,732	\$ 24,644	\$ 24,644
Fines and Penalties.....	211	260	400
Restricted Funds	1,554	2,167	2,167
Federal Receipts	8,501	9,237	7,714
Interest	2,115	1,633	1,425
Sale of Goods.....	489	129	129
Sale of Publications.....	7	5	10
Other	1,288	1,225	1,219
Total Receipts	<u>43,897</u>	<u>39,300</u>	<u>37,708</u>
Total Funds Available	\$ 120,349	\$ 118,887	\$ 106,551
Disbursements:			
Fish and Boat Commission	\$ 40,762	\$ 50,044	\$ 42,908
Total Disbursements.....	<u>(40,762)</u>	<u>(50,044)</u>	<u>(42,908)</u>
Cash Balance, Ending	\$ <u>79,587</u>	\$ <u>68,843</u>	\$ <u>63,643</u>

Game Fund

The Game Fund is a special revenue fund composed of monies from hunting license fees, sale of wood products, fines and penalties, rents, federal contributions and interest. It provides for the administration and enforcement of the game laws and the protection and propagation of game species.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 79,741	\$ 100,990	\$ 56,229
Receipts:			
Licenses and Fees	\$ 45,647	\$ 45,904	\$ 46,268
Resident License Fee - Transfer for Wildlife Propagation.....	(8,000)	(9,000)	(9,000)
Fines and Penalties.....	1,269	1,605	1,605
Gas and Oil Leases.....	63,471	60,000	57,500
Federal Receipts	26,423	27,991	26,246
Habitat License Fee Transfer.....	8,000	9,000	9,000
Interest	2,552	1,782	1,354
Sale of Goods.....	1,342	950	898
Sale of Wood Products.....	6,541	9,500	6,001
Sale of Publications.....	520	591	523
Other	6,229	1,211	1,182
Total Receipts	153,994	149,534	141,577
Total Funds Available	\$ 233,735	\$ 250,524	\$ 197,806
Disbursements:			
Game Commission.....	\$ 132,745	\$ 194,295	\$ 153,721
Total Disbursements	(132,745)	(194,295)	(153,721)
Cash Balance, Ending	\$ 100,990	\$ 56,229	\$ 44,085

Governor Robert P. Casey Memorial Organ and Tissue Donation Awareness Trust Fund

This fund was established by Act 102 of 1994 and derives revenue from private contributions, income tax refund check-off donations and a voluntary add-on to the fee for an original or renewal driver's license, state identification card or vehicle registration. Act 90 of 2018 increased the voluntary add-on amount from \$1 to \$3 and provided for the establishment of a publicly accessible internet website within the Department of Transportation for voluntary donations of at least \$1. Act 115 of 2020 further provided for voluntary add-on of up to \$6 for biennial vehicle registration renewals.

After the payment of initial departmental operating costs associated with the fund, including support of the Organ and Tissue Donation Advisory Committee, any remaining funds are spent as prescribed by Act 90: 10 percent for hospital and medical expenses, funeral expenses and incidental expenses incurred by the donor or the donor's family in connection with making an organ or tissue donation, and support services to organ donors and tissue donors and their families, such as bereavement counseling services; 50 percent for grants to certified organ procurement organizations for the development and implementation of organ donation awareness programs; 15 percent in cooperation with certified organ procurement organizations for the Project Make-A-Choice program; and 25 percent for the implementation of organ donation awareness programs in secondary schools.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 992	\$ 1,228	\$ 1,208
Receipts:			
Donations - State Income Tax Forms.....	\$ 4	\$ 6	\$ 6
Donations - Driver's License Applicants.....	293	350	393
Donations - Motor Vehicle Registrations.....	638	650	792
Donations - Private.....	2	1	2
Interest.....	20	4	4
Total Receipts.....	<u>957</u>	<u>1,011</u>	<u>1,197</u>
Total Funds Available	\$ 1,949	\$ 2,239	\$ 2,405
Disbursements:			
Education.....	\$ 165	\$ 165	\$ 165
Health.....	505	766	648
Transportation.....	51	100	80
Total Disbursements.....	<u>(721)</u>	<u>(1,031)</u>	<u>(893)</u>
Cash Balance, Ending	\$ 1,228	\$ 1,208	\$ 1,512

Growing Greener Bond Fund

This fund was created under the authority of Act 45 of 2005 to receive and distribute the proceeds from the sale of \$625 million in bonds. This money will be used to finance various environmental projects such as watershed protection, mine drainage remediation, advanced energy, flood protection, brownfields remediation, state parks and forests facilities, open space conservation, farmland preservation, capital improvement projects for fishing, boating and hunting, and for county environmental initiatives.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 9,814	\$ 5,558	\$ -
Receipts:			
Accumulated Interest Transfer for Debt Service	\$ (1,595)	\$ (23)	\$ -
Interest	169	15	-
Total Receipts	<u>(1,426)</u>	<u>(8)</u>	<u>-</u>
Total Funds Available	\$ 8,388	\$ 5,550	\$ -
Disbursements:			
Agriculture:			
Purchase of County Easements	\$ -	\$ 257	\$ -
Community and Economic Development:			
Main Street Downtown Development	207	856	-
Conservation and Natural Resources:			
Parks and Recreation Improvements	427	1	-
State Parks/Forest Projects	1,620	1,531	-
Open Space Conservation.....	-	108	-
Environmental Protection:			
Authority Projects.....	-	1,765	-
Environmental Improvement Projects	57	381	-
Acid Mine Drainage Abatement	430	557	-
Fish and Boat Commission:			
Capital Improvement Projects.....	89	84	-
Game Commission:			
Capital Improvement Projects.....	-	10	-
Total Disbursements	<u>(2,830)</u>	<u>(5,550)</u>	<u>-</u>
Cash Balance, Ending	\$ 5,558	\$ -	\$ -

Growing Greener Bond Sinking Fund

Payment of interest and principal due on outstanding Growing Greener bonds is made from this fund. The annual authorization from the Environmental Stewardship Fund (ESF) for general obligation debt service and interest on monies in the Growing Greener Bond Fund provide revenues to this fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ -	\$ 5	\$ -
Receipts:			
Transfer from Environmental Stewardship Fund.....	\$ 19,081	\$ 13,777	\$ 13,795
Interest	5	-	-
Total Receipts	<u>19,086</u>	<u>13,777</u>	<u>13,795</u>
Total Funds Available	<u>\$ 19,086</u>	<u>\$ 13,782</u>	<u>\$ 13,795</u>
Disbursements:			
Treasury	\$ 19,081	\$ 13,782	\$ 13,795
Total Disbursements	<u>(19,081)</u>	<u>(13,782)</u>	<u>(13,795)</u>
Cash Balance, Ending	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ -</u>

Hazardous Material Response Fund

The Hazardous Material Response Fund was created by Act 165 of 1990 and amended by Act 121 of 2000 to carry out Pennsylvania's responsibilities under Title III of the Federal Superfund Amendments and Reauthorization Act (SARA Title III). Revenue is generated from toxic chemical registration fees and toxic chemical release form fees. Expenditures are for training hazardous material response teams, public education programs, grants to counties for SARA Title III activities, cost recovery grants, facility and vehicle inspections, testing and administration of the program including data collection and management.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 1,381	\$ 1,095	\$ 581
Receipts:			
Toxic Chemical Release Form Fee	\$ 836	\$ 975	\$ 975
Chemical Inventory Fee	363	375	375
Interest	37	21	11
Other	147	25	25
Total Receipts	<u>1,383</u>	<u>1,396</u>	<u>1,386</u>
Total Funds Available	<u>\$ 2,764</u>	<u>\$ 2,491</u>	<u>\$ 1,967</u>
Disbursements:			
Emergency Management	\$ 1,665	\$ 1,830	\$ 1,800
Labor and Industry	4	80	80
Total Disbursements	<u>(1,669)</u>	<u>(1,910)</u>	<u>(1,880)</u>
Cash Balance, Ending	<u>\$ 1,095</u>	<u>\$ 581</u>	<u>\$ 87</u>

Hazardous Sites Cleanup Fund

This fund was created by Act 58 of 1987 to finance the cleanup and restoration of abandoned hazardous waste sites in the commonwealth. Expenditures from this fund are for cleaning up abandoned hazardous waste sites throughout the commonwealth and restoring the land to productive use. Revenue is generated from a Hazardous Waste Fee as well as money received from parties determined responsible for site contamination. Prior to 2002-03, the fund received one-quarter mill of the Capital Stock and Franchise Tax. Act 77 of 2007 provided for a one-time transfer in 2007-08 of monies lapsed from certain appropriations within the Legislature. Beginning in 2008-09, the act also included an annual transfer to the fund of \$40 million of revenue received from the Capital Stock and Franchise Tax. Act 13 of 2012 includes an annual transfer from the Marcellus Legacy Fund beginning in 2014-15 and Act 44 of 2017 modified this transfer. The Capital Stock and Franchise Tax was eliminated on January 1, 2016.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 81,273	\$ 75,762	\$ 53,961
Receipts:			
Transfer of Capital Stock and Franchise Tax.....	\$ 9,520	\$ 18,400	\$ 4,400
Transfer from Marcellus Legacy Fund.....	18,639	17,577	17,573
Hazardous Waste Fee.....	1,827	1,605	1,766
Cost Recovery.....	929	1,020	1,020
Interest.....	1,829	1,138	568
Other.....	11	-	-
Total Receipts.....	<u>32,755</u>	<u>39,740</u>	<u>25,327</u>
Total Funds Available	\$ 114,028	\$ 115,502	\$ 79,288
Disbursements:			
Environmental Protection.....	\$ 34,266	\$ 57,541	\$ 49,195
Transfer to Industrial Sites Cleanup Fund.....	3,000	3,000	3,000
Transfer to Household Hazardous Waste Account.....	1,000	1,000	1,000
Total Disbursements.....	<u>(38,266)</u>	<u>(61,541)</u>	<u>(53,195)</u>
Cash Balance, Ending	\$ 75,762	\$ 53,961	\$ 26,093

Higher Education Assistance Fund

This fund statement presents financial activity within the Higher Education Assistance Fund that is related only to programs funded by state and federal appropriations. The Pennsylvania Higher Education Assistance Agency (PHEAA) administers other programs through the Higher Education Assistance Fund which are not included in this presentation. Funding is used primarily for the following purposes: (1) grants to students; (2) grants to nondenominational private postsecondary educational institutions; (3) grants to institutions of higher learning for the purpose of helping the institution secure federal funds to provide direct financial aid to students; (4) funds to institutions for the Federal Work Study Program; (5) grants to minority students entering graduate professional schools under the Bond-Hill Program; (6) funds to recruit gifted students to Cheyney University; (7) funds for the higher education of disadvantaged students; and (8) funds for the higher education of blind or deaf students. Revenues to this fund are derived from General Fund appropriations by the General Assembly, federal funds and interest earnings.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 30,162	\$ 40,041	\$ 43,041
Receipts:			
Transfer from General Fund.....	\$ 369,382	\$ 369,382	\$ 367,182
Investment Earnings.....	3,035	3,000	3,000
Federal Revenue.....	3,818	41,655	1,675
Other	<u>13,042</u>	<u>15,500</u>	<u>15,000</u>
Total Receipts.....	<u>389,277</u>	<u>429,537</u>	<u>386,857</u>
Total Funds Available	\$ 419,439	\$ 469,578	\$ 429,898
Disbursements:			
Higher Education Assistance Agency	\$ 379,398	\$ 426,537	\$ 383,857
Total Disbursements.....	<u>(379,398)</u>	<u>(426,537)</u>	<u>(383,857)</u>
Cash Balance, Ending	\$ <u>40,041</u>	\$ <u>43,041</u>	\$ <u>46,041</u>

Highway Beautification Fund

The Highway Beautification Fund was created by Act 5 of Special Session Three of 1966. Highway beautification activities are supported by licenses, fees, fines, penalties and interest. Activities include the regulating of outdoor advertising and junkyards. Act 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 480	\$ 396	\$ 203
Receipts:			
Licenses and Fees	\$ 332	\$ 332	\$ 332
Interest	8	1	1
Total Receipts	<u>340</u>	<u>333</u>	<u>333</u>
Total Funds Available	<u>\$ 820</u>	<u>\$ 729</u>	<u>\$ 536</u>
Disbursements:			
Transportation	\$ 424	\$ 376	\$ 350
Transfer to General Fund	-	150	-
Total Disbursements	<u>(424)</u>	<u>(526)</u>	<u>(350)</u>
Cash Balance, Ending	<u>\$ 396</u>	<u>\$ 203</u>	<u>\$ 186</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 monies from the sale of publications by the Pennsylvania Historical and Museum Commission and all monies received from admission fees or other sales by the commission at the state historical properties and/or museums. Act 173 of 2002 enables the commission to sell most commonwealth publications to the public and provides that net proceeds from the publication sales and from the sale of historical properties administered by the commission shall be deposited into the fund. The Historical Preservation Fund is designated for projects of the Historical and Museum Commission for which they have agreements to complete over a period of several fiscal years.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances. This budget proposes that the transfer of \$4 million from the Historical Preservation Fund be eliminated and replaced with an equal transfer of undistributed accumulated interest earnings from the Unconventional Gas Well Fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 8,556	\$ 6,583	\$ 4,687
Receipts:			
Admission Fees.....	\$ 850	\$ 133	\$ 501
Mitigation and Special Projects.....	24	-	-
Interest.....	152	14	14
Other.....	249	119	119
Total Receipts.....	<u>1,275</u>	<u>266</u>	<u>634</u>
Total Funds Available	\$ 9,831	\$ 6,849	\$ 5,321
Disbursements:			
Historical and Museum Commission			
General Operations.....	\$ 1,665	\$ 978	\$ 1,267
Mitigation and Special Projects.....	1,583	1,184	612
Transfer to General Fund.....	-	-	-
Total Disbursements.....	<u>(3,248)</u>	<u>(2,162)</u> ^b	<u>(1,879)</u>
Cash Balance, Ending	\$ 6,583 ^a	\$ 4,687 ^a	\$ 3,442 ^a

^a Includes the following amounts restricted for mitigation and special projects: 2019-18 Actual is \$4,448,000, 2020-21 Available is \$3,264,000, and 2021-22 Estimated is \$2,652,000.

^b Elimination of Act 114 transfer.

HOME Investment Trust Fund

This fund was established by Act 172 of 1992 in order to administer Pennsylvania's program under the National Affordable Housing Act of 1990. Funding is provided by the Federal Department of Housing and Urban Development on an annual basis. Expenditures are for the development and support of affordable rental housing and home ownership through the acquisition, new construction, reconstruction or rehabilitation of housing.

Beginning in 2000-01, the majority of federal funds are granted directly through the implementation of the Federal Department of Housing and Urban Development Integrated Disbursement and Information System and do not flow through the Department of Community and Economic Development. Administrative funds are appropriated to the department to continue the program.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 41	\$ 11	\$ -
Receipts:			
Federal Revenue.....	\$ 1,106	\$ 4,059	\$ 3,700
HOME Program Income.....	336	347	300
Interest	2	-	-
Total Receipts.....	<u>1,444</u>	<u>4,406</u>	<u>4,000</u>
Total Funds Available	<u>\$ 1,485</u>	<u>\$ 4,417</u>	<u>\$ 4,000</u>
Disbursements:			
Community and Economic Development.....	\$ 1,474	\$ 4,417	\$ 4,000
Total Disbursements.....	<u>(1,474)</u>	<u>(4,417)</u>	<u>(4,000)</u>
Cash Balance, Ending	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ -</u>

Homeowner Assistance Settlement Fund

This fund was established by Act 70 of 2012. Payments received pursuant to the Homeowner Assistance Settlement Agreement were deposited into this fund. Disbursements are made for the Homeowner's Emergency Mortgage Assistance Program, for housing consumer protection programs and for civil legal assistance related to housing issues.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 10	\$ 10	\$ 10
Receipts:			
Interest	\$ -	\$ -	\$ -
Total Receipts	-	-	-
Total Funds Available	\$ 10	\$ 10	\$ 10
Disbursements:			
Pennsylvania Housing Finance Agency	\$ -	\$ -	\$ -
Total Disbursements	-	-	-
Cash Balance, Ending	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 10</u>

Housing Affordability and Rehabilitation Enhancement Fund

This fund was established by Act 105 of 2010. Revenue consists of a transfer from the Unconventional Gas Well Fund. Disbursements are made in accordance with the Housing Finance Agency Law. Act 58 of 2015 provides for additional funding to be transferred to this fund based on the amount of Realty Transfer Tax (RTT) received yearly. Act 13 of 2019 increased the cap of the annual RTT transfer to \$40 million.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 8,641	\$ 6,698	\$ 5,815
Receipts:			
Transfer from Unconventional Gas Well Fund	\$ 6,023	\$ 5,000	\$ 5,000
Transfer of Realty Transfer Tax	40,000	36,162	40,000
Interest	259	59	55
Total Receipts	<u>46,282</u>	<u>41,221</u>	<u>45,055</u>
Total Funds Available	\$ 54,923	\$ 47,919	\$ 50,870
Disbursements:			
Pennsylvania Housing Finance Agency			
Housing Affordability and Rehabilitation Program	\$ 8,225	\$ 5,942	\$ 5,000
Housing Programs-RTT	40,000	36,162	40,055
Total Disbursements	<u>(48,225)</u>	<u>(42,104)</u>	<u>(45,055)</u>
Cash Balance, Ending	<u>\$ 6,698</u>	<u>\$ 5,815</u>	<u>\$ 5,815</u>

Industrial Sites Cleanup Fund

Act 2 of 1995 created the Industrial Sites Cleanup Fund to provide grants and loans to political subdivisions, local economic development agencies and others who, as part of an economic development strategy, undertake voluntary cleanup of property contaminated by industrial activity. Act 6 of 2000 allows the Department of Community and Economic Development to provide performance-based loans, which may be forgiven if performance measures are met. Also, Act 6 expanded the program to include remediation of non-hazardous waste or debris. Revenue to the fund consists of transfers from the Hazardous Sites Cleanup Fund, any funds appropriated by the General Assembly, interest earnings and loan repayments. Grants and loans are prioritized based on the benefit of the project to the public health and safety, the cost effectiveness of the project, the economic distress of the area and the potential of the project to result in economic development. Revenue to the fund is primarily derived through transfers from the Hazardous Sites Cleanup Fund. The primary revenue source for the Hazardous Sites Cleanup Fund ended with the full phase-out of the Capital Stock and Franchise Tax on January 1, 2016. This budget includes a proposed \$1 per ton increase to the municipal waste deposit tipping fee to the Hazardous Sites Cleanup Fund.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 16,596	\$ 15,669	\$ 2,388
Receipts:			
Loan Principal and Interest Repayments	\$ 141	\$ 140	\$ 640
Transfer from Hazardous Sites Cleanup Fund.....	3,000	3,000	3,000
Interest	495	377	300
Other	-	2,707	-
Total Receipts	<u>3,636</u>	<u>6,224</u>	<u>3,940</u>
Total Funds Available	<u>\$ 20,232</u>	<u>\$ 21,893</u>	<u>\$ 6,328</u>
Disbursements:			
Community and Economic Development	\$ 4,563	\$ 9,505	\$ 6,314
Transfer to General Fund	-	10,000	-
Total Disbursements	<u>(4,563)</u>	<u>(19,505)</u>	<u>(6,314)</u>
Cash Balance, Ending	<u>\$ 15,669</u>	<u>\$ 2,388</u>	<u>\$ 14</u>

Insurance Fraud Prevention Trust Fund

The Insurance Fraud Prevention Trust Fund was created by Act 166 of 1994. The purpose of the fund is to finance activities in the commonwealth to prevent, combat and reduce insurance fraud, by improving and supporting insurance fraud law enforcement, prosecutions and prevention. The source of funds includes assessments on the insurance companies that conduct business in the Commonwealth of Pennsylvania, fines and penalties, and interest earnings.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 5,836	\$ 7,447	\$ 6,107
Receipts:			
Assessments, Fines and Penalties	\$ 15,534	\$ 15,761	\$ 16,186
Interest	136	22	16
Total Receipts	15,670	15,783	16,202
Total Funds Available	\$ 21,506	\$ 23,230	\$ 22,309
Disbursements:			
Insurance Fraud Prevention Authority	\$ 14,059	\$ 17,123	\$ 16,202
Total Disbursements	(14,059)	(17,123)	(16,202)
Cash Balance, Ending	\$ 7,447	\$ 6,107	\$ 6,107

Insurance Liquidation Fund

The Insurance Department is responsible for administering the liquidation of insolvent domestic insurance carriers pursuant to orders of the Commonwealth Court under Article V of the Insurance Department Act. This fund is used to permit the Treasury Department to invest the assets of insolvent insurance carriers. These assets are used to pay claims and expenses incurred in the administration of domestic insurance carrier insolvencies.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 93,135	\$ 94,805	\$ 94,941
Receipts:			
Interest	\$ 1,670	\$ 136	\$ 136
Total Receipts	1,670	136	136
Total Funds Available	\$ 94,805	\$ 94,941	\$ 95,077
Disbursements:			
Insurance.....	\$ -	\$ -	\$ -
Total Disbursements	-	-	-
Cash Balance, Ending	\$ 94,805	\$ 94,941	\$ 95,077

Insurance Regulation and Oversight Fund

This fund was established by Act 46 of 2013 to provide for the Insurance Department's regulation, management, development and oversight of the commonwealth's insurance industry.

The Insurance Regulation and Oversight Fund receives 50 percent of all licenses and fees collected by the Insurance Department and all augmentations and reimbursements made to the department by regulated entities. The surcharge on moving vehicle violations remains in the General Fund.

At the end of the fiscal year, the fund retains an amount equal to no more than 100 percent of the total expenditures and commitments by the department from the immediately preceding fiscal year. If the balance in the fund at the end of the fiscal year exceeds the retention amount, then that amount of excess funds is to be returned to the General Fund within 30 days of the end of the fiscal year.

Act 20 of 2019 authorized the Secretary of the Budget to transfer up to \$45 million of special fund balances to the General Fund for environmental programs. Act 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 30,130	\$ 33,362	\$ 27,217
Receipts:			
Licenses and Fees	\$ 32,489	\$ 32,090	\$ 31,808
Examination Reimbursements	5,194	5,100	5,100
Federal Receipts	-	83	110
Interest	481	64	187
Other	847	800	800
Total Receipts	<u>39,011</u>	<u>38,137</u>	<u>38,005</u>
Total Funds Available	\$ 69,141	\$ 71,499	\$ 65,222
Disbursements:			
Insurance.....	\$ 28,677	\$ 34,282	\$ 31,759
Transfer to General Fund	-	10,000	-
Transfer to Environmental Programs	7,102	-	-
Total Disbursements	<u>(35,779)</u>	<u>(44,282)</u>	<u>(31,759)</u>
Cash Balance, Ending	\$ 33,362	\$ 27,217	\$ 33,463

Job Training Fund

This fund was created by Act 5 of 2005 to facilitate advances in workforce development in the commonwealth. The Job Training Fund awards annual grants to entities in specified rural counties which run workforce education programs and services for job training assistance to incumbent workers, dislocated workers, adult and youth workers and other workforce development programs. Receipts in the fund are transfers from the Special Administration Fund and are supplemented by interest earnings and other monies appropriated to the fund. Due to anticipated shortfalls in the Unemployment Compensation Administration Fund, the department suspended transfers to the Job Training Fund beginning in 2016-17. Until such time as sufficient revenues become available, all Special Administration Fund revenues will be used for the administration of unemployment compensation.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 373	\$ 380	\$ 6
Receipts:			
Interest	\$ 7	\$ 1	\$ 1
Total Receipts	<u>7</u>	<u>1</u>	<u>1</u>
Total Funds Available	<u>\$ 380</u>	<u>\$ 381</u>	<u>\$ 7</u>
Disbursements:			
Labor and Industry	\$ -	\$ -	\$ -
Transfer to General Fund	<u>-</u>	<u>375</u>	<u>-</u>
Total Disbursements	<u>-</u>	<u>(375)</u>	<u>-</u>
Cash Balance, Ending	<u>\$ 380</u>	<u>\$ 6</u>	<u>\$ 7</u>

Justice Reinvestment Fund

The Justice Reinvestment Fund was created by Act 196 of 2012 and supports programs and activities that improved the delivery of criminal justice services within the commonwealth. Funding was derived from savings to the State Correctional Institutions through implementation of Act 122 of 2012, which established the Justice Reinvestment Initiative. Disbursements were made according to the provisions of Act 196 which included fixed amounts to the Pennsylvania Commission on Crime and Delinquency and the Pennsylvania Commission on Sentencing. Amounts remaining in the fund after these disbursements were distributed by formula to various JRI programs; such as victim services, offender risk assessment modeling, county probation grants, county innovative policing and contracts to divert short- and medium-minimum offenders from incarceration, state parole processes and coordinated safe community reentry programs.

Act 115 of 2019, which establishes the second phase of the Justice Reinvestment Initiative, will create future revenue to the fund through savings generated by the implementation of short sentence parole, increased use of the state drug treatment program and the use of sanctions for technical parole violations. Through Act 114 of 2019, the fund is continued, and deposits and disbursements will begin in 2021-22 based on a prescribed percentage of program savings generated in the year prior to the deposits. Distributions will continue through 2025-26. Annual grants made from this fund will supplement and not supplant existing funding, including funding provided to county governments.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 1,033	\$ 741	\$ -
Receipts:			
Interest	\$ 17	\$ 2	\$ -
Total Receipts	<u>17</u>	<u>2</u>	<u>-</u>
Total Funds Available	\$ <u>1,050</u>	\$ <u>743</u>	\$ <u>-</u>
Disbursements:			
Commission on Crime and Delinquency	\$ 309	\$ 743	\$ -
Total Disbursements	<u>(309)</u>	<u>(743)</u>	<u>-</u>
Cash Balance, Ending	\$ <u><u>741</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

Keystone Recreation, Park and Conservation Fund

The Keystone Recreation, Park and Conservation Fund is a special fund composed of monies from the sale of specific bonds and certain tax revenues. This fund provides for increased acquisitions, improvements and expansions of commonwealth and community parks, recreation facilities historic sites, zoos, public libraries, nature preserves and wildlife habitats.

Act 50 of 1993 approved the transfer of 15 percent of revenues from the state Realty Transfer Tax to this fund. These monies are distributed to programs according to the formula contained in the act. Uses of this fund were specifically approved through a voter referendum. Any balance in the fund is committed for eligible projects.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 168,575	\$ 173,298	\$ -
Receipts:			
Realty Transfer Tax.....	\$ 99,032	\$ 98,000	\$ 94,800
Interest	4,937	3,571	3,453
Total Receipts	<u>103,969</u>	<u>101,571</u>	<u>98,253</u>
Total Funds Available	<u>\$ 272,544</u>	<u>\$ 274,869</u>	<u>\$ 98,253</u>
Disbursements:			
Conservation and Natural Resources.....	56,308	204,466	63,864
Education	24,551	33,056	21,616
Historical and Museum Commission	18,387	37,347	12,773
Total Disbursements	<u>(99,246)</u>	<u>(274,869)</u>	<u>(98,253)</u>
Cash Balance, Ending	<u>\$ 173,298</u>	<u>\$ -</u>	<u>\$ -</u>

Liquid Fuels Tax Fund

The Liquid Fuels Tax Fund was created in 1931 to assist in funding the local roads system. Through December 2013, one-half cent per gallon of gasoline and diesel fuel taxes was deposited into the fund for semi-annual distribution to county governments and to pay registration fees for vehicles operated by mass transportation systems. Beginning January 2014, per Act 89 of 2013, a new millage rate replaced the one-half cent per gallon on gasoline and diesel fuel tax. The new rate is 4.17% of the mills imposed under Title 75, Section 9502 (A) (5). After payment of fees, remaining funds are allocated to the counties on a three-year average refund to total refund formula and must be used for highway purposes. Since the majority of counties have direct jurisdiction over a limited number of roads, a large portion of these funds are further allocated by the counties to their political subdivisions. To streamline payments to counties, the Department of Revenue delegated the authority for these payments and attendant expenses to the Department of Transportation effective in 1999-00.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 3,005	\$ 3,538	\$ 2,585
Receipts:			
Tax on Gasoline	\$ 22,245	\$ 21,779	\$ 23,776
Tax on Diesel Fuel	6,220	6,136	6,270
Total Receipts	<u>28,465</u>	<u>27,915</u>	<u>30,046</u>
Total Funds Available	<u>\$ 31,470</u>	<u>\$ 31,453</u>	<u>\$ 32,631</u>
Disbursements:			
Transfer to Boat Fund	\$ 105	\$ 110	\$ 110
Transportation	27,827	28,758	29,906
Total Disbursements	<u>(27,932)</u>	<u>(28,868)</u>	<u>(30,016)</u>
Cash Balance, Ending	<u>\$ 3,538</u>	<u>\$ 2,585</u>	<u>\$ 2,615</u>

Liquor License Fund

The Liquor License Fund serves as a pass-through account for liquor and/or beer license fees from hotels, restaurants and clubs. These fees are returned semi-annually to the municipalities in which the licenses are located. Interest earned on fund deposits is credited to the General Fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2,205	\$ 1,930	\$ -
Receipts:			
License Fees	\$ 4,197	\$ 2,449	\$ 2,450
Total Receipts	<u>4,197</u>	<u>2,449</u>	<u>2,450</u>
Total Funds Available	<u>\$ 6,402</u>	<u>\$ 4,379</u>	<u>\$ 2,450</u>
Disbursements:			
Liquor Control Board	\$ 4,472	\$ 4,379	\$ -
Total Disbursements	<u>(4,472)</u>	<u>(4,379)</u>	<u>-</u>
Cash Balance, Ending	<u>\$ 1,930</u>	<u>\$ -</u>	<u>\$ 2,450</u>

Local Cigarette Tax Fund

The Local Cigarette Tax Fund is a fiduciary fund composed of monies received from the collection of a local option cigarette tax in cities of the first class. Act 131 of 2014 allows a school district, when authorized by the governing body of a first class city (Philadelphia), to impose and assess an excise tax on the sale or possession of cigarettes at the rate of \$0.10 per cigarette. This tax is only assessed on cigarettes currently subject to a levy under Article XII of the Tax Reform Code of 1971. The Department of Revenue is authorized to retain the sum of the costs of collections.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 3,237	\$ 2,730	\$ -
Receipts:			
Philadelphia Cigarette Tax Collections	\$ 53,051	\$ 30,900	\$ 27,500
Act 84 of 2016 Collection Adjustment	-	23,722	27,700
Interest	79	20	20
Offset Department of Revenue Collection Costs	(607)	(600)	(600)
Total Receipts	<u>52,523</u>	<u>54,042</u>	<u>54,620</u>
Total Funds Available	<u>\$ 55,760</u>	<u>\$ 56,772</u>	<u>\$ 54,620</u>
Disbursements:			
Distribution to the Philadelphia School District.....	\$ 53,030	\$ 56,772	\$ 54,620
Total Disbursements	<u>(53,030)</u>	<u>(56,772)</u>	<u>(54,620)</u>
Cash Balance, Ending	<u>\$ 2,730</u>	<u>\$ -</u>	<u>\$ -</u>

Local Government Capital Project Loan Fund

This fund was created in 1990 to assist municipal governments in acquiring equipment and facilities by providing low-interest loans to those governments which find conventional loan costs to be prohibitive. Loans are provided at a rate of 2 percent for periods not to exceed 10 years. Revenues received from loan repayment and interest accrual are returned to the fund on a revolving basis. Act 46 of 1997 extended this fund indefinitely.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 3,758	\$ 3,691	\$ 876
Receipts:			
Loan Principal and Interest Repayments	\$ 177	\$ 175	\$ 175
Interest	66	10	2
Total Receipts	<u>243</u>	<u>185</u>	<u>177</u>
Total Funds Available	<u>\$ 4,001</u>	<u>\$ 3,876</u>	<u>\$ 1,053</u>
Disbursements:			
Community and Economic Development	\$ 310	\$ 1,000	\$ 1,000
Transfer to General Fund	-	2,000	-
Total Disbursements	<u>(310)</u>	<u>(3,000)</u>	<u>(1,000)</u>
Cash Balance, Ending	<u>\$ 3,691</u>	<u>\$ 876</u>	<u>\$ 53</u>

Machinery and Equipment Loan Fund

This fund was established by Act 120 of 1988 to provide low-interest machinery and equipment financing for Pennsylvania businesses in order to facilitate their growth, competitiveness and value-added capacity. The fund was initially capitalized by an appropriation from the Pennsylvania Economic Revitalization Fund. It is now funded from loan repayments and interest earnings. Act 22 of 2004 required the Commonwealth Financing Authority to transfer \$75 million in bond proceeds to the Department of Community and Economic Development for deposit in the fund. Act 161 of 2014 transitioned the administration of this fund to the Pennsylvania Industrial Development Authority, while also authorizing funds to be transferred by an action of the PIDA board between the Small Business First Fund, the Machinery and Equipment Loan Fund, and the Industrial Development Fund to maximize the effectiveness of the programs. The fund balance does not reflect substantial loan commitments for outstanding offers extended for business expansion projects.

Act 20 of 2019 authorized the Secretary of the Budget to transfer up to \$45 million of special fund balances to the General Fund for environmental programs. Act 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 46,819	\$ 36,734	\$ 10,323
Receipts:			
Loan Principal and Interest Repayments	\$ 6,433	\$ 4,000	\$ 6,000
Loan Service Fees	47	50	50
Transfer from Commonwealth Financing Authority	40,000	-	-
Interest	1,093	483	200
Other	5	5	5
Total Receipts	<u>47,578</u>	<u>4,538</u>	<u>6,255</u>
Total Funds Available	<u>\$ 94,397</u>	<u>\$ 41,272</u>	<u>\$ 16,578</u>
Disbursements:			
Community and Economic Development	\$ 4,663	\$ 15,949	\$ 11,778
Transfer to Small Business First Fund	43,000	10,000	-
Transfer to Environmental Programs	10,000	-	-
Transfer to General Fund	-	5,000	-
Total Disbursements	<u>(57,663)</u>	<u>(30,949)</u>	<u>(11,778)</u>
Cash Balance, Ending	<u>\$ 36,734</u>	<u>\$ 10,323</u>	<u>\$ 4,800</u>

Manufacturing Fund

The Manufacturing Fund, created in 1915, is a self-sustaining enterprise providing institutionalized offenders an opportunity for vocational rehabilitation. Receipts are derived from the sale of inmate manufactured goods to government agencies or government-aided organizations. Expenditures are made for the purchase of raw materials, machinery replacement, inmate wages and other costs related to the sale and manufacture of their products. Federal liability could be created by a transfer from the Manufacturing Fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 27,731	\$ 28,949	\$ 13,587
Receipts:			
Sale of Products	\$ 77,277	\$ 83,201	\$ 87,110
Interest	900	587	300
Total Receipts	<u>78,177</u>	<u>83,788</u>	<u>87,410</u>
Total Funds Available	\$ <u>105,908</u>	\$ <u>112,737</u>	\$ <u>100,997</u>
Disbursements:			
Criminal Justice	\$ 76,959	\$ 99,150	\$ 97,111
Total Disbursements	<u>(76,959)</u>	<u>(99,150)</u>	<u>(97,111)</u>
Cash Balance, Ending	<u>\$ 28,949</u>	<u>\$ 13,587</u>	<u>\$ 3,886</u>

Marcellus Legacy Fund

This fund was created by Act 13 of 2012 to provide for the distribution of unconventional gas well impact fees to counties, municipalities and commonwealth agencies. The fee revenue will be used for statewide initiatives in the areas of acid mine drainage abatement, gas well management and plugging, development and rehabilitation of greenways and recreational trails, sewage treatment projects and replacement and repair of deteriorated bridges in municipalities with unconventional gas wells. Receipts deposited into the Marcellus Legacy Fund come from transfers from the Unconventional Gas Well Fund and the Oil and Gas Lease Fund. The 2015-16, 2016-17 and 2017-18 Fiscal Codes modified the transfers from the Oil and Gas Lease Fund. The 2019-20 enacted budget included modifications to multiple environmental special funds, including a \$20 million reduction in the annual transfer from the Oil and Gas Lease Fund that is deposited into the Marcellus Legacy Fund then transferred to the Environmental Stewardship Fund. This budget maintains the annual \$15 million transfer from the Oil and Gas Lease Fund that is deposited into the Marcellus Legacy Fund then transferred to the Hazardous Sites Cleanup Fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 6,621	\$ 6,778	\$ 802
Receipts:			
Transfer from Unconventional Gas Well Fund	\$ 72,787	\$ 51,544	\$ 51,462
Transfer from Oil and Gas Lease Fund	15,000	15,000	15,000
Interest	156	37	37
Total Receipts	<u>87,943</u>	<u>66,581</u>	<u>66,499</u>
Total Funds Available	\$ 94,564	\$ 73,359	\$ 67,301
Disbursements:			
Public Utility Commission:			
County Grants.....	\$ 10,918	\$ 7,732	\$ 7,719
Transfer to Commonwealth Financing Authority.....	14,557	10,309	10,292
Transfer to Commonwealth Financing Authority-H2O	9,098	6,443	6,433
Environmental Protection	-	6,001	-
Infrastructure Investment Authority	9,098	6,443	6,433
Community and Economic Development	-	12	-
Transfer to Highway Bridge Improvement.....	18,197	12,886	12,866
Transfer to Environmental Stewardship Fund.....	7,279	5,154	5,146
Transfer to Hazardous Sites Cleanup Fund	18,639	17,577	17,573
Total Disbursements	<u>(87,786)</u>	<u>(72,557)</u>	<u>(66,462)</u>
Cash Balance, Ending	\$ 6,778	\$ 802	\$ 839

Medical Care Availability and Reduction of Error Fund

Act 13 of 2002, the Medical Care Availability and Reduction of Error (Mcare) Act, established the Medical Care Availability and Reduction of Error Fund and transferred to it the assets, liabilities, rights and responsibilities of the Medical Professional Liability Catastrophe Loss Fund effective October 15, 2002. The Mcare Fund is used to pay claims against participating health care providers for losses or damages awarded in medical professional liability actions against them in excess of the basic insurance coverage required by the act. In addition to the transfer of assets from the Medical Professional Liability Catastrophe Loss Fund, revenue includes an assessment on health care providers.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 95,537	\$ 87,245	\$ 66,315
Receipts:			
Assessments.....	\$ 189,053	\$ 190,000	\$ 195,000
Interest.....	2,137	291	300
Other.....	83	-	-
Total Receipts.....	<u>191,273</u>	<u>190,291</u>	<u>195,300</u>
Total Funds Available	\$ 286,810	\$ 277,536	\$ 261,615
Disbursements:			
Insurance.....	\$ 199,565	\$ 211,221	\$ 209,931
Total Disbursements.....	<u>(199,565)</u>	<u>(211,221)</u>	<u>(209,931)</u>
Cash Balance, Ending	\$ 87,245^a	\$ 66,315^a	\$ 51,684^a

^a Ending balance includes \$30 million in the Mcare reserve account.

Medical Marijuana Program Fund

This fund was established by Act 16 of 2016, the Medical Marijuana Act, to provide safe and effective access to medical marijuana for commonwealth patients with an eligible serious medical condition and to promote valuable research into the effectiveness and usefulness of medical marijuana. Revenue is derived from application and permit fees paid by prospective and eligible growers, processors, dispensaries, and patients and from a gross receipts tax from the sale of medical marijuana by a grower/processor to a dispensary.

After repayment of the initial loan from the General Fund for the establishment of the program, any remaining funds are to be spent as prescribed by the Act: 40 percent for operations including outreach and other required projects; 15 percent to establish programs that will assist with the cost of providing medical marijuana to patients demonstrating financial hardship or need, assist patients and caregivers by waiver or cost reduction of identification card fees, reimburse caregivers for the cost of background checks; 30 percent for research into the treatment of the currently established serious medical conditions and research into the treatment of other medical conditions for which medical marijuana may have legitimate medicinal value; 10 percent for drug abuse prevention, counseling and treatment services; and 5 percent to the Pennsylvania Commission on Crime and Delinquency for distribution to local police departments which demonstrate a need relating to efforts to support the Act.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 13,760	\$ 25,271	\$ 26,125
Receipts:			
Grower/Process Application and Permit Fees	\$ -	\$ 250	\$ 330
Dispensary Application and Permit Fees	2,275	995	290
Clinical Registrant Application and Permit Fees	-	720	720
Application and Permit Fees Collected in Advance	-	-	-
Patient Identification Card Fees	10,210	14,187	19,721
Gross Receipts Tax	10,724	16,816	22,421
Other	155	820	-
Total Receipts	<u>23,364</u>	<u>33,788</u>	<u>43,482</u>
Total Funds Available	\$ 37,124	\$ 59,059	\$ 69,607
Disbursements:			
Refund Permit Fees Collected in Advance	\$ 585	\$ -	\$ -
Health	11,268	12,934	14,592
Transfer to General Fund	-	20,000	-
Total Disbursements	<u>(11,853)</u>	<u>(32,934)</u>	<u>(14,592)</u>
Cash Balance, Ending	\$ 25,271	\$ 26,125	\$ 55,015

Military Installation Remediation Fund

Act 101 of 2019 established the Military Installation Remediation Program to address remediation costs incurred in a qualified municipality. A qualified municipality is a municipality which has within its geographic bounds a qualified former military installation. Each year, by Dec 1, the Department of Revenue shall certify eligible taxes to be transferred into the fund for the benefit of a qualified municipal authority. Excess monies shall be used to offset any surcharge applied to customers for remediation, to offset any amounts billed to customers for remediation and to offset the cost of connecting a residence with a private well. Any other monies remaining may be used for transportation infrastructure and economic development costs or payment of debt service on bonds issued or refinanced for the acquisition, development, construction, reconstruction, renovation or refinancing of remediation projects of the qualified municipality.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ -	\$ -	\$ -
Receipts:			
State Tax Share	\$ -	\$ 15,474	\$ 15,700
Total Receipts	<u>-</u>	<u>15,474</u>	<u>15,700</u>
Total Funds Available	<u>\$ -</u>	<u>\$ 15,474</u>	<u>\$ 15,700</u>
Disbursements:			
Treasury	\$ -	\$ 15,474	\$ 15,700
Total Disbursements	<u>-</u>	<u>(15,474)</u>	<u>(15,700)</u>
Cash Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Milk Marketing Fund

The Milk Marketing Fund is a special revenue fund composed of monies received from license fees, fines, penalties and permits relating to the milk industry. The purpose of this fund is to provide for the operation of the Milk Marketing Board and to serve as a depository for money due dairy farmers from underpayments by milk dealers. Revised fee regulations were enacted in late 2019-20 and are projected to generate an additional \$375,000 in annual revenue.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 3,463	\$ 3,067	\$ 2,411
Receipts:			
License and Fees	\$ 1,894	\$ 2,743	\$ 2,707
Fines and Penalties	1	5	5
Interest	89	12	11
Total Receipts	<u>1,984</u>	<u>2,760</u>	<u>2,723</u>
Total Funds Available	<u>\$ 5,447</u>	<u>\$ 5,827</u>	<u>\$ 5,134</u>
Disbursements:			
Milk Marketing Board	\$ 2,380	\$ 3,416	\$ 2,840
Total Disbursements	<u>(2,380)</u>	<u>(3,416)</u>	<u>(2,840)</u>
Cash Balance, Ending	<u>\$ 3,067</u>	<u>\$ 2,411</u>	<u>\$ 2,294</u>

Mine Safety Fund

Act 55 of 2008 created the Mine Safety Fund to recover expenses for responding to mine emergencies. The monies are used for mine safety activities and the administration of the Act.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 146	\$ 150	\$ 124
Receipts:			
Fines and Penalties	\$ 13	\$ 16	\$ 16
Interest	4	-	-
Total Receipts	<u>17</u>	<u>16</u>	<u>16</u>
Total Funds Available	<u>\$ 163</u>	<u>\$ 166</u>	<u>\$ 140</u>
Disbursements:			
Environmental Protection	\$ 13	\$ 42	\$ 17
Total Disbursements	<u>(13)</u>	<u>(42)</u>	<u>(17)</u>
Cash Balance, Ending	<u>\$ 150</u>	<u>\$ 124</u>	<u>\$ 123</u>

Minority Business Development Fund

This fund was created by Act 206 of 1974 to accommodate the operation of the Pennsylvania Minority Business Development Authority. Revenues to the fund are from loan repayments and interest. The authority has the power to issue bonds or other obligations which would provide further revenue to the fund. Expenditures are made for loans to minority business enterprises and for operating expenses of the authority. Current law provides that funds in excess of the amounts necessary to carry out the purposes of the enabling act can be transferred to the General Fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2,870	\$ 1,928	\$ 1,108
Receipts:			
Loan Principal and Interest Repayments	\$ 332	\$ 522	\$ 500
Interest	48	5	4
Other	105	5	5
Total Receipts	<u>485</u>	<u>532</u>	<u>509</u>
Total Funds Available	<u>\$ 3,355</u>	<u>\$ 2,460</u>	<u>\$ 1,617</u>
Disbursements:			
Community and Economic Development	\$ 1,427	\$ 1,352	\$ 1,340
Total Disbursements	<u>(1,427)</u>	<u>(1,352)</u>	<u>(1,340)</u>
Cash Balance, Ending	<u>\$ 1,928</u>	<u>\$ 1,108</u>	<u>\$ 277</u>

Monetary Penalty Endowments Trust Fund

The Monetary Penalty Endowments Trust Fund is a special revenue fund created by Act 1 of 2013 to deposit monetary penalties assessed to higher education institutions. Fund revenues are comprised of monies from installment payments made by the institutions and interest. Fund expenditures are made by the Pennsylvania Commission on Crime and Delinquency to support child abuse treatment and prevention programs within the commonwealth.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 44,301	\$ 43,647	\$ 39,330
Receipts:			
Interest	\$ 1,516	\$ 1,091	\$ 958
Total Receipts	<u>1,516</u>	<u>1,091</u>	<u>958</u>
Total Funds Available	<u>\$ 45,817</u>	<u>\$ 44,738</u>	<u>\$ 40,288</u>
Disbursements:			
Commission on Crime and Delinquency	\$ 2,170	\$ 5,408	\$ 4,800
Total Disbursements	<u>(2,170)</u>	<u>(5,408)</u>	<u>(4,800)</u>
Cash Balance, Ending	<u>\$ 43,647</u>	<u>\$ 39,330</u>	<u>\$ 35,488</u>

Motor Vehicle Transaction Recovery Fund

The Motor Vehicle Transaction Recovery Fund was created by Act 83 of 1990 to provide protection from dealers or other agents who fail to forward fees and taxes pertaining to an application for titling or registration of a vehicle to the Department of Transportation. Revenues to the fund consist of assessments (or reassessments should the balance of the fund fall below \$500,000) on every applicant for motor vehicle dealer registration plates or for the authority to act as agent of the department with respect to vehicle titling and registration.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2,438	\$ 2,474	\$ 2,491
Receipts:			
Title and Registration Fees	\$ 28	\$ 30	\$ 30
Interest	44	7	8
Total Receipts	<u>72</u>	<u>37</u>	<u>38</u>
Total Funds Available	\$ <u>2,510</u>	\$ <u>2,511</u>	\$ <u>2,529</u>
Disbursements:			
Transportation	\$ 36	\$ 20	\$ 20
Total Disbursements	<u>(36)</u>	<u>(20)</u>	<u>(20)</u>
Cash Balance, Ending	\$ <u><u>2,474</u></u>	\$ <u><u>2,491</u></u>	\$ <u><u>2,509</u></u>

Multimodal Transportation Fund

The Multimodal Transportation Fund was created by Act 89 of 2013 to provide additional funding for passenger rail, rail freight, ports and waterways, aviation, bicycle and pedestrian facilities, roads and bridges, and other modes of transportation. The program is funded by deposits from the Pennsylvania Turnpike Commission, a portion of certain Motor Vehicle Fees and the Oil Company Franchise Tax.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 296,523	\$ 196,304	\$ -
Receipts:			
Pennsylvania Turnpike Commission	\$ 30,000	\$ 30,000	\$ 30,000
Motor Vehicle Fees	76,907	68,500	80,000
Transfer of Oil Company Franchise Tax	35,000	35,000	35,000
Interest	4,932	737	800
Total Receipts	<u>146,839</u>	<u>134,237</u>	<u>145,800</u>
Total Funds Available	\$ <u>443,362</u>	\$ <u>330,541</u>	\$ <u>145,800</u>
Disbursements:			
Transportation	\$ 123,422	\$ 283,989	\$ 84,661
Transfer to Commonwealth Finance Authority	123,636	46,552	61,139
Total Disbursements	<u>(247,058)</u>	<u>(330,541)</u>	<u>(145,800)</u>
Cash Balance, Ending	\$ <u><u>196,304</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></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. The revenue for the Municipal Pension Aid Fund results from a two percent tax on premiums received from foreign (out-of-state) casualty insurance companies on business done within the commonwealth, a transfer from the Fire Insurance Tax Fund and interest earnings. These revenues and earnings are for distribution to municipalities for various police, fire and non-uniformed pension plans, including post-retirement adjustments mandated by Act 147 of 1988.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 323,849	\$ 319,478	\$ 315,603
Receipts:			
Foreign Casualty Insurance Premiums Tax	\$ 310,810	\$ 307,702	\$ 310,779
Transfer from Fire Insurance Tax Fund	14,177	15,847	15,074
Interest	3,152	715	713
Total Receipts	<u>328,139</u>	<u>324,264</u>	<u>326,566</u>
Total Funds Available	\$ 651,988	\$ 643,742	\$ 642,169
Disbursements:			
Municipal Pension Aid	\$ 331,341	\$ 327,087	\$ 325,735
Post-Retirement	1,169	1,052	934
Total Disbursements	<u>(332,510)</u>	<u>(328,139)</u>	<u>(326,669)</u>
Cash Balance, Ending	\$ 319,478	\$ 315,603	\$ 315,500

Municipalities Financial Recovery Revolving Aid Fund

This fund was created by Act 157 of 1988 to make loans and grants to assist municipalities that are declared financially distressed. Initial funding was provided through the transfer of unused funds remaining from a 1986-87 General Fund appropriation for Distressed Community Emergency Aid. In addition, Act 157 stipulated that all repayments on loans made from the fund should be redeposited into the fund and used to make additional loans and grants to distressed municipalities. Fund balance does not reflect commitments to distressed municipalities.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 8,509	\$ 10,001	\$ 4,612
Receipts:			
Transfer from the General Fund.....	\$ 4,500	\$ 4,500	\$ 4,500
Loan Principal and Interest Repayments	222	500	500
Interest	199	30	15
Total Receipts	<u>4,921</u>	<u>5,030</u>	<u>5,015</u>
Total Funds Available	\$ 13,430	\$ 15,031	\$ 9,627
Disbursements:			
Community and Economic Development	\$ 3,429	\$ 10,419	\$ 7,350
Total Disbursements	<u>(3,429)</u>	<u>(10,419)</u>	<u>(7,350)</u>
Cash Balance, Ending	\$ <u>10,001</u>	\$ <u>4,612</u>	\$ <u>2,277</u>

Neighborhood Improvement Zone Fund

This fund was established by Act 50 of 2009. This fund is administered by the State Treasurer and the primary administrator of the program is the Department of Revenue. An entity collecting a local tax within the neighborhood improvement zone shall, within 30 days of the end of a fiscal quarter, submit all the local taxes collected to the State Treasurer for transfer to the fund. Interest income derived from investment of the money in the fund shall be credited by the Treasury Department to the fund. Funds may only be utilized for payment of debt service on bonds issued for the improvement and development of all or any part of the neighborhood improvement zone and the purpose of constructing a facility or facility complex. Funds may not be utilized for purposes of renovating or repairing a facility or facility complex, except for capital maintenance and improvement projects. The reconciliation between the state tax share transferred and the actual liability incurred, could result in the return of the excess state tax share in the subsequent fiscal year.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 22	\$ 14	\$ -
Receipts:			
State Tax Share	\$ 83,129	\$ 81,200	\$ 90,600
State Tax Share Return.....	(25,199)	(25,000)	(25,000)
Local Tax Share	3,199	2,355	2,627
Interest	14	-	-
Total Receipts	<u>61,143</u>	<u>58,555</u>	<u>68,227</u>
Total Funds Available	<u>\$ 61,165</u>	<u>\$ 58,569</u>	<u>\$ 68,227</u>
Disbursements:			
Treasury	\$ 61,151	\$ 58,569	\$ 68,227
Total Disbursements	<u>(61,151)</u>	<u>(58,569)</u>	<u>(68,227)</u>
Cash Balance, Ending	<u>\$ 14</u>	<u>\$ -</u>	<u>\$ -</u>

Non-Coal Surface Mining Conservation and Reclamation Fund

This fund was created by Act 219 of 1984 to finance reclamation projects on land scarred by non-coal surface mining. Projects include recontouring, terracing and planting trees, shrubs and grasses. Revenues are provided by charging non-coal surface mining operators for licenses and permits and by fining them for failing to apply for the licenses and permits as well as by forfeiture of collateral bonds, cash or securities for failure to comply with an approved reclamation plan.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning.....	\$ 7,046	\$ 6,170	\$ 4,856
Receipts:			
Licenses and Fees	\$ 1,835	\$ 2,180	\$ 2,180
Penalties.....	71	196	190
Interest	224	169	120
Collateral	153	58	110
Forfeiture.....	181	9	50
Payment in Lieu of Bonds	124	150	120
Other	345	-	-
Total Receipts	<u>2,933</u>	<u>2,762</u>	<u>2,770</u>
Total Funds Available.....	\$ 9,979	\$ 8,932	\$ 7,626
Disbursements:			
Environmental Protection	\$ 3,809	\$ 4,076	\$ 3,978
Total Disbursements	<u>(3,809)</u>	<u>(4,076)</u>	<u>(3,978)</u>
Cash Balance, Ending	\$ <u>6,170</u>	\$ <u>4,856</u>	\$ <u>3,648</u>

Nutrient Management Fund

This fund was created under the authority of Act 6 of 1993 to fund loans and grants for the implementation of nutrient management plans by agricultural operations. Revenue comes from commonwealth and federal appropriations, interest, loan repayments and gifts. Act 18 of 1995 transferred some responsibilities for the Nutrient Management Program from the Department of Environmental Protection to the Department of Agriculture. This budget continues to focus on technical assistance to farmers, re-establishment of loan programs, and enhanced business development and conservation efforts. The budget also supports the expanded scope of the Agrilink loan program to enhance and implement improved nutrient management plans.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 1,198	\$ 2,999	\$ 862
Receipts:			
Transfer from General Fund.....	\$ 6,200	\$ 6,200	\$ 6,200
Interest	83	12	11
Fees	40	40	40
Fines.....	27	27	27
Total Receipts	<u>6,350</u>	<u>6,279</u>	<u>6,278</u>
Total Funds Available	<u>\$ 7,548</u>	<u>\$ 9,278</u>	<u>\$ 7,140</u>
Disbursements:			
Agriculture	\$ 2,554	\$ 5,657	\$ 4,256
Environmental Protection	1,995	2,759	2,100
Total Disbursements	<u>(4,549)</u>	<u>(8,416)</u>	<u>(6,356)</u>
Cash Balance, Ending	<u>\$ 2,999</u>	<u>\$ 862</u>	<u>\$ 784</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 these purposes. Revenues are derived from rents and royalties from oil and gas leases of commonwealth owned land with the exception of rents and royalties from land owned by either the Pennsylvania Game or Fish and Boat Commissions. Those revenues are paid into the Game and Fish Funds. Act 46 of 2010 authorized a transfer of \$180 million to the General Fund. Act 13 of 2012 authorized annual transfers to the Marcellus Legacy Fund, and Act 44 of 2017 modified the annual transfers to the Marcellus Legacy Fund. The Governor's Budget proposal for 2021-22 maintains the level of the transfer to the Environmental Stewardship Fund (via the Marcellus Legacy Fund) established by Act 20 of 2019. The General Fund expenses replaced by the Oil and Gas Lease Fund include additional support for DCNR operations, as reflected on the financial statement below.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 15,674	\$ 7,800	\$ 910
Receipts:			
Rents and Royalties	\$ 73,655	\$ 60,000	\$ 66,000
Interest	668	119	94
Other	2,682	481	506
Total Receipts	<u>77,005</u>	<u>60,600</u>	<u>66,600</u>
Total Funds Available	\$ 92,679	\$ 68,400	\$ 67,510
Disbursements:			
Conservation and Natural Resources:			
General Government Operations.....	\$ 37,891	\$ 18,490	\$ 14,790
State Parks Operations.....	17,706	17,000	20,000
State Forests Operations.....	14,282	17,000	16,500
Transfer to Marcellus Legacy Fund	15,000	15,000	15,000
Total Disbursements	<u>(84,879)</u>	<u>(67,490)</u>	<u>(66,290)</u>
Cash Balance, Ending	\$ 7,800	\$ 910	\$ 1,220

PA Health Insurance Exchange Fund

The PA Health Insurance Exchange fund was created by Act 42 of 2019, which also created the Pennsylvania Health Insurance Exchange Authority (PHIEA), a state-affiliated entity established to create a state-based insurance exchange, reduce costs and better support the needs of consumers purchasing health insurance in the individual market. The PHIEA generates revenue by assessing an exchange user fee from insurers (0.5% of premiums through 12/31/2020) on the health and dental plans purchased through the exchange. Pennsylvania's calendar year 2021 transition from a State-Based Exchange on the Federal Platform (SBE-FP) to a fully operational State-Based Exchange (SBE) increased user fee collections to 3.0% of premiums as of January 1, 2021.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ -	\$ 2,063	\$ 2,696
Receipts:			
Exchange User Fees on Insurers.....	\$ 4,136	\$ 31,854	\$ 58,973
Federal Receipts/Subgrant.....	400	10,700	8,235
Interest	8	8	40
Total Receipts.....	<u>4,544</u>	<u>42,562</u>	<u>67,248</u>
Total Funds Available	<u>\$ 4,544</u>	<u>\$ 44,625</u>	<u>\$ 69,944</u>
Disbursements:			
Health Insurance Exchange Authority	\$ 2,481	\$ 41,679	\$ 49,106
Transfer to Reinsurance.....	-	250	100
Total Disbursements.....	<u>(2,481)</u>	<u>(41,929)</u>	<u>(49,206)</u>
Cash Balance, Ending	<u>\$ 2,063</u>	<u>\$ 2,696</u>	<u>\$ 20,738</u>

PA Rural Health Redesign Center Fund

Act 108 of 2019 established the Pennsylvania Rural Health Redesign Center Authority (RHRCA) and the Pennsylvania Rural Health Redesign Center Fund to protect and promote rural hospitals and health care centers that face special challenges, including inconsistencies in their billing and reimbursements. The fund shall be administered by the RHRCA.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ -	\$ 2,000	\$ 1,003
Receipts:			
Intergovernmental Loan Proceeds	\$ 2,000	\$ -	\$ -
Private Grant Funds	-	325	1,500
Federal Receipts	-	2,426	1,934
Interest	-	3	3
Total Receipts	<u>2,000</u>	<u>2,754</u>	<u>3,437</u>
Total Funds Available	<u>\$ 2,000</u>	<u>\$ 4,754</u>	<u>\$ 4,440</u>
Disbursements:			
PA Rural Health Redesign Center Authority	\$ -	\$ 3,751	\$ 3,440
Total Disbursements	<u>-</u>	<u>(3,751)</u>	<u>(3,440)</u>
Cash Balance, Ending	<u>\$ 2,000</u>	<u>\$ 1,003</u>	<u>\$ 1,000</u>

Patient Safety Trust Fund

Act 13 of 2002, known as the Medical Care Availability and Reduction of Error Act, established the Patient Safety Trust Fund for the purpose of independent review of medical facilities which will result in ensuring patient safety and reducing medical errors. Revenue to the fund includes a surcharge on medical facility licensing fees. These fees are assessed by the Department of Health, deposited in the General Fund and transferred to the Patient Safety Fund. The Patient Safety Authority established by Act 13 contracts with entities who collect, analyze and evaluate data regarding reports of serious events and incidents at medical facilities and identify patterns in frequency or severity at individual medical facilities or in certain regions of this commonwealth.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 10,003	\$ 6,769	\$ 9,297
Receipts:			
Surcharges	\$ 3,850	\$ 12,336	\$ 7,375
Interest	153	25	25
Other	187	10	10
Total Receipts	<u>4,190</u>	<u>12,371</u>	<u>7,410</u>
Total Funds Available	<u>\$ 14,193</u>	<u>\$ 19,140</u>	<u>\$ 16,707</u>
Disbursements:			
Patient Safety Authority.....	\$ 7,424	\$ 9,843	\$ 9,400
Total Disbursements.....	<u>(7,424)</u>	<u>(9,843)</u>	<u>(9,400)</u>
Cash Balance, Ending	<u>\$ 6,769</u>	<u>\$ 9,297</u>	<u>\$ 7,307</u>

Pennsylvania Gaming Economic Development and Tourism Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the Pennsylvania Gaming Economic Development and Tourism Fund (GEDTF) to receive a daily assessment of 5 percent of each licensed gaming entity's gross terminal revenue. Act 42 of 2017 increased the daily assessment to 5.5 percent effective January 1, 2018. In addition, a 6 percent assessment from new satellite casino gross terminal revenue will be deposited in the GEDTF. In April 2019, the Supreme Court struck down §1407(c.1) of Act 42 as unconstitutional, which then eliminated the additional 0.5 percent going to the Casino Marketing and Capital Development Account (CMCDA) within the GEDTF fund. All funds within the CMCDA were refunded in August 2019.

Proceeds of the fund are distributed through specific enacted capital budgets. Funds for economic development and tourism projects in Philadelphia and Allegheny counties were authorized in Act 53 of 2007. Four of those projects were extended through Act 42 of 2017 along with one new project authorized. In addition, pursuant to Act 63 of 2008, GEDTF proceeds can be used to fund debt service for water and sewer projects, flood control projects, and high hazard unsafe dam projects located elsewhere in Pennsylvania as approved by the Commonwealth Financing Authority.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 30,777	\$ 26,073	\$ 14,843
Receipts:			
Gross Terminal Revenue Assessments	\$ 77,758	\$ 109,611	\$ 138,900
Build America Bonds Federal Interest Subsidy	4,240	12,457	8,028
Transfer from State Gaming Fund to Casino Marketing	(5,698)	-	-
Interest	(118)	89	100
Total Receipts	<u>76,182</u>	<u>122,157</u>	<u>147,028</u>
Total Funds Available	\$ 106,959	\$ 148,230	\$ 161,871
Disbursements:			
Community and Economic Development	\$ 25,500	\$ 78,301	\$ 91,579
General Services	695	783	900
Loan Repayment to Pennvest	-	-	15,000
Transfer to Commonwealth Financing Authority	54,691	54,303	54,071
Total Disbursements	<u>(80,886)</u>	<u>(133,387)</u>	<u>(161,550)</u>
Cash Balance, Ending	\$ 26,073	\$ 14,843	\$ 321

^a Excludes a \$3.802M remaining pledge installment owed by a casino operator that is due on April 1, 2021. This installment amount is illustrated due to cashflow timing and is not expected to be paid by this fund or any other commonwealth fund. Total anticipated obligation is \$4.272M.

Pennsylvania Historical and Museum Commission Trust Fund

This fund, created by Act 113 of 1931, is administered by the Governor, Auditor General, State Treasurer and the Pennsylvania Historical and Museum Commission. The interest received from investment of the \$33,000 perpetual endowment to this fund in bonds of the commonwealth or any of its political subdivisions is credited to the fund. Interest earned on investments is used for the restoration, maintenance and improvement of the Cornwall Charcoal Furnace, Cornwall Borough, Lebanon County.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 193	\$ 197	\$ 198
Receipts:			
Interest	\$ 4	\$ 1	\$ 1
Total Receipts	<u>4</u>	<u>1</u>	<u>1</u>
Total Funds Available	\$ <u>197</u>	\$ <u>198</u>	\$ <u>199</u>
Disbursements:			
Historical and Museum Commission	\$ -	\$ -	\$ -
Total Disbursements	<u>-</u>	<u>-</u>	<u>-</u>
Cash Balance, Ending	\$ <u><u>197</u></u>	\$ <u><u>198</u></u>	\$ <u><u>199</u></u>

Pennsylvania Infrastructure Bank

This fund was established by Act 57 of 1997 to make loans to, or enter into leases with, qualified borrowers to finance the costs of transportation projects. Acts 165 and 7A of 2004 expanded this program to include financing of rail freight infrastructure. Receipts are derived from loan repayments and interest earnings.

Act 10 of 2020 authorized the Secretary of the Budget to transfer up to \$50 million of special fund balances to a General Fund restricted account for COVID Health Care System Assistance. Act 24 of 2020 returned the funds, and Act 114 of 2020 transferred the funds to the General Fund for appropriation by the General Assembly.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 37,361	\$ 35,316	\$ 24,074
Receipts:			
Loan Principal and Interest Repayments	\$ 21,816	\$ 30,665	\$ 34,347
Act 24 of 2020 Return of COVID Transfer.....	-	5,000	-
Interest	1,113	785	800
Other	885	-	-
Total Receipts	<u>23,814</u>	<u>36,450</u>	<u>35,147</u>
Total Funds Available	<u>\$ 61,175</u>	<u>\$ 71,766</u>	<u>\$ 59,221</u>
Disbursements:			
Transportation	\$ 20,859	\$ 42,692	\$ 30,000
Transfer to COVID Health Care System Assistance	5,000	-	-
Transfer to General Fund	-	5,000	-
Total Disbursements	<u>(25,859)</u>	<u>(47,692)</u>	<u>(30,000)</u>
Cash Balance, Ending	<u>\$ 35,316</u>	<u>\$ 24,074</u>	<u>\$ 29,221</u>

Pennsylvania Municipal Retirement Fund

Act 15 of 1974 created the Pennsylvania Municipal Retirement System which replaced the Municipal Employees Retirement Law and the Municipal Police Retirement Law and combined all employees covered under both into a state-related municipal system. The fund established under Act 15 provides for payment of retirement allowances to officers, employees, firemen and police of political subdivisions (counties, cities, boroughs and townships of the first and second class). Any municipality may elect by ordinance to join the system. Revenues are generated from the contributions of the members of the system and investment earnings. The board established has control over the system's operation. A municipality may, upon meeting the requirements set forth in Act 15, elect to withdraw from participation in this fund. Withdrawals may substantially increase the level of disbursements reflected in this presentation.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 2,640,667	\$ 2,647,592	\$ 2,753,496
Receipts:			
Contributions	\$ 84,603	\$ 115,349	\$ 83,505
Interest	24,444	26,272	25,762
Premium / Discount on Sale of Securities.....	55,556	69,772	68,417
Net Investment Adjustment	<u>(32,526)</u>	<u>29,675</u>	<u>(4,172)</u>
Total Receipts	<u>132,077</u>	<u>241,068</u>	<u>173,512</u>
Total Funds Available	\$ 2,772,744	\$ 2,888,660	\$ 2,927,008
Disbursements:			
Municipal Retirement Board.....	\$ 125,152	\$ 135,164	\$ 145,977
Total Disbursements.....	<u>(125,152)</u>	<u>(135,164)</u>	<u>(145,977)</u>
Cash Balance, Ending	\$ 2,647,592	\$ 2,753,496	\$ 2,781,031

Pennsylvania Race Horse Development Trust Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the Pennsylvania Race Horse Development Fund to support and advance the commonwealth's horse racing industry. Act 42 of 2017 converted it to a Trust Fund. Operating tracks receive a daily assessment as determined by the Department of Revenue. The daily assessment from each licensed gaming entity is based on a formula established in the act, which is capped at 12 percent of an entity's gross terminal revenue for that day. Proceeds are distributed to licensees conducting live horse racing. Track owners deposit 80 percent of the proceeds into a purse account. Thoroughbred tracks commit the remaining proceeds to the Breeders' Fund and a Horseman's Organization Fund. Standardbred tracks commit proceeds to the Sire Stakes Fund, the Pennsylvania Standardbred Breeders Development Fund and a Horsemen's Organizational Fund. The Fiscal Code provides for transfers to restricted accounts within the Department of Agriculture. In addition, Act 114 of 2016 added transfers to the State Racing Fund for drug testing of race horses and promotional costs.

This budget reflects the reauthorization of the Act 114 drug testing transfer provision for the two-year period July 1, 2020 through June 30, 2022. In addition, this budget proposes to redirect the horse owners and breeders purse account and restricted racing program proceeds to the Department of Education for the Nellie Bly Tuition program.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 4,365	\$ 6,320	\$ 5,089
Receipts:			
Assessments	\$ 171,093	\$ 197,200	\$ 239,200
Interest	211	24	24
Total Receipts	<u>171,304</u>	<u>197,224</u>	<u>239,224</u>
Total Funds Available	\$ 175,669	\$ 203,544	\$ 244,313
Disbursements:			
Revenue:			
Purse Account	\$ 109,997	\$ 132,611	\$ -
Restricted Racing Programs	21,999	26,522	-
Horsemen's Health and Pension Benefits	5,500	6,631	8,300
Agriculture	14,411	15,914	14,659
Education - Nellie Bly Tuition Program	-	-	199,203
Transfer to Farm Products Show Fund	5,000	5,000	5,000
Transfer to Racing Fund - Drug Testing	10,066	10,066	10,066
Transfer to Racing Fund - Promotion of Racing	2,376	1,711	1,972
Total Disbursements	<u>(169,349)</u>	<u>(198,455)</u>	<u>(239,200)</u>
Cash Balance, Ending	\$ 6,320	\$ 5,089	\$ 5,113

Pennsylvania Veterans Monuments and Memorial Trust Fund

Act 60 of 1988 established the Pennsylvania Veterans Memorial Trust Fund to be administered by the Pennsylvania Veterans Memorial Commission. Revenues come from General Fund appropriations and public or private contributions. Funds were expended to erect a monument to Pennsylvania Veterans who served in armed conflicts in which the United States was a participant. Act 63 of 2002 expanded the use of this fund to include operation and maintenance of the memorial. Act 64 of 2018 changed the name of the fund and expanded the use of the fund to preserve all monuments and memorials dedicated to Pennsylvania Veterans and military personnel, both in Pennsylvania and abroad. Act 64 also provides that the fund receive \$23 of the fee paid by applicants for the Pennsylvania monument registration plate.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 279	\$ 121	\$ 34
Receipts:			
Public and Private Donations	\$ 11	\$ 9	\$ 400
PA Monuments License Plates	1	-	-
Interest	4	-	2
Total Receipts	<u>16</u>	<u>9</u>	<u>402</u>
Total Funds Available	<u>\$ 295</u>	<u>\$ 130</u>	<u>\$ 436</u>
Disbursements:			
Military and Veterans Affairs	\$ 174	\$ 96	\$ 95
Total Disbursements	<u>(174)</u>	<u>(96)</u>	<u>(95)</u>
Cash Balance, Ending	<u>\$ 121</u>	<u>\$ 34</u>	<u>\$ 341</u>

PENNVEST Bond Authorization Fund

This fund, created under the authority of Act 16 of 1988, receives the proceeds from the sale of bonds authorized by general referendum, transfers from the Water Facilities Loan Fund or from the Capital Facilities Fund for site development. Expenditures are for transfers of funds to the PENNVEST Fund, the PENNVEST Drinking Water Revolving Fund, the PENNVEST Water Pollution Control Revolving Fund, the PENNVEST Revolving Fund or the PENNVEST Non-Revolving Equity Fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 6,070	\$ 6,179	\$ -
Receipts:			
Interest	\$ 109	\$ 17	\$ -
Total Receipts	<u>109</u>	<u>17</u>	<u>-</u>
Total Funds Available	<u>\$ 6,179</u>	<u>\$ 6,196</u>	<u>\$ -</u>
Disbursements:			
Infrastructure Investment Authority	\$ -	\$ 6,196	\$ -
Total Disbursements	<u>-</u>	<u>(6,196)</u>	<u>-</u>
Cash Balance, Ending	<u>\$ 6,179</u>	<u>\$ -</u>	<u>\$ -</u>

PENNVEST Drinking Water Revolving Fund

This fund was created under the authority of Act 16 of 1988 to receive funds from the federal government to establish a revolving loan program or drinking water projects. Required matching state funds are transferred from the PENNVEST Bond Authorization Fund and the PENNVEST Fund. Because of the lag in receiving federal funds, cash is borrowed from other PENNVEST funds.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances, including \$45,500,000 in transfers from PENNVEST funds. This budget proposes that the entire \$45,500,000 from PENNVEST funds be eliminated and replaced with an equal transfer from the PENNVEST Trustee as expedited debt service payments directed under the 2010 Trust Indenture and Repayment Agreement. Trustee transfers shall be received into the Capital Debt Fund, with General Obligation Debt Service reimbursements paid into the PENNVEST Redemption Fund over a four-year period.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 208,603	\$ 238,719	\$ 239,306
Receipts:			
Federal Funds	\$ 30,917	\$ 68,857	\$ 34,900
Transfer from PENNVEST Water Pollution Control Revolving Fund	29,895	20,000	20,000
Loan Principal and Interest Repayments	2,231	12,000	12,000
Interest	6,116	4,807	4,240
Total Receipts	69,159	105,664	71,140
Total Funds Available	\$ 277,762	\$ 344,383	\$ 310,446
Disbursements:			
Infrastructure Investment Authority	\$ 39,043 ^a	\$ 105,077 ^a	\$ 108,229 ^a
Transfer to General Fund	-	- ^b	-
Total Disbursements	(39,043)	(105,077)	(108,229)
Cash Balance, Ending	\$ 238,719	\$ 239,306	\$ 202,217

^a Additional Drinking Water Projects Revolving Loans authorizations were \$114,000,000 for FY 2019-20, \$210,700,000 for FY 2020-21, and \$200,000,000 for FY 2021-22 to account for loan commitments to be disbursed by the PENNVEST Trustee.

^b Elimination of Act 114 transfer.

PENNVEST Fund

This fund was created under the authority of Act 16 of 1988 to receive funds from sources other than the sale of general obligation bonds. These sources include appropriations from the General Fund, payments of revolving loans, interest received from revolving and non-revolving loans, investment income and the sale of assets. In addition to grants and loans for water and sewer projects, these funds can be used for administrative costs and matching funds for federal grants.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances, including \$45,500,000 in transfers from PENNVEST funds. This budget proposes that the entire \$45,500,000 from PENNVEST funds be eliminated and replaced with an equal transfer from the PENNVEST Trustee as expedited debt service payments directed under the 2010 Trust Indenture and Repayment Agreement. Trustee transfers shall be received into the Capital Debt Fund, with General Obligation Debt Service reimbursements paid into the PENNVEST Redemption Fund over a four-year period.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 278,370	\$ 275,102	\$ 239,760
Receipts:			
Revolving Loan Payments.....	\$ 6,994	\$ 8,000	\$ 9,000
Transfer from Environmental Stewardship Fund.....	23,730	21,745	22,461
Transfer from Marcellus Legacy Fund.....	9,098	6,443	6,433
Interest	8,131	6,717	4,080
Other	2,016	2,051	2,000
Total Receipts	<u>49,969</u>	<u>44,956</u>	<u>43,974</u>
Total Funds Available	\$ 328,339	\$ 320,058	\$ 283,734
Disbursements:			
Infrastructure Investment Authority:			
Grants	\$ -	\$ 10,100	\$ 35,000
PENNVEST Operations.....	3,005	6,141	5,934
Growing Greener Grants	11,917	14,336	22,461
Revenue Bond Loan Pool.....	-	10	10
Marcellus Grants.....	10,601	9,920	6,433
Revolving Loans and Administration	26,878 ^a	38,155 ^a	39,300 ^a
State Conditional Fund	836	1,636	1,000
Transfer to General Fund	-	- ^b	-
Total Disbursements	<u>(53,237)</u>	<u>(80,298)</u>	<u>(110,138)</u>
Cash Balance, Ending	\$ 275,102	\$ 239,760	\$ 173,596

^a Revolving Loans and Administration authorizations were \$120,000,000 for FY 2019-20, \$120,000,000 for FY 2020-21, and \$60,000,000 for FY 2021-22 to account for loan commitments to be disbursed by the PENNVEST Trustee.

^b Elimination of Act 114 transfer.

PENNVEST Redemption Fund

This fund, created under the authority of Act 16 of 1988, receives repayments of non-revolving loans and investment interest along with the annual appropriation from the General Fund for general obligation debt service. Revenues are used to pay debt service on general obligation bonds issued for PENNVEST.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances, including \$45,500,000 in transfers from PENNVEST funds. This budget proposes that the entire \$45,500,000 from PENNVEST funds be eliminated and replaced with an equal transfer from the PENNVEST Trustee as expedited debt service payments directed under the 2010 Trust Indenture and Repayment Agreement. Trustee transfers shall be received into the Capital Debt Fund, with General Obligation Debt Service reimbursements paid into the PENNVEST Redemption Fund over a four-year period.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 13,491	\$ 1,061	\$ 6,848
Receipts:			
Interest	\$ 309	\$ 9	\$ 18
Repayment of Non-Revolving Funds	13,853	13,853	-
Transfer from Other Funds.....	-	-	13,853
Total Receipts	<u>14,162</u>	<u>13,862</u>	<u>13,871</u>
Total Funds Available	\$ 27,653	\$ 14,923	\$ 20,719
Disbursements:			
Treasury	\$ 26,592	\$ 8,075	\$ 8,085
Total Disbursements	<u>(26,592)</u>	<u>(8,075)</u>	<u>(8,085)</u>
Cash Balance, Ending	\$ 1,061	\$ 6,848	\$ 12,634

PENNVEST Water Pollution Control Revolving Fund

This fund was created under the authority of Act 16 of 1988 for funds received from the federal government to establish a revolving loan program for sewer projects. Required matching state funds are transferred from the PENNVEST Bond Authorization Fund and the PENNVEST Fund. Per board resolution 2020-003, PENNVEST invested up to \$450 million in the Hospital Emergency Loan Program (HELP) to provide critical working capital to hospitals in response to COVID-19 surge demand through PA First. Loans were repaid, at a rate of return of 0.5%, on or before September 30, 2020.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances, including \$45,500,000 in transfers from PENNVEST funds. This budget proposes that the entire \$45,500,000 from PENNVEST funds be eliminated and replaced with an equal transfer from the PENNVEST Trustee as expedited debt service payments directed under the 2010 Trust Indenture and Repayment Agreement. Trustee transfers shall be received into the Capital Debt Fund, with General Obligation Debt Service reimbursements paid into the PENNVEST Redemption Fund over a four-year period.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 720,727	\$ 582,147	\$ 741,636
Receipts:			
Federal Funds	\$ 62,939	\$ 125,472	\$ 63,000
HELP Investment Repayment	-	191,221	-
Loan Principal and Interest Repayments	5,931	11,000	11,000
Interest	19,935	8,589	8,033
Investment Income	75,406	20,000	20,000
Total Receipts	<u>164,211</u>	<u>356,282</u>	<u>102,033</u>
Total Funds Available	\$ 884,938	\$ 938,429	\$ 843,669
Disbursements:			
Infrastructure Investment Authority	\$ 111,870 ^a	\$ 196,793 ^a	\$ 146,303 ^a
Transfer to PA First	190,921	-	-
Transfer to General Fund	-	- ^b	-
Total Disbursements	<u>(302,791)</u>	<u>(196,793)</u>	<u>(146,303)</u>
Cash Balance, Ending	\$ 582,147	\$ 741,636	\$ 697,366

^a Additional Sewage Projects Revolving Loans authorizations were \$270,000,000 for FY 2019-20, \$270,000,000 for FY 2020-21, and \$257,200,000 for FY 2021-22 to account for loan commitments to be disbursed by the PENNVEST Trustee.

^b Elimination of Act 114 transfer.

Persian Gulf Conflict Veterans Compensation Bond Fund

The Persian Gulf Conflict Veterans Compensation Bond Fund was created by Act 29 of 2006 to receive and distribute the proceeds from \$20 million in bonds approved by the electorate in November of 2006. This money is used for compensation to commonwealth veterans who were active in the Persian Gulf Theater of operations during the period from August 2, 1990 to August 31, 1991 and who have received the Southwest Asia Service Medal. The maximum compensation is \$525, except in the cases of death or the veteran was a prisoner of war. In such instances the maximum compensation is \$5,000. Act 50 of 2015 extended the application period through August 31, 2018. Only \$7 million in bonds were issued prior to the completion of the program. The residual fund balance will be transferred to the General Fund since that is the revenue source for the program's debt service.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 1,887	\$ 2	\$ -
Receipts:			
Interest	\$ 29	\$ -	\$ -
Balance Transfer to General Fund	(1,913)	(2)	-
Total Receipts	(1,884)	(2)	-
Total Funds Available	\$ 3	\$ -	\$ -
Disbursements:			
Military and Veterans Affairs	\$ 1	\$ -	\$ -
Total Disbursements	(1)	-	-
Cash Balance, Ending	\$ 2	\$ -	\$ -

Pharmaceutical Assistance Fund

The revenue for the Pharmaceutical Assistance Fund (PACE) is received from the Lottery Fund. This fund provides a limited pharmaceutical assistance program for older Pennsylvanians who are 65 years of age or over and whose annual income does not exceed the maximum specified for program eligibility. The PACE Fund is used for pharmaceutical claims processing for the Department of Health's Special Pharmaceutical Benefits Program and several disease specific programs. Funds not expended in the fiscal year in which they are appropriated are available for use in the following fiscal year.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 23,599	\$ 5,288	\$ 1,003
Receipts:			
Transfer from Lottery Fund.....	\$ 140,000	\$ 155,000	\$ 155,000
Interest	593	125	600
Disease Specific Programs	3,113	3,900	3,900
Special Pharmaceutical Services.....	75,001	79,260	81,392
Other	775	790	790
Total Receipts.....	<u>219,482</u>	<u>239,075</u>	<u>241,682</u>
Total Funds Available	\$ 243,081	\$ 244,363	\$ 242,685
Disbursements:			
Aging:			
Contracted Services.....	\$ 144,195	\$ 147,507	\$ 137,698
Administration.....	1,090	1,311	1,224
Health Services	92,508	94,542	99,057
Total Disbursements.....	<u>(237,793)</u>	<u>(243,360)</u>	<u>(237,979)</u>
Cash Balance, Ending	\$ 5,288	\$ 1,003	\$ 4,706

Philadelphia Regional Port Authority Fund

The Philadelphia Regional Port Authority was created by Act 50 of 1989 to acquire and operate the port facilities of the former Philadelphia Port Corporation. The Philadelphia Regional Port Authority Fund handles payroll of the authority via transfer of funds from the authority's private bank accounts. The authority is authorized to issue bonds to finance port improvements and may pay off such bonds.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 800	\$ 311	\$ 398
Receipts:			
Transfer from Philadelphia Regional Port Authority	\$ 5,900	\$ 6,300	\$ 6,500
Interest	14	2	2
Total Receipts	<u>5,914</u>	<u>6,302</u>	<u>6,502</u>
Total Funds Available	\$ <u>6,714</u>	\$ <u>6,613</u>	\$ <u>6,900</u>
Disbursements:			
Philadelphia Regional Port Operations	\$ 6,403	\$ 6,215	\$ 6,401
Total Disbursements	<u>(6,403)</u>	<u>(6,215)</u>	<u>(6,401)</u>
Cash Balance, Ending	\$ <u>311</u>	\$ <u>398</u>	\$ <u>499</u>

Philadelphia Taxicab and Limousine Regulatory Fund

This fund was created by Act 64 of 2013 to act as the primary operating fund for the Philadelphia Parking Authority to regulate taxicabs and limousines in the city of the first class. Revenues in the fund are derived from assessments and fees to taxicab, limousine and dispatcher utility groups. Monies in the fund are used by the Authority for administration and enforcement of the taxicab and limousine program.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 319	\$ 31	\$ 31
Receipts:			
Assessments	\$ 2,541	\$ 3,500	\$ 2,749
Interest	5	-	-
Total Receipts	<u>2,546</u>	<u>3,500</u>	<u>2,749</u>
Total Funds Available	\$ <u>2,865</u>	\$ <u>3,531</u>	\$ <u>2,780</u>
Disbursements:			
Philadelphia Parking Authority	\$ 2,834	\$ 3,500	\$ 2,749
Total Disbursements	<u>(2,834)</u>	<u>(3,500)</u>	<u>(2,749)</u>
Cash Balance, Ending	\$ <u>31</u>	\$ <u>31</u>	\$ <u>31</u>

Philadelphia Taxicab Medallion Fund

This fund was created by Act 64 of 2013 for the Philadelphia Parking Authority to administer the taxicab medallion program. Revenues are generated from the sale of medallions. Expenditures are those limited to the operation and enforcement of the medallion program.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 7	\$ 7	\$ 7
Receipts:			
Sale of Medallions	\$ -	\$ 100	\$ 100
Total Receipts	-	100	100
Total Funds Available	<u>\$ 7</u>	<u>\$ 107</u>	<u>\$ 107</u>
Disbursements:			
Philadelphia Parking Authority	\$ -	\$ 100	\$ 100
Total Disbursements	-	(100)	(100)
Cash Balance, Ending	<u>\$ 7</u>	<u>\$ 7</u>	<u>\$ 7</u>

PlanCon Bond Projects Fund

The PlanCon Bond Projects Fund is a special revenue fund created by Act 25 of 2016 for the reimbursement of school construction costs from the net proceeds of bonds issued through the Commonwealth Financing Authority (CFA). The act authorized up to \$2.5 billion in debt to be issued by June 30, 2025, and the first bonds were issued in October 2016. Reimbursements to school districts for approved construction costs are made by the Department of Education. Act 85 of 2016 provides for CFA debt service obligations, which includes bond issuances for PlanCon projects, to be paid through a transfer of sales and use tax receipts.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 467,047	\$ 200,150	\$ 270,270
Receipts:			
School Construction Bond Proceeds	\$ -	\$ 341,258	\$ -
Interest	7,074	515	1,500
Total Receipts	7,074	341,773	1,500
Total Funds Available	<u>\$ 474,121</u>	<u>\$ 541,923</u>	<u>\$ 271,770</u>
Disbursements:			
Education	\$ 273,971	\$ 271,653	\$ 69,605
Total Disbursements	(273,971)	(271,653)	(69,605)
Cash Balance, Ending	<u>\$ 200,150</u>	<u>\$ 270,270</u>	<u>\$ 202,165</u>

Port of Pittsburgh Commission Fund

The Port of Pittsburgh Commission was created by Act 133 of 1992 to promote and encourage capital investment in port facilities and port-related projects within the Port District encompassing Allegheny, Armstrong, Beaver, Butler, Clarion, Fayette, Greene, Lawrence, Washington and Westmoreland counties.

Act 140 of 2000 expanded the authority of the commission to allow for economic development projects, including certain recreation projects sponsored by third parties. Act 111 of 2001 added Indiana County and Act 131 of 2006 added Blair County to the Port District. Grants supporting the commission's operations are deposited into this fund along with interest earnings from deposited funds. The commission also has the authority to issue bonds to finance port improvements and may pledge its revenues to pay off such bonds.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2,173	\$ 2,393	\$ 2,795
Receipts:			
State Grants	\$ 1,200	\$ 950	\$ 1,100
Federal Grants	675	9,228	3,000
Interest	41	6	4
Total Receipts	<u>1,916</u>	<u>10,184</u>	<u>4,104</u>
Total Funds Available	<u>\$ 4,089</u>	<u>\$ 12,577</u>	<u>\$ 6,899</u>
Disbursements:			
Port of Pittsburgh Commission.....	\$ 1,696	\$ 9,782	\$ 4,500
Total Disbursements	<u>(1,696)</u>	<u>(9,782)</u>	<u>(4,500)</u>
Cash Balance, Ending	<u>\$ 2,393</u>	<u>\$ 2,795</u>	<u>\$ 2,399</u>

Property Tax Relief Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, created the Property Tax Relief Fund to provide local property and wage tax relief payments to school districts. The fund receives revenue from the State Gaming Fund representing the balance of money collected in the State Gaming Fund after other distributions. Act 1 of Special Session 1 of 2006, the Taxpayer Relief Act, further provides for the distribution of funds from the Property Tax Relief Fund to school districts. In addition, transfers are made to the State Lottery Fund for an expanded Property Rent Rebate Program and supplemental senior citizen tax reduction payments. Act 78 of 2012 provides for additional funding for the Volunteer Fire Company Grants out of the Property Tax Relief Reserve Fund. The fiscal year ending balances include the Property Tax Relief Reserve Account and funding for property tax relief payments made in August and October each year. Act 42 of 2017 provides additional monies to the Property Tax Relief Fund through the expansion of gaming in the commonwealth.

Act 114 of 2020 authorized the Secretary of the Budget to transfer up to \$200 million of personal income taxes to the fund and shall be combined with other funds available for property tax relief payments. Act 20 of 2020 authorized a one-time early payment of property tax/rent relief claims due to the pandemic, resulting in an increase of \$118,700,000 in the transfer to the Lottery Fund for fiscal year 2019-20.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 440,367	\$ 123,378	\$ 494,197
Receipts:			
Transfer from State Gaming Fund.....	\$ 563,628	\$ 790,132	\$ 929,833
Property Tax Relief Reserve Fund Loan Repayment	6,504	6,384	4,788
Transfer of Personal Income Tax.....	-	200,000	-
Interest	3,379	303	400
Total Receipts	<u>573,511</u>	<u>996,819</u>	<u>935,021</u>
Total Funds Available	\$ 1,013,878	\$ 1,120,197	\$ 1,429,218
Disbursements:			
Property Tax Relief Payments:			
Education:			
General Property Tax Relief	\$ 595,000	\$ 595,000	\$ 595,000
Sterling Act	25,500	26,000	26,000
Subtotal: Education Property Tax Relief Payments	<u>620,500</u>	<u>621,000</u>	<u>621,000</u>
Revenue:			
Expanded Prop Tax/Rent Rebate/Senior Tax Reductions	211,500	-	90,100
Cities and High-Burden.....	53,500	-	24,400
Subtotal: Revenue Property Tax Relief Payments.....	<u>265,000</u>	<u>-</u>	<u>114,500</u>
Total Property Tax Relief Disbursements	<u>885,500</u>	<u>621,000</u>	<u>735,500</u>
Emergency Management:			
Volunteer Company Grants	5,000	5,000	5,000
Total Disbursements	<u>(890,500)</u>	<u>(626,000)</u>	<u>(740,500)</u>
Cash Balance, Ending	\$ 123,378 ^a	\$ 494,197 ^a	\$ 688,718 ^a

^a Ending cash balance includes \$6,192,265 in the Property Tax Relief Reserve Account.

PSERS - Defined Contribution Fund

This fund was created to meet the provisions of Act 5 of 2017 to provide for receipt and accounting of member and employer contributions, investment of those funds and payment of defined contribution benefits to retired school employees hired on or after July 1, 2019. Employers defined as school entities (school districts, intermediate units and career and technical centers) pay 100 percent of the employer share of contributions to the fund. The commonwealth pays school entities a portion of these costs from appropriated funds based on a statutory formula. Commonwealth contributions of the employer share for non-school entities are also paid from appropriated funds. Earnings from investments provide additional revenue and pay for the associated expenses of the Public School Employees' Retirement System.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 9,455	\$ 21,786	\$ 55,369
Receipts:			
Contributions	\$ 14,917	\$ 33,927	\$ 52,209
Net Investment Adjustment	655	1,282	3,329
Total Receipts	<u>15,572</u>	<u>35,209</u>	<u>55,538</u>
Total Funds Available	\$ 25,027	\$ 56,995	\$ 110,907
Disbursements:			
Public School Employees' Retirement System	\$ 3,241	\$ 1,626	\$ 955
Total Disbursements	<u>(3,241)</u>	<u>(1,626)</u>	<u>(955)</u>
Cash Balance, Ending	\$ 21,786	\$ 55,369	\$ 109,952

Public Transportation Assistance Fund

The Public Transportation Assistance Fund was established by Act 26 of 1991 to assist the capital, asset maintenance and other transportation needs of the commonwealth's transit entities. Act 44 of 2007 revised the purpose of this fund by transferring programs to the new Public Transportation Trust Fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 10,008	\$ 7,075	\$ 6,637
Receipts:			
Tire Fee, Rental Fee and Lease Tax	\$ 157,884	\$ 151,500	\$ 158,400
Transfer of Sales and Use Tax	111,102	119,800	125,300
Interest	470	62	60
Total Receipts	<u>269,456</u>	<u>271,362</u>	<u>283,760</u>
Total Funds Available	\$ 279,464	\$ 278,437	\$ 290,397
Disbursements:			
Transportation:			
Grants	\$ 248,611	\$ 248,064	\$ 259,569
Transfer to Public Transportation Trust Fund	23,778	23,736	24,631
Total Disbursements	<u>(272,389)</u>	<u>(271,800)</u>	<u>(284,200)</u>
Cash Balance, Ending	\$ 7,075	\$ 6,637	\$ 6,197

Public Transportation Trust Fund

The Public Transportation Trust Fund was created by Act 44 of 2007 to provide dedicated funding for public transportation in the commonwealth. Act 89 of 2013 increased funding and revenue sources for the fund. Revenues come from scheduled payments by the Pennsylvania Turnpike Commission, a portion of the Sales and Use Tax, certain motor vehicle fees, vehicle code fines and surcharges, and transfers from the Public Transportation Assistance Fund and the Lottery Fund. Monies in this fund are disbursed as grants to public transit agencies for operating costs, capital and asset improvements, and programs of statewide significance.

Effective in 2022, Act 89 eliminates \$400 million in annual transfers from the Turnpike Commission to support mass transit operations. The fund balance does not reflect substantial commitments for public transportation operating and capital.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 785,702	\$ 921,644	\$ 269,462
Receipts:			
Transfer of Sales and Use Tax.....	\$ 516,209	\$ 556,900	\$ 581,900
Pennsylvania Turnpike Commission	420,000	420,000	420,000
Transfer from the Lottery Fund.....	95,907	191,814	95,907
Transfer from the Public Transportation Assistance Fund	23,778	23,736	24,631
Motor Vehicle Fees	289,554	229,383	267,960
Vehicle Code Fines	25,104	30,842	30,842
Interest	19,453	9,296	9,575
Other	1,778	-	-
Total Receipts	<u>1,391,783</u>	<u>1,461,971</u>	<u>1,430,815</u>
Total Funds Available	\$ 2,177,485	\$ 2,383,615	\$ 1,700,276
Disbursements:			
Transportation	\$ 1,255,841	\$ 2,114,153	\$ 1,506,688
Total Disbursements.....	<u>(1,255,841)</u>	<u>(2,114,153)</u>	<u>(1,506,688)</u>
Cash Balance, Ending	\$ 921,644	\$ 269,462	\$ 193,588

Purchasing Fund

Created in 1933, this fund finances the purchase of materials, supplies, services and equipment by the Department of General Services and Executive Offices for use by other departments, boards and commissions. Salaries for the personnel administering the fund are paid by the fund. Revenue sources are periodic appropriations from the General Fund and reimbursements by other departments, boards and commissions for the materials and supplies provided them.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ (2,565) ^a	\$ 3,129	\$ 1,743
Receipts:			
Reimbursements to General Services.....	\$ 387,124	\$ 377,800	\$ 380,000
Reimbursements to Executive Offices	63,037	70,000	67,500
Interest	65	14	20
Total Receipts	<u>450,226</u>	<u>447,814</u>	<u>447,520</u>
Total Funds Available	<u>\$ 447,661</u>	<u>\$ 450,943</u>	<u>\$ 449,263</u>
Disbursements:			
General Services.....	\$ 383,157	\$ 380,000	\$ 377,500
Executive Offices.....	61,375	69,200	69,200
Total Disbursements	<u>(444,532)</u>	<u>(449,200)</u>	<u>(446,700)</u>
Cash Balance, Ending	<u>\$ 3,129</u>	<u>\$ 1,743</u>	<u>\$ 2,563</u>

^a Beginning deficit balance attributed to FY 2018-19 year-end timing delays of fund reimbursements.

Racing Fund

The Racing Fund is a special revenue fund composed of monies received from taxes and license fees collected by the State Horse Racing Commission for the regulation of horse and harness racing. The administration and enforcement of racing in Pennsylvania is governed by Act 114 of 2016. The Act repealed and restructured the Race Horse Industry Reform Act (Act 93 of 1983 and subsequent amendments) and provided funding for promotional costs. Licensed racing corporations who annually conduct at least 100 days of racing continue to remit wagering taxes at the rate of 1.5 percent. License and fee revenue is derived from the licensing of jockeys and other persons participating in racing as prescribed by the State Racing Commission. Penalties and interest on taxes due, interest on securities and uncashed tickets comprise miscellaneous revenue.

Currently, most of the revenues for restricted racing programs comes from Act 71 of 2004, the Race Horse Development and Gaming Act. Funding is generated from gross terminal revenues from slot machines and is transferred from the Pennsylvania Race Horse Development Trust Fund.

This budget reflects the re-authorization of the Act 114 of 2016 drug testing transfer provision from the Pennsylvania Race Horse Development Trust Fund for the two-year period July 1, 2020 through June 30, 2022 to cover the cost of the drug testing program, and proposes eliminating funding from the Pennsylvania Race Horse Development Trust Fund for restricted racing programs.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances. This budget proposes that the \$10 million transfer from the Racing Fund be made from restricted racing programs.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Restricted Cash Balance, Beginning	\$ 25,269	\$ 21,378	\$ 15,409
Racing Programs:			
Receipts	26,825	31,676	2,776
Disbursements - Agriculture	(30,716)	(27,645)	(18,185)
Transfer to General Fund	-	(10,000) ^a	-
Restricted Cash Balance, Ending	\$ 21,378	\$ 15,409	\$ -
Unrestricted Cash Balance, Beginning	\$ 9,535	\$ 8,710	\$ 3,351
Receipts:			
Admission and Wagering	\$ 3,020	\$ 4,311	\$ 6,437
Licenses and Fees	1,162	1,081	1,005
Fines and Penalties	168	156	145
Transfer from Race Horse Development Fund - Promotion	2,376	1,711	1,972
Transfer from Race Horse Development Fund - Drug Testing	10,066	10,066	10,066
Other	58	907	854
Interest	860	373	23
Total Receipts	<u>17,710</u>	<u>18,605</u>	<u>20,502</u>
Total Funds Available	\$ 27,245	\$ 27,315	\$ 23,853
Disbursements:			
Agriculture	\$ 18,412	\$ 23,671	\$ 22,413
Revenue	123	293	262
Total Disbursements	<u>(18,535)</u>	<u>(23,964)</u>	<u>(22,675)</u>
Unrestricted Cash Balance, Ending	\$ 8,710	\$ 3,351	\$ 1,178
Total Cash Balance, Beginning	\$ 34,804	\$ 30,088	\$ 18,760
Receipts	44,535	50,281	23,278
Disbursements	(49,251)	(61,609)	(40,860)
Total Cash Balance, Ending	\$ 30,088	\$ 18,760	\$ 1,178

^a Transfer from restricted racing programs includes \$5,000,000 from the PA Breeding Fund, \$2,500,000 from the Sire Stakes Program, and \$2,500,000 from the PA Standardbred Breeders Development Fund.

Real Estate Recovery Fund

This fund was established in 1980 to reimburse aggrieved persons any amounts unpaid from final judgements against any person licensed by the Real Estate Commission. Revenue is derived from additional fees paid by licensees, with interest on investments being retained by the fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 465	\$ 428	\$ 339
Receipts:			
Additional License Fees	\$ 257	\$ 60	\$ 60
Interest	6	1	1
Total Receipts	<u>263</u>	<u>61</u>	<u>61</u>
Total Funds Available	\$ <u>728</u>	\$ <u>489</u>	\$ <u>400</u>
Disbursements:			
State	\$ 300	\$ 150	\$ 150
Total Disbursements	<u>(300)</u>	<u>(150)</u>	<u>(150)</u>
Cash Balance, Ending	\$ <u><u>428</u></u>	\$ <u><u>339</u></u>	\$ <u><u>250</u></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 and waste minimization studies, and public information and education activities throughout the commonwealth. Act 125 of 1998 allowed for up to \$1.5 million annually for five years of Recycling Fund money to finance the cleanup of illegally deposited waste on state forest and state park lands. The fund balance does not reflect commitments directly impacting local governments as well as the Pennsylvania Recycling Markets Center at Pennsylvania State University.

The 2019-20 enacted budget included multiple appropriations out of the Recycling Fund for agency programs and operations. Act 20 of 2019 (Fiscal Code) authorized the transfer of \$45 million from commonwealth special funds for operations within the Department of Conservation and Natural Resources and Department of Environmental Protection. This provision was utilized in 2019-20 to reverse the impact of the appropriations that were shifted from the General Fund to the Environmental Stewardship Fund and Recycling Fund. The financial statement below reflects this reversal, including the lapsing of the associated appropriations.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 93,146	\$ 95,957	\$ 19,427
Receipts:			
Recycling Fees.....	\$ 43,211	\$ 40,000	\$ 40,000
Interest.....	2,742	2,045	1,209
Transfer from Hazardous Sites Cleanup Fund.....	1,000	1,000	1,000
Other.....	206	10,035	50
Total Receipts.....	<u>47,159</u>	<u>53,080</u>	<u>42,259</u>
Total Funds Available	\$ 140,305	\$ 149,037	\$ 61,686
Disbursements:			
Environmental Protection.....	\$ 44,348	\$ 79,610	\$ 48,977
Transfer to General Fund.....	-	50,000	-
Total Disbursements.....	<u>(44,348)</u>	<u>(129,610)</u>	<u>(48,977)</u>
Cash Balance, Ending	\$ 95,957	\$ 19,427	\$ 12,709

Rehabilitation Center Fund

This fund was created by Act 55 of 1959 for the operation of the Hiram G. Andrews Rehabilitation Center and is funded from fees for services rendered by the center. Most of these services are rendered to vocational rehabilitation clients. The Department of Labor and Industry is continuing the pursuit of diversification and integration of services offered at the center. These plans include training enhancement for clients of the center and economic development opportunities for the Johnstown region and surrounding counties.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 5,580	\$ 2,147	\$ 3,128
Receipts:			
Client Fees	\$ 12,279	\$ 18,100	\$ 17,900
Interest	68	7	1
Perkins Grant	45	45	42
PHEAA Grants	45	45	55
Federal Funds	1,123	1,618	1,003
Assistive Technology.....	151	104	-
Other	543	540	545
Total Receipts	<u>14,254</u>	<u>20,459</u>	<u>19,546</u>
Total Funds Available	\$ 19,834	\$ 22,606	\$ 22,674
Disbursements:			
Labor and Industry	\$ 17,687	\$ 19,478	\$ 22,342
Total Disbursements	<u>(17,687)</u>	<u>(19,478)</u>	<u>(22,342)</u>
Cash Balance, Ending	\$ <u>2,147</u>	\$ <u>3,128</u>	\$ <u>332</u>

Reinsurance Fund

Act 42 of 2019 created the Reinsurance Program including the establishment of the Reinsurance Fund as a special fund within the State Treasury. The Reinsurance Fund will be administered by the Department of Insurance to fund the Reinsurance Program. Receipts into the Reinsurance are to be transferred from the PA Health Insurance Exchange Fund (PHIEA) calculated as net of user fee revenues less PHIEA expenses. Expenditures from the fund will be used to implement and operate the reinsurance program and make reinsurance payments to eligible insurers under the reinsurance program. In making expenditures from the Reinsurance Fund, available federal money must be expended first.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ -	\$ -	\$ 56
Receipts:			
Transfer from PA Health Insurance Exchange Fund	\$ -	\$ 250	\$ 100
Federal Savings Transfer	-	-	-
Interest	-	-	-
Total Receipts	<u>-</u>	<u>250</u>	<u>100</u>
Total Funds Available	<u>\$ -</u>	<u>\$ 250</u>	<u>\$ 156</u>
Disbursements:			
Insurance.....	\$ -	\$ 194	\$ 100
Total Disbursements	<u>-</u>	<u>(194)</u>	<u>(100)</u>
Cash Balance, Ending	<u>\$ -</u>	<u>\$ 56</u>	<u>\$ 56</u>

Remining Financial Assurance Fund

Act 173 of 1992 authorized this fund to assist mine operators who qualify to purchase reclamation bonds or make payment in lieu of reclamation bonds. Revenues are the transfer of up to \$5 million from the Land and Water Development Fund and from in lieu of bond premium payments. Expenditures from this fund occur only when mine operators default.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 4,456	\$ 4,609	\$ 4,144
Receipts:			
Operator Annual Fee.....	\$ 72	\$ 80	\$ 80
Interest	81	13	12
Total Receipts	<u>153</u>	<u>93</u>	<u>92</u>
Total Funds Available	\$ <u>4,609</u>	\$ <u>4,702</u>	\$ <u>4,236</u>
Disbursements:			
Environmental Protection	\$ -	\$ 558	\$ 400
Total Disbursements	<u>-</u>	<u>(558)</u>	<u>(400)</u>
Cash Balance, Ending	\$ <u>4,609</u>	\$ <u>4,144</u>	\$ <u>3,836</u>

Rightful Owners' Claims Payment Fund

The Rightful Owners' Claims Payment Fund was created by Act 45 of 2003 to make reimbursements and prompt payment of claims to an owner for a restitution payment previously held as unclaimed by any court, public corporation, public authority or instrumentality of the commonwealth, or by a public officer or political subdivision. Under the act, five percent of the funds transferred annually into the Treasury will be deposited into the Rightful Owners' Claims Payment Fund to create the capability to make a reimbursement in the event a claim is filed. The remaining ninety-five percent balance of the restitution monies annually escheated from the entities identified are to be deposited to the Crime Victims' Compensation Fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 21	\$ 20	\$ 30
Receipts:			
Transfers from Unclaimed Property Accounts	\$ 334	\$ 364	\$ 368
Interest	1	-	-
Total Receipts	<u>335</u>	<u>364</u>	<u>368</u>
Total Funds Available	\$ <u>356</u>	\$ <u>384</u>	\$ <u>398</u>
Disbursements:			
Treasury Payments to Claimants	\$ 336	\$ 354	\$ 358
Total Disbursements	<u>(336)</u>	<u>(354)</u>	<u>(358)</u>
Cash Balance, Ending	\$ <u>20</u>	\$ <u>30</u>	\$ <u>40</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.

According to the provisions of Act 29 of 1994, starting with the employer contribution payment for the third quarter of 1995 (school salaries paid from July 1, 1995 to September 30, 1995), employers defined as school entities (school districts, intermediate units and career and technical centers) pay 100 percent of the employer share of contributions to the fund. The commonwealth pays school entities a portion of these costs from appropriated funds based on a statutory formula. Commonwealth contributions of the employer share for non-school entities are also paid directly to the fund from appropriated funds.

Earnings from investments provide additional revenue and pay for the expenses of the Public School Employees' Retirement System. The board is responsible for management of the fund and payment of benefits. The employer contribution rate is determined by the fund's actuary and adopted by the board.

Act 40 of 2003 changed the retirement system's amortization, thereby lowering the employer contribution costs. Act 120 of 2010 amended the benefit structure for most new members beginning July 1, 2011 and amended the funding provisions. Act 120 also established a new shared risk benefit plan. Act 5 of 2017 amended the benefit structure for most new members beginning July 1, 2019.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 57,264,837	\$ 57,036,751	\$ 60,087,751
Receipts:			
Transfer from General Fund:			
Employer Contribution (non-school entities).....	\$ 28,878	\$ 29,000	\$ 30,000
Transfers from State Employees' Retirement System	6,346	8,000	10,000
Contributions of School Employees	1,082,659	1,087,000	1,101,000
Contributions of Employers	4,725,108	4,872,000	5,033,000
Net Investment Adjustment	995,125	4,214,000	4,434,000
Total Receipts	<u>6,838,116</u>	<u>10,210,000</u>	<u>10,608,000</u>
Total Funds Available	\$ 64,102,953	\$ 67,246,751	\$ 70,695,751
Disbursements:			
Public School Employees' Retirement System	\$ 7,066,202	\$ 7,159,000	\$ 7,269,000
Total Disbursements	<u>(7,066,202)</u>	<u>(7,159,000)</u>	<u>(7,269,000)</u>
Cash Balance, Ending	\$ 57,036,751	\$ 60,087,751	\$ 63,426,751

School Safety and Security Fund

Act 44 of 2018 (amending the Public School Code) established the School Safety and Security Committee within the Pennsylvania Commission on Crime and Delinquency (PCCD) for the administration of the School Safety and Security Grant Program. Act 20 of 2019 provided \$45 million in transfer funding from Personal Income Tax receipts. In addition, each fiscal year, the first \$15 million of all excess fines, fees and costs collected by any division of the Unified Judicial System shall be deposited into the School Safety and Security Fund. Finally, Act 2A of 2020 included a transfer from the COVID Relief Fund, while Act 23 of 2020 provided for a subgrant from the Elementary and Secondary School Emergency Relief (ESSER).

Grant funding is dispersed throughout the commonwealth and is used by school entities to supplement existing school spending on safety and security.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 32,704	\$ 67,091	\$ 10,597
Receipts:			
Personal Income Tax	\$ 45,000	\$ -	\$ -
Excess Unified Judicial System Fines.....	15,000	12,500	15,000
Federal Funds - COVID.....	-	199,036	-
Interest	909	277	277
Total Receipts.....	<u>60,909</u>	<u>211,813</u>	<u>15,277</u>
Total Funds Available	\$ 93,613	\$ 278,904	\$ 25,874
Disbursements:			
Commission on Crime and Delinquency	\$ 26,522	\$ 69,271	\$ 25,874
COVID Relief Fund	-	149,274	-
Elementary and Secondary School Emergency Relief (ESSER)	-	49,762	-
Total Disbursements.....	<u>(26,522)</u>	<u>(268,307)</u>	<u>(25,874)</u>
Cash Balance, Ending	\$ 67,091	\$ 10,597	\$ -

Self-Insurance Guaranty Fund

This fund was created by Act 44 of 1993, the Pennsylvania Workers' Compensation Act. The purpose of this fund is to pay claims arising from defaulting self-insurance employers and defaulting members of self-insurance pooling arrangements under the Workers' Compensation Act for injuries occurring on or after October 30, 1993. The fund is maintained by assessments on self-insurers. Act 53 of 2000 provides for payments of claims resulting from injuries prior to October 30, 1993, through a Prefund Account funded by transfers from the Workmen's Compensation Administration Fund. Act 49 of 2001 limited annual transfers to the Prefund Account to \$3.8 million. The Prefund Account and the fund are administered by the Department of Labor and Industry.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 65,461	\$ 64,891	\$ 62,149
Receipts:			
Recoveries and Interest Transfers	\$ 955	\$ 1,200	\$ 1,200
Assessments and Interest Transfers.....	1,279	1,300	1,300
Interest	1,964	1,508	1,284
Internal Interest Transfers	(1,990)	(1,750)	(1,750)
Total Receipts	<u>2,208</u>	<u>2,258</u>	<u>2,034</u>
Total Funds Available	\$ 67,669	\$ 67,149	\$ 64,183
Disbursements:			
Labor and Industry	\$ 2,778	\$ 5,000	\$ 10,000
Total Disbursements	<u>(2,778)</u>	<u>(5,000)</u>	<u>(10,000)</u>
Cash Balance, Ending	\$ 64,891	\$ 62,149	\$ 54,183

SERS - Defined Contribution Fund

This fund was created to meet the provisions of Act 5 of 2017 to accumulate reserves for the payment of defined contribution plan retirement benefits to eligible state employees. Money in this fund is used to pay expenses of the plan and benefits to participants of the State Employees' Defined Contribution Plan and their beneficiaries. Participation in the defined contribution plan is mandatory for most new state employees hired on or after January 1, 2019 and available to employees of non-state entities, such as the Pennsylvania State University, the Turnpike Commission, the Delaware River Port Authority and other public and quasi-public institutions authorized by the Retirement Code. The fund receives revenue from employee contributions, employer contributions, appropriations and income derived from its investment portfolio. All of these revenue sources belong to the participants in the plan and are therefore credited directly to individual participant accounts managed by the third-party administrator. Employers pay 100 percent of the employer share of contributions to the fund, which participants vest in after 3 years of service. The General Assembly provided direct funding through commonwealth budget appropriations for the startup and first year of the Defined Contribution Plan. PA Fiscal Code (Act 2020-23), signed into law on May 29, 2020, authorized the SERS Board to assess employers a per-participant charge for the administrative fees, costs, and expenses of the plan. Management of the fund and payment of benefits are overseen by the State Employees' Retirement System.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 4,914	\$ 20,808	\$ 61,104
Receipts:			
Administrative Transfer	\$ 3,852	\$ -	\$ -
Contributions	17,558	40,299	55,452
Fees Collected from Employers	-	4,557	4,398
Interest	73	75	77
Net Investment Adjustment	446	1,024	1,409
Total Receipts	<u>21,929</u>	<u>45,955</u>	<u>61,336</u>
Total Funds Available	\$ 26,843	\$ 66,763	\$ 122,440
Disbursements:			
State Employees' Retirement System:			
Administrative Expenses	\$ 5,300	\$ 4,557	\$ 4,398
Benefits and Other Expenses	735	1,102	1,653
Total Disbursements	<u>(6,035)</u>	<u>(5,659)</u>	<u>(6,051)</u>
Cash Balance, Ending	\$ 20,808	\$ 61,104	\$ 116,389

Small Business First Fund

Act 67 of 1996 created the Small Business First Fund. The fund replaced the Air Quality Improvement Fund, Storage Tank Loan Fund and the Pennsylvania Capital Loan Fund. Balances and program commitments in those funds were transferred to the Small Business First Fund. The fund may receive transfers from the Minority Business Development Fund to facilitate its programs for small businesses. Act 50 of 2009 enabled the fund to transfer monies to the Machinery and Equipment Loan Fund in support of its activities.

This program provides low-interest loans for small businesses of 100 employees or less. Eligible projects include land and building acquisition and construction; machinery and equipment purchases; working capital; compliance with environmental regulations and municipal or commercial recycling. In addition, companies eligible to participate in this program are those impacted by the reduction in defense-related activities and those involved in exports, advanced technology and the hospitality industry. Act 161 of 2014 transitioned the administration of this fund to the Pennsylvania Industrial Development Authority, while also authorizing funds to be transferred by an action of the PIDA board between the Small Business First Fund, the Machinery and Equipment Loan Fund, and the Industrial Development Fund to maximize the effectiveness of the programs. The fund balance does not reflect commitments for business expansion.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 20,207	\$ 6,673	\$ 166
Receipts:			
Loan Principal and Interest Repayments	\$ 7,421	\$ 6,500	\$ 10,000
Transfer from Machinery and Equipment Loan Fund.....	43,000	10,000	-
Interest	478	29	10
Investment Income	3,705	-	-
Other	63	50	50
Total Receipts	<u>54,667</u>	<u>16,579</u>	<u>10,060</u>
Total Funds Available	\$ 74,874	\$ 23,252	\$ 10,226
Disbursements:			
Community and Economic Development	\$ 68,201	\$ 23,086	\$ 10,000
Total Disbursements	<u>(68,201)</u>	<u>(23,086)</u>	<u>(10,000)</u>
Cash Balance, Ending	<u>6,673</u>	<u>166</u>	<u>226</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. Act 5 of 2005 requires that all monies in excess of \$200,000 in the fund, less encumbrances for litigation, shall be transferred by June 25th of each year to either the Unemployment Compensation Contribution Fund, the Job Training Fund or both.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2,913	\$ 12,658	\$ 200
Receipts:			
Penalty and Interest Collections.....	\$ 13,410	\$ 10,450	\$ 10,962
Transfer to Unemployment Compensation Contribution Fund.....	-	(9,407)	-
Interest	124	38	38
Total Receipts	<u>13,534</u>	<u>1,081</u>	<u>11,000</u>
Total Funds Available	<u>\$ 16,447</u>	<u>\$ 13,739</u>	<u>\$ 11,200</u>
Disbursements:			
Labor and Industry	\$ 3,789	\$ 13,539	\$ 11,000
Total Disbursements	<u>(3,789)</u>	<u>(13,539)</u>	<u>(11,000)</u>
Cash Balance, Ending	<u>\$ 12,658</u>	<u>\$ 200</u>	<u>\$ 200</u>

State Employees' Retirement Fund

This fund was created in 1923 to accumulate reserves for the payment of pensions to eligible former state employees. Money in this fund is used to pay retirement, disability and death benefits to members of the State Employees' Retirement System and their beneficiaries. Membership in the system is mandatory for most state employees and available to employees of non-state entities, such as the Pennsylvania State University, the Turnpike Commission, the Delaware River Port Authority and other public and quasi-public institutions authorized by the Retirement Code.

The fund receives revenue from employee contributions, employer contributions and income derived from its investment portfolio. Employer contributions are an actuarially determined percentage of payroll sufficient to fund current and future benefit payments. Investment income is used to credit interest to each member's account; to pay the administrative expenses of the retirement system; and to accumulate monies for the payment of future benefits. Management of the fund and payment of benefits are overseen by the State Employees' Retirement Board.

Act 40 of 2003 changed the retirement system's amortization period, thereby lowering the employer contribution costs. Act 120 of 2010 amended the benefit structure for most new employees hired after December 31, 2010 and established a new shared risk benefit plan. Act 5 of 2017 made further changes to the retirement benefit structure for new employees hired after December 31, 2018. New employees may now choose between a defined contribution plan and two hybrid defined benefit/defined contribution plans. The defined contribution plans are operated out of the SERS – Defined Contribution Fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 29,494,911	\$ 29,896,836	\$ 30,938,161
Receipts:			
Contributions of Employees	\$ 405,021	\$ 418,500	\$ 427,500
Contributions of Employers	3,169,495	2,197,496	2,237,939
Transfer to Annuity Reserve Account	9,007	9,007	9,007
Directed Commissions	95	95	95
Net Investment Adjustment	390,491	2,118,812	2,172,954
Other	28,884	28,884	28,884
Total Receipts	<u>4,002,993</u>	<u>4,772,794</u>	<u>4,876,379</u>
Total Funds Available	\$ 33,497,904	\$ 34,669,630	\$ 35,814,540
Disbursements:			
Treasury	\$ -	\$ 25	\$ 25
State Employees' Retirement System	3,601,068	3,731,444	3,867,887
Total Disbursements	<u>(3,601,068)</u>	<u>(3,731,469)</u>	<u>(3,867,912)</u>
Cash Balance, Ending	\$ 29,896,836	\$ 30,938,161	\$ 31,946,628

State Gaming Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the State Gaming Fund to receive gaming license fees and 34 percent of the gross terminal revenue (GTR) generated by licensed gaming facilities. Act 42 of 2017 expanded gaming in the commonwealth to include a new category of slot machine licenses, interactive gaming and airport gaming. The fund receives 52 percent of gross interactive gaming revenue (GIGR) generated through simulated slot machines and 14 percent of GIGR generated through simulated table games. Fund revenues are annually distributed to various programs and the remainder is transferred to the Property Tax Relief Fund. Also, licensed gaming facilities deposit an additional 4 percent of GTR for slot machines, 2 percent of gross table game revenue and 2 percent of GIGR into the fund for local share distributions where gaming facilities are located. Act 20 of 2019 authorized a transfer of prior year funds not committed for local law enforcement grants to the General Fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 142,531	\$ 190,945	\$ 171,219
Receipts:			
State Tax Revenue.....	\$ 625,796	\$ 820,700	\$ 980,700
Licensee Deposit Accts.....	60,798	72,040	88,967
Local Share Assessment.....	174,799	227,400	242,700
Interest.....	2,509	505	453
Other.....	1,988	6,000	7,700
Total Receipts.....	<u>865,890</u>	<u>1,126,645</u>	<u>1,320,520</u>
Total Funds Available	\$ 1,008,421	\$ 1,317,590	\$ 1,491,739
Disbursements:			
Revenue:			
Transfer to Compulsive and Problem Gambling Treatment Fund.....	\$ 4,431	\$ 4,767	\$ 5,507
Transfer to Compulsive and Problem Gambling Treatment Fund - Drug and Alcohol.....	3,000	3,851	3,743
Payments in Lieu of Taxes:			
Conservation and Natural Resources.....	5,226	5,314	5,340
Fish and Boat Commission.....	17	40	40
Game Commission.....	3,626	3,686	3,686
Emergency Management:			
Volunteer Company Grants.....	25,000	25,000	25,000
Community and Economic Development:			
Transfer to Commonwealth Financing Authority.....	-	65,600	62,400
Gaming Control Board:			
Local Law Enforcement Grants.....	326	2,000	2,000
Transfer to Casino Marketing and Development.....	(5,698)	-	-
Transfer to General Fund.....	1,769	-	-
Local Share Assessment Distribution:			
Revenue.....	122,340	128,403	143,084
Community and Economic Development.....	30,378	31,884	35,529
Education.....	1,442	1,513	1,687
Administrative Appropriations:			
Gaming Control Board.....	39,016	45,591	46,673
Revenue.....	5,024	6,102	6,707
State Police.....	16,723	31,073	30,033
Attorney General.....	1,228	1,415	1,405
Transfer to Property Tax Relief Fund.....	563,628	790,132	929,833
Total Disbursements.....	<u>(817,476)</u>	<u>(1,146,371)</u>	<u>(1,302,667)</u>
Cash Balance, Ending	\$ 190,945^a	\$ 171,219^a	\$ 189,072^a

^a Ending cash balance includes the following restricted balances: 2019-20 Actual is \$161,348,000, 2020-21 Available is \$155,207,000 and 2021-22 Estimated is \$167,056,000.

State Insurance Fund

Act 227 of 1915 created this fund which finances expenditures related to the rebuilding, restoring or replacing of buildings, structures, equipment or other property owned by the commonwealth that have been damaged or destroyed by fire or other casualty. This includes natural or man-made disasters. Revenue is derived from interest earned by the fund, interest received from the Fire Insurance Tax Fund and from reimbursements by insurance companies. If needed, money may also be directly appropriated to this fund. Receipts of the fund include reimbursement from the commonwealth's excess insurance policy, which is responsible for damages for any occurrence in excess of \$2.5 million. This fund satisfies the requirements of the federal government for the Disaster Insurance Program.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 3,980	\$ 3,004	\$ 2,267
Receipts:			
Interest	\$ 567	\$ 238	\$ 128
Other	-	325	450
Total Receipts	<u>567</u>	<u>563</u>	<u>578</u>
Total Funds Available	\$ 4,547	\$ 3,567	\$ 2,845
Disbursements:			
General Services.....	\$ 1,543	\$ 1,300	\$ 1,500
Total Disbursements.....	<u>(1,543)</u>	<u>(1,300)</u>	<u>(1,500)</u>
Cash Balance, Ending	\$ 3,004	\$ 2,267	\$ 1,345

State Restaurant Fund

This fund was created by Act 259 of 1943 to finance the purchase and maintenance of equipment for the operation of the restaurant in the State Capitol as well as any other restaurants in other state office buildings. At present, the Capitol East Wing Cafeteria is the only restaurant operated through this fund. Revenue is derived from profit-sharing with the contracted vendor.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 708	\$ 646	\$ 595
Receipts:			
Commission / Profit Sharing.....	\$ 48	\$ 22	\$ 60
Interest	13	2	2
Total Receipts	<u>61</u>	<u>24</u>	<u>62</u>
Total Funds Available	\$ 769	\$ 670	\$ 657
Disbursements:			
General Services.....	\$ 123	\$ 75	\$ 100
Total Disbursements.....	<u>(123)</u>	<u>(75)</u>	<u>(100)</u>
Cash Balance, Ending	\$ 646	\$ 595	\$ 557

State Stores Fund

The State Stores Fund serves as the general operating fund for the Liquor Control Board. The Pennsylvania State Police also receive funds for the enforcement of the Liquor Code.

This fund receives revenues from the sale of goods in State Liquor Stores, fees not credited to the Liquor License Fund, fines and penalties, and losses and damages recovered. Expenditures cover all costs associated with the operation and administration of the Liquor Store System and enforcement of the Liquor Code. Acts 39, 85 and 166 of 2016 created significant liquor code changes, which include: expanding wine sales to licensed retailers, expanding Sunday store openings and hours, lottery sales, pricing flexibility, special liquor order changes, customer relationship management and numerous licensing changes.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 225,462	\$ 177,024	\$ 160,350
Receipts:			
Fees, Fines and Penalties.....	\$ 35,313	\$ 22,800	\$ 22,800
Expired License Auction Proceeds	8,000	2,000	1,500
Sale of Goods.....	2,077,840	2,280,000	2,359,800
Liquor Sales Taxes.....	541,751	573,100	593,200
Lottery Commissions.....	1,290	1,300	1,350
Recovered Losses and Damages	2,594	1,500	1,500
Interest	4,900	697	1,600
Other	69	95	95
Total Receipts	<u>2,671,757</u>	<u>2,881,492</u>	<u>2,981,845</u>
Total Funds Available	\$ 2,897,219	\$ 3,058,516	\$ 3,142,195
Disbursements:			
Drug and Alcohol Programs	\$ 3,821	\$ 4,175	\$ 4,175
Liquor Control Board	1,958,775	2,101,179	2,208,450
State Police	30,748	34,612	33,271
Transfer of Liquor Sales Taxes to General Fund	541,751	573,100	593,200
Transfer to General Fund	185,100	185,100	185,100
Total Disbursements.....	<u>(2,720,195)</u>	<u>(2,898,166)</u>	<u>(3,024,196)</u>
Cash Balance, Ending	<u>\$ 177,024</u>	<u>\$ 160,350</u>	<u>\$ 117,999</u>

State Treasury Armory Fund

Created in accordance with Act 92 of 1975, the State Treasury Armory Fund receives monies derived from the sale of any armory building, armory site or other real estate. Funds are expended solely for the purchase of equipment, furniture and fixtures, for repairs and maintenance or for the construction of new armories in the commonwealth.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 1,321	\$ 1,272	\$ 384
Receipts:			
Armory Rentals.....	\$ 213	\$ 125	\$ 125
Sale of Armories and Land.....	1,045	-	-
Interest	16	3	2
Other	25	14	71
Total Receipts	<u>1,299</u>	<u>142</u>	<u>198</u>
Total Funds Available	\$ <u>2,620</u>	\$ <u>1,414</u>	\$ <u>582</u>
Disbursements:			
Military and Veterans Affairs	\$ 1,348	\$ 1,030	\$ 580
Total Disbursements.....	<u>(1,348)</u>	<u>(1,030)</u>	<u>(580)</u>
Cash Balance, Ending	\$ <u>1,272</u>	\$ <u>384</u>	\$ <u>2</u>

State Workers' Insurance Fund

The State Workers' Insurance Fund (SWIF) was created by Act 338 of 1915 and operates within the Department of Labor and Industry. It is a self-sustaining fund providing workers' compensation insurance to employers, including those refused policies by private insurance firms. SWIF is subject to underwriting rules, classification and rates promulgated by rating bureaus authorized by the State Insurance Commissioner. Premium rates are established by them based on the history of accidents by industry. (Administrative costs are paid from the fund, including expenses related to Insurance Department and Auditor General examinations.)

Act 68 of 1990 provides for the transfer of money from SWIF. Annual payments are made to the General Fund equal to the amount which would have been paid in taxes had SWIF been subject to taxes. The act also established an Advisory Council to recommend the amount of surplus in SWIF, if any, that could be distributed without jeopardizing its legal obligations to policy holders. If such a surplus exists, the SWIF Board may then recommend distribution of the surplus as refunds to current or former policyholders. The funds recommended by the board to be transferred or refunded to policyholders must be approved and appropriated by the General Assembly.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 1,414,636	\$ 1,439,590	\$ 1,431,194
Receipts:			
Premiums	\$ 105,179	\$ 109,000	\$ 109,000
Interest	44,227	45,000	45,000
Net Investment Adjustment	66,166	38,064	38,000
Other	2,317	2,000	2,000
Total Receipts	<u>217,889</u>	<u>194,064</u>	<u>194,000</u>
Total Funds Available	\$ 1,632,525	\$ 1,633,654	\$ 1,625,194
Disbursements:			
Labor and Industry	\$ 190,726	\$ 200,280	\$ 172,402
Premium Tax Payment to General Fund.....	2,209	2,180	2,180
Total Disbursements	<u>(192,935)</u>	<u>(202,460)</u>	<u>(174,582)</u>
Cash Balance, Ending	\$ 1,439,590	\$ 1,431,194	\$ 1,450,612

Storage Tank Fund

This fund was created by Act 32 of 1989 for the operation of an aboveground and underground storage tank regulation, registration and enforcement program. Revenues to the fund consist of registration and permit fees, fines, judgements, bond forfeitures, interest and recovered costs. Expenditures include the remediation of leaking underground storage tanks. Act 61 of 2017 authorized an increase, from \$3,000,000 to \$7,000,000 in the reimbursement that could be requested from the Underground Storage Tank Indemnification Fund (USTIF) to the Storage Tank Fund for costs associated with investigating, determining responsibility, overseeing remediation and third party response and closing out cases of spills and leaks, as well as for inspecting, determining compliance and taking enforcement action against owners of storage tanks.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2,631	\$ 4,952	\$ 2,729
Receipts:			
Registration Fees	\$ 2,809	\$ 2,938	\$ 2,938
Federal Funds - EPA.....	2,805	3,153	4,740
Fines and Penalties.....	739	600	600
Interest	70	14	12
Reimbursement from USTIF	7,137	7,000	7,000
Cost Recovery Reimbursements/Settlements	108	10	10
Other	12	-	-
Total Receipts.....	<u>13,680</u>	<u>13,715</u>	<u>15,300</u>
Total Funds Available	<u>\$ 16,311</u>	<u>\$ 18,667</u>	<u>\$ 18,029</u>
Disbursements:			
Environmental Protection	\$ 11,359	\$ 15,938	\$ 15,726
Total Disbursements.....	<u>(11,359)</u>	<u>(15,938)</u>	<u>(15,726)</u>
Cash Balance, Ending	<u>\$ 4,952</u>	<u>\$ 2,729</u>	<u>\$ 2,303</u>

Substance Abuse Education and Demand Reduction Fund

This fund was created by Act 198 of 2002 and amended by Act 36 of 2006. The purpose of the fund is to provide research-based approaches to prevention, intervention, training, treatment and education services to reduce substance abuse and to offer statewide programs to assist families in accessing those services. The fund also provides for statewide programs to educate employers, unions and employees about the dangers of substance abuse in the workplace and provide comprehensive drug-free workplace programs and technical resources for businesses.

Revenue to the fund consists of assessments on individuals convicted, adjudicated delinquent or granted accelerated rehabilitative disposition and also those individuals who plead guilty or nolo contendere to either a violation of the Controlled Substance, Drug, Device and Cosmetic Act or a violation relating to driving under the influence of alcohol or controlled substance. The Community Drug Program, within the Office of Attorney General, is to receive 10 percent of the grant monies available for annual award through the Pennsylvania Commission on Crime and Delinquency.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 8,236	\$ 7,695	\$ 4,345
Receipts:			
Assessments	\$ 2,980	\$ 3,220	\$ 3,220
Interest	248	202	82
Investment Income	248	-	-
Total Receipts	<u>3,476</u>	<u>3,422</u>	<u>3,302</u>
Total Funds Available	<u>\$ 11,712</u>	<u>\$ 11,117</u>	<u>\$ 7,647</u>
Disbursements:			
Commission on Crime and Delinquency	\$ 4,017	\$ 6,772	\$ 5,800
Total Disbursements	<u>(4,017)</u>	<u>(6,772)</u>	<u>(5,800)</u>
Cash Balance, Ending	<u>\$ 7,695</u>	<u>\$ 4,345</u>	<u>\$ 1,847</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 failure to apply for the licenses and permits as well as by forfeiture of collateral bonds, cash or securities for failure to comply with an approved reclamation plan. Five percent of the fines and penalties collected in one fiscal year is transferred to the Environmental Education Fund in the subsequent fiscal year. The remaining 95 percent, up to a maximum of \$500,000, is transferred to the Reclamation Fee O & M Trust Account. Act 95 of 2012 required sum-certain guarantees to cover stage III reclamation liability under a permittee's reclamation bond, to the extent funds are available.

Act 10 of 2020 authorized the Secretary of the Budget to transfer up to \$50 million of special fund balances to a General Fund restricted account for COVID Health Care System Assistance. Act 24 of 2020 returned the funds, and Act 114 of 2020 transferred the funds to the General Fund for appropriation by the General Assembly.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 65,149	\$ 66,141	\$ 61,339
Receipts:			
Licenses and Fees	\$ 249	\$ 285	\$ 285
Fines and Penalties.....	692	210	220
Transfer to Environmental Education Fund.....	(14)	(35)	(10)
Reclamation Fee O & M Trust Account.....	(500)	(500)	(190)
Act 24 of 2020 Return of COVID Transfer.....	-	4,000	-
Interest	2,255	1,890	1,772
Forfeiture of Bonds.....	384	580	580
Other	6,990	300	300
Total Receipts	<u>10,056</u>	<u>6,730</u>	<u>2,957</u>
Total Funds Available	\$ 75,205	\$ 72,871	\$ 64,296
Disbursements:			
Environmental Protection	\$ 5,064	\$ 7,532	\$ 4,999
Transfer to COVID Health Care System Assistance.....	4,000	-	-
Transfer to General Fund.....	-	4,000	-
Total Disbursements.....	<u>(9,064)</u>	<u>(11,532)</u>	<u>(4,999)</u>
Cash Balance, Ending	\$ <u>66,141</u>	\$ <u>61,339</u>	\$ <u>59,297</u>

Tobacco Settlement Fund

The Tobacco Settlement Fund is a special revenue fund comprised of monies from all tobacco settlements under the Tobacco Master Settlement Agreement. Act 77 of 2001 created the Tobacco Settlement Fund (TSF) to receive the revenues from the Master Settlement Agreement that was reached with the five major tobacco companies on December 17, 1999. The TSF was established to provide funding for health care insurance for the uninsured, home and community-based services for seniors, tobacco use prevention and cessation, broad-based health research, medical care for workers with disabilities, hospital uncompensated care and an endowment component to preserve a portion of the receipts for future use. Since 2005-06, a portion of the tobacco revenue has been used to offset the escalating cost of long-term care services for persons with disabilities and older Pennsylvanians.

This budget proposes to continue the 2020-21 allocations for the Master Settlement Agreement (MSA) funds anticipated to be received in April 2021 as follows: 4.5 percent for tobacco use prevention and cessation activities, 13.6 percent for health and related research, 8.18 percent for uncompensated care, 30 percent for Medicaid benefits for workers with disabilities, and 43.72 percent for health-related purposes.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 112,403	\$ 106,600	\$ 16,235
Receipts:			
Gross Settlements.....	\$ 345,629	\$ 319,610	\$ 305,654
Tobacco Revenue Bond Debt Service.....	(115,339)	(115,337)	(115,338)
Cigarette Tax Transfer.....	115,339	115,337	115,338
Federal Receipts.....	140,653	210,810	158,506
Interest.....	2,045	400	400
Other.....	45	100	100
Total Receipts.....	<u>488,372</u>	<u>530,920</u>	<u>464,660</u>
Total Funds Available	\$ 600,775	\$ 637,520	\$ 480,895
Disbursements:			
Community and Economic Development:			
Life Sciences Greenhouses.....	\$ 3,000	\$ 3,000	\$ 3,000
Health:			
Tobacco Use Prevention and Cessation (EA).....	17,444	19,986	13,754
Health Research - Health Priorities (EA).....	40,354	86,675	38,513
Health Research - National Cancer Institute (EA).....	3,404	6,717	3,057
Human Services:			
Medical Care for Workers with Disabilities (EA).....	101,169	99,427	91,696
(F)Medical Assistance - Workers with Disabilities (EA).....	110,392	124,179	116,884
(F)COVID-Medical Assistance - Workers with Disabilities (EA).....	-	15,115	13,787
Uncompensated Care (EA).....	27,041	53,978	25,002
(F)Medical Assistance - Uncompensated Care (EA).....	29,451	63,197	27,835
(F)COVID-Medical Assistance - Uncompensated Care (EA).....	-	8,319	-
Medical Assistance - Community HealthChoices.....	161,920	140,692	130,632
Total Disbursements.....	<u>(494,175)</u>	<u>(621,285)</u>	<u>(464,160)</u>
Cash Balance, Ending	\$ 106,600	\$ 16,235	\$ 16,735

Treasury Initiative Support Fund

The Treasury Initiative Support Fund was created in 2009 to account for funding received in support of Treasury initiatives and to track spending as required by the various funding agreements. Treasury established the Keystone Home Energy Loan Program (HELP) in 2006 to offer affordable energy efficiency financing options to homeowners. These consumer loans are bundled and purchased as an investment into a Treasury investment pool. This program received funding to administer components of the Alternate Energy Investment Act of July 9, 2008, Special Session 1. It has also received funding to support the HELP loans, including funds for a geothermal energy component. Support received to assist a Micro Lending investment program is also included in this fund. In addition, Treasury has received independent foundation grants to develop a nationwide market to support the sale of energy efficiency loans and to make investments that promote energy efficiency improvements on college and university campuses in Pennsylvania.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 9,078	\$ 9,308	\$ 9,468
Receipts:			
Program Funding.....	\$ 1,838	\$ 1,801	\$ 1,765
Interest	18	18	18
Total Receipts	<u>1,856</u>	<u>1,819</u>	<u>1,783</u>
Total Funds Available	<u>\$ 10,934</u>	<u>\$ 11,127</u>	<u>\$ 11,251</u>
Disbursements:			
Treasury	\$ 1,626	\$ 1,659	\$ 1,692
Total Disbursements	<u>(1,626)</u>	<u>(1,659)</u>	<u>(1,692)</u>
Cash Balance, Ending	<u>\$ 9,308</u>	<u>\$ 9,468</u>	<u>\$ 9,559</u>

Tuition Account Guaranteed Savings Program Fund

Act 11 of 1992, amended by Act 58 of 2000, provided for the establishment of two programs for postsecondary educational savings. Both programs are administered by the Tuition Account Programs Bureau within the Treasury Department with oversight by the Tuition Account Programs (TAP) Advisory Board. This fund offers a guaranteed rate of return tied to tuition inflation. Revenue is derived primarily from application fees, Tuition Account Guaranteed Savings Program contracts and investment income. Fund expenditures consist mainly of payments to educational institutions for tuition and administrative costs.

The ending fund balance shown in the statement includes substantial investment assets. The net investment adjustment receipt item is included to reflect the carrying value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2,125,905	\$ 2,118,454	\$ 2,036,973
Receipts:			
Application Fees.....	\$ 1,998	\$ 2,018	\$ 2,159
Tuition Unit Purchases.....	182,314	184,137	197,027
Investment Earnings.....	219	221	237
Net Investment Adjustment.....	68,073	-	-
Total Receipts.....	<u>252,604</u>	<u>186,376</u>	<u>199,423</u>
Total Funds Available	\$ 2,378,509	\$ 2,304,830	\$ 2,236,396
Disbursements:			
Treasury.....	\$ 260,055	\$ 267,857	\$ 275,892
Total Disbursements.....	<u>(260,055)</u>	<u>(267,857)</u>	<u>(275,892)</u>
Cash Balance, Ending	\$ 2,118,454	\$ 2,036,973	\$ 1,960,504

Tuition Account Investment Program Fund

Act 11 of 1992, amended by Act 58 of 2000, provided for the establishment of two programs for postsecondary educational savings. Both programs are administered by the Tuition Account Programs Bureau within the Treasury Department with oversight by the Tuition Account Programs Advisory Board. The Tuition Account Investment Program, launched in July 2002, provides market-based investment returns and offers participants several investment options based on age, investment risk or socially responsible investments comprising a mix of equity and fixed income portfolios. Fund revenue is derived primarily from Tuition Account Investment Program contracts and investment income. Fund expenditures consist mainly of redemption of program contracts.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 3,069,917	\$ 3,397,468	\$ 3,538,052
Receipts:			
Tuition Investment Purchases	\$ 434,147	\$ 412,440	\$ 391,818
Net Investment Adjustment	140,546	-	-
Total Receipts	<u>574,693</u>	<u>412,440</u>	<u>391,818</u>
Total Funds Available	\$ 3,644,610	\$ 3,809,908	\$ 3,929,870
Disbursements:			
Treasury	\$ 247,142	\$ 271,856	\$ 258,263
Total Disbursements	<u>(247,142)</u>	<u>(271,856)</u>	<u>(258,263)</u>
Cash Balance, Ending	\$ <u>3,397,468</u>	\$ <u>3,538,052</u>	\$ <u>3,671,607</u>

UC-FEMA ONA / Lost Wages Fund

The UC-FEMA ONA / Lost Wages Fund was established by administrative decision to account for funding received pursuant to FEMA-DR-4506-PA, which provided for the UC FEMA Other Needs Assistance for lost wages. This program enabled the commonwealth to provide \$300 weekly supplemental payments to individuals unemployed due to the 2019 novel coronavirus pandemic (COVID-19).

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ -	\$ -	\$ -
Receipts:			
Federal Receipts	\$ -	\$ 1,859,661	\$ -
Interest	-	50	-
Interest Transfer to General Fund	-	(50)	-
Total Receipts	<u>-</u>	<u>1,859,661</u>	<u>-</u>
Total Funds Available	<u>\$ -</u>	<u>\$ 1,859,661</u>	<u>\$ -</u>
Disbursements:			
Labor and Industry:			
Claims	\$ -	\$ 1,859,300	\$ -
Administration.....	-	361	-
Total Disbursements	<u>-</u>	<u>(1,859,661)</u>	<u>-</u>
Cash Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Unconventional Gas Well Fund

This fund was created by Act 13 of 2012 to provide for the collection and distribution of unconventional gas well impact fees. The fee revenue is used by commonwealth agencies for monitoring and oversight of unconventional gas wells, emergency responder training and for rail freight assistance projects. Distributions are made to county conservation districts, host counties and municipalities and to local municipalities. Receipts deposited into the Unconventional Gas Well Fund are derived from an impact fee assessed to drillers of natural gas wells in the Marcellus Shale regions of the commonwealth. The fee is assessed per gas well and may be adjusted based on the number of wells and changes in the Consumer Price Index for all urban consumers in the Pennsylvania, New Jersey, Delaware and Maryland area.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances. This budget proposes that the transfer of \$4 million from the Historical Preservation Fund be eliminated and replaced with an equal transfer of undistributed accumulated interest earnings from the Unconventional Gas Well Fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 20,761	\$ 18,902	\$ 535
Receipts:			
Impact Fee Revenues	\$ 200,365	\$ 147,454	\$ 147,454
Interest	1,020	151	151
Total Receipts	<u>201,385</u>	<u>147,605</u>	<u>147,605</u>
Total Funds Available	\$ 222,146	\$ 166,507	\$ 148,140
Disbursements:			
Public Utility Commission	\$ 107,691	\$ 82,575	\$ 77,343
Emergency Management	1,546	6,535	1,500
Fish and Boat Commission	989	2,359	1,000
Transportation	4,340	3,912	1,000
Transfer to Conservation District Fund	3,949	4,047	4,149
Transfer to Well Plugging Account	6,000	6,000	6,000
Transfer to Marcellus Legacy Fund.....	72,787	51,544	51,462
Transfer to Housing Affordability and Rehabilitation Enhancement Fund	5,942	5,000	5,000
Transfer to General Fund	-	4,000	-
Total Disbursements	<u>(203,244)</u>	<u>(165,972)</u>	<u>(147,454)</u>
Cash Balance, Ending	\$ 18,902	\$ 535	\$ 686

Underground Storage Tank Indemnification Fund

The Storage Tank and Spill Prevention Act, Act 32 of 1989, as amended, established the Underground Storage Tank Indemnification Fund to administer a program to provide claim payments to owners and operators of underground storage tanks who incur liability for taking corrective action or for bodily injury or property damage caused by a release from underground storage tanks. Expenses for administration of the fund are also covered. The fund is administered by the Insurance Department in conjunction with a nine-member Underground Storage Tank Indemnification Board.

Act 13 of 1998 established a new loan program to assist owners of regulated underground storage tanks to upgrade their underground storage tank systems to meet federal Environmental Protection Agency upgrade requirements or to remove them from service. Act 100 of 2000 expanded the upgrade loan program to include the removal of underground storage tanks. The act also established an environmental cleanup program and a pollution prevention program that are administered by the Department of Environmental Protection. A loan of \$100 million was made to the General Fund on October 15, 2002 in accordance with Act 91 of 2002. Act 72 of 2013 changed the repayment of the \$100 million loan to the General Fund to before July 1, 2029. As of December 2020, \$67.5 million is still owed in principal and an additional \$18.944 million is owed in interest to the fund from the prior loan to the General Fund. Act 61 of 2017 increased the reimbursement to the Storage Tank Fund from \$3,000,000 to \$7,000,000, annually, and extended authority for the Underground Storage Tank Environmental Cleanup Program and the Underground Storage Tank Pollution Prevention Program until June 30, 2022.

Act 10 of 2020 authorized the Secretary of the Budget to transfer up to \$50 million of special fund balances to a General Fund restricted account for COVID Health Care System Assistance. Act 24 of 2020 returned the funds, and Act 114 of 2020 transferred the funds to the General Fund for appropriation by the General Assembly.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 294,163	\$ 287,023	\$ 282,863
Receipts:			
Gallon Fee.....	\$ 49,874	\$ 53,000	\$ 53,000
Tank Capacity Fee.....	5,981	5,972	5,972
Act 24 of 2020 Return of COVID Transfer.....	-	30,000	-
Interest.....	1,487		
Investment Income.....	4,428	1,500	1,500
Net Investment Adjustment.....	9,232	-	-
Loan Repayments from General Fund.....	-	-	7,000
Other.....	521	400	400
Total Receipts.....	<u>71,523</u>	<u>90,872</u>	<u>67,872</u>
Total Funds Available	\$ 365,686	\$ 377,895	\$ 350,735
Disbursements:			
Environmental Protection.....	\$ 2,523	\$ 4,493	\$ 3,579
Insurance.....	46,140	60,539	56,711
Transfer to COVID Health Care System Assistance.....	30,000	-	-
Transfer to General Fund.....	-	30,000	-
Total Disbursements.....	<u>(78,663)</u>	<u>(95,032)</u>	<u>(60,290)</u>
Cash Balance, Ending	\$ 287,023	\$ 282,863	\$ 290,445

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 (UTF). Requisitions of money from the UTF for the payment of unemployment compensation benefits to eligible individuals are the revenue for the Unemployment Compensation Benefit Payment Fund. Available Year estimates include continued unemployment assistance provided through the Continued Assistance for Unemployed Workers Act of 2020.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 1,862	\$ 2,069	\$ -
Receipts:			
Regular Unemployment Compensation Program	\$ 4,592,294	\$ 4,825,000	\$ 2,844,000
COVID Unemployment Compensation Benefits	11,895,244	16,308,287	-
Other	30,329	270,000	29,000
Total Receipts	<u>16,517,867</u>	<u>21,403,287</u>	<u>2,873,000</u>
Total Funds Available	<u>\$ 16,519,729</u>	<u>\$ 21,405,356</u>	<u>\$ 2,873,000</u>
Disbursements:			
Labor and Industry	\$ 16,517,660	\$ 21,405,356	\$ 2,873,000
Total Disbursements	<u>(16,517,660)</u>	<u>(21,405,356)</u>	<u>(2,873,000)</u>
Cash Balance, Ending	<u>\$ 2,069</u>	<u>\$ -</u>	<u>\$ -</u>

Unemployment Compensation Contribution Fund

This fund was created to hold monies collected from employers under the Unemployment Compensation Law and, except for refunds of collections, transfers to the Special Administration Fund, Service and Infrastructure Improvement Fund and Reemployment Fund are transferred to the United States Treasury for credit to the commonwealth's account in the federal Unemployment Trust Fund established under Section 904 of the Social Security Act.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 69,001	\$ 85,378	\$ -
Receipts:			
Contributions of Employers and Employees	\$ 2,317,288	\$ 2,283,000	\$ 2,460,000
Transfer from Special Administration Fund	-	9,407	-
Other	37,907	26,109	29,645
Total Receipts	2,355,195	2,318,516	2,489,645
Total Funds Available	\$ 2,424,196	\$ 2,403,894	\$ 2,489,645
Disbursements:			
Labor and Industry:			
UC Contributions	\$ 2,321,665	\$ 2,374,838	\$ 2,460,000
Reemployment Services	7,721	9,570	10,000
Service and Infrastructure Improvement.....	9,432	19,486	19,645
Total Disbursements	(2,338,818)	(2,403,894)	(2,489,645)
Cash Balance, Ending	\$ 85,378	\$ -	\$ -

Unemployment Compensation Debt Service Fund

This fund was created in accordance with the Unemployment Compensation Law. The fund is administered by the Department of Labor and Industry and was originally used for the collection and repayment of interest on loans from the federal government to the commonwealth's account in the Unemployment Trust Fund (UTF).

Act 60 of 2012, the commonwealth's UC Reform Legislation, allowed for the issuance of bonds to repay the state's Unemployment Compensation debt to the federal government. The name of the fund was changed to the Debt Service Fund and its purpose was expanded to process payments for bond obligations and administrative expenses, payment of annual interest on federal loans, workforce investment and infrastructure improvements, and once debt levels are reduced to established thresholds, payment or transfer to the Unemployment Compensation Trust Fund for payment of unemployment compensation to individuals. The repayment of the bond obligations incurred following Act 60 was completed during 2019-20. In 2020-21 the commonwealth was approved for a loan from the UTF, which included a CARES Act provision for a temporary waiver of interest payments and accrual of interest through December 31, 2020, with the first interest payment due by September 30, 2021. The Continued Assistance for Unemployed Workers Act of 2020 provided an extension of waived UTF interest accrual through March 14, 2021.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2,228	\$ 157,996	\$ 159,914
Receipts:			
Contributions from Employers.....	\$ 204,603	\$ 1,918	\$ -
Total Receipts.....	<u>204,603</u>	<u>1,918</u>	<u>-</u>
Total Funds Available	\$ 206,831	\$ 159,914	\$ 159,914
Disbursements:			
Labor and Industry.....	\$ 48,835	\$ -	\$ 22,421
Total Disbursements.....	<u>(48,835)</u>	<u>-</u>	<u>(22,421)</u>
Cash Balance, Ending	\$ 157,996	\$ 159,914	\$ 137,493

Uninsured Employers Guaranty Fund

This fund was created by Act 147 of 2006, amending the Pennsylvania Workers' Compensation Act. The purpose of this fund is to pay claimants or their dependents benefits when the liable employer failed to insure or self-insure. Funding is from assessments on insurers and self-insured employees. Act 132 of 2018 increased assessment revenues from 0.1% to 0.25% of the total compensation paid by all insurers or self-insured employers during the previous calendar year. Projected expenditures are dependent upon claim volume, the merits of such claims and associated claims costs. During the period 2014-15 to 2017-18, various loans and transfers from the Workmen's Compensation Administration Fund were needed to keep the fund solvent.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2,559	\$ 1,896	\$ 1,394
Receipts:			
Assessments/Self-Insurer's Security.....	\$ 7,156	\$ 7,103	\$ 6,500
Interest	88	9	2
Other	426	500	480
Total Receipts.....	<u>7,670</u>	<u>7,612</u>	<u>6,982</u>
Total Funds Available	<u>\$ 10,229</u>	<u>\$ 9,508</u>	<u>\$ 8,376</u>
Disbursements:			
Labor and Industry	\$ 8,333	\$ 8,114	\$ 8,000
Total Disbursements.....	<u>(8,333)</u>	<u>(8,114)</u>	<u>(8,000)</u>
Cash Balance, Ending	<u>\$ 1,896</u>	<u>\$ 1,394</u>	<u>\$ 376</u>

Veterans Trust Fund

The Veterans Trust Fund was established by Act 87 of 2012. The fund is administered by the Department of Military and Veterans Affairs and consists of proceeds paid by the Department of Transportation relating to special plates for veterans and \$3 check-offs on driver's license and motor vehicle registration applications, as well as grants, gifts, donations and other payments from an individual or governmental entity. The purpose of this fund is to provide grants for programs or projects supporting Pennsylvania veterans and their families.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2,381	\$ 2,323	\$ 778
Receipts:			
Contributions - Plates, Drivers License and Registration.....	\$ 1,373	\$ 1,190	\$ 1,240
Interest	48	7	3
Other	8	10	10
Total Receipts.....	<u>1,429</u>	<u>1,207</u>	<u>1,253</u>
Total Funds Available	<u>\$ 3,810</u>	<u>\$ 3,530</u>	<u>\$ 2,031</u>
Disbursements:			
Military and Veterans Affairs:			
Grants and Assistance	\$ 1,487	\$ 2,752	\$ 1,755
Total Disbursements.....	<u>(1,487)</u>	<u>(2,752)</u>	<u>(1,755)</u>
Cash Balance, Ending	<u>\$ 2,323</u>	<u>\$ 778</u>	<u>\$ 276</u>

Video Gaming Fund

Act 42 of 2017 established the Video Gaming Fund to receive all license fees provided for in the act and 42 percent of the gross terminal revenue (GTR) generated by licensed gaming facilities. These monies are to be distributed annually to various programs as set forth in the act with the remainder being transferred to the General Fund. Also, all licensed gaming terminal operators deposit an additional 10 percent of GTR into the fund for local share distributions where the gaming terminals are located.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 <u>Actual</u>	2020-21 <u>Available</u>	2021-22 <u>Estimated</u>
Cash Balance, Beginning	\$ 6	\$ 1,095	\$ 22
Receipts:			
State Tax Revenue.....	\$ 2,514	\$ 11,004	\$ 16,590
Transfer to Compulsive and Problem Gambling Treatment Fund.....	(12)	(52)	(79)
Loan from General Fund.....	1,192	-	-
Licensee Deposit Accts.....	215	943	1,423
Local Share Assessment.....	598	2,620	3,950
Testing and Certification Fees.....	51	50	50
Interest.....	22	10	10
Total Receipts.....	<u>4,580</u>	<u>14,575</u>	<u>21,944</u>
Total Funds Available	\$ 4,586	\$ 15,670	\$ 21,966
Disbursements:			
Local Share Assessment Distribution:			
Revenue.....	\$ -	\$ 3,218	\$ 3,950
Testing and Certification:			
Gaming Control Board.....	35	50	50
Administrative Appropriations:			
Gaming Control Board.....	888	489	475
Revenue.....	45	635	683
LDA - General Fund Loan Repayment.....	-	294	265
Transfer to General Fund.....	2,523	10,962	16,521
Total Disbursements.....	<u>(3,491)</u>	<u>(15,648)</u>	<u>(21,944)</u>
Cash Balance, Ending	\$ 1,095	\$ 22^a	\$ 22^a

^a Balance reflects restricted funds for testing and certification.

Vocational Rehabilitation Fund

This fund, administered by the State Board of Vocational Rehabilitation in the Department of Labor and Industry, was created to provide vocational rehabilitation services to any person who has a disability, mental or physical, which constitutes a handicap to employment or to achieve independent living status. Services can be provided directly or through a purchase of service arrangement. Receipts for this fund come from federal vocational rehabilitation funds, transfer of General Fund appropriations for matching the federal funds, interest earned and local match.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 3,888	\$ 11,566	\$ 1,966
Receipts:			
Transfer from General Fund.....	\$ 47,942	\$ 47,942	\$ 47,942
Federal Vocational Rehabilitation Funds	101,802	140,349	181,888
Interest	602	54	54
Other	416	-	-
Total Receipts	<u>150,762</u>	<u>188,345</u>	<u>229,884</u>
Total Funds Available	\$ 154,650	\$ 199,911	\$ 231,850
Disbursements:			
Labor and Industry	\$ 143,084	\$ 197,945	\$ 229,830
Total Disbursements	<u>(143,084)</u>	<u>(197,945)</u>	<u>(229,830)</u>
Cash Balance, Ending	\$ 11,566	\$ 1,966	\$ 2,020

Volunteer Companies Loan Fund

Bond referenda in 1975, 1981, 1990 and 2002 authorized a total of \$100 million of bonds to be issued for acquisition and replacement of volunteer fire, ambulance and rescue company equipment and facilities. Act 208 of 1976 established a revolving loan fund known as the Volunteer Companies Loan Fund. Loans provided for under these bond issues are administered by the Office of the State Fire Commissioner. In addition to bond proceeds, revenues include loan repayments and penalty charges. To increase program participation and accessibility, Act 129 of 2013 modified loan amounts, loan periods and the number of loans allowed for emergency service providers.

Act 20 of 2019 authorized the Secretary of the Budget to transfer up to \$45 million of special fund balances to the General Fund for environmental programs. Act 10 of 2020 authorized the Secretary of the Budget to transfer up to \$50 million of special fund balances to a General Fund restricted account for COVID Health Care System Assistance. Act 24 of 2020 returned the funds, and Act 114 of 2020 transferred the funds to the General Fund for appropriation by the General Assembly.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 51,191	\$ 41,611	\$ 35,506
Receipts:			
Loan Principal and Interest Repayments	\$ 10,945	\$ 13,000	\$ 13,000
Act 24 of 2020 Return of COVID Transfer.....	-	6,000	-
Interest	1,366	895	800
Penalty Charges.....	1	-	-
Other	2	-	-
Total Receipts.....	<u>12,314</u>	<u>19,895</u>	<u>13,800</u>
Total Funds Available	\$ <u>63,505</u>	\$ <u>61,506</u>	\$ <u>49,306</u>
Disbursements:			
Office of State Fire Commissioner	\$ 10,894	\$ 20,000	\$ 20,000
Transfer to Environmental Programs	5,000	-	-
Transfer to COVID Health Care System Assistance	6,000	-	-
Transfer to General Fund.....	-	6,000	-
Total Disbursements.....	<u>(21,894)</u>	<u>(26,000)</u>	<u>(20,000)</u>
Cash Balance, Ending	\$ <u>41,611</u>	\$ <u>35,506</u>	\$ <u>29,306</u>

Water and Sewer Systems Assistance Bond Fund

Act 64 of 2008, the Water and Sewer Systems Assistance Act, and Act 50 of 2009 authorized a \$400 million bond issue, which was approved by referendum, to provide grants and loans to municipalities and public utilities for the acquisition, repair, construction, reconstruction, rehabilitation, extension, expansion and improvement of water supply and sewage treatment systems as well as the purchase or trading of nutrient credits.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 9,678	\$ 2,732	\$ 17,794
Receipts:			
Referendum Bonds	\$ -	\$ 19,600	\$ -
Premium or Discount on Sale of Bonds	-	2,940	-
Transfer to Water and Sewer Systems Assistance Sinking Fund	-	(500)	-
Interest	107	22	14
Total Receipts	107	22,062	14
Total Funds Available	\$ 9,785	\$ 24,794	\$ 17,808
Disbursements:			
Infrastructure Investment Authority	\$ 7,053	\$ 7,000	\$ 7,000
Total Disbursements	(7,053)	(7,000)	(7,000)
Cash Balance, Ending	\$ 2,732	\$ 17,794	\$ 10,808

Water and Sewer Systems Assistance Bond Sinking Fund

This fund was established to redeem or pay interest on bonds issued for the Water and Sewer Systems Assistance program. The annual appropriation from the General Fund for general obligation debt service provides revenues to the fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 2	\$ 2	\$ -
Receipts:			
Transfer from General Fund	\$ 13,664	\$ 11,838	\$ 11,779
Total Receipts	13,664	11,838	11,779
Total Funds Available	\$ 13,666	\$ 11,840	\$ 11,779
Disbursements:			
Treasury	\$ 13,664	\$ 11,840	\$ 11,779
Total Disbursements	(13,664)	(11,840)	(11,779)
Cash Balance, Ending	\$ 2	\$ -	\$ -

Water Supply and Wastewater Treatment Fund

Act 218 of 2004 established the Water Supply and Wastewater Infrastructure Capitalization Program. Funding for the program is generated from the \$250 million bond issue approved by the electorate in April of 2004. Funds are allocated to the Commonwealth Financing Authority and the Infrastructure Investment Authority (PENNVEST) to be used for grants and loans for new and existing water supply and wastewater system projects in the commonwealth.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 27,280	\$ 22,110	\$ 9,997
Receipts:			
Accumulated Interest Transfer for Debt Service	\$ -	\$ -	\$ (10,028)
Interest	452	62	31
Total Receipts	452	62	(9,997)
Total Funds Available	\$ 27,732	\$ 22,172	\$ -
Disbursements:			
Community and Economic Development	\$ 5,622	\$ 12,175	\$ -
Total Disbursements	(5,622)	(12,175)	-
Cash Balance, Ending	\$ 22,110	\$ 9,997	\$ -

Water Supply and Wastewater Treatment Sinking Fund

Monies in this fund are used to redeem or pay interest on bonds issued for the Water Supply and Wastewater Treatment Program. The annual appropriation from the General Fund for general obligation debt service provides revenues to the fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ -	\$ -	\$ -
Receipts:			
Transfer from General Fund.....	\$ 3,402	\$ 3,398	\$ 3,399
Total Receipts	3,402	3,398	3,399
Total Funds Available	\$ 3,402	\$ 3,398	\$ 3,399
Disbursements:			
Treasury	\$ 3,402	\$ 3,398	\$ 3,399
Total Disbursements	(3,402)	(3,398)	(3,399)
Cash Balance, Ending	\$ -	\$ -	\$ -

Wild Resource Conservation Fund

This fund was created by Act 170 of 1982. Revenue is derived primarily from tax refund check-offs and voluntary contributions. The fund collects information relating to population, distribution, habitat needs, limiting factors and other biological and ecological data to classify plants and to determine necessary management measures. These management measures include promotion of a statewide system of private wild plant sanctuaries; permitting of removal, collection or transplanting of endangered or threatened plant species; and regulation of the digging, harvesting, sale and exploitation of designated species.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 269	\$ 293	\$ 201
Receipts:			
Tax Check-Offs	\$ 30	\$ 30	\$ 30
License Plate Sales.....	12	12	12
Interest	4	1	1
Other	1	-	-
Total Receipts	<u>47</u>	<u>43</u>	<u>43</u>
Total Funds Available	<u>\$ 316</u>	<u>\$ 336</u>	<u>\$ 244</u>
Disbursements:			
Conservation and Natural Resources	\$ 23	\$ 135	\$ 132
Total Disbursements.....	<u>(23)</u>	<u>(135)</u>	<u>(132)</u>
Cash Balance, Ending	<u>\$ 293</u>	<u>\$ 201</u>	<u>\$ 112</u>

Workers' Compensation Security Fund

The purpose of this fund is payment of valid claims for compensation provided by the Workers' Compensation Act to individuals who are insured by an insolvent stock company. Expenses for administration of the fund are also covered.

Through June 30, 2000, payments equal to one percent of the net written premiums received for workers' compensation insurance policies written in the commonwealth by stock companies, mutual carriers and reciprocal exchanges during the preceding annual reporting period were credited to the fund. Such payments were required only if the balance less known liabilities of the fund was determined to be less than five percent of the loss reserves of all such companies for payments of benefits under the Workers' Compensation Act.

Act 49 of 2000 removed the statutory annual assessment procedures in conjunction with giving prudent person investment authority to the Insurance Commissioner jointly with the State Treasurer for the investment of monies in the fund. This change was expected to generate increased earnings to the fund, thereby reducing the frequency of the assessment. The act requires the Insurance Department to manage the fund to maintain its actuarial soundness and a minimum balance of \$500 million as of December 31 of any given year. If the fund balance falls below \$500 million by calendar year end, the department will assess contributions to restore the balance in the fund in a timely manner.

Act 16A of 2016 authorized a transfer to the General Fund in the amount of \$165 million. Act 44 of 2017 delayed the repayment of this transfer until 2019-20. Act 20 of 2019 further extends this repayment until July 1, 2024.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 800,732	\$ 853,014	\$ 707,273
Receipts:			
Assessments and Receipts	\$ 21,045	\$ 71,893	\$ 20,888
Net Investment Adjustment	53,206	-	-
Interest	423	100	100
Other	189	189	189
Total Receipts	<u>74,863</u>	<u>72,182</u>	<u>21,177</u>
Total Funds Available	\$ 875,595	\$ 925,196	\$ 728,450
Disbursements:			
Insurance.....	\$ 22,581	\$ 32,923	\$ 34,758
Transfer to General Fund	-	185,000	-
Total Disbursements	<u>(22,581)</u>	<u>(217,923)</u>	<u>(34,758)</u>
Cash Balance, Ending	\$ 853,014	\$ 707,273	\$ 693,692

Workmen's Compensation Administration Fund

This fund was created by Act 2 of 1976 to finance the expenses of the Department of Labor and Industry in administering the Pennsylvania Workers' Compensation Act and the Pennsylvania Occupational Disease Act. Act 44 of 1993 and Act 57 of 1996 amended the Workers' Compensation Act, expanding the administrative responsibilities of the department. The fund is supported by annual assessments on insurers and self-insurers under the act. These administrative funds are approved by the legislature for expenditure through the appropriation process. Administrative funds are also provided to the Office of the Small Business Advocate through the Department of Community and Economic Development to represent the interests of the employers in workers' compensation rate filings before the Insurance Department. During fiscal years 2015-16 through 2017-18, it was necessary to make transfers and/or loans from the Workmen's Compensation Administration Fund to the Uninsured Employers Guaranty Fund to keep the fund solvent.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 74,649	\$ 74,628	\$ 64,491
Receipts:			
Assessments	\$ 65,495	\$ 68,198	\$ 65,000
Fines and Penalties	17	20	18
Other	441	700	700
Total Receipts	<u>65,953</u>	<u>68,918</u>	<u>65,718</u>
Total Funds Available	\$ 140,602	\$ 143,546	\$ 130,209
Disbursements:			
Community and Economic Development	\$ 257	\$ 288	\$ 280
Labor and Industry	65,717	78,767	76,102
Total Disbursements	<u>(65,974)</u>	<u>(79,055)</u>	<u>(76,382)</u>
Cash Balance, Ending	\$ 74,628	\$ 64,491	\$ 53,827

Workmen's Compensation Supersedeas Fund

The purpose of this fund is to reimburse insurers for payments made by them to claimants under the Workers' Compensation Act who are later determined to be ineligible. The fund is maintained by annual assessments on insurers and self-insurers and is administered by the Department of Labor and Industry.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 419	\$ 543	\$ 14,855
Receipts:			
Assessments	\$ 20,520	\$ 36,800	\$ 22,500
Interest	103	12	13
Total Receipts	<u>20,623</u>	<u>36,812</u>	<u>22,513</u>
Total Funds Available	\$ 21,042	\$ 37,355	\$ 37,368
Disbursements:			
Labor and Industry	\$ 20,499	\$ 22,500	\$ 20,750
Total Disbursements	<u>(20,499)</u>	<u>(22,500)</u>	<u>(20,750)</u>
Cash Balance, Ending	\$ 543	\$ 14,855	\$ 16,618

911 Fund

Title 35 Chapter 53 amended by Act 12 of 2015, the Public Safety Emergency Telephone Act established the 911 Fund to support a statewide integrated 911 plan. The fund is used to collect and deposit a surcharge collected by Wireless, Prepaid Wireless, VoIP and Wireline service providers on a monthly basis, the proceeds of which are remitted to the fund quarterly. Up to two percent of annual surcharge proceeds can be used by the agency for administrative costs with the remaining available balance being used for approved county grants.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2019-20 Actual	2020-21 Available	2021-22 Estimated
Cash Balance, Beginning	\$ 101,234	\$ 108,605	\$ 76,345
Receipts:			
Assessments	\$ 315,005	\$ 314,000	\$ 314,000
Interest	2,199	325	300
Total Receipts	317,204	314,325	314,300
Total Funds Available	\$ 418,438	\$ 422,930	\$ 390,645
Disbursements:			
Emergency Management:			
Administration	\$ 3,689	\$ 7,639	\$ 6,300
Grants	306,144	338,946	335,700
Total Disbursements	(309,833)	(346,585)	(342,000)
Cash Balance, Ending	\$ 108,605	\$ 76,345	\$ 48,645



Commonwealth of Pennsylvania

Governor's Executive Budget

COMPLEMENT

This section provides a summary by department of authorized salaried complement on a full-time equivalent basis for the actual, available and budget years. It also provides a brief description by agency and appropriation of the changes recommended in the budget.

AUTHORIZED SALARIED COMPLEMENT BY AGENCY FULL-TIME EQUIVALENT

The following is a summary, by department, of the commonwealth's authorized complement levels on a full-time equivalent basis.

<i>Department</i>	<i>2017-18</i> <i>Actual</i>	<i>2018-19</i> <i>Actual</i>	<i>2019-20</i> <i>Actual</i>	<i>2020-21</i> <i>Available</i>	<i>2021-22</i> <i>Budget</i>
Governor's Office	68	69	72	72	72
Lieutenant Governor's Office	15	15	18	18	18
Executive Offices ^a	3,096	3,313	3,269	3,262	3,262
Commission on Crime and Delinquency ^a	109	108	114	118	118
Aging	85	84	90	90	90
Agriculture	559	589	599	600	600
Banking and Securities	215	218	218	218	218
Civil Service Commission	87	19	18	18	14
Community and Economic Development	285	294	303	303	303
Conservation and Natural Resources	1,268	1,264	1,299	1,299	1,299
Criminal Justice	15,414	16,606	16,909	16,907	16,907
Probation and Parole Board ^b	1,310	-	-	-	-
Drug and Alcohol Programs	77	82	91	93	93
Education	500	503	514	513	513
Emergency Management Agency	190	191	198	198	198
Environmental Hearing Board	12	12	12	12	12
Environmental Protection	2,449	2,506	2,514	2,513	2,513
Fish and Boat Commission	381	401	404	411	411
Game Commission	686	686	704	724	724
General Services	886	896	904	904	910
Health	1,180	1,208	1,248	1,244	1,243
Historical and Museum Commission	184	184	206	206	206
Human Services	16,376	16,077	16,073	16,079	16,080
Infrastructure Investment Authority	31	32	33	33	33
Insurance	241	252	252	258	258
Labor and Industry	4,231	4,265	4,471	4,570	4,570
Liquor Control Board	3,219	3,219	3,219	3,219	3,219
Military and Veterans Affairs	2,457	2,465	2,506	2,506	2,558
Milk Marketing Board	22	22	22	22	22
Municipal Employees' Retirement	32	32	32	42	42
Public School Employees' Retirement System	327	347	361	361	361
Public Utility Commission	516	516	522	526	526
Revenue	1,746	1,763	1,774	1,774	1,774
State	467	495	524	524	524
State Employees' Retirement System	192	202	211	215	215
State Police	6,446	6,446	6,448	6,460	6,460
Transportation	11,366	11,522	11,561	11,564	11,564
TOTAL ALL DEPARTMENTS	76,725	76,903	77,713	77,876	77,930

^a The Executive Offices - Commission on Crime and Delinquency is shown as a separate agency for budget presentation purposes only.

^b The Probation and Parole Board was consolidated into Criminal Justice in 2018-19.

Summary of 2021-22 Complement Changes

The following is a detailed listing, by department, of the recommended authorized salaried complement changes (on a full-time equivalent basis) for 2021-22. It reflects proposed eliminations and new positions.

<u>Department / Fund / Appropriation</u>	<u>Increase/ Decrease</u>	<u>Comment on Complement Change</u>
CIVIL SERVICE COMMISSION		
General Fund Restricted:		
Civil Service Commission.....	<u>-4</u>	Eliminated positions.
CRIMINAL JUSTICE		
General Fund:		
General Government Operations	-28	TRANSFERRED: To Office of Victim Advocate.
Office of Victim Advocate	<u>28</u>	TRANSFERRED: From General Government Operations.
DEPARTMENT TOTAL	<u>0</u>	
GENERAL SERVICES		
General Fund:		
General Government Operations	<u>6</u>	NEW: For statewide PPE inventory maintenance.
HEALTH		
Federal Funds:		
Food Emergency Response (F)	<u>-1</u>	Eliminated position.
HUMAN SERVICES		
General Fund:		
County Administration - Statewide	30	TRANSFERRED: From Children's Health Insurance Administration.
Children's Health Insurance Administration	<u>-30</u>	TRANSFERRED: To County Administration - Statewide.
General Fund Total	<u>0</u>	
Federal Funds:		
Developmental Disabilities - Basic Support (F)	<u>1</u>	NEW: For Developmental Disabilities.
DEPARTMENT TOTAL	<u>1</u>	
MILITARY AND VETERANS AFFAIRS		
General Fund:		
National Guard Youth Challenge Program.....	<u>52</u>	NEW: For full implementation of the National Guard Youth Challenge Program.
GRAND TOTAL	<u>54</u>	

FILLED SALARIED COMPLEMENT BY AGENCY

The following is a summary, by department, of the commonwealth's filled salaried complement levels for departments under the governor's jurisdiction.

<i>Department</i>					<i>Difference</i>
	<i>January 2018</i>	<i>January 2019</i>	<i>January 2020</i>	<i>January 2021</i>	<i>Current - Jan. 2018</i>
Governor's Office	61	66	66	69	8
Lieutenant Governor's Office	13	12	17	16	3
Executive Offices ^a	2,863	2,877	3,077	2,987	124
Commission on Crime and Delinquency ^a	90	87	98	101	11
Aging	81	76	80	77	-4
Agriculture	539	536	552	550	11
Banking and Securities	193	182	191	176	-17
Civil Service Commission	85	17	16	15	-70
Community and Economic Development	266	278	285	274	8
Conservation and Natural Resources	1,226	1,199	1,251	1,216	-10
Criminal Justice	15,235	16,611	16,324	16,032	797
Probation and Parole Board ^b	1,288	-	-	-	-1,288
Drug and Alcohol Programs	59	66	76	78	19
Education	420	413	443	441	21
Emergency Management Agency	169	159	163	168	-1
Environmental Hearing Board	11	10	10	9	-2
Environmental Protection	2,290	2,310	2,355	2,294	4
Fish and Boat Commission	365	356	363	373	8
Game Commission	630	618	642	634	4
General Services	835	827	832	828	-7
Health	1,003	1,019	1,051	1,082	79
Historical and Museum Commission	177	178	197	187	10
Human Services	15,306	15,178	15,285	14,963	-343
Infrastructure Investment Authority	30	28	30	33	3
Insurance	229	223	232	235	6
Labor and Industry	3,807	3,761	3,850	3,964	157
Liquor Control Board	3,163	3,164	3,201	3,186	23
Military and Veterans Affairs	2,351	2,354	2,338	2,438	87
Milk Marketing Board	20	20	18	17	-3
Municipal Employees' Retirement	25	24	26	31	6
Public School Employees' Retirement System	299	310	318	342	43
Public Utility Commission	460	473	477	464	4
Revenue	1,628	1,598	1,631	1,604	-24
State	429	458	471	472	43
State Employees' Retirement System	163	178	178	192	29
State Police	5,921	5,959	6,149	6,228	307
Transportation	11,148	11,112	11,164	11,082	-66
TOTAL ALL DEPARTMENTS	72,878	72,737	73,457	72,858	-20

^a The Executive Offices - Commission on Crime and Delinquency is shown as a separate agency for budget presentation purposes only.

^b The Probation and Parole Board was consolidated into Criminal Justice in 2018-19.



Commonwealth of Pennsylvania

Governor's Executive Budget

STATISTICAL DATA

This section contains historical data for various Pennsylvania economic indicators. Data is obtained from published sources noted on each page. Additional data is available from the Penn State Data Center through their homepage at (www.pasdc.hbg.psu.edu/).

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SELECTED DATA ON THE COMMONWEALTH OF PENNSYLVANIA

General

The commonwealth is one of the nation's most populous states, ranking fifth behind California, Texas, Florida, and New York. Pennsylvania stakes claim to a diverse economy and many thriving industries. At different times throughout its history, the commonwealth has been the nation's principal producer of ships, iron, chemicals, lumber, oil, textiles, glass, coal, and steel. This led Pennsylvania to be identified, historically, as a heavy industrial state. That reputation has changed over the last several decades as the coal, steel and railroad industries have declined. The commonwealth's business environment readjusted with a more diversified economic base. Currently, the major sources of growth in Pennsylvania are in the service sector, including healthcare, leisure-hospitality, transport, and storage.

Pennsylvania's agriculture industry has a long rich history and has been a driving force of the state's economy for centuries. The agriculture industry directly accounts for approximately \$83.8 billion in economic output and it supports over 280,500 jobs with \$10.9 billion in direct earnings. Over 59,309 farms form the backbone of the state's agricultural economy covering an area of 7.7 million acres. Agricultural diversity in the commonwealth is demonstrated by the fact that Pennsylvania ranks among the top ten states in the production of a variety of agricultural products such as mushrooms, apples, dairy, grapes, winemaking, and Christmas tree production.

Pennsylvania's extensive forests provide a vast source of material for the lumber, furniture, and paper-products industries. The state has 17 million acres of forestland, which covers 59 percent of its land. The forest products industry accounts for over 10 percent of the state's manufacturing workforce with economic activity of nearly \$5.5 billion annually. Other natural resources include major deposits of coal, petroleum, and natural gas. Pennsylvania's gross natural gas production, primarily from the Marcellus Shale, reached nearly 6.9 trillion cubic feet in 2019, and the state was the nation's second-largest natural gas producer in the country. Pennsylvania ranked second in the nation in electricity generation from nuclear power, which supplied 39 percent of the state's net electricity generation. The commonwealth was also the third-largest coal-producing state in the nation in 2019 and the second largest coal exporter to foreign markets. Pennsylvania is also one of the top 10 producing states in the country for aggregate/crushed stone. The value of non-coal mineral production in PA is around \$1.25 billion annually.

In addition to its natural resources, Pennsylvania's tourism industry ranks among the state's leading economic drivers. Thanks to its historical significance in cities like Philadelphia and Gettysburg and its many outdoor and recreational attractions, tourism accounts for more than 490,000 jobs in Pennsylvania. The industry helps contribute approximately \$4.3 billion in tax revenue to the commonwealth and a total economic impact of about \$41 billion, annually.

Finally, the state's geographic location makes it a prime corridor for the transportation of goods. From its extensive rail service and ports to its grid of interstate highways, Pennsylvania remains an integral part of the northeast region's economic activity.

Population

The commonwealth is highly urbanized. The largest Metropolitan Statistical Areas (“MSAs”) in the commonwealth are those that include the cities of Philadelphia and Pittsburgh, which together contain the majority of the state’s total population. The population of Pennsylvania, 12.8 million people in 2019, according to the U.S. Bureau of the Census, represents a population growing slower than the nation with a higher portion than the nation or the Middle Atlantic region comprised of persons 45 or over. The following tables present the population trend from 2015 to 2019 and the age distribution of the population for 2019.

Population Trends Pennsylvania, Middle Atlantic Region and the United States 2015-2019

As of July 1	Total Population (In Thousands)			Total Population as a % of 2015 base		
	PA	Middle Atlantic Region ^a	United States	PA	Middle Atlantic Region ^a	United States
2015.....	12,785	41,307	320,635	100%	100%	100%
2016.....	12,782	41,287	322,941	100%	101%	101%
2017.....	12,788	41,263	324,986	100%	101%	101%
2018.....	12,807	41,258	327,167	100%	102%	102%
2019.....	12,802	41,138	328,240	100%	102%	102%

^a Middle Atlantic Region: Pennsylvania, New York and New Jersey. Source: U.S. Department of Commerce, Bureau of the Census

Population by Age Group - 2019 Pennsylvania, Middle Atlantic Region and the United States

Age	PA	Middle Atlantic Region ^a	United States
Under 5 Years.....	5.5%	5.7%	6.0%
5 -24 Years	24.3%	24.3%	25.8%
25-44 Years	24.9%	26.2%	26.5%
45-64 years.....	27.1%	26.8%	25.6%
65 years and over	18.2%	16.9%	16.0%

^a Middle Atlantic Region: Pennsylvania, New York and New Jersey. Source: U.S. Department of Commerce, Bureau of the Census

Employment

Non-agricultural employment in Pennsylvania over the five years ending in 2019 increased at an average annual rate of 0.97 percent compared with a 1.19 percent rate for the Middle Atlantic Region and 1.57 percent rate for the U.S. The following table shows employment trends from 2015 through 2019.

Non-Agricultural Establishment Employment Trends Pennsylvania, Middle Atlantic Region and the United States 2015-2019

Calendar Year	Total Establishment Employment (thousands)			Total Establishment Employment as a % of 2015 base		
	PA	Middle Atlantic Region ^a	U.S.	PA	Middle Atlantic Region ^a	U.S.
2015.....	5,835	19,129	141,804	100%	100%	100%
2016.....	5,883	19,382	144,329	101%	101%	102%
2017.....	5,941	19,620	146,589	102%	103%	103%
2018.....	6,010	19,854	148,891	103%	104%	105%
2019.....	6,065	20,059	150,935	104%	105%	106%

^aMiddle Atlantic Region: Pennsylvania, New York and New Jersey

Non-manufacturing employment in Pennsylvania has increased in recent years and reached 90 percent of total non-agricultural employment by 2019. Consequently, manufacturing employment constitutes a diminished share of total employment within the commonwealth. Manufacturing, contributing 10 percent of 2019 non-agricultural employment, has fallen behind the services sector, the trade sector, and the government sector as the 4th largest single source of employment within the commonwealth. In 2019, the services sector accounted for 50 percent of all non-agricultural employment while the trade sector accounted for 14 percent. The following table shows trends in employment by sector for Pennsylvania from 2015 through 2019.

Non-Agricultural Establishment Employment by Sector Pennsylvania 2014-2018 (In Thousands)

	Calendar Year									
	2015		2016		2017		2018		2019	
	Employees	%	Employees	%	Employees	%	Employees	%	Employees	%
Manufacturing:										
Durable	346.3	6%	336.2	6%	335.8	6%	343.0	6%	346.1	6%
Non-Durable.....	222.7	4%	224.6	4%	227.0	4%	227.9	4%	228.9	4%
Total Manufacturing.	569.0	10%	560.8	10%	562.8	9%	570.9	9%	575.0	9%
Non-Manufacturing:										
Trade ^a	851.3	15%	846.9	14%	838.6	14%	835.9	14%	825.6	14%
Finance ^b	316.3	5%	317.3	5%	321.1	5%	325.6	5%	329.5	5%
Services ^c	2,859.1	49%	2,916.2	50%	2,957.4	50%	2,999.3	50%	3,039.0	50%
Government	704.7	12%	703.3	12%	703.2	12%	703.0	12%	706.7	12%
Utilities	265.3	5%	274.6	5%	282.0	5%	290.7	5%	299.5	5%
Construction.....	235.3	4%	239.1	4%	249.1	4%	255.7	4%	260.9	4%
Mining	34.0	1%	25.0	0%	26.7	0%	28.7	0%	29.1	0%
Total Non-Manufacturing	5,266.0	90%	5,322.4	90%	5,378.1	91%	5,438.9	91%	5,490.3	91%
Total Employees^{de}.....	5,835.0	100%	5,883.2	100%	5,940.9	100%	6,009.8	100%	6,065.3	100%

^aWholesale Trade

^bFinance, insurance and real estate

^cIncludes transportation, communications, electric, gas and sanitary services

^dDiscrepancies due to rounding

^eDoes not include workers involved in labor-management disputes

Source: US Bureau of Labor and Statistics

The following table presents the percentages of non-agricultural employment in various sectors in Pennsylvania and the United States in 2019.

Non-Agricultural Establishment Employment by Sector Pennsylvania and the United States

	2019 Calendar Year	
	Pennsylvania	United States
Manufacturing	9.5%	8.5%
Trade ^a	13.6	14.3
Finance ^b	5.4	5.8
Services	50.1	16.9
Government	11.7	15.0
Utilities ^c	4.9	3.7
Construction.....	4.3	5.0
Mining	0.5	0.5
Total.....	100.0%	100.0%

^aWholesale and retail trade.

^bFinance, insurance and real estate.

^cIncludes transportation, communications, electric, gas and sanitary services.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Within the manufacturing sector of Pennsylvania's economy, which now accounts for about one-tenth of total non-agricultural employment in Pennsylvania, the fabricated metals industries employed the largest number of workers. Employment in the fabricated metals industries is 14 percent of Pennsylvania manufacturing employment but only 1.4 percent of total Pennsylvania non-agricultural employment in 2019. The following table shows trends in manufacturing employment by industry for Pennsylvania from 2015 through 2019.

Manufacturing Establishment Employment by Industry Pennsylvania 2015-2019 (In Thousands)

	Calendar Year									
	2015	%	2016	%	2017	%	2018	%	2019	%
Durable Goods:										
Primary Metals	37.7	6.6	35.3	6.3	35.0	6.2	35.7	6.3	36.1	6.3
Fabricated Metals	81.6	14.3	79.5	14.2	80.2	14.3	82.4	14.4	83.2	14.5
Machinery (excluding electrical)	47.3	8.3	44.1	7.9	43.7	7.8	45.7	8.0	46.2	8.0
Electrical Equipment	26.0	4.6	26.2	4.7	26.3	4.7	26.9	4.7	27.2	4.7
Transportation Equipment	39.4	6.9	36.8	6.6	36.6	6.5	37.5	6.6	39.0	6.8
Furniture Related Products	15.7	2.8	16.2	2.9	16.4	2.9	16.3	2.9	15.7	2.7
Other Durable Goods	98.6	17.3	98.1	17.5	97.6	17.3	98.5	17.3	98.7	17.2
Total Durable Goods	346.3	60.9	336.2	60.0	335.8	59.7	343.0	60.1	346.1	60.2
Non-Durable Goods:										
Pharmaceutical/ Medicine	18.4	3.2	18.6	3.3	18.6	3.3	18.3	3.2	19.0	3.3
Food Products	69.6	12.2	70.2	12.5	71.7	12.7	73.0	12.8	73.5	12.8
Chemical Products	41.0	7.2	41.1	7.3	41.3	7.3	41.1	7.2	42.4	7.4
Printing and Publishing	24.3	4.3	23.9	4.3	23.7	4.2	23.1	4.0	22.4	3.9
Plastics/Rubber Products	37.1	6.5	38.8	6.9	40.0	7.1	40.2	7.0	40.5	7.0
Other Non-Durable Goods	32.3	5.7	32.0	5.7	31.7	5.6	32.2	5.6	31.1	5.4
Total Non-Durable Goods	222.7	39.1	224.6	40.0	227.0	40.3	227.9	39.9	228.9	39.8
Total Manufacturing Employees^a	569.0	100.0	560.8	100.0	562.8	100.0	570.9	100.0	575.0	100.0

^aDiscrepancies due to rounding. Source: U.S. Department of Labor, Bureau of Labor Statistics

Unemployment

During 2019, Pennsylvania had an annual unemployment rate of 4.4 percent. This represents a significant drop since 2015 when the unemployment rate was 5.3 percent. The following table represents the annual unemployment rate in Pennsylvania, the Middle Atlantic Region, and the United States from 2015 through 2019.

Annual Average Unemployment Rate Pennsylvania, Middle Atlantic Region and the United States 2015-2019

Calendar Year	PA	Middle Atlantic Region ^a	United States
2015.....	5.3%	5.5%	5.3%
2016.....	5.4	5.1	4.9
2017.....	4.9	4.7	4.4
2018.....	4.2	4.1	3.9
2019.....	4.4	4.0	3.7

^aMiddle Atlantic Region: Pennsylvania, New York, New Jersey. Source: U.S. Department of Labor, Bureau of Labor Statistics (BLS).

The following table presents the thirty largest non-governmental employers in Pennsylvania:

Commonwealth of Pennsylvania Thirty Largest Non-Governmental Employers 4th Quarter, 2019

Company	Rank	Company	Rank
Wal-Mart Associates Inc.....	1	Home Depot USA Inc.....	16
Trustees of the University of PA.....	2	Vanguard Group Inc.....	17
United Parcel Service Inc.....	3	Merck Sharp & Dohme Corporation.....	18
Giant Food Stores LLC.....	4	Wawa Inc.....	19
Pennsylvania State University.....	5	Western Penn Allegheny Health.....	20
UPMC Presbyterian Shadyside.....	6	Universal Protection Service LLC.....	21
Amazon.com DEDC LLC.....	7	Saint Luke's Hospital.....	22
PNC Bank NA.....	8	Milton S Hershey Medical Center.....	23
Target Corporation.....	9	Sheetz Inc.....	24
University of Pittsburgh.....	10	Temple University.....	25
The Children's Hospital of Pennsylvania.....	11	Lehigh Valley Hospital.....	26
Comcast Cablevision Corp (PA).....	12	Wegmans Food Markets.....	27
Weis Markets Inc.....	13	Bayada Home Health Care Inc.....	28
Giant Eagle Inc.....	14	East Penn Manufacturing Company.....	29
Lowe's Home Centers LLC.....	15	American Airlines Inc.....	30

Source: Pennsylvania Department of Labor & Industry

Personal Income

Personal income in the commonwealth for 2019 was \$752.4 billion, an increase of 4.5 percent over the previous year. During the same period, national personal income increased by 4.4 percent. Based on the 2019 personal income estimates, per capita income was at \$58,775 in the commonwealth compared to per capita income in the United States of \$56,663. The following tables represent annual personal income data and per capita income from 2015 through 2019.

Personal Income Pennsylvania, Mideast Region and the United States 2015-2019

Year	Total Personal Income Dollars in Millions			Total Personal Income As a % of 2015 Base		
	PA	Mideast		PA	Mideast	
		Region ^a	U.S. ^b		Region ^a	U.S. ^b
2015.....	644,120	2,787,184	15,709,242	100%	100%	100%
2016.....	659,803	2,872,497	16,111,636	102%	103%	103%
2017.....	679,731	3,010,538	16,870,106	106%	108%	107%
2018.....	720,431	3,161,107	17,813,035	112%	113%	113%
2019.....	752,431	3,282,243	18,599,062	117%	118%	118%

*2019 Data preliminary

^aMideast Region: Pennsylvania, New York, New Jersey, Maryland, District of Columbia, and Delaware

^bSum of States

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Per Capita Income Pennsylvania, Mideast Region and the United States 2015-2019

Calendar Year	Per Capita Income			As a % of U.S.	
	PA	Mideast		PA	Mideast
		Region ^a	U.S.		Region ^a
2015.....	50,382	55,022	48,994	103%	112%
2016.....	51,619	56,684	49,890	103%	114%
2017.....	53,155	59,410	51,910	102%	114%
2018.....	56,252	62,402	54,526	103%	114%
2019.....	58,775	64,870	56,663	104%	114%

^aMideast Region: Pennsylvania, New York, New Jersey, Maryland, District of Columbia, and Delaware. Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The commonwealth's average hourly wage rate of \$21.60 for manufacturing and production workers is below the national average of \$22.15 for 2019. The following table presents the average hourly wage rates for 2015 through 2019.

Average Hourly Wages Production Workers on Manufacturing Payrolls Pennsylvania and the United States 2015-2019

Calendar Year	PA		U.S.	
2015	\$	18.95	\$	19.91
2016	\$	19.29	\$	20.44
2017	\$	20.34	\$	20.90
2018	\$	20.78	\$	21.54
2019	\$	21.60	\$	22.15

Source: U.S. Department of Labor, Bureau of Labor and Statistics

Market and Assessed Valuation of Real Property

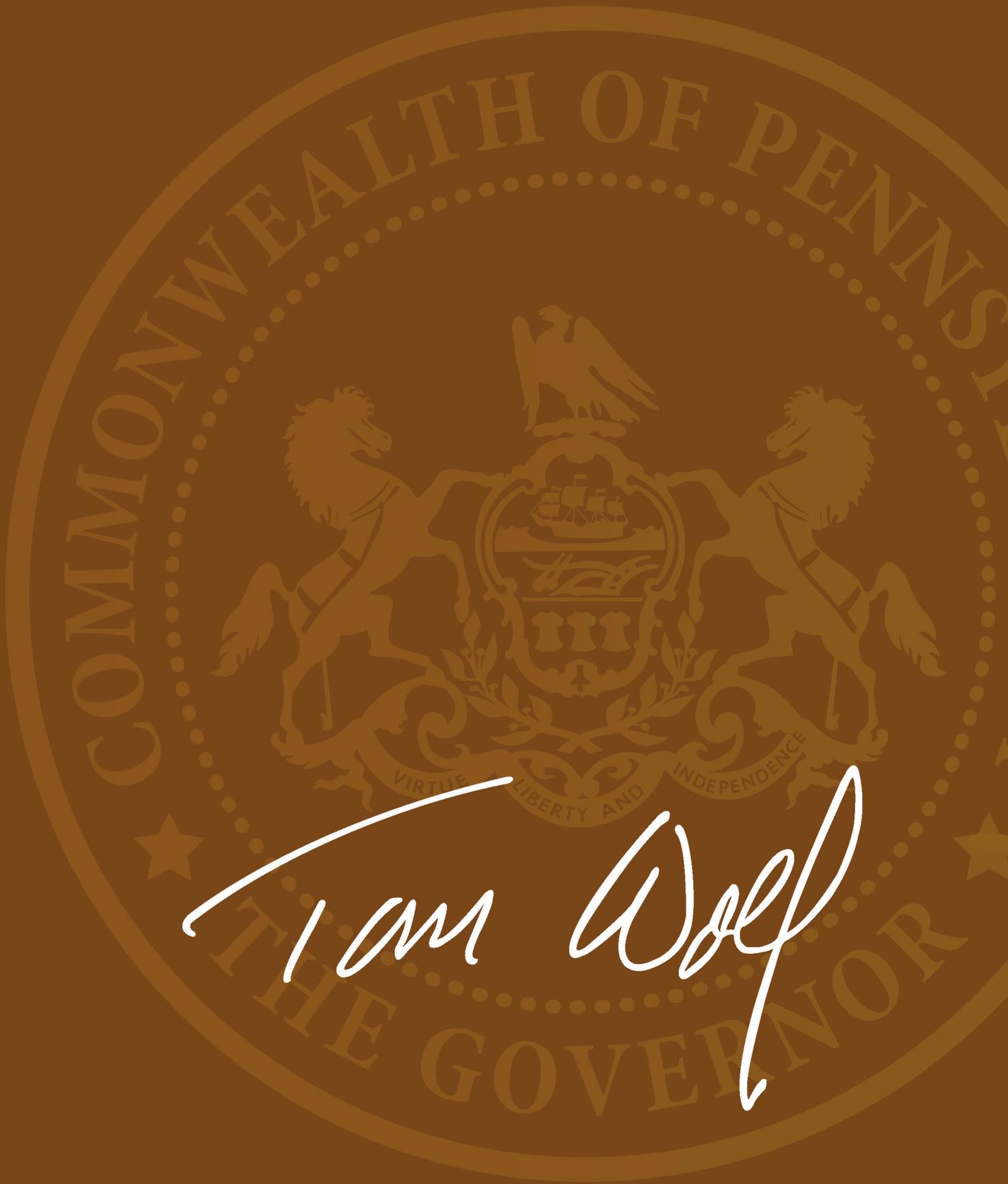
Annually, the State Tax Equalization Board, Tax Equalization Division (the "STEB") determines an aggregate market value of all taxable real property in the commonwealth. The STEB determines the market value by applying assessment to sales ratio studies to assessment valuations supplied by local assessing officials. The market values certified by the STEB do not include property that is tax exempt but do include an adjustment correcting the data for preferential assessments granted to certain farm and forestlands.

The table below shows the assessed valuation as determined and certified by the counties and the market value and the assessed to market value ratio determined by the STEB for real property from 2015-2019. In computing the market values for uneven-numbered years, the STEB is statutorily restricted to certifying only those changes in market value that result from properties added to or removed from the assessment rolls. The STEB is permitted to adjust the market valuation to reflect any change in real estate values or other economic change in value only in even-numbered years.

Valuations of Taxable Real Property 2015-2019

Year	Market Value ^a	Assessed Valuation	Rate of Assessed Valuation to Market Value ^a
2015.....	801,633,782,130	591,554,200,204	73.8%
2016.....	839,594,528,100	599,849,032,792	71.4%
2017.....	847,630,312,124	628,417,398,959	74.1%
2018.....	877,385,372,915	642,305,663,711	73.2%
2019.....	918,573,462,385	676,324,169,572	73.6%

^aMarket Value difference between Regular Assessment and Preferential Assessment under Act 319 of 1974.
Source: Annual Certifications by the State Tax Equalization Board.



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