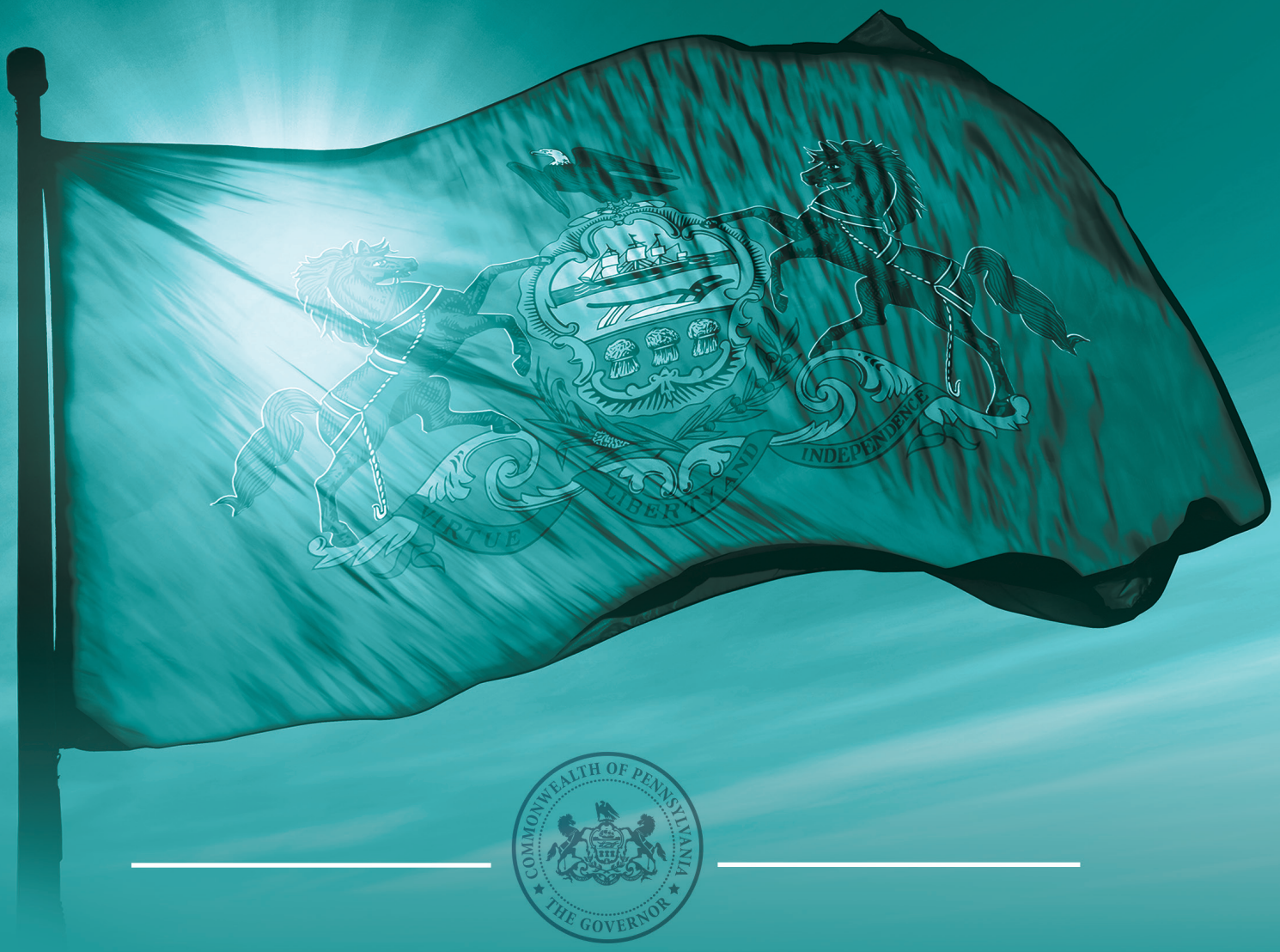

COMMONWEALTH OF PENNSYLVANIA
THE GOVERNOR

GOVERNOR TOM WOLF

Executive Budget

2022-2023

COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE GOVERNOR
HARRISBURG

THE GOVERNOR

February 8, 2022

To the People of Pennsylvania:

When I took office seven years ago, no one could have predicted where we would be today. At that time, the commonwealth was facing a $2 to $3 billion deficit, and the Rainy Day Fund balance was $231,000. To get us on a path to fiscal recovery, my administration focused on investments in education, increasing access to health care for all Pennsylvanians, and fair wages in high-quality jobs with career pathways. We have faced a pandemic, racial injustice, and political divides. But by investing in the people of Pennsylvania, we are not only weathering these challenges, but we are changing our future. This year, we will end the year with a $3 billion surplus, and I will be able to leave the next governor of Pennsylvania with not only a balanced budget, but a surplus and the ability to further invest in a brighter future for our commonwealth.

I am proud to present a budget that continues my administration's priority to invest in Pennsylvanians. The 2022-23 budget invests an additional $1.55 billion in basic education funding and an additional $200 million in special education. In total, my administration will have increased education funding over $3.7 billion, running an estimated 26.5 percent of all education funding through the Fair Funding Formula. We are also making significant investments in higher education to ensure access to high-quality, affordable college opportunities and job training programs that open career pathways.

The pandemic has put a harsh spotlight on our commonwealth's strained health care system. Worker shortages have limited access to critical services. In response, this budget proposal partially restores county mental health funding, increases funding for long-term facilities that have been hit hardest by the pandemic, and continues the incredible progress we have made to serve individuals with disabilities in their communities. All of this is in addition to rate increases and program improvements funded with $1.2 billion in federal funding for home and community-based services.

Key proposals to reform our criminal justice system will increase the safety for all Pennsylvanians. Following the successful passage of the first Clean Slate Law in the country, this budget includes funding for women's reentry services and gun violence prevention coupled with policy reforms in law enforcement, bail, pretrial, and probation practices. Medical release reform will transition lowest risk individuals into the community while decreasing costs. This holistic approach will lead to improved outcomes for individuals in the criminal justice system and improved safety for our police, probation, and corrections officers.

As I present my last budget proposal to the people of Pennsylvania, I am grateful for the opportunity I have had over these last seven years to serve you, and support critical investments in the future of this great commonwealth.

Sincerely,

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 01, 2021

Christopher P. Morrill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the Commonwealth of Pennsylvania for its annual budget for the fiscal year beginning July 1, 2021. 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, and 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.

B. Program Budget Summary

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

C. Summary by Fund

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

D. Tax Expenditures

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

E. Department Presentations

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

F. Capital Budget

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

G. Public Debt

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

H. Other Special Funds

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

I. Complement

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

J. Statistical Data

Provides historical data for various Pennsylvania economic indicators.

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READER'S GUIDE

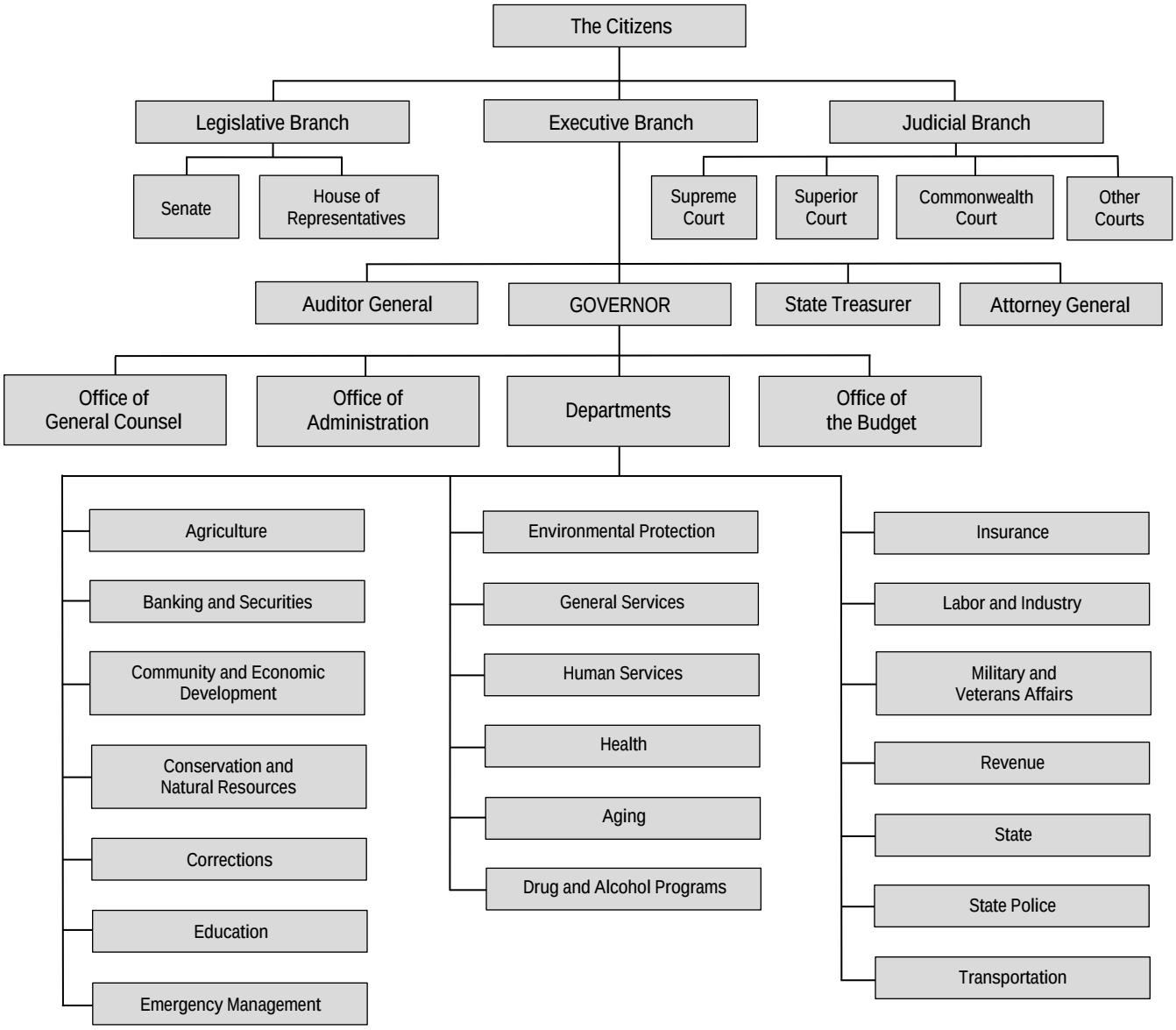
This section of the budget is intended to assist readers with interpreting and understanding the content of the governor's recommended budget.

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

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

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

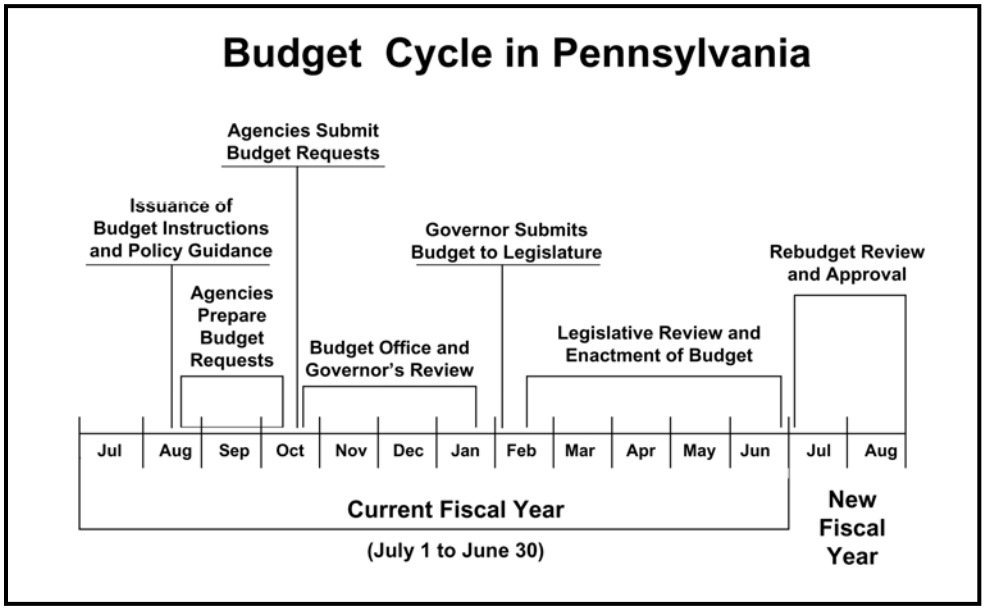
Agency budget requests are submitted to the Governor's Budget Office beginning in early October. Agencies prepare and submit their requests electronically. The Agency Program Plan, the programmatic presentation of agency budget requests, and the appropriation-level information are prepared and submitted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

- *Commonwealth Program – eight major programs*
- *Program Category – defined by desired goals*
- *Program Subcategory – Program Presentation that includes an objective, narrative, and funding*
- *Program Element – activities contributing toward the accomplishment of the subcategory program objective*

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, 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

- *Program Goal – program purpose stated as desired accomplishments*
- *Narrative – program activities and services description*
- *Program Recommendations – proposed funding increases or decreases*
- *Appropriations within this Program – appropriations supporting program activities*
- *Program Measures – activities funded by the program*

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.

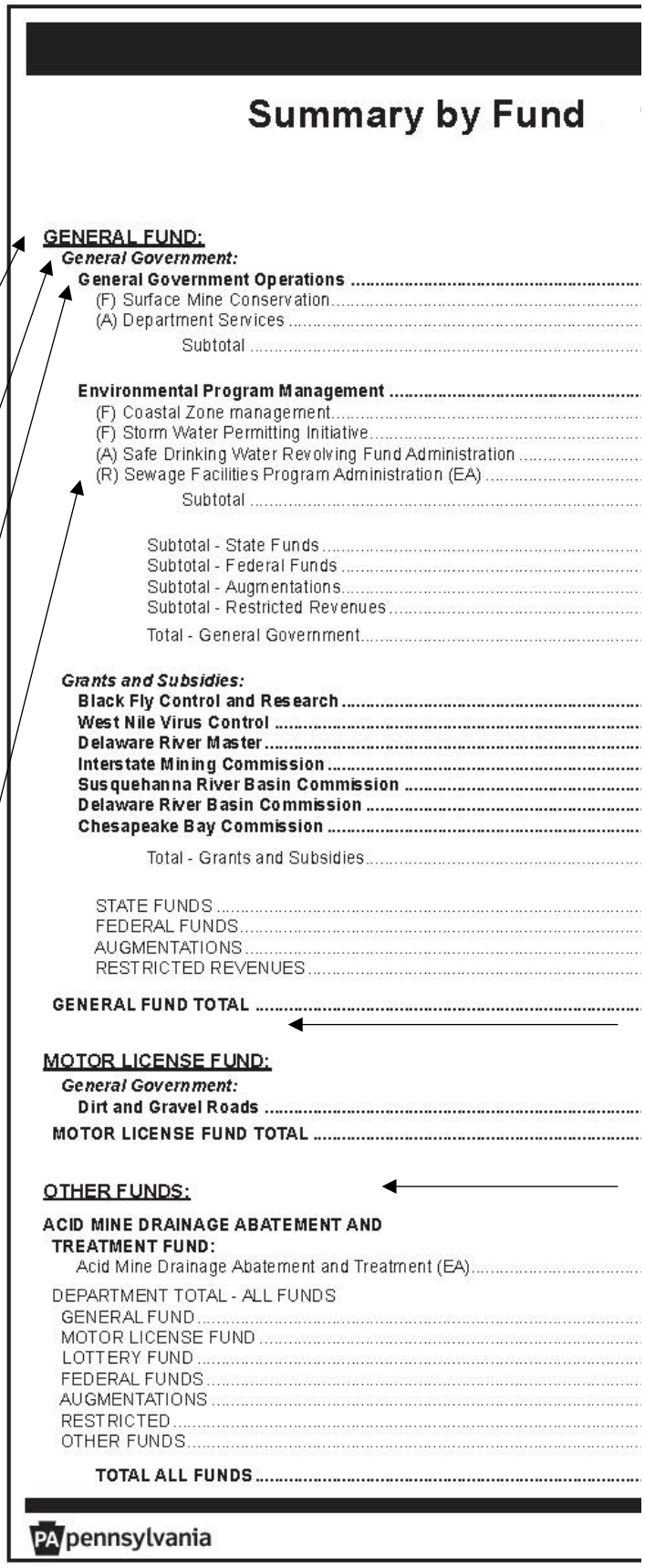
General Government — A character of expenditure which is a classification of appropriations according to their general purpose. Other characters of expenditure are institutional, grants and subsidies, capital improvements, and debt service.

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 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

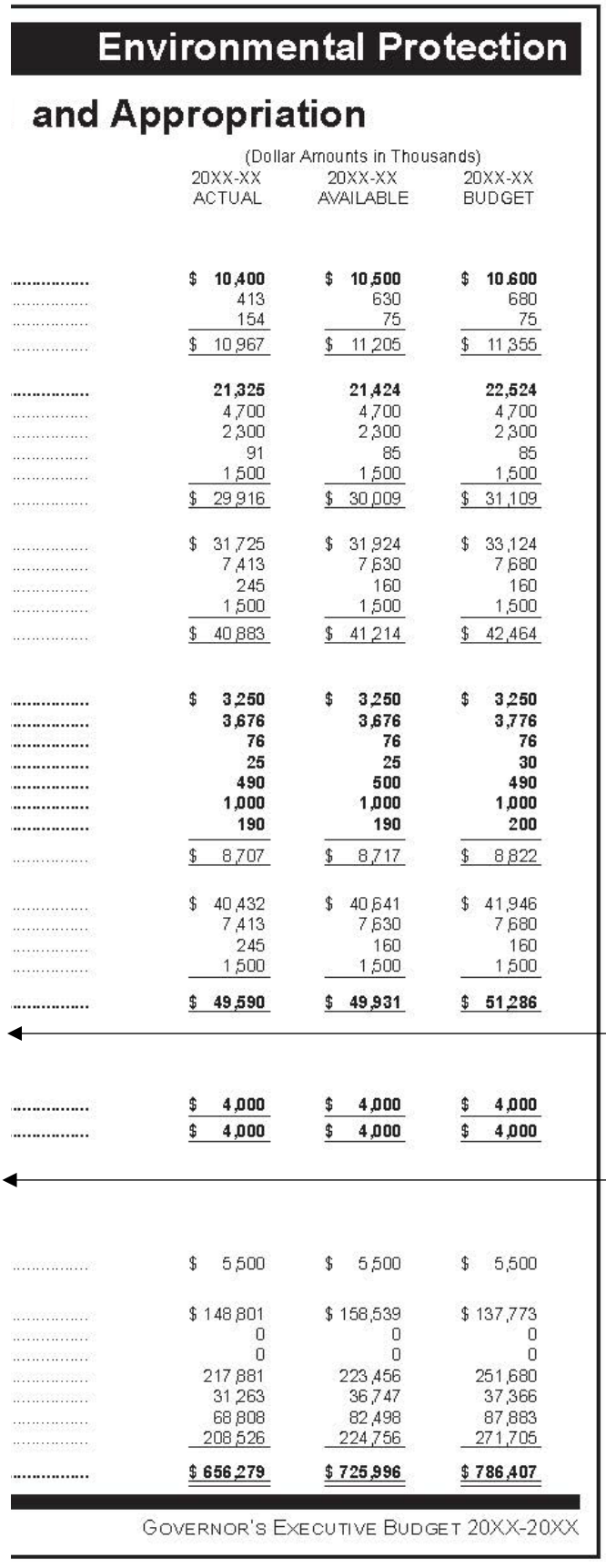
MOTOR LICENSE FUND:
General Government:
Dirt and Gravel Roads
MOTOR LICENSE FUND TOTAL

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

pennsylvania



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
.....	$ 10,967	$ 11,205	$ 11,355
.....	**21,325**	**21,424**	**22,524**
.....	4,700	4,700	4,700
.....	2,300	2,300	2,300
.....	91	85	85
.....	1,500	1,500	1,500
.....	$ 29,916	$ 30,009	$ 31,109
.....	$ 31,725	$ 31,924	$ 33,124
.....	7,413	7,630	7,680
.....	245	160	160
.....	1,500	1,500	1,500
.....	$ 40,883	$ 41,214	$ 42,464
.....	**$ 3,250**	**$ 3,250**	**$ 3,250**
.....	**3,676**	**3,676**	**3,776**
.....	**76**	**76**	**76**
.....	**25**	**25**	**30**
.....	**490**	**500**	**490**
.....	**1,000**	**1,000**	**1,000**
.....	**190**	**190**	**200**
.....	$ 8,707	$ 8,717	$ 8,822
.....	$ 40,432	$ 40,641	$ 41,946
.....	7,413	7,630	7,680
.....	245	160	160
.....	1,500	1,500	1,500
.....	**$ 49,590**	**$ 49,931**	**$ 51,286**
.....	**$ 4,000**	**$ 4,000**	**$ 4,000**
.....	**$ 4,000**	**$ 4,000**	**$ 4,000**
.....	$ 5,500	$ 5,500	$ 5,500
.....	$ 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
.....	**$ 656,279**	**$ 725,996**	**$ 786,407**

GOVERNOR'S EXECUTIVE BUDGET 20XX-20XX

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

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

Program Presentation

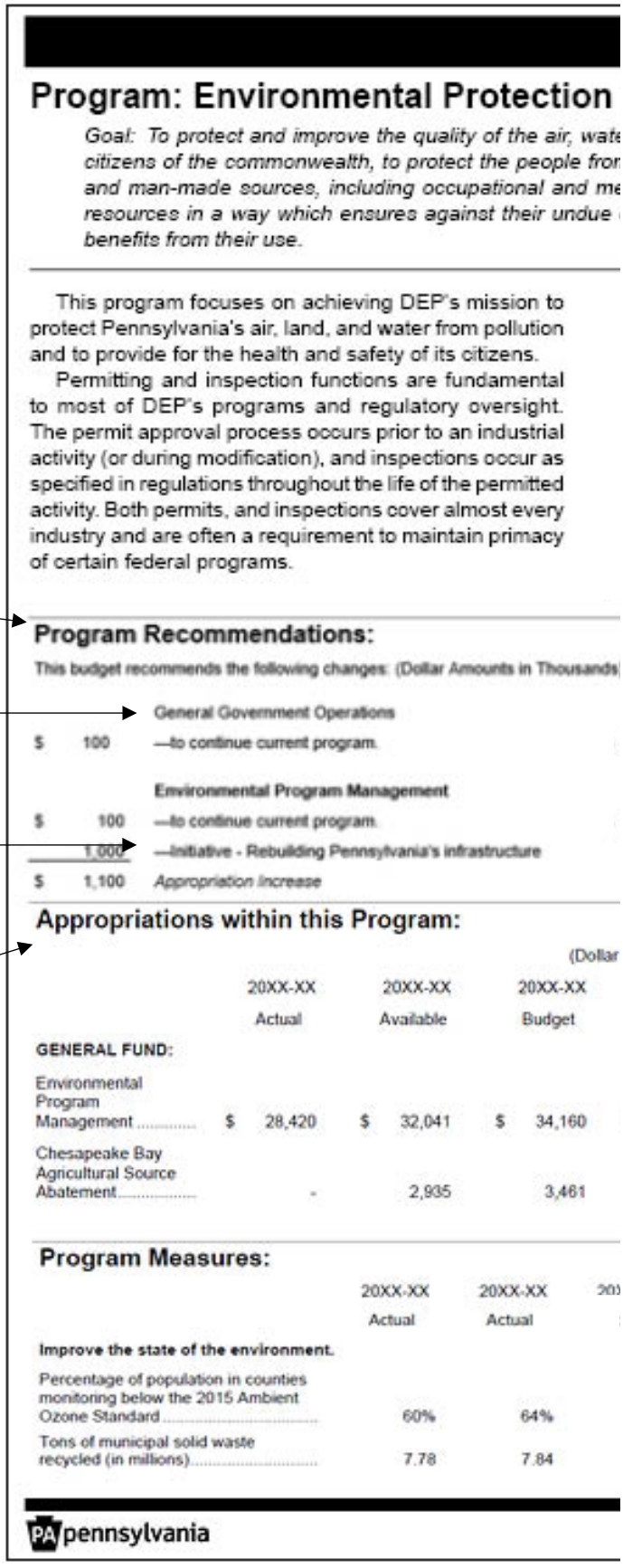
Each Program Presentation provides a written and financial explanation of the activities of the program. Recommendations for the continuation of current programs at essentially current levels of commitment are shown within department program subcategories. Recommendations for major program changes are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

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

General Government Operations — Identifies a specific appropriation.

Initiative — 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, wate citizens of the commonwealth, to protect the people fron and man-made sources, including occupational and me resources in a way which ensures against their undue 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)

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

Appropriations within this Program:

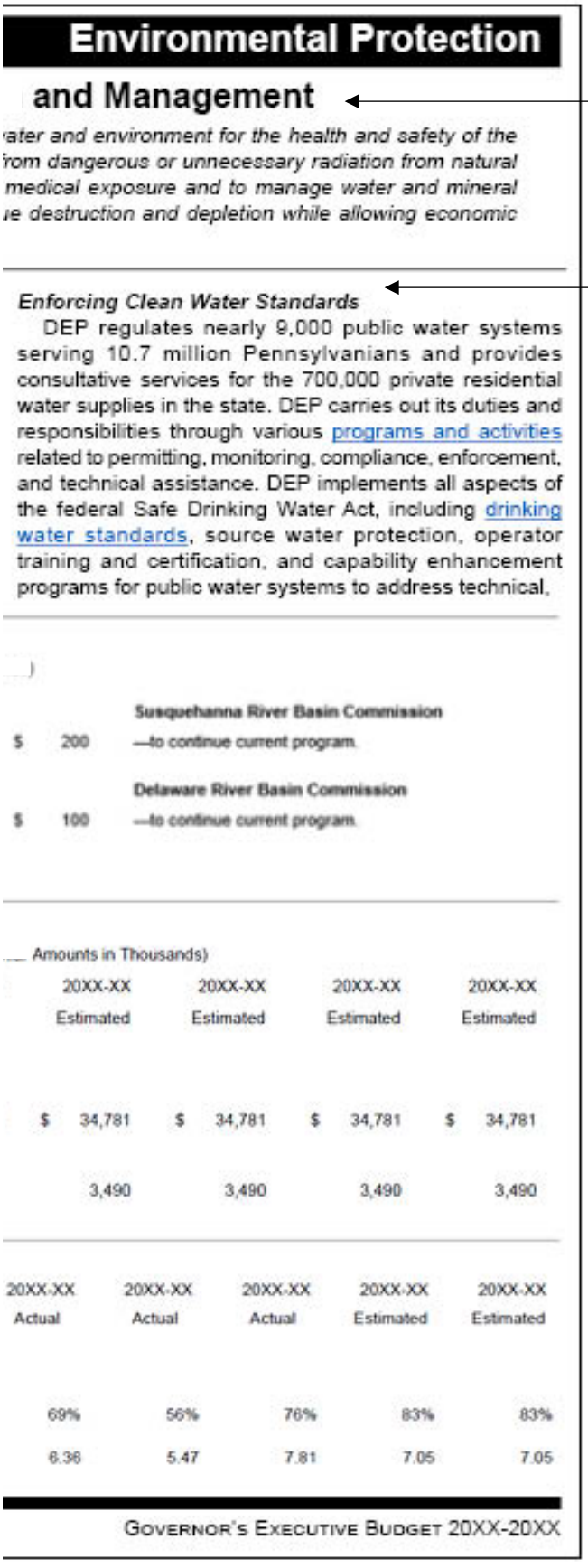
(Dollar

	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	3,461

Program Measures:

	20XX-XX Actual	20XX-XX Actual	20
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	

pennsylvania



Environmental Protection

and Management

ater and environment for the health and safety of the
rom dangerous or unnecessary radiation from natural
medical exposure and to manage water and mineral
e 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.

Susquehanna River Basin Commission

$ 200 —to continue current program.

Delaware River Basin Commission

$ 100 —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%
6.36	5.47	7.81	7.05	7.05

GOVERNOR'S EXECUTIVE BUDGET 20XX-20XX

Identifies the agency being presented.

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.

Program measures are maintained by the Governor's Office of Performance Through Excellence. Each year, they publish Story Pages, which provide additional details and graphic representations of program measures.

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, nontax 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 – This fund is commonly referred to as the Rainy Day 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. There was no surplus for fiscal year 2019-20. Act 114 of 2020 transferred $100 million to the General Fund. Act 24 of 2021 transferred 100 percent of the 2020-21 $2.6 billion General Fund surplus. This budget proposes no transfer from the General Fund for fiscal year 2021-22.

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 short-term duration of time or on an intermittent or irregularly scheduled basis.
- **Workforce –** Persons employed by the commonwealth.

Annual Comprehensive Financial Report (ACFR): 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 Executive 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, 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:

ARC	Appalachian Regional Commission
ARPA	American Rescue Plan Act
CARES	Coronavirus Aid, Relief, and Economic Security Act
CCDFBG	Child Care and Development Fund Block Grant
CDBG	Community Development Block Grant
CMAQ	Congestion Mitigation and Air Quality Improvement
CMMI	Center for Medicare and Medicaid Innovation
COPS	Community Oriented Policing Services
COVID-ESSER	COVID Elementary and Secondary School Emergency Relief
COVID-RF	COVID Relief Fund
COVID-SFR	COVID State Fiscal Recovery
CSBG	Community Services Block Grant
DOE	Department of Energy
EDA	Economic Development Administration
EEOC	Equal Employment Opportunity Commission
EMS	Emergency Medical Services
EPA	Environmental Protection Agency
ESEA	Elementary and Secondary Education Act
ESG	Emergency Solutions Grant
FEMA	Federal Emergency Management Agency
FHWA	Federal Highway Administration
FTA	Federal Transit Administration
HUD	Department of Housing and Urban Development
ID	Intellectual Disabilities
IIJA	Infrastructure Investments and Jobs Act
LIHEABG	Low-Income Home Energy Assistance Block Grant
LIHEAP	Low Income Home Energy Assistance Program
LIHWAP	Low-Income Household Water Assistance Program
LSTA	Library Services and Technology Act
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
PHHSBG	Preventive Health and Health Services Block Grant
SABG	Substance Abuse Block Grant
SCDBG	Small Communities Development Block Grant
SNAP	Supplemental Nutrition Assistance Program
SORNA	Sex Offender Registration and Notification
SSA	Social Security Act
SSBG	Social Services Block Grant
SSI	Supplemental Security Income
STOP	Services Training Officers Prosecutors
TANFBG	Temporary Assistance to Needy Families Block Grant
TEA 21	Transportation Equity Act for the 21st Century
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

The Fiscal and Program Policy Direction section presents the fiscal and program policies that guide the development of the 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.

Fiscal and Program Policy Direction and Budget Themes

Introduction

Over the past seven years, Governor Tom Wolf has invested billions of dollars in education, workforce, human services, and economic development initiatives to strengthen Pennsylvania's economic vitality and improve quality of life.

Under Governor Wolf's leadership, Pennsylvania has restored more than a billion dollars in cuts to the public education system. Pennsylvania has reformed the occupational licensure system to remove barriers to employment, opening more career opportunities for veterans and hard-working families across the commonwealth. The governor worked with the General Assembly to establish a medical marijuana program, pass the nation's first Clean Slate legislation, combat the opioid epidemic and substance use disorders, invest in farmers through the Pennsylvania Farm Bill, establish Pennsylvania's health and dental insurance marketplace, create a tuition repayment program for National Guard members, and establish a statewide broadband authority. These initiatives and smart investments have made Pennsylvania stronger and more resilient.

Pennsylvania continues to address the challenges created by the COVID-19 pandemic. Over the last year, Pennsylvania has distributed millions of vaccines and booster shots to save lives and mitigate the spread of disease. Yet COVID-19 continues to claim lives of Pennsylvanians, and the pandemic has exacerbated social and economic inequities while straining the health care system, human services providers, and the related workforce.

The 2022-23 budget is an opportunity to address these challenges and leverage the commonwealth's strong financial position to keep Pennsylvania on a path to prosperity. The proposed budget prioritizes equity, fairness, accountability, and strategic investments to keep Pennsylvania moving forward. The budget continues the governor's goal of fair funding for public schools and proposes leveling the playing field between charter schools and traditional public schools. Needed reforms will ensure all Pennsylvania students can access a high-quality education to prepare them for college, career, and community. The budget also proposes reforming the Educational Improvement Tax Credit program to provide greater transparency and adjust administrative allowances for companies receiving tax credits. These efforts will redirect millions of dollars to low-income students in need of scholarships. The budget also makes significant investments in the Pennsylvania State System of Higher Education (PASSHE) and other institutions of higher education to make college more affordable, minimize student debt, and prepare the future workforce.

The budget invests in businesses and aims to make Pennsylvania more competitive by lowering the Corporate Net Income Tax rate. By reducing the Pennsylvania State Police's reliance on the Motor License Fund, the commonwealth will be able to fully leverage additional federal funds to make additional infrastructure investments. It includes strategic investments across a spectrum of critical services including early childhood education, long-term living, behavioral health, STEM, workforce, agriculture, and the environment. The proposal includes continued funding for gun violence prevention and expanding the Clean Slate Law to cover more individuals. Legalizing adult use cannabis could create a new revenue source for continued investment in Pennsylvanians.

The budget proposes additional criminal justice reforms to build on bipartisan efforts to make Pennsylvania's system fairer and more efficient, including bail, probation, and medical release reform.

Vulnerable populations across Pennsylvania will be better served through expanded services and an investment in quality care. The budget supports key reforms such as increased staffing in nursing facilities, reduced waiting lists for individuals with an intellectual disability, increased access to behavioral health services, and the creation of a child welfare crisis resource team.

Finally, the budget proposes key investments into ensuring veterans have access to their service-earned benefits. This budget also provides critical resources to build resiliency in the wellness of both active-duty military and Pennsylvania's veterans as well as strengthen connections and resources available to meet any need of this population or their families.

This budget is an investment in Pennsylvania students, workers, families, veterans, and businesses. It supports the commonwealth's economic recovery, addresses the economic and public health consequences of the pandemic, and lays a strong foundation for a bright future.

Fiscally Responsible Budgeting and Corporate Tax Reform

During Governor Wolf's two terms as governor, the commonwealth has regained a strong financial position. After inheriting a $2 billion to $3 billion deficit, the administration's responsible fiscal policies have resulted in a surplus. In January 2015, the Rainy Day Fund had a balance of $231,000. Through key investments of state and federal funds in the infrastructure, workforce, and people of Pennsylvania, the Rainy Day Fund has a current balance of $2.865 billion. In 2018-19, roughly $316 million was transferred to the Rainy Day Fund, and the end of 2020-21 allowed for an additional $2.6 billion deposit. This budget continues this trend of fiscal responsibility while allowing unprecedented levels of investments in services that impact the everyday lives of Pennsylvania citizens.

Reducing the Corporate Tax Burden
Higher than expected revenue collections and steady fiscal standing allows for strategic investments and tax reforms. Complementing the previous elimination of the Capital Stock and Foreign Franchise Tax in 2016, the 2022-23 budget proposes to further improve the fairness and equity of Pennsylvania's corporate tax system by strengthening the corporate addback originally implemented in 2013. The budget proposes a reduction in the Corporate Net Income Tax (CNIT) rate from 9.99 to 7.99 percent on January 1, 2023, with a reduction to 6.99 percent in tax year 2026 on a path to 4.99 percent. By modernizing the current CNIT structure through reforms that level the playing field, paired with a rate reduction, the commonwealth becomes immediately more competitive with surrounding states and improves its business climate.

Prioritizing Education at Every Level

Governor Wolf's historic support of education across all levels is an investment in the well-being of families, communities, and economy. A good education impacts every part of life, including cultivating talents and strengths, empowering students to be engaged citizens, and developing skills for the future workforce.

In addition, the pandemic has highlighted the roles that educational institutions play in students' lives beyond academics. Schools provide a safe, welcoming space and an opportunity to ensure that children can access the resources they need – whether it's additional services for optimal learning, mental health support, or healthy meals.

Yet disparities in access to high-quality, fully resourced education systems, and educational outcomes still exist. Every child in Pennsylvania deserves access to a quality education, and continued investments support not only children and families, but also the educators who dedicate their careers to this mission.

During the past seven years, Governor Wolf has secured an additional $1.8 billion in funding for pre-K through college, including more than $1.1 billion for basic education, $190 million for special education, and $40 million for career and technical education. The innovative PAsmart program introduced new STEM and computer science programs into hundreds of schools across Pennsylvania, helping advance the commonwealth 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 38.7 percent, while the number of registered apprentices has risen to 18,200.

The 2022-23 budget builds on these successful education and workforce development programs, further extending high-quality education to more Pennsylvanians; and laying a strong foundation for Pennsylvania's future workers, citizens, and leaders.

Investing in Pennsylvania's Kids

Expanding Access to Early Intervention Tracking
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 commonwealth. The 2022-23 budget provides funding for the continuation of the three percent rate increase first made available with federal funds for EI providers serving children ages birth to three. With **$1.2 million**, postpartum depression will be added as an eligible tracking category for early identification of need for EI services, which will improve well-being and health outcomes for infants and their families. With these resources in place, programs will be able to meet the needs of 63,000 children in this fiscal year.

Growing Access to Quality Child Care for Families
Access to quality, affordable child care is essential for a successful workforce. Parents need to know that their children are being taken care of in a safe, high-quality environment while they are at work. Unfortunately, the pandemic has negatively impacted access to these services and availability of staff. In order to support child care access and affordability for low-income working families, the administration has consistently increased payment rates for subsidized child care to keep pace with rates for private-pay families and ensure compliance with federal equal access requirements. The 2022-23 budget includes **$77.7 million** in federal funds to support increased Child Care Works base rates, which was implemented January 1, 2022. This ensures the commonwealth Child Care Works reimbursement meets or exceeds rates at 60 percent of child care facilities – up dramatically from 25 percent just two years ago – which provides needed stability for child care facilities and makes quality child care more affordable and accessible for families. The budget proposal also includes federal funds of **$44.3 million** to reduce co-payments for families in Child Care Works and **$6.1 million** to incentivize non-traditional child care to increase access for parents that do not work a traditional schedule.

Investing in 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 2022-23 budget proposes **$60 million** for Pre-K Counts to increase the rate for full-time slots to $10,000 ($1,250 increase per slot) and $5,000 for part-time slots ($625 increase per slot). Increased rates are necessary to support the workforce and rising costs to providers. An additional 2,308 slots will also be made available to enroll in the commonwealth's high-quality early learning programs. **$10 million** for the Head Start Supplemental Assistance Program is also proposed to meet need and cover costs of the program. Over Governor Wolf's term, the commonwealth has more than doubled its investment in early childhood education, but more children need the opportunity to enter kindergarten ready to grow and thrive.

Continuing Fair and Equitable Investments in K-12 Education
Over the past seven years, the governor worked with the General Assembly to reverse cuts to education and make historic investments of nearly $1.4 billion in new resources for Pennsylvania's K-12 public education system. The 2022-23 budget builds on this progress to ensure every Pennsylvania student is college, career, and community ready. The new investments for classroom funding include:

$1.25 billion increase in Basic Education Fair Funding Formula. This investment enables all school districts to have the basic resources they need to provide a high-quality education for Pennsylvania students. With this increase, more than $2 billion, or 26.5 percent, of total Basic Education Funding, will be distributed through the fair funding formula enacted in June 2016 to provide a more equitable and predictable allocation to school districts across Pennsylvania.

$300 million increase in Level Up. This targeted investment provides more equitable funding to the 100 most underfunded districts and the students they serve. This investment, combined with the increase to the Fair Funding Formula, means that more than 30 percent of all Basic Education Funding will be allocated to school districts based on the demographics of students today.

$200 million increase in Special Education Funding Formula. 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.

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

Attracting and Retaining the Best Teachers

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.

Reforming the Charter School Funding Formula

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 commonwealth.

The 2022-23 budget proposes comprehensive Charter School Law reform that will save school districts across the commonwealth an estimated **$373 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 are meeting the same standards Pennsylvanians expect from traditional public schools. The budget includes:

- **Applying the Special Education Formula to All Public 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 **$174 million** annually.
- **Establishing a Statewide Cyber Charter Tuition Rate:** Currently, cyber charter schools in Pennsylvania charge school districts between $8,306 and $36,204 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 $9,800 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 **$199 million** annually.
- **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 Opportunity Scholarship Tax Credit (OSTC) and Educational Improvement Tax Credit (EITC) are popular programs. The 2022-23 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 **$41 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.

Supporting College Students and Postsecondary Pathways

From high school graduates pursuing career pathways to adults making career changes and adapting to shifts in workforce needs, Pennsylvanians need affordable options and support to obtain postsecondary education. Postsecondary education not only improves lifetime earnings for individuals and households, it prepares an overall skilled workforce to participate in and navigate an evolving labor market. 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 underrepresented populations.

Investing in Students - The Nellie Bly Tuition Program
Direct investment in students through a need-based tuition program will support equitable access to and enrollment in PA State System of Higher Education and Pennsylvania's community colleges. The 2022-23 budget proposes a **$200 million** investment in student tuition, funded by the Race Horse Development Trust Fund and federal funds. The program will provide financial assistance to full-time students with a focus on those pursuing programs in Pennsylvania's high-need sectors, including those facing shortages related to the pandemic like health care, education, and public service. Recipients 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.

Investing in the Postsecondary Sector
Pennsylvania's diverse postsecondary institutions and options for career pathways continue to be some of the commonwealth's greatest assets. A **$125 million increase** in funding for higher education institutions (5 percent for most entities) will continue to support effective operations and increase postsecondary access and completion.

- Community Colleges and Capital Fund – $14.9 million
- Penn State University – $12.1 million
- Pennsylvania College of Technology – $1.3 million
- Transfer to Agricultural College Land Scrip Fund – $2.7 million
- University of Pittsburgh (including Rural Education Outreach) – $7.7 million
- Temple University – $7.9 million
- Lincoln University – $758,000
- Thaddeus Stevens College of Technology – $935,000

In addition, the more than 100 private colleges and universities in Pennsylvania provide vital educational opportunities and research initiatives for students throughout the commonwealth. The budget proposes a **$663,000** increase for Institutional Assistance Grants, which provide financial assistance to independent nonprofit postsecondary institutions based on the number of State Grant-receiving students. The 2022-23 budget also includes a **$1.6 million** increase for the University of Pennsylvania's Center for Infectious Disease through the Department of Agriculture.

PASSHE must be affordable, high quality, and responsive to community and workforce needs across the commonwealth. Recent data demonstrates the important role of public higher education in social mobility. Support for PASSHE is an investment in local communities, as the majority of graduates stay in Pennsylvania following graduation.

Pennsylvania remains far behind other states in state share of funding for higher education. Solutions for efficient and effective operation of higher education institutions should not pass further costs on to students. To support PASSHE's continued organizational transformation and system redesign to operate sustainably and expand student opportunities and outcomes, the 2022-23 budget increases PASSHE's operating funding by **$75 million,** further restoring funding to an appropriate operating level.

Addressing College Hunger
An estimated 36 percent of students know someone who dropped out of college due to food insecurity during the pandemic. Roughly 52 percent of students who faced food or housing insecurity in 2020 did not apply for support because they did not know how. Recognizing that many students need assistance meeting basic needs, institutions across Pennsylvania have increased resources for services such as food pantries and career closets. This budget includes **$1 million** to establish a grant program to support the Hunger-Free Campus Initiative, which combats food insecurity at postsecondary institutions.

Expanding It's On Us PA for Safe Campus Environments
An additional **$500,000** investment in the It's On Us PA initiative will expand resources and awareness to promote healthy relationships and protect students from sexual violence. Current grant funding is used to promote awareness, prevention, and reporting of sexual assault incidents; remove and reduce barriers to reporting or accessing resources; and demonstrate leadership to ensure a safe and welcoming culture on campuses. Additional funding will strengthen protections for victims and support-related resources.

Ensuring Basic Skills Competencies for All Adults
A significant number of adults in Pennsylvania need support to obtain basic skills and credentials, such as a High School Equivalency diploma and valuable digital skills, necessary to access postsecondary education, training opportunities, and sustainable employment. A **$500,000** increase to Adult Education and Family Literacy will provide support for Pennsylvania's adult learners and increase access to education and career pathways**.**

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

The pandemic has interrupted the everyday lives of workers and small business owners. Economic shifts have led to new employer-employee relationships and investments in the workforce that lead to quality jobs. This demands better recruitment and retention practices, including higher wages, training, and flexible schedules. In October 2021, Governor Wolf issued the Worker Protection and Investment Executive Order outlining a range of action steps, as well as a call for passage of several pieces of legislation, to ensure safe workplaces and adequate pay and benefits. The governor has also modeled these investments in the commonwealth's own workforce including increasing wages, providing paid leave for state workers, supporting nursing parents, and implementing more inclusive hiring practices.

Businesses and workers need each other to thrive, and both are the key to economic recovery from the pandemic. Governor Wolf recognized the need to support businesses, which were significantly impacted by the pandemic. The governor distributed $192 million in grants to more than 10,000 small businesses through the COVID-19 Relief Statewide Small Business Assistance Program to help small businesses survive the pandemic. He also directed $145 million to the hospitality industry for COVID-19 relief.

In this budget proposal, the governor 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 ensure Pennsylvanians can access well-paying jobs in sectors that will lead the economy back to prosperity.

Increasing the Minimum Wage to $12 per hour, with a path to $15 per hour
As of January 1, 2022, 30 states have a higher minimum wage than Pennsylvania. The commonwealth is surrounded by states with the following minimum wages: Delaware ($10.50); Maryland ($12.20); New Jersey ($13.00); New York ($13.20); Ohio ($9.30): and West Virginia ($8.75). Pennsylvania's minimum wage of $7.25 per hour has not increased since 2009, contributing to a child poverty rate of 17 percent, or 435,000 kids, in 2019. A full-time salary on Pennsylvania's minimum wage is $15,080 per year. Many full-time workers earning minimum wage qualify for public benefits like food and energy assistance. Families cannot be supported at that wage, especially as the cost of living for Pennsylvanians increases and

purchasing power decreases. According to the MIT Living Wage calculator, every household scenario requires a wage higher than $7.25 to meet basic life needs. On average, for one adult with no children, a living wage in Pennsylvania is $13.39 per hour. An adult with dependents needs a living wage of more than $25 per hour.

This budget proposes increasing Pennsylvania's minimum wage to $12 per hour effective July 1, 2022, with annual increases of $0.50 until the minimum wage reaches $15 per hour on July 1, 2028. An increase to $12 would directly benefit 765,000 workers, or more than 13 percent of the employed population. An increase to $15 would directly benefit nearly 1.5 million workers, or 25 percent of Pennsylvania workers. Increasing the minimum wage means that workers in Pennsylvania can better meet basic needs including housing, groceries, transportation, and child care. This would reduce reliance on public benefits, improve equitable pay, and keep Pennsylvania businesses competitive. An increased minimum wage under this proposal would generate $74.6 million in additional revenue in 2022-23 and $214.2 million in additional revenue by 2028-29.

Reimagining Child Care for State Employees

As child care continues to be a barrier for working parents, it is imperative that employers address these needs to better support their employees and their families. Under Governor Wolf's leadership, the Commonwealth of Pennsylvania has taken steps to modernize its approach to work and position itself as a leading public sector employer for the 21st century. Building on the governor's actions to invest in the commonwealth's workforce by raising the minimum wage for state workers, implementing a telework policy, establishing paid parental leave, modernizing the hiring process, and positioning the commonwealth as a premier employer, the budget includes **$30 million** in funding for two new child care options for state employees. To provide the additional support that working families need, the commonwealth will establish child care facilities for employees that will offer easily accessible, high-quality child care. Additionally, this initiative will include a progressive subsidy for parents who work for state government that can be used for child care expenses at a trusted provider of their choosing. These improvements mirror changes in the private sector and among other public sector employers, and put the commonwealth in a strong position to attract and retain top talent, while better supporting its workforce.

Leveraging Data and Evidence to Improve Education and Workforce Outcomes

As recommended by the Keystone Economic Development and Workforce Command Center, the 2022-23 budget creates a new statewide longitudinal data system that will link data sets across the child care, education, and workforce continuum. This data will be used to better understand education and workforce outcomes and use data to inform policy and programming decisions. An investment of **$3.2 million** in this project will support technology services and solutions to bring the system to scale, creating a long-term tool to develop and implement evidence-based strategies.

Investing in New Manufacturing and Expanding Critical Recovery Support

Historically, Pennsylvania has been a leader in innovation. Today's economy is rapidly changing, and investment in innovation and technology are required to support economic development. A strong community and entrepreneurial network are crucial for success. This holds true for start-ups, as well as established businesses. Creating a holistic funding strategy fosters creation of new innovative companies and sees them through every stage of development. Attracting talented workers and retaining the students Pennsylvania's universities develop encourages innovative ideas and companies to locate and stay in the commonwealth.

This budget is structured 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 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. Recognizing the importance of the manufacturing sector in Pennsylvania, Governor Wolf created the Manufacturing PA initiative to enhance the growth and competitiveness of manufacturing companies in Pennsylvania. This initiative supports the commonwealth's manufacturing community through strategic partnerships while emphasizing job training to career pathways. As such, Pennsylvania can emerge stronger than ever from the pandemic by expanding critical support services to the commonwealth's small- and medium-sized manufacturers. 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 seven Industrial Resource Centers (IRCs), located in a vast network throughout Pennsylvania, have historically provided critical services to the small- and medium-sized manufacturers that make up more than 92 percent of the commonwealth's manufacturing base. The IRCs help manufacturers respond to changing markets and new technology to remain competitive. 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 to deliver innovative services to new and existing manufacturers 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.

Invent Penn State was launched in 2015, blending entrepreneurship-focused academic programs with business startup training and incubation. The program funds collaborations between Penn State University, community partners, and industry, training, and commercialization to turn research into products and services that benefit Pennsylvanians. This coordinated effort spans the university's 24 campuses and all academic colleges, including the College of Medicine and Penn State Law. Entrepreneurs enjoy free access to accelerator programs, working space, mentorship, prototyping, and funding. This successful program will receive **$2.35 million** in the budget proposal.

The Ben Franklin Technology Partners have cultivated Pennsylvania's innovation economy, providing startup funding and technical assistance to companies throughout the commonwealth. Sending the message that Pennsylvania is the best location to start a business will take additional resources on the ground in communities to foster that entrepreneurial spirit. An additional **$10 million** directed to the Ben Franklin Technology Development Authority will be driven out competitively to achieve new levels of innovation and collaboration with institutions of higher education. Additionally, each of the four Ben Franklin Technology Partners will receive a **$2 million** funding increase to provide additional resources for critical seed funding to innovation companies.

Improving Food Security while Supporting Agriculture

An additional investment of **$2 million** in the Pennsylvania Agricultural Surplus System (PASS) will further address food insecurity 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 for donations to the charitable food system. Current funding has provided healthy and nutritious surplus food in the charitable food system to nourish 2.18 million Pennsylvania households who struggle to put food on the table.

The 2022-23 budget also continues the governor's commitment to agriculture by maintaining 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.

Keeping Pennsylvanians Safe through Criminal Justice Reforms

Maintaining Adequate Statewide Police Coverage

The Pennsylvania State Police (PSP) has jurisdiction in all political subdivisions within the commonwealth and routinely aids municipal, state, and federal law enforcement agencies. Therefore, it is essential to find a solution that closes the funding gap caused by the decreasing reliance on Motor License Fund support. Additionally, maintaining a steady schedule of PSP cadet classes allows the agency to maintain staff levels throughout the commonwealth. The citizens of the commonwealth have come to expect a high level of service from PSP, and a regular cadet class schedule is critical in maintaining the necessary staffing levels to continue meeting these expectations. The Transportation Revenue Options Commission recommended elimination of transfers from the Motor License Fund to PSP. This budget proposes a **$141 million** increase of state General Funds to reduce the reliance on the Motor License Fund while enabling PSP to start two new cadet classes with the target of graduating approximately 200 new troopers. This increased General Fund support allows for additional highway and bridge construction activities across the commonwealth and provides commonwealth resources to access historic federal infrastructure funding.

Supporting Law Enforcement Reform
Both mobile video recorders and body worn cameras are valuable tools for law enforcement to improve trust by recording and documenting traffic stops, arrests, suspect encounters, sobriety tests, crime scenes, interviews, and other interactions with the public. Law enforcement uses these resources in the resolution of both administrative and criminal complaints and in cases of civil liability. Mobile video recorders and body worn cameras are being increasingly deployed by law enforcement to create a clearer record of events and to protect both law enforcement and the citizens they interact with daily. This budget includes **$7.7 million** to provide funding for technology necessary to increase public and law enforcement officer safety.

Preventing Gun Violence
Over the last three years, more than 4,600 Pennsylvanians have been killed with firearms. Gun violence continues to rise and threaten public safety in Pennsylvania communities. The Pennsylvania Commission on Crime and Delinquency (PCCD) provides violence intervention and prevention grants aimed at supporting local interventions and preventative measures. This budget proposes **$35 million** for grants and technical assistance to support community-led gun violence prevention efforts.

Proposing 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, Pennsylvania must implement a best practices model for bail and pretrial services.

According to Pennsylvania's most recent Justice Reinvestment Initiative 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 disproportionally 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 – more than half of those with monetary bail are unable 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.

Supporting Probation Reform and Reentry Services
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 and jail beds are occupied by persons who violated probation/parole. Research shows that supervising people who are at low risk of reoffending 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. 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. To provide additional technical assistance to county juvenile probation offices and improve consistency between counties, **$425,000** is included in this budget for increased staffing resources.

Once an individual has served their sentence and is released back to the community, it is critical to ensure that they have the necessary supports to succeed in the community. With a **$1 million** investment, reentry services will be made available at the local level for women to give them the best opportunity to start fresh and reduce recidivism.

Expanding Clean Slate Legislation
Clean Slate in Pennsylvania has been very successful to date. As of September 2021, 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 certain felony convictions, must be considered in order to truly progress in eliminating the stigma of a conviction. Lastly, there should be an opportunity to reduce the waiting periods for lesser offenses.

Supporting Medical Release
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 Corrections houses more than 9,000 inmates over the age of 50, representing approximately 25 percent of the entire population. Housing an aging inmate in a skilled care unit at State Correctional Institutions Waymart, Muncy, or Laurel Highlands costs four times more than an inmate in general population. Unfortunately, the stigma reentrants carry with them makes it difficult to find long-term care settings willing to take them.

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 COVID-19 pandemic, it became clear that the Department of Corrections must re-evaluate its population capacity. Despite the significant population reduction of over 8,700 inmates since March 2020, the 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.

The 2022-23 budget includes **$7 million** in state funds for the Department of Human Services to open a wing of beds for individuals leaving the state correctional facilities with complex medical or behavioral health needs. This investment would increase capacity to support elderly medical parolees or those who have served their sentence but require high levels of service. Individuals leaving state correctional institutions face stigma that can make it difficult to find placement in long-term care settings, despite needing skilled nursing care. Transitional support can fill in the gap and reduce stigma for this hard-to-place population.

Creating an Indigent Defense Fund
All persons deserve adequate legal representation regardless of ability to pay, supported by research such as the 2007 Joint State Government Commission report which called 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 also costs the state to incarcerate and retry defendants, due to the inability of their indigent defense counsel to represent them effectively. This budget proposes **$1 million** to support this critical service in Pennsylvania.

Protecting the Most Vulnerable

To further Governor Wolf's belief that every Pennsylvanian deserves an opportunity to thrive, the 2022-23 budget reaffirms the commonwealth's long history as a leader in caring for its most vulnerable citizens, including children, seniors, veterans, individuals with mental health concerns, and individuals with intellectual disabilities. The pandemic has shown the critical role that direct care workers play in supporting the most vulnerable. At the same time, it has exacerbated the workforce shortage that had existed for years. This budget provides a commitment to addressing this challenge by raising wages and improving working conditions for direct care workers so they can provide quality care and expand access to services to those disproportionately impacted by COVID-19.

Investing in the Long-Term Care Continuum

This budget proposal continues to support the long-term care industry to recover from the pandemic while bringing transformational reform and quality of care improvements for all residents. The pandemic has disproportionately impacted residents and staff in long-term care facilities, which has only increased the sense of urgency to increase transparency and accountability for facilities. Proposed regulation updates for skilled nursing facilities are necessary to ensure health and safety of residents. These changes include increasing the amount of direct care hours that residents receive each day, leading to improved care for residents. Workforce shortages have been exacerbated by the pandemic and continue to strain the industry. The 2022-23 proposed budget includes a **$91.25 million** state increase ($190.1 million in total funds) to Medical Assistance rates for skilled nursing facility providers beginning in January 2023. This increase will allow facilities to begin hiring staff necessary to implement the increased staffing ratios proposed in regulations in advance of the anticipated effective date for the staffing ratio increase on July 1, 2023. The 2022-23 budget also provides a **$14 million** increase to the Department of Military and Veterans Affairs for the six veterans' homes to hire additional staff to implement the regulatory changes.

Personal care homes are another important part of the long-term care continuum. With no rate increase in nearly 20 years, fewer personal care homes are participating in the commonwealth's supplementary payment program. The added strain of the pandemic has led to additional closures of homes, negatively impacting access to this important service. For low-income residents to receive critical support and care, the 2022-23 budget increases the personal care home supplementary payment program by **$50 million,** lifting the monthly payment from $439.30 to $1,351.80.

Supporting the Behavioral Health Needs of Pennsylvanians

COVID-19 has shed a light on behavioral health challenges, as more people struggle with mental health and substance use disorders. It is critical that behavioral health services are available to individuals in need of care. The budget invests **$75 million** in federal funds for recruitment and retention payments to qualifying home and community-based service providers. Investments are also being made in training certified peer specialists, trauma treatment modalities, telehealth, and crisis response. The proposed budget includes a **$36.6 million** increase in county mental health base funds to support efforts to provide critical behavioral health services. To meet the increased need driven by COVID-19 and to continue programming, counties rely on dedicated funding from the state to address critical workforce shortages and provide quality services.

The pandemic has exacerbated substance use and mental health challenges. Pennsylvania has experienced an increase in overdose deaths in 2020 and anticipates a continued rise in 2021. The Department of Drug and Alcohol Prevention is administering **$55 million** in federal Substance Abuse Prevention and Treatment Block Grant Program COVID-19 Supplemental funds, including **$15 million** in stabilization payments to substance use disorder treatment providers to assist with pandemic-related expenses. In response to the rise in overdose deaths and polysubstance and stimulant use, the Wolf administration has recommitted to tackling substance use disorder as a whole. Shifting focus from solely opioids to all substance use disorders, the administration will prioritize a holistic approach to prevention, rescue, treatment, recovery, and sustainability, as well as reducing stigma.

Increasing Food Assistance for Low-Income Older Adults and Adults with Disabilities

The 2022-23 budget supports lower income Pennsylvanians and addresses food insecurity by including a **$14.3 million** increase to the minimum Supplemental Nutrition Assistance Program (SNAP) benefit for low-income older adults and adults with disabilities. This funding is estimated to support approximately 75,000 to 95,000 eligible older adults and adults with disabilities who would receive an increase from the current minimum benefit of $20 per month to $35 per month to help purchase groceries. This population often experiences diet-related health challenges, and studies have shown that older adults with increased access to proper nutrition can live in a community setting longer than those who face food insecurity.

Supporting Vulnerable Populations through Home and Community-Based Services and Reducing Waiting Lists
With $1.2 billion in enhanced federal Medicaid funding to support Medicaid's home and community-based services, the Department of Human Services (DHS) is investing in increased provider rates and program enhancements that will allow individuals to live safely in their community. In response to the pandemic-related staffing shortages and opportunities provided by these federal funds, DHS refreshed rates for providers of developmental disabilities services, including a built-in minimum hourly wage assumption of $15 an hour for a worker with a high school diploma. Higher wages are assumed for workers with more education. The estimated fiscal impact of the rate changes for these programs is approximately $400 million annually. In the physical disabilities programs, personal assistance services received an 8 percent rate increase beginning on January 1, 2022. Additionally, funds have been allocated for resources to create a training ladder for workers as well as recruitment and retention payments. Agency With Choice will also be added to the Community HealthChoices program with **$280,000** in state funds to allow participants to choose their direct care workers while having the support of an agency.

In addition to the provider rate refresh, the 2022-23 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 **$18.8 million** investment in state funds 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, **$5.1 million** will be utilized to facilitate community transitions for individuals in intermediate care facilities, which will result in **$4.1 million** in savings.

The 2022-23 budget includes **$1.25 million** for 20 Community Hospital Integration Projects Program (CHIPP) discharges to reduce state hospital populations. This integration program discharges individuals with complex service needs, who no longer need inpatient psychiatric treatment, into integrated community programs from state hospitals. The county program develops the community resources and services needed for each person discharged through CHIPP. The CHIPP program is a mechanism for reallocating funds to the community for the development of new alternative community-based treatment services and supports.

Increasing Staff to Protect Vulnerable Populations
The Department of Human Services is responsible for protecting vulnerable populations in various licensed settings throughout the commonwealth. The 2022-23 budget proposes an increase of **$1.4 million** for additional staff in several program areas to support increased regulatory, licensing, budgetary, and administrative workloads. These staff will help complete timely inspections of facilities to ensure full compliance with regulations, investigate complaints, and monitor the implementation of corrective action measures. Additional program support and budgetary staff will support responsive and timely implementation of historic levels of federal funding to respond to and recover from the pandemic.

In addition, the Department of Aging will receive roughly **$667,000** for additional staff to strengthen older adult protective services. Over the past seven years, elder abuse reporting has increased by 117 percent, while the number of investigations and cases substantiated also increased by 161 percent and 202 percent, respectively. The additional resources will provide a stable and reliable workforce to support oversight and quality assurance activities ensuring protective services are consistently provided to protect older Pennsylvanians from injury, violence, abuse, neglect, exploitation, and abandonment.

Supporting Families through Postpartum Health Care and Home Visiting Programs
The 2022-23 budget continues to prioritize expanding access to health care and supportive services for parents through pregnancy, postpartum, and early childhood. The proposal invests in children and families by extending postpartum coverage for birthing parents eligible for Medical Assistance due to their pregnancy from 60 days to 12 months. Pennsylvania will opt-in to extended postpartum coverage available to states to take effect on April 1, 2022. This action will provide continuity and access to health care through a critical period in the birthing parent's life and a foundational time for the health and well-being of their children.

Prevention services are one of the most important keys to a better future. Through investments in evidence-based home visiting programs, health, education, and wellbeing outcomes have been improved for participants – creating savings in social service, education, and criminal justice systems. To further these outcomes, a **$15 million** increase in state funds with an additional $8 million in federal funds is proposed to implement additional evidence-based home visiting and family support services to over 3,800 more families across the commonwealth.

Providing a Safety Net for Families in the Child Welfare System
An investment of $1.8 million in the Court Appointed Special Advocate (CASA) Program will support court appointed volunteer advocacy in communities so that children who have been victims of abuse or neglect can be safe, establish permanency, and have the opportunity to thrive. Local CASA programs recruit, screen, train, and supervise CASA volunteers appointed through dependency court for children facing abuse and neglect.

Building on the overall increases in DHS staff, the budget proposes **$291,000** to hire four staff to create a child welfare crisis response team, which will aid counties in need of additional assistance and technical support. These Regional Office staff will support county child welfare agencies struggling to manage staff shortages and increasingly challenging and complex cases throughout the state. The 2020 Child Abuse Report showed a decrease in child abuse reports, while both child fatalities and child near fatalities as a result of child abuse significantly increased between 2019 and 2020. The additional staff will also allow the Office of Children, Youth and Families to support vulnerable populations in crisis situations that may be unpredictable and require flexible deployment of staff for proper response.

Investing in Pennsylvania's Public Health Workforce and Infrastructure

The efforts of Pennsylvania's public health workforce at the state and local level have been unprecedented over the past two years. Dedicated staff at the Department of Health (DOH) and county and municipal health departments (CMHDs) have worked tirelessly to respond to the COVID-19 pandemic and conduct a historic vaccine roll out, while continuing to maintain regular public health operations and regulatory functions. The 2022-23 budget invests **$4 million** to enhance the commonwealth's public health workforce through increases in DOH staff, including at the state laboratory. This investment will improve the capacity of the clinical laboratory infrastructure to support rapid, large-scale response to public health emergencies, recruit essential public health workers, and ensure basic public health services are provided to all Pennsylvanians.

CMHDs in Pennsylvania are the main providers of public health services to 42 percent of the commonwealth's population. The 2022-23 budget includes **$7.2 million** to achieve the $6 maximum per capita grant for the established CMHDs allowable by statute. This critical investment in local public health infrastructure is more important now than ever as Pennsylvania unites to fight against COVID-19 and continues to rebuild public health infrastructure at all levels.

In addition, the 2022-23 budget includes a new **$5 million** investment in innovative gene and immunotherapy research to develop targeted cancer therapies and position Pennsylvania as an international leader in this growing area of pioneering research.

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

To ensure future generations can enjoy the commonwealth's natural resources, the governor has implemented smarter energy and conservation policy that balances energy and business needs with environmental protection. The Pennsylvania Climate Action Plan and the governor's statewide carbon reduction goal help progress toward curbing some of the biggest air pollutants in Pennsylvania. In addition, the GreenGov Council continues to make progress in reducing energy use and promotion of cost saving sustainable practices across commonwealth agencies.

Climate change impacts in Pennsylvania are real and continue to put Pennsylvanians at risk. In recent years, extreme weather and natural disasters have become more frequent and more intense. Like many areas of the United States, Pennsylvania is expected to experience higher temperatures, changes in precipitation, and more frequent extreme weather events and flooding because of climate change in the coming decades. Pennsylvania's economy, health and safety, and quality of life of its citizens are dependent on the careful stewardship of resources, a healthy economy, and clean air and water.

Reducing Air Pollution and Addressing Climate Change
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 the commonwealth progresses toward participation in the program, Pennsylvania is well-positioned to make important investments with these proceeds 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. As these shifts continue into the future, RGGI revenues present an opportunity to provide crucial resources to support communities and employees impacted by the energy transition, while making targeted investments in greenhouse gas abatement, energy efficiency, and clean and renewable energy programs to reduce air pollution in Pennsylvania. This proposed investment strategy ensures support for communities and businesses that have helped create Pennsylvania's rich energy history, while addressing climate change, the greatest environmental threat facing the world.

Supporting Industrial Sector Decarbonization through Carbon Capture, Utilization & Storage (CCUS) and Hydrogen
Pennsylvania can leverage existing competitive advantages in energy production to be a national leader in the deployment of CCUS and hydrogen technologies. Advancing a strategy around CCUS and hydrogen will be critical to attract investment for commercial scale projects, creating good paying jobs, while providing additional avenues to meet the greenhouse gas emissions reduction goal of 80 percent by 2050.

Further, the bipartisan federal Infrastructure Investment and Jobs Act provides opportunities for major investments in CCUS and hydrogen to facilitate national development. Pennsylvania needs to ensure it is not left behind given the state's energy resources, strong industrial base, and workforce required to be successful. The 2022-23 budget includes **$100,000** to support a strategic plan for industrial sector decarbonization through the deployment of CCUS and hydrogen technologies in the commonwealth.

Bolstering Staffing for Environmental Protection and Conservation
Staff at the Department of Environmental Protection are critical to fulfilling the agency's mission to "protect Pennsylvania's air, land and water from pollution, and to provide for the health and safety of our citizens." This budget invests **$5 million** to fund new positions to fulfill critical programmatic and operational needs. Additionally, a **$2.5 million** investment into staff at the Department of Conservation and Natural Resources will support outdoor management, recreation, and safety.

Expanding Critical Services for Pennsylvania's Veterans and Active Military

Pennsylvania is home to nearly 800,000 veterans – the fourth largest veteran population in the nation. Making veterans a priority and joining a combined effort as veteran advocates is crucial to meeting this population's needs. It is critical that every Pennsylvania veteran receives the benefits they have earned through their service to the United States and the commonwealth. The Department of Military and Veteran Affairs (DMVA) collaborates with more than 200 Veteran Service Officers throughout Pennsylvania who assist veterans and their families. These Veteran Service Officers, working with all 67 counties as well as municipalities, state agencies, and the federal government, provide a connection to community-based services, advice, and information on service earned benefits. This budget proposes an additional **$284,000** within the Veteran Service Officer Grant program to allow for additional Veteran Service Officers to bring mobile services to where veterans are, while expanding the capability of reaching more veterans.

With a proposed investment of **$500,000**, in addition to providing outreach as it relates to service earned benefits, DMVA will utilize the PA VETConnect system, a regional outreach program, to further build relationships, locate resources, and connect partners to directly assist veterans and their advocates. Through PA VETconnect, veteran advocates have access to the commonwealth's information and referral database, compiled specifically to improve the lives of service members, veterans, and their families. This additional funding will allow DMVA to work with local partners to expand available information to ensure the needs of veterans are quickly and efficiently addressed.

Additionally, suicide is a serious public health threat; however, suicides are preventable with intervention. According to the American Foundation for Suicide Prevention, on average, one person died by suicide every four hours in Pennsylvania in 2020. The military is not immune to the rise in suicide related events. The Pennsylvania National Guard (PANG) reported 48 suicidal ideations, 10 attempts, and 8 suicides in 2020. Although the causes of suicide vary, suicide prevention strategies share two goals: to reduce factors that increase risk and to increase factors that promote resilience and coping. To meet the challenge of preventing PANG suicides, this budget proposes **$444,500** to pilot a two-part model to enhance readiness, wellness, and resilience. This model aims to strengthen service members' connections and relationships using best practices and evidence-based assessments and interventions, to foster overall behavioral health wellness, and prevent suicide and self-harm.

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

IHS Markit has revised their 2021 forecast of real GDP growth from 5.5% to 5.7%. The 2022 forecast remains 4.3%. The upward revision for 2021 is attributed to unexpected surges in October of exports and inventory investment that, even assuming partial reversals in November, encouraged a revision to IHS Markit's Q4 growth from 4.4% in December to 7.1% in January.

IHS has also revised their forecast of CPI inflation for 2021 from 4.5% to 4.6% and for 2022 from 3.3% to 3.7%. This was caused by an unexpectedly sharp jump in prices in October that, given its timing, raised the CPI in 2022 more than in 2021. As supply disruptions wane, and with long-run inflation expectations anchored near the Federal Reserve's 2% objective, IHS expects core PCE inflation to subside to moderately above 2% by 2023.

The Forecast

Given persistent inflation pressures, a sharp jump in the employment ratio in November, and considering recent public statements, IHS now expects the Federal Reserve to quicken the pace of the "taper", completing it in March. IHS has also moved "lift-off" of the funds rate from March of 2023 to September of 2022. While the Omicron strain COVID-19 has emerged as a downside risk to the forecast, too little is known about it yet to directly adjust projections of growth and inflation. However, the forecast does incorporate the indirect effects of recent movements in financial conditions and commodity prices in response to the new uncertainties.

Table 1 and Table 2 are U.S. macro forecast projections from IHS. Table 1 outlines the expected outlook for lower unemployment and a decrease in GDP in 2022. Table 2 notes that over the next two years there is a 50% probability of real GDP rising 5.7% in 2021 and growth slowing to 4.3% in 2022, 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

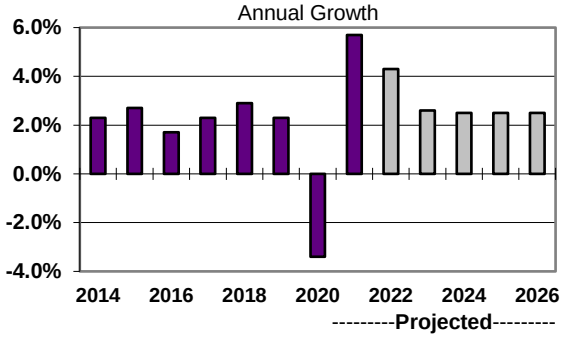

Chart 2
FEDERAL FUNDS RATE

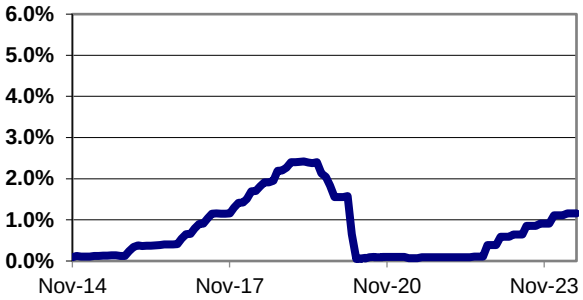

Table 1
Forecast Change in
Key U.S. Economic Indicators
Annual Percentage Growth

Indicator	2020	2021p	2022p	2023p
Nominal GDP	10.0	8.2	4.9	5.0
Real GDP	-3.4	5.7	4.3	2.6
Total Consumption	-3.8	8.1	3.8	2.0
Corporate Profits (After Tax)	-2.3	36.3	-2.2	2.6
Unemployment Rate (Rate)	8.1	5.4	3.6	3.5
CPI	1.2	4.6	3.7	2.3
Federal Funds (Rate)	0.38	0.08	0.17	0.75

*Assumptions in this chart, as well as other assumptions, are incorporated in the 2022-23 fiscal year revenue estimates
p = projected

Table 2
U.S. Macro Forecast Projections from IHS Global Insight
December 2021

Baseline Forecast (50 percent Probability)	
GDP Growth	Real GDP rises 5.7% in 2021 as annualized growth rises from 2.1% in the third quarter to 7.1% by the fourth. Growth slows to 4.3% in 2022 and 2.6% in 2023.
Consumer Spending	Spending jumps 8.1% in 2021 thanks to surges of more than 11% at annual rates in the first and second quarters.
Business Fixed Investment	Jumps 7.4% in 2021 and remains strong at 6.1% growth in 2022 and 4.6% in 2023.
Housing	Housing starts rise from 1.40 million in 2020 to 1.57 million in 2021 before slipping to 1.46 million in 2022 and 1.33 million in 2023.
Exports	Recover 4.2% in 2021 and 5.7% in 2022, surpassing prior peak in the first quarter of 2023 as the pandemic inhibits global trade. Exports rise 8.0% in 2023.
Fiscal Policy	$1.9 trillion ARP included. Income support drops from $2.7 trillion (annualized) in first half of 2021 to $0.7 trillion in second half. Forecast also includes the Infrastructure Investment & Jobs Act.
Monetary Policy	Fed keeps the funds rate at the zero bound until September 2022; taper of asset purchases concludes in March of 2022.
Credit Conditions	Rapidly ease in 2021 before stabilizing at a gentle pace in 2022–2023.
Consumer Confidence	Retrenches slightly in Q4 of 2021 before resuming a steady rise that takes it close to pre-pandemic levels by late 2022.
Oil Prices (Dollars/barrel)	Average price of Brent crude oil rises from $42/barrel in 2020 to $71 in 2021 and $75 in 2022 before falling to $72 in 2023.
Stock Markets	The year-end value of the S&P 500 rose 16.3% in 2020. It rises 21.9% in 2021 and 1.9% in 2022, then falls 0.4% in 2023.
Inflation (CPI)	Core personal consumption (PCE) price inflation rises from 1.4% in 2020 to 3.2% in 2021, stays elevated at 3.2% in 2022, and falls to 2.3% in 2023.
Foreign Growth	Eurozone GDP rises 5.1% in 2021 and 3.7% in 2022 after a 6.4% drop in 2020, while China's growth rises from 2.3% to 8.1% in 2021 and slows to 5.5% in 2022.
U.S. Dollar	The broad dollar appreciates through early 2022 before gently falling through the end of the forecast horizon.

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, over the last two years, unemployment has been higher than the national level. During periods of economic expansion, Pennsylvania will often lag 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.

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. Additionally, the pandemic has placed greater emphasis on the need to invest in the health care workforce. 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.

Pennsylvania's economic growth over the next few years depends greatly on maintaining the progress made in preventing and treating COVID-19, as that will be key to a full reopening of the global economy. Even then, the leisure and hospitality sector may take several years to fully recover as travelers gradually return to the roadways and air; the future of business travel, including conventions, is a big wildcard for major cities. The return of workers to offices, especially in urban centers, also will influence the number of jobs in certain service sectors, including food service, retail, mass transit, and other personal services. Real gross state product will grow by an annual average of 3.5% per year from 2020 to 2025, about the same as the national rate. Personal income will rise 4.2%, compared with 4.7% for the country.

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	2019	2020	2021	2022	2023	2024
Real Gross State Product (in millions, 2012 dollars)	716,173	683,774	716,245	749,498	773,360	794,124
Real Gross State Product (percentage change)	1.7%	-4.5%	4.7%	4.6%	3.2%	2.7%
Total Employment (in thousands)	6,066.0	5,604.4	5,715.3	5,928.9	6,039.9	6,098.8
Total Employment (percentage change)	0.9%	-7.6%	2.0%	3.7%	1.9%	1.0%
Manufacturing Employment (in thousands)	574.7	537.6	545.5	554.8	553.9	552.6
Nonmanufacturing Employment (in thousands.)	5,491	5,067	5,170	5,374	5,486	5,546
Population (in thousands)	12,993	12,993	12,969	12,968	12,978	12,991
Population (percentage change)	0.1%	-	-0.2%	-	0.1%	0.1%
Unemployment Rate (percentage)	4.5%	9.1%	6.5%	4.4%	4.0%	4.1%
Personal Income (percentage change)	2.9%	7.0%	4.8%	1.4%	5.0%	4.9%
U.S. ECONOMY						
Real Gross Domestic Product (percentage change)	2.3%	-3.4%	5.7%	4.3%	2.6%	2.5%
Employment (percentage change)	1.3%	-5.7%	2.7%	3.8%	1.4%	0.7%

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ARPA Coronavirus State Fiscal Recovery Funds

The Coronavirus State Fiscal Recovery Funds program, enacted as a part of the federal American Rescue Plan Act of 2021, delivered $7.291 billion to Pennsylvania to support the response to and recovery from the COVID-19 pandemic.

The Coronavirus State Fiscal Recovery Funding program will help ensure Pennsylvania has the resources needed to respond to the pandemic, including providing health and vaccine services, supporting families and businesses struggling with the pandemic's economic impacts, maintaining vital public services, and building a strong and equitable recovery.

Pennsylvania anticipates using $5.104 billion of the Coronavirus State Fiscal Recovery Funding in 2021-22. This budget proposes the distribution of the remaining $2.187 billion to meet immediate pandemic response needs as well as to promote long-term recovery.

Summary of
ARPA Coronavirus State Fiscal Recovery Funds

This table shows a summary of the enacted and proposed distribution of Pennsylvania's award from the federal American Rescue Plan Act of 2021 Coronavirus State Fiscal Relief Funds as presented in the 2022-23 Governor's Executive Budget.

(Dollar Amounts in Thousands)

	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	Total
Treasury					
COVID-SFR PA Opportunity Program	$ -	$ 500,000	$ -	$ -	$ 500,000
Executive Offices					
COVID-SFR Transfer to the General Fund	$ 3,841,000	$ -	$ -	$ -	$ 3,841,000
COVID-SFR Transfer to the Emergency Medical Services Operating Fund	5,000	-	-	-	5,000
COVID-SFR Pandemic Response	243,333	-	-	-	243,333
DEPARTMENT TOTAL	$ 4,089,333	$ -	$ -	$ -	$ 4,089,333
Commission on Crime and Delinquency					
COVID-SFR Pandemic Response PCCD	$ 19,500	$ -	$ -	$ -	$ 19,500
Agriculture					
COVID-SFR Agriculture Conservation	$ -	$ 135,058	$ -	$ -	$ 135,058
Community and Economic Development					
COVID-SFR Construction Cost Relief (PHFA)	$ 50,000	$ -	$ -	$ -	$ 50,000
COVID-SFR Pandemic Response	79,092	-	-	-	79,092
COVID-SFR Statewide Small Business Assistance Program	-	225,000	-	-	225,000
DEPARTMENT TOTAL	$ 129,092	$ 225,000	$ -	$ -	$ 354,092
Conservation and Natural Resources					
COVID-SFR State & Local Parks & Forest Facility Restoration	$ -	$ 135,058	$ -	$ -	$ 135,058
Education					
COVID-SFR-State System of Higher Education	$ 50,000	$ 150,000	$ -	$ -	$ 200,000
COVID-SFR Pandemic Response	13,725	-	-	-	13,725
COVID-SFR Nellie Bly Tuition Program	-	111,913	111,622	109,801	333,336
DEPARTMENT TOTAL	$ 63,725	$ 261,913	$ 111,622	$ 109,801	$ 547,061
Higher Education Assistance Agency					
COVID-SFR Pandemic Response	$ 5,000	$ -	$ -	$ -	$ 5,000
COVID-SFR PA Student Loan Relief for Nurses	15,000	-	-	-	15,000
COVID-SFR Health Care Worker Student Loan Forgiveness	-	35,000	-	-	35,000
DEPARTMENT TOTAL	$ 20,000	$ 35,000	$ -	$ -	$ 55,000

ARPA Coronavirus State Fiscal Recovery Funds, continued

(Dollar Amounts in Thousands)

	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	Total
Environmental Protection					
COVID-SFR Watershed and Wetland Restoration	$ -	$ 180,077	$ -	$ -	$ 180,077
Human Services					
COVID-SFR Long-Term Living Programs	$ 282,000	$ 250,000	$ -	$ -	$ 532,000
COVID-SFR Pandemic Response	9,850	-	-	-	9,850
COVID-SFR Behavioral Health	-	40,000	-	-	40,000
COVID-SFR Healthcare Workforce Assistance	110,000	-	-	-	110,000
COVID-SFR Hospital Workforce Assistance	100,000	-	-	-	100,000
DEPARTMENT TOTAL	$ 501,850	$ 290,000	$ -	$ -	$ 791,850
Labor and Industry					
COVID-SFR Pandemic Response	$ 1,500	$ -	$ -	$ -	$ 1,500
Revenue					
COVID-SFR Property Tax Rent Rebate	$ -	$ 203,800	$ -	$ -	$ 203,800
Transportation					
COVID-SFR Highway and Safety Capital Projects	$ 279,000	$ -	$ -	$ -	$ 279,000
TOTAL ARPA CORONAVIRUS STATE FISCAL RECOVERY FUNDS	**$ 5,104,000**	**$ 1,965,906**	**$ 111,622**	**$ 109,801**	**$ 7,291,329**

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.

(Dollar Amounts in Thousands)

	2021-22 Estimate		2022-23 Estimate
Governor's Office	$ 1,694		$ 1,809
Lieutenant Governor	153		160
Executive Offices	302		313
Aging	493		516
Agriculture	853		865
Banking and Securities	422		449
Community and Economic Development	226		242
Conservation and Natural Resources	514		528
Corrections	330		342
Drug & Alcohol Programs	3,680		1,633
Education	1,112		1,143
Emergency Management Agency	403		426
Environmental Protection	2,805		2,889
Fish and Boat Commission	604		622
Game Commission	626		645
General Services	166		169
Health	1,404		1,355
Historical and Museum Commission	224		232
Human Services	829		916
Insurance	405		425
Labor and Industry	881		924
Liquor Control Board	740		765
Military and Veterans Affairs	521		545
Public Utility Commission	392		416
Revenue	831		936
State	8,153	*	2,784
State Police	621		621
Transportation	7,048		7,048
TOTAL	$ 36,432		$ 29,718

* The increase was due to the publishing of Constitutional Amendments and State and Federal Maps in 2021-22.

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 2022-23. These expenditures are expected to generate approximately $6.2 billion in lottery revenues during 2022-23.
---- Economic development - A total of $5 million is budgeted in the Marketing to Attract Tourist restricted account to promote tourism and economic development. This will contribute to an estimated $46 billion in 2022-23 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, nontax revenue, and federal grants and entitlements not specified by law to be deposited elsewhere. Tax revenue comprises the majority of annual General Fund revenue, in a typical year. The largest sources of nontax revenue are normally 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, 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, 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.

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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
BEGINNING BALANCES							
General Fund	$ (2,734,070)	$ -	$ 6,454,581	$ 3,381,780	$ 1,164,363	$ 34,660	$ 232,447
Adjustment to Beginning Balance	18,795	4,450	-	-	-	-	-
Adjusted Beginning Balance	$ (2,715,275)	$ 4,450	$ 6,454,581	$ 3,381,780	$ 1,164,363	$ 34,660	$ 232,447
Motor License Fund	$ (51,190)	$ 115,366	$ 187,968	$ 90,537	$ 80,737	$ 52,918	$ 21,988
Lottery Fund	(119,799)	48,346	158,576	267,992	101,254	32,544	35,278
Adjustment to LF Beginning Balance	-	75,000	75,000	75,000	75,000	75,000	75,000
Special Funds	$ (170,989)	$ 238,712	$ 421,544	$ 433,529	$ 256,991	$ 160,462	$ 132,266
REVENUES							
General Fund:							
Corporation Taxes	$ 4,423,759	$ 4,532,300	$ 4,194,700	$ 3,860,800	$ 3,926,000	$ 3,921,600	$ 3,700,100
Personal Income Tax	16,283,385	16,335,700	17,584,600	18,636,700	19,682,300	20,787,400	22,144,800
Sales and Use Tax	12,834,895	13,682,700	13,642,500	14,035,100	14,650,900	15,408,500	16,295,500
All Other Revenues/Taxes	6,849,979	10,408,100	6,443,800	6,327,900	6,318,700	6,325,400	6,358,900
Less Refunds	(1,262,000)	(1,295,000)	(1,231,000)	(1,252,000)	(1,275,000)	(1,299,000)	(1,326,000)
Total General Fund	$ 39,130,018	$ 43,663,800	$ 40,634,600	$ 41,608,500	$ 43,302,900	$ 45,143,900	$ 47,173,300
Motor License Fund	2,825,569	2,952,200	2,947,800	2,973,200	3,002,600	3,022,500	3,059,200
Lottery Fund	2,006,632	2,098,715	2,101,177	2,208,364	2,320,680	2,405,460	2,460,823
Federal Funds	42,999,036	54,428,883	41,352,919	38,988,665	39,540,641	39,587,790	38,528,799
Other Funds	17,985,264	18,573,005	19,235,489	19,221,152	19,355,411	19,452,084	19,626,932
Total Revenues and Balances	$ 104,946,519	$ 121,716,603	$ 106,271,985	$ 104,999,881	$ 107,522,232	$ 109,611,734	$ 110,849,054
PROGRAM EXPENDITURES							
Direction and Supportive Services	$ 2,671,930	$ 6,681,868	$ 3,216,709	$ 2,728,394	$ 2,915,416	$ 2,774,533	$ 2,797,912
Protection of Persons and Property	11,315,817	11,213,833	12,673,334	11,869,732	11,840,785	11,926,305	12,008,315
Education	20,693,747	23,979,335	21,350,590	21,335,795	21,449,268	21,581,842	21,684,226
Health and Human Services	51,691,196	57,957,914	56,881,112	56,914,901	57,845,954	58,170,765	58,320,045
Economic Development	2,695,267	3,070,447	3,271,037	2,680,423	2,664,614	2,671,776	2,660,044
Transportation	8,437,146	10,298,504	9,564,478	9,548,927	9,671,620	9,775,478	8,937,324
Recreation and Cultural Enrichment	822,484	878,239	1,027,896	895,806	898,792	903,018	906,570
Debt Service	1,269,293	1,267,632	1,347,645	1,419,858	1,462,015	1,560,943	1,602,291
Total Program Expenditures	$ 99,596,880	$ 115,347,772	$ 109,332,801	$ 107,393,836	$ 108,748,464	$ 109,364,660	$ 108,916,727
Less General Fund Lapses	(220,000)	(264,132)	-	-	-	-	-
Less Motor License Fund Lapses	(63,887)	-	-	-	-	-	-
Less Lottery Fund Lapses	(112,966)	-	-	-	-	-	-
Total Operating Expenditures	$ 99,200,027	$ 115,083,640	$ 109,332,801	$ 107,393,836	$ 108,748,464	$ 109,364,660	$ 108,916,727
Motor License and Lottery Fund Expenditures, Transfers and Reserves	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
Transfer to Budget Stabilization Reserve Fund	(2,621,516)	-	-	-	-	(77,483)	(532,933)
ENDING BALANCES							
General Fund	$ -	$ 6,454,581	$ 3,381,780	$ 1,164,363	$ 34,660	$ 232,447	$ 1,598,797
Motor License Fund	$ 115,366	$ 187,968	$ 90,537	$ 80,737	$ 52,918	$ 21,988	$ 8,782
Lottery Fund	$ 48,346	$ 158,576	$ 267,992	$ 101,254	$ 32,544	$ 35,278	$ 81,528

General and Special Funds

This table shows a summary by Commonwealth Programs of 2020-21 actual year, 2021-22 available year, 2022-23 budget year, and future year estimates for the General Fund and selected Special Funds.

Seven Year Commonwealth Program Summary

(Dollar amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Commonwealth Program							
Direction and Supportive Services	$ 1,889,031	$ 1,756,949	$ 1,834,386	$ 1,841,432	$ 2,027,369	$ 1,885,378	$ 1,906,730
Protection of Persons and Property	3,664,417	5,093,236	5,513,407	5,417,123	5,343,644	5,344,074	5,359,391
Education	14,676,479	15,353,647	17,553,990	17,724,779	17,838,093	18,078,172	18,179,353
Health and Human Services	14,906,600	16,504,935	19,822,935	20,162,312	20,516,117	20,766,539	21,010,322
Economic Development	256,190	269,797	230,600	230,986	231,344	233,212	234,588
Transportation	1,778,134	1,934,262	2,245,761	2,187,745	2,234,443	2,256,126	2,272,810
Recreation and Cultural Enrichment	242,783	247,007	279,596	282,780	282,820	282,860	282,900
Debt Service	1,198,946	1,186,051	1,263,718	1,336,862	1,378,582	1,478,425	1,514,902
GENERAL FUND AND SPECIAL FUNDS TOTAL	$38,612,580	$42,345,884	$48,744,393	$49,184,019	$49,852,412	$50,324,786	$50,760,996

Distribution of the Commonwealth Dollar

GENERAL FUND AND SPECIAL FUNDS

2022-23 Fiscal Year
(Dollar Amounts in Thousands)

Health and Human Services $19,822,935 40.7%

Education $17,553,990 36.0%

Protection of Persons and Property $5,513,407 11.3%

Transportation $2,245,761 4.6%

Direction and Supportive Services $1,834,386 3.8%

Debt Service $1,263,718 2.6%

Recreation and Cultural Enrichment $279,596 0.6%

Economic Development $230,600 0.5%

TOTAL $48,744,393

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

Seven Year Summary of Commonwealth Programs

The following is a summary for the eight Commonwealth Programs of 2020-21 actual year, 2021-22 available year, 2022-23 budget year, and future year estimates for all the operating funds and capital bond authorizations as presented in the 2022-23 Governor's Executive Budget. A breakdown of each Commonwealth Program by Category and Subcategory is shown on subsequent pages.

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Direction and Supportive Services							
General Fund	$ 1,005,059	$ 880,180	$ 924,593	$ 896,223	$ 1,057,997	$ 892,896	$ 892,728
Motor License Fund	94,687	91,524	97,644	97,644	97,644	97,644	97,644
Lottery Fund	789,285	785,245	812,149	847,565	871,728	894,838	916,358
Federal Funds	23,528	4,104,388	516,226	17,296	16,761	15,690	15,155
Other Funds	759,371	820,531	866,097	869,666	871,286	873,465	876,027
Total Operating	$ 2,671,930	$ 6,681,868	$ 3,216,709	$ 2,728,394	$ 2,915,416	$ 2,774,533	$ 2,797,912
Protection of Persons and Property							
General Fund	$ 2,703,766	$ 4,134,223	$ 4,707,197	$ 4,610,913	$ 4,537,434	$ 4,537,864	$ 4,553,181
Motor License Fund	960,651	959,013	806,210	806,210	806,210	806,210	806,210
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	2,929,479	1,263,674	1,691,794	994,730	993,830	993,430	993,430
Other Funds	4,721,921	4,856,923	5,468,133	5,457,879	5,503,311	5,588,801	5,655,494
Total Operating	$ 11,315,817	$ 11,213,833	$ 12,673,334	$ 11,869,732	$ 11,840,785	$ 11,926,305	$ 12,008,315
Education							
General Fund	$ 14,675,379	$ 15,352,547	$ 17,552,890	$ 17,723,679	$ 17,836,993	$ 18,077,072	$ 18,178,253
Motor License Fund	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	5,358,918	7,944,802	2,924,881	2,739,481	2,739,481	2,739,481	2,739,481
Other Funds	658,350	680,886	871,719	871,535	871,694	764,189	765,392
Total Operating	$ 20,693,747	$ 23,979,335	$ 21,350,590	$ 21,335,795	$ 21,449,268	$ 21,581,842	$ 21,684,226
Health and Human Services							
General Fund	$ 13,990,339	$ 15,472,602	$ 18,814,230	$ 18,805,682	$ 19,169,362	$ 19,429,558	$ 19,683,014
Motor License Fund	-	-	-	-	-	-	-
Lottery Fund	916,261	1,032,333	1,008,705	1,356,630	1,346,755	1,336,981	1,327,308
Federal Funds	31,561,337	35,998,643	31,742,247	31,476,561	31,986,880	31,993,645	31,847,209
Other Funds	5,223,259	5,454,336	5,315,930	5,276,028	5,342,957	5,410,581	5,462,514
Total Operating	$ 51,691,196	$ 57,957,914	$ 56,881,112	$ 56,914,901	$ 57,845,954	$ 58,170,765	$ 58,320,045
Economic Development							
General Fund	$ 255,690	$ 269,297	$ 229,850	$ 230,236	$ 230,594	$ 232,462	$ 233,838
Motor License Fund	500	500	750	750	750	750	750
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	875,036	1,389,614	1,261,777	662,266	660,125	655,843	627,577
Other Funds	1,564,041	1,411,036	1,778,660	1,787,171	1,773,145	1,782,721	1,797,879
Total Operating	$ 2,695,267	$ 3,070,447	$ 3,271,037	$ 2,680,423	$ 2,664,614	$ 2,671,776	$ 2,660,044

Seven Year Summary of Commonwealth Programs

The following is a summary for the eight Commonwealth Programs of 2020-21 actual year, 2021-22 available year, 2022-23 budget year, and future year estimates for all the operating funds and capital bond authorizations as presented in the 2022-23 Governor's Executive Budget. A breakdown of each Commonwealth Program by Category and Subcategory is shown on subsequent pages.

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Transportation							
General Fund	$ 1,900	$ 1,900	$ -	$ -	$ -	$ -	$ -
Motor License Fund	1,605,327	1,761,455	2,074,854	2,016,838	2,063,536	2,085,219	2,101,903
Lottery Fund	170,907	170,907	170,907	170,907	170,907	170,907	170,907
Federal Funds	2,177,648	3,633,780	3,000,815	3,019,710	3,064,943	3,111,080	2,227,326
Other Funds	4,481,364	4,730,462	4,317,902	4,341,472	4,372,234	4,408,272	4,437,188
Total Operating	$ 8,437,146	$ 10,298,504	$ 9,564,478	$ 9,548,927	$ 9,671,620	$ 9,775,478	$ 8,937,324
Recreation and Cultural Enrichment							
General Fund	$ 235,783	$ 240,007	$ 272,596	$ 275,780	$ 275,820	$ 275,860	$ 275,900
Motor License Fund	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	73,090	93,982	215,179	78,621	78,621	78,621	78,621
Other Funds	506,611	537,250	533,121	534,405	537,351	541,537	545,049
Total Operating	$ 822,484	$ 878,239	$ 1,027,896	$ 895,806	$ 898,792	$ 903,018	$ 906,570
Debt Service							
General Fund	$ 1,145,311	$ 1,127,045	$ 1,206,045	$ 1,283,404	$ 1,324,403	$ 1,422,918	$ 1,457,103
Motor License Fund	53,635	59,006	57,673	53,458	54,179	55,507	57,799
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	-	-	-	-	-	-	-
Other Funds	70,347	81,581	83,927	82,996	83,433	82,518	87,389
Total Operating	$ 1,269,293	$ 1,267,632	$ 1,347,645	$ 1,419,858	$ 1,462,015	$ 1,560,943	$ 1,602,291
Capital Bond Authorizations	$ -	$ -	$ 1,034,847	$ 1,038,571	$ 1,136,269	$ 1,154,656	$ 1,124,878
Program Total	$ 1,269,293	$ 1,267,632	$ 2,382,492	$ 2,458,429	$ 2,598,284	$ 2,715,599	$ 2,727,169
COMMONWEALTH TOTALS							
General Fund	$ 34,013,227	$ 37,477,801	$ 43,707,401	$ 43,825,917	$ 44,432,603	$ 44,868,630	$ 45,274,017
Motor License Fund	2,722,900	2,879,598	3,045,231	2,983,000	3,030,419	3,053,430	3,072,406
Lottery Fund	1,876,453	1,988,485	1,991,761	2,375,102	2,389,390	2,402,726	2,414,573
Federal Funds	42,999,036	54,428,883	41,352,919	38,988,665	39,540,641	39,587,790	38,528,799
Other Funds	17,985,264	18,573,005	19,235,489	19,221,152	19,355,411	19,452,084	19,626,932
Total Operating	$ 99,596,880	$ 115,347,772	$ 109,332,801	$ 107,393,836	$ 108,748,464	$ 109,364,660	$ 108,916,727
Capital Bond Authorizations	$ -	$ -	$ 1,034,847	$ 1,038,571	$ 1,136,269	$ 1,154,656	$ 1,124,878
Program Total	$ 99,596,880	$ 115,347,772	$ 110,367,648	$ 108,432,407	$ 109,884,733	$ 110,519,316	$ 110,041,605

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 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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Administrative and Support Services	**$ 285,741**	**$ 143,050**	**$ 142,364**	**$ 142,879**	**$ 307,933**	**$ 142,602**	**$ 142,344**
Executive Direction	206,644	63,267	62,160	62,675	227,729	62,398	62,140
Ethics Commission	2,932	3,015	3,197	3,197	3,197	3,197	3,197
Legal Services	5,529	5,838	6,077	6,077	6,077	6,077	6,077
Health Care Reporting	3,167	3,167	3,167	3,167	3,167	3,167	3,167
Government Support Agencies	67,469	67,763	67,763	67,763	67,763	67,763	67,763
Fiscal Management	**$ 1,118,740**	**$ 1,115,415**	**$ 1,159,974**	**$ 1,196,505**	**$ 1,217,388**	**$ 1,240,728**	**$ 1,262,338**
Revenue Collection and Administration	1,005,976	998,532	1,037,169	1,073,975	1,094,858	1,118,098	1,139,708
Disbursement	74,703	76,274	78,836	78,836	78,836	78,936	78,936
Auditing	38,061	40,609	43,969	43,694	43,694	43,694	43,694
Physical Facilities and Commodities Management	**$ 131,757**	**$ 139,695**	**$ 179,309**	**$ 149,309**	**$ 149,309**	**$ 149,309**	**$ 149,309**
Facility, Property, and Commodity Management	131,757	139,695	179,309	149,309	149,309	149,309	149,309
Legislative Processes	**$ 352,793**	**$ 358,789**	**$ 352,739**	**$ 352,739**	**$ 352,739**	**$ 352,739**	**$ 352,739**
Legislature	352,793	358,789	352,739	352,739	352,739	352,739	352,739
PROGRAM TOTAL	**$ 1,889,031**	**$ 1,756,949**	**$ 1,834,386**	**$ 1,841,432**	**$ 2,027,369**	**$ 1,885,378**	**$ 1,906,730**

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 residents.

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 Corrections, 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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
General Administration and Support	**$ 72,460**	**$ 100,830**	**$ 121,990**	**$ 111,990**	**$ 111,990**	**$ 111,990**	**$ 127,034**
Criminal and Juvenile Justice Planning	54,811	81,478	99,333	89,333	89,333	89,333	104,377
Environmental Support Services	17,649	19,352	22,657	22,657	22,657	22,657	22,657
Public Protection and Law Enforcement	**$ 1,249,614**	**$ 1,502,778**	**$ 1,655,574**	**$ 1,654,254**	**$ 1,654,254**	**$ 1,654,254**	**$ 1,654,254**
State Police	914,708	1,135,711	1,256,658	1,255,338	1,255,338	1,255,338	1,255,338
Attorney General	112,374	114,262	125,394	125,394	125,394	125,394	125,394
Highway Safety Administration and Licensing	222,532	252,805	273,522	273,522	273,522	273,522	273,522
Control and Reduction of Crime	**$ 1,414,875**	**$ 2,669,501**	**$ 2,777,989**	**$ 2,702,742**	**$ 2,627,909**	**$ 2,627,909**	**$ 2,627,909**
Incarcerated Individuals	1,254,907	2,499,395	2,591,942	2,517,109	2,442,276	2,442,276	2,442,276
Reentry into Communities	159,968	170,106	186,047	185,633	185,633	185,633	185,633
Juvenile Crime Prevention	**$ 21,925**	**$ 21,925**	**$ 22,541**	**$ 22,541**	**$ 22,541**	**$ 22,541**	**$ 22,541**
Reintegration of Juvenile Delinquents	21,925	21,925	22,541	22,541	22,541	22,541	22,541
Adjudication of Defendants	**$ 355,839**	**$ 355,964**	**$ 391,906**	**$ 407,056**	**$ 407,056**	**$ 407,056**	**$ 407,056**
State Judicial System	355,839	355,964	391,906	407,056	407,056	407,056	407,056

Protection of Persons and Property, continued

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Public Order and Community Safety	**$ 83,051**	**$ 39,083**	**$ 79,647**	**$ 55,227**	**$ 55,532**	**$ 55,532**	**$ 55,532**
Emergency Management	49,132	10,853	47,374	22,621	22,926	22,926	22,926
State Military Readiness	33,919	28,230	32,273	32,606	32,606	32,606	32,606
Protection From Natural Hazards and Disasters	**$ 141,242**	**$ 152,283**	**$ 191,458**	**$ 191,458**	**$ 191,458**	**$ 191,458**	**$ 191,458**
Environmental Protection and Management	141,242	152,283	191,458	191,458	191,458	191,458	191,458
Consumer Protection	**$ 295,687**	**$ 221,333**	**$ 237,620**	**$ 237,173**	**$ 238,222**	**$ 238,652**	**$ 238,925**
Consumer Protection	27,467	36,428	42,353	40,656	39,815	39,755	39,718
Insurance Industry Regulation	86,479	-	-	-	-	-	-
Protection and Development of Agricultural Industries	181,741	184,905	195,267	196,517	198,407	198,897	199,207
Community and Occupational Safety and Stability	**$ 19,636**	**$ 19,826**	**$ 24,292**	**$ 24,292**	**$ 24,292**	**$ 24,292**	**$ 24,292**
Community and Occupational Safety and Stability	16,569	16,789	21,004	21,004	21,004	21,004	21,004
Fire Prevention and Safety	3,067	3,037	3,288	3,288	3,288	3,288	3,288
Prevention and Elimination of Discriminatory Practices	**$ 10,088**	**$ 9,713**	**$ 10,390**	**$ 10,390**	**$ 10,390**	**$ 10,390**	**$ 10,390**
Prevention and Elimination of Discriminatory Practices	10,088	9,713	10,390	10,390	10,390	10,390	10,390
PROGRAM TOTAL	**$ 3,664,417**	**$ 5,093,236**	**$ 5,513,407**	**$ 5,417,123**	**$ 5,343,644**	**$ 5,344,074**	**$ 5,359,391**

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 goals to promote 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, Labor and Industry, and the Higher Education Assistance Agency.

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Education Support Services	**$ 29,099**	**$ 33,721**	**$ 34,704**	**$ 34,704**	**$ 34,704**	**$ 34,704**	**$ 34,704**
Education Support Services	29,099	33,721	34,704	34,704	34,704	34,704	34,704
Basic Education	**$ 12,879,517**	**$ 13,547,469**	**$ 15,576,311**	**$ 15,747,100**	**$ 15,860,414**	**$ 15,992,450**	**$ 16,094,477**
PreK-12 Education	12,862,572	13,528,786	15,556,990	15,727,296	15,840,114	15,971,643	16,073,149
Public Utility Realty Payments	16,945	18,683	19,321	19,804	20,300	20,807	21,328
Higher Education	**$ 1,767,863**	**$ 1,772,457**	**$ 1,942,975**	**$ 1,942,975**	**$ 1,942,975**	**$ 2,051,018**	**$ 2,050,172**
Higher Education	1,398,481	1,403,075	1,518,228	1,518,228	1,518,228	1,626,271	1,625,425
Financial Assistance to Students	340,503	340,503	395,146	395,146	395,146	395,146	395,146
Financial Assistance to Institutions	28,879	28,879	29,601	29,601	29,601	29,601	29,601
PROGRAM TOTAL	**$ 14,676,479**	**$ 15,353,647**	**$ 17,553,990**	**$ 17,724,779**	**$ 17,838,093**	**$ 18,078,172**	**$ 18,179,353**

Health and Human Services

The goals of this commonwealth program are to ensure access to quality medical care for all residents, 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, behavioral health and intellectual disabilities; maternal and child health care; financial assistance for older Pennsylvanians; medically complex 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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Human Services							
Support	**$ 192,890**	**$ 213,055**	**$ 223,020**	**$ 223,328**	**$ 223,328**	**$ 223,328**	**$ 223,328**
Human Services Support	192,890	213,055	223,020	223,328	223,328	223,328	223,328
Social Development of							
Individuals	**$ 1,733,794**	**$ 1,944,929**	**$ 2,134,050**	**$ 2,179,752**	**$ 2,228,212**	**$ 2,278,081**	**$ 2,329,404**
Human Services	1,284,401	1,476,220	1,638,653	1,681,623	1,727,310	1,774,365	1,822,832
Child Development	449,393	468,709	495,397	498,129	500,902	503,716	506,572
Support of Older							
Pennsylvanians	**$ 473,795**	**$ 679,867**	**$ 656,239**	**$ 646,164**	**$ 636,289**	**$ 626,515**	**$ 616,842**
Community Services for							
Older Pennsylvanians	318,795	315,267	317,439	317,564	317,689	317,815	317,942
Homeowners and							
Renters Assistance	-	234,600	203,800	198,600	193,600	188,700	183,900
Pharmaceutical							
Assistance	155,000	130,000	135,000	130,000	125,000	120,000	115,000
Income Maintenance	**$ 479,121**	**$ 538,003**	**$ 628,520**	**$ 635,380**	**$ 641,534**	**$ 641,055**	**$ 645,884**
Income Maintenance	455,961	515,517	604,530	603,454	604,189	599,857	599,857
Workers Compensation and Unemployment Assistance	597	442	425	425	425	425	425
Military Compensation							
and Assistance	22,563	22,044	23,565	31,501	36,920	40,773	45,602
Physical Health							
Treatment	**$ 9,104,481**	**$ 10,007,507**	**$ 12,289,400**	**$ 12,557,904**	**$ 12,777,831**	**$ 12,987,234**	**$ 13,183,442**

Health and Human Services, continued

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Medical Assistance and Health Care Delivery	4,795,530	5,132,418	5,896,395	5,984,551	6,045,508	6,091,237	6,118,923
Long-Term Living	3,956,445	4,482,518	5,945,182	6,110,628	6,269,598	6,433,272	6,601,794
Health Treatment Services	13,557	13,557	13,557	13,557	13,557	13,557	13,557
Health Support Services	51,899	61,678	71,944	72,185	72,185	72,185	72,185
Health Research	9,200	10,050	6,400	6,400	6,400	6,400	6,400
Emergency Food Assistance	21,767	24,767	26,767	26,767	26,767	26,767	26,767
Prevention and Treatment of Drug and Alcohol Abuse	47,352	47,729	47,966	47,966	47,966	47,966	47,966
Preventive Health	108,410	124,530	134,324	134,894	134,894	134,894	134,894
Veterans Homes	100,321	110,260	146,865	160,956	160,956	160,956	160,956
Mental Health and Substance Use Services	**$ 882,446**	**$ 880,219**	**$ 976,571**	**$ 980,216**	**$ 980,216**	**$ 980,216**	**$ 980,216**
Mental Health and Substance Use Services	882,446	880,219	976,571	980,216	980,216	980,216	980,216
Intellectual Disabilities	**$ 2,040,073**	**$ 2,241,355**	**$ 2,915,135**	**$ 2,939,568**	**$ 3,028,707**	**$ 3,030,110**	**$ 3,031,206**
Intellectual Disabilities	2,040,073	2,241,355	2,915,135	2,939,568	3,028,707	3,030,110	3,031,206
PROGRAM TOTAL	**$ 14,906,600**	**$ 16,504,935**	**$ 19,822,935**	**$ 20,162,312**	**$ 20,516,117**	**$ 20,766,539**	**$ 21,010,322**

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 goals 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 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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Economic Development and Job Creation	**$ 57,382**	**$ 54,331**	**$ 57,264**	**$ 57,400**	**$ 57,400**	**$ 57,400**	**$ 57,400**
Job Creation, Business Growth, and Attraction	57,382	54,331	57,264	57,400	57,400	57,400	57,400
Global Economic Development	**$ 5,830**	**$ 5,830**	**$ 5,969**	**$ 5,969**	**$ 5,969**	**$ 5,969**	**$ 5,969**
Pennsylvania Worldwide	5,830	5,830	5,969	5,969	5,969	5,969	5,969
Innovative Economic Development	**$ 39,730**	**$ 38,980**	**$ 63,830**	**$ 63,830**	**$ 63,830**	**$ 63,830**	**$ 63,830**
Pennsylvania Innovation Economy	39,730	38,980	63,830	63,830	63,830	63,830	63,830
Workforce Investment	**$ 61,777**	**$ 61,802**	**$ 61,802**	**$ 61,802**	**$ 61,802**	**$ 61,802**	**$ 61,802**
Workforce Development	10,563	10,563	10,563	10,563	10,563	10,563	10,563
Vocational Rehabilitation	51,214	51,239	51,239	51,239	51,239	51,239	51,239
Commonwealth Economic Assets	**$ 20,642**	**$ 32,967**	**$ 6,941**	**$ 6,941**	**$ 6,941**	**$ 6,941**	**$ 6,941**
PA Happiness	20,642	32,967	6,941	6,941	6,941	6,941	6,941
Community Development	**$ 70,829**	**$ 75,887**	**$ 34,794**	**$ 35,044**	**$ 35,402**	**$ 37,270**	**$ 38,646**
Pennsylvania Communities	58,561	62,361	20,806	20,706	20,706	22,206	23,206
Public Utility Realty Payments	12,268	13,526	13,988	14,338	14,696	15,064	15,440
PROGRAM TOTAL	**$ 256,190**	**$ 269,797**	**$ 230,600**	**$ 230,986**	**$ 231,344**	**$ 233,212**	**$ 234,588**

Transportation

The goal of this commonwealth program is to provide a system for the expeditious, 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 goals to create and maintain a business climate in which rewarding, family-sustaining jobs can grow and communities can prosper.

Transportation systems are developed to serve the needs of residents, 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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Transportation							
Systems and Services	**$ 1,778,134**	**$ 1,934,262**	**$ 2,245,761**	**$ 2,187,745**	**$ 2,234,443**	**$ 2,256,126**	**$ 2,272,810**
Transportation Support Services	67,300	73,000	75,693	75,693	75,693	75,693	75,693
Highways and Bridges	1,250,111	1,380,994	1,670,703	1,610,083	1,657,748	1,680,373	1,697,979
Local Highway and Bridge Assistance	289,816	309,361	328,458	331,062	330,095	329,153	328,231
Multimodal Transportation	170,907	170,907	170,907	170,907	170,907	170,907	170,907
PROGRAM TOTAL	**$ 1,778,134**	**$ 1,934,262**	**$ 2,245,761**	**$ 2,187,745**	**$ 2,234,443**	**$ 2,256,126**	**$ 2,272,810**

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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Recreation	**$ 141,830**	**$ 146,054**	**$ 175,479**	**$ 178,019**	**$ 178,059**	**$ 178,099**	**$ 178,139**
Parks and Forests Management	141,830	146,054	175,479	178,019	178,059	178,099	178,139
Cultural Enrichment	**$ 100,953**	**$ 100,953**	**$ 104,117**	**$ 104,761**	**$ 104,761**	**$ 104,761**	**$ 104,761**
State History	21,150	21,150	22,979	23,623	23,623	23,623	23,623
Museum and Community Assistance	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Development of Artists and Audiences	10,457	10,457	10,542	10,542	10,542	10,542	10,542
State Library Services	67,346	67,346	68,596	68,596	68,596	68,596	68,596
PROGRAM TOTAL	**$ 242,783**	**$ 247,007**	**$ 279,596**	**$ 282,780**	**$ 282,820**	**$ 282,860**	**$ 282,900**

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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Debt Service	**$ 1,198,946**	**$ 1,186,051**	**$ 1,263,718**	**$ 1,336,862**	**$ 1,378,582**	**$ 1,478,425**	**$ 1,514,902**
Debt Service	1,198,946	1,186,051	1,263,718	1,336,862	1,378,582	1,478,425	1,514,902
PROGRAM TOTAL	**$ 1,198,946**	**$ 1,186,051**	**$ 1,263,718**	**$ 1,336,862**	**$ 1,378,582**	**$ 1,478,425**	**$ 1,514,902**

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Commonwealth of Pennsylvania

Governor's Executive Budget

SUMMARY BY FUND

Summary of Major Operating Funds

The total 2022-23 operating budget for the commonwealth is $109.3 billion. It includes $43.7 billion in the General Fund, $3.0 billion in the Motor License Fund, $2.0 billion in the Lottery Fund, $41.4 billion in federal funds, and $19.2 billion in augmenting fees and other special fund revenues.

(Dollar Amounts in Thousands)

Major Operating Fund Expenditures	Actual 2020-21	Available 2021-22	Budget 2022-23	2022-23 Change from 2021-22 Dollars	2022-23 Change from 2021-22 Percent
General Fund	$ 34,013,227	$ 37,477,801	$ 43,707,401	$ 6,229,600	16.62%
Motor License Fund	$ 2,722,900	$ 2,879,598	$ 3,045,231	$ 165,633	5.75%
Lottery Fund	$ 1,876,453	$ 1,988,485	$ 1,991,761	$ 3,276	0.16%

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, income taxes, and nontax revenues.

General Fund

Revenue

The General Fund is the commonwealth's largest operating fund. All tax revenue, nontax 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 these General Fund revenues as presented and proposed in this budget.

Tax revenues are the primary source of funding of the General Fund. Personal income tax, sales and use tax, corporate income tax, and cigarette tax provide the majority of projected General Fund tax revenue. Nontax revenues are typically from profit transfers from the Pennsylvania Liquor Control Board, licenses and fees, and the escheats or unclaimed property program. One-time transfers from special funds can also be major contributors to nontax revenues.

The two largest General Fund revenue sources are personal income tax and sales and use tax. Estimates for 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 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 corporate net income tax. Annual receipts from corporate net income tax can vary significantly from year-to-year. 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. 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. The majority of every dollar is returned to individuals, local governments, institutions, school districts, among others, in the form of grants and subsidies. The remainder pays operating expenses and debt service.

Major program expenditures occur in the areas of education, health and human services, and protection of persons and property.

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 Basic Education Funding, which provides commonwealth aid to local school districts. and includes school district Social Security payments. The General Fund also supports PreK-12 education through Pre-K Counts, Head Start Supplemental Assistance, and Special Education.

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.

Health and Human Services: The commonwealth provides support for its residents to achieve and sustain independence. It also provides care, treatment, and rehabilitation to persons with behavioral, intellectual, and physical disabilities.

The largest component is Medical Assistance, which includes long-term living home and community-living programs. 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. Medical inflation, pharmaceutical prices, federal financial participation for Medicaid Expansion, and caseload fluctuations contribute to an overall increase in state Medical Assistance expenditures. Increases are mitigated through cost containment, operational efficiencies, and proposed revenue strategies.

Support is also provided for income maintenance, including child care services and cash assistance for families in transition to independence and self-sufficiency. Funding continues to be provided for a continuum of services for individuals with behavioral health and intellectual disabilities, ranging from home and community-based supports to quality facility care.

The General Fund is the primary funding source for ***Department of Corrections*** programs including costs associated with operating the state correctional institutions. Additionally, the ***Pennsylvania State Police*** budget continues to require increased General Fund support as reliance on the Motor License Fund continues to decrease.

General Fund

This table shows a summary by Commonwealth Program of 2020-21 actual year, 2021-22 available year, 2022-23 budget year, and future year estimates.

Seven Year Commonwealth Program Summary

(Dollar amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Commonwealth Program							
Direction and Supportive Services	$ 1,005,059	$ 880,180	$ 924,593	$ 896,223	$ 1,057,997	$ 892,896	$ 892,728
Protection of Persons and Property	2,703,766	4,134,223	4,707,197	4,610,913	4,537,434	4,537,864	4,553,181
Education	14,675,379	15,352,547	17,552,890	17,723,679	17,836,993	18,077,072	18,178,253
Health and Human Services	13,990,339	15,472,602	18,814,230	18,805,682	19,169,362	19,429,558	19,683,014
Economic Development	255,690	269,297	229,850	230,236	230,594	232,462	233,838
Transportation	1,900	1,900	-	-	-	-	-
Recreation and Cultural Enrichment	235,783	240,007	272,596	275,780	275,820	275,860	275,900
Debt Service	1,145,311	1,127,045	1,206,045	1,283,404	1,324,403	1,422,918	1,457,103
GENERAL FUND TOTAL	$ 34,013,227	$ 37,477,801	$ 43,707,401	$ 43,825,917	$ 44,432,603	$ 44,868,630	$ 45,274,017

GENERAL FUND

2022-23 Fiscal Year

Personal Income $17,584,600 42.0%

Consumption $15,081,800 36.0%

Corporation Taxes $6,135,900 14.7%

Other Taxes $2,348,100 5.6%

Nontax Revenue $715,200 1.7%

Income

(Dollar Amounts in Thousands)

TOTAL INCOME	$41,865,600
Refunds	(1,231,000)
Beginning Balance	6,454,581
Lapses	0
TOTAL	$47,089,181

Outgo

(Dollar Amounts in Thousands)

TOTAL OUTGO	$43,707,401
Budget Stabilization Reserve Fund	0
Plus Ending Surplus	3,381,780
TOTAL	$47,089,181

Health and Human Service $18,814,230 43.0%

Education $17,552,890 40.2%

Protection of Persons and Property $4,707,197 10.8%

Debt Service $1,206,045 2.8%

Direction and Supportive Services $924,593 2.1%

Other Programs $272,596 0.6%

Economic Development $229,850 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

2022-23 Fiscal Year

Grants and Subsidies 79.7¢

Institutional 8.8¢

General Government 8.7¢

Debt Service Requirements 2.8¢

The majority of each General Fund dollar is returned to individuals, local governments, institutions, school districts, among others, in the form of grants and subsidies.

Seven Year Financial Statement

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Beginning Balance	$ (2,734,070)	$ -	$ 6,454,581	$ 3,381,780	$ 1,164,363	$ 34,660	$ 232,447
Adjustment to Beginning Balance	18,795	4,450	-	-	-	-	-
Adjusted Beginning Balance	$ (2,715,275)	$ 4,450	$ 6,454,581	$ 3,381,780	$ 1,164,363	$ 34,660	$ 232,447
Revenue:							
Corporation Taxes	$ 6,328,715	$ 6,458,800	$ 6,135,900	$ 5,789,700	$ 5,871,700	$ 5,881,400	$ 5,676,200
Consumption Taxes	14,373,099	15,154,600	15,081,800	15,460,000	16,069,400	16,824,500	17,712,500
Other Taxes	18,477,822	18,811,200	19,932,700	20,929,200	21,959,000	23,059,500	24,433,500
Nontax Revenue	1,212,382	4,534,200	715,200	681,600	677,800	677,500	677,100
Total Revenue Receipts	$ 40,392,018	$ 44,958,800	$ 41,865,600	$ 42,860,500	$ 44,577,900	$ 46,442,900	$ 48,499,300
Refunds	(1,262,000)	(1,295,000)	(1,231,000)	(1,252,000)	(1,275,000)	(1,299,000)	(1,326,000)
Total Revenue	$ 39,130,018	$ 43,663,800	$ 40,634,600	$ 41,608,500	$ 43,302,900	$ 45,143,900	$ 47,173,300
Prior Year Lapses	220,000	264,132	-	-	-	-	-
Funds Available	$ 36,634,743	$ 43,932,382	$ 47,089,181	$ 44,990,280	$ 44,467,263	$ 45,178,560	$ 47,405,747
Expenditures:							
Appropriations	$ 37,188,211	$ 41,000,694	$ 43,690,190	$ 43,808,706	$ 44,415,392	$ 44,851,419	$ 45,256,806
Executive Authorizations	21,648	18,691	17,211	17,211	17,211	17,211	17,211
Proposed Supplementals	-	(1,111,229)	-	-	-	-	-
Less Federal COVID Funds:							
Enhanced Medical Assistance Percentage	(1,651,173)	(2,430,355)	-	-	-	-	-
COVID-19 Response Restricted Account	(1,545,459)	-	-	-	-	-	-
Current Year Lapses	-	-	-	-	-	-	-
Total Expenditures	$ 34,013,227	$ 37,477,801	$ 43,707,401	$ 43,825,917	$ 44,432,603	$ 44,868,630	$ 45,274,017
Preliminary Balance	$ 2,621,516	$ 6,454,581	$ 3,381,780	$ 1,164,363	$ 34,660	$ 309,930	$ 2,131,730
Transfer to Budget Stabilization Reserve Fund	(2,621,516)	-	-	-	-	(77,483)	(532,933)
Ending Balance	$ -	$ 6,454,581	$ 3,381,780	$ 1,164,363	$ 34,660	$ 232,447	$ 1,598,797

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

PROPOSED TAX AND REVENUE MODIFICATIONS

	2022-23 Estimated
Tax Revenue:	
Corporate Net Income Tax (CNIT)	$ (79,400)
Effective for tax years beginning on or after January 1, 2023, modernizing the tax base by strengthening current addback requirements, codifying economic nexus rules, and adopting market sourcing for intangibles. Effective for tax years beginning on or after January 1, 2023, the CNIT rate is proposed to be reduced from 9.99% to 7.99%. Within the scope of this budget, the CNIT rate is proposed to be further reduced to 6.99% in 2026 and 5.99% in 2027, ultimately reaching 4.99% in the future.	
Gaming Taxes	$ 133,500
Effective July 1, 2022, eliminating the requirement that table games taxes be deposited into the Property Tax Relief Fund, keeping the tax in the General Fund. Current law requires table games taxes to be permanently diverted from the General Fund once the Budget Stabilization Reserve Fund exceeds $750 million on the last day of a fiscal year. With the transfer made from the General Fund in September 2021, the balance of the Budget Stabilization Reserve Fund exceeds this threshold.	
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	$ (12,300)
A transfer of funds from the personal income tax to the Environmental Stewardship Fund for Growing Greener debt service payments is proposed.	
Transfer to School Safety and Security Fund	$ (45,000)
A transfer of funds from the personal income tax to the school Safety and Security Fund for grant payments is proposed.	
Transfer from Medical Marijuana Program Fund	$ 36,600
To comply with the intent of Act 16 of 2016, this budget reflects transfer of the unexpended fund balance of the Medical Marijuana Program Fund to the General Fund to offset Department of Health operations. The change to transfers will increase nontax revenue by $36.6 million.	
TOTAL PROPOSED TAX AND REVENUE MODIFICATIONS	**$ (81,900)**

This budget proposes the following revenue modifications in 2022-23:

Effective July 1, 2022, 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 $74.6 million in combined personal income and sales and use tax revenue in 2022-23.

Notes on Financial Statements, continued

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

PROPOSED SUPPLEMENTALS

	2021-22 Available	
STATE SUPPLEMENTALS		
Lieutenant Governor		
Board of Pardons	$ 1,202	
Treasury		
General Obligation Debt Service	$ (51,496)	
Agriculture		
Transfer to Dog Law Administration	$ 1,340	
Corrections		
State Field Supervision	$ 5,047	
Education		
Basic Education Funding	$ 7,963	*
PA Chartered Schools for the Deaf and Blind	3,500	
School Employees' Social Security	(832)	
Education Total	$ 10,631	
General Services		
Excess Insurance Coverage	$ (1,500)	
Transfer to State Insurance Fund	1,500	
General Services Total	$ -	
Human Services		
Information Systems	$ (150)	
County Administration - Statewide	(114)	
Mental Health Services	(10,675)	
Intellectual Disabilities - State Centers	(7,979)	
Supplemental Grants - Aged, Blind, and Disabled	(910)	
Medical Assistance - Capitation	(531,052)	
Medical Assistance - Fee-for-Service	17,396	
Payment to Federal Government - Medicare Drug Program	(37,437)	
Medical Assistance - Workers with Disabilities	(17,658)	
Medical Assistance - Physician Practice Plans	(458)	
Medical Assistance - Hospital-Based Burn Centers	(582)	
Medical Assistance - Critical Access Hospitals	(2,130)	
Medical Assistance - Obstetric and Neonatal Services	(875)	
Medical Assistance - Trauma Centers	(1,135)	
Medical Assistance - Academic Medical Centers	(3,233)	
Medical Assistance - Transportation	(1,195)	

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

PROPOSED SUPPLEMENTALS

	2021-22 Available
Children's Health Insurance Program	(2,905)
Medical Assistance - Long-Term Living	(11,254)
Medical Assistance - Community HealthChoices	(372,151)
Long-Term Care Managed Care	(15,134)
Intellectual Disabilities - Community Base Program	(527)
Intellectual Disabilities - Intermediate Care Facilities	(6,871)
Intellectual Disabilities - Community Waiver Program	(60,709)
Autism Intervention and Services	(1,711)
County Child Welfare	(6,500)
Nurse Family Partnership	(48)
Early Intervention	(2,956)
Human Services Total	$ (1,078,953)
State	
County Election Expenses (EA)	$ 1,000
TOTAL STATE SUPPLEMENTALS	**$ (1,111,229)**
FEDERAL SUPPLEMENTALS	
Human Services	
Refugees and Persons Seeking Asylum - Administration	$ 1,400
Suicide Prevention	3,200
Refugees and Persons Seeking Asylum - Social Services	12,600
Medical Assistance - Fee-for-Service	167,309
Medical Assistance - Critical Access Hospitals	1
Medical Assistance - Academic Medical Centers	127
Medical Assistance - Transportation	164
Medical Assistance - Long-Term Living	39,155
Medical Assistance - Community ID Services	17,452
Medical Assistance - ID/ICF	24,653
Medical Assistance - Community ID Waiver Program	594,231
Medical Assistance - Autism Intervention Services	6,815
Early Childhood Comprehensive Systems	256
Education for Children with Disabilities - Early Intervention	1,199
Human Services Total	$ 868,562
TOTAL FEDERAL SUPPLEMENTALS	**$ 868,562**
TOTAL SUPPLEMENTALS	**$ (242,667)**

* For school district social security payments.

Adjustments to Revenue Estimate

On June 30, 2021, the Official Estimate for fiscal year 2021-22 was certified to be $42,536,200,000. 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)

	2021-22 Official Estimate	Adjustments	2021-22 Revised Estimate
TAX REVENUE			
Corporation Taxes			
Corporate Net Income Tax	$ 3,776,500	$ 755,800	$ 4,532,300
Selective Business:			
Gross Receipts Tax	1,020,200	12,000	1,032,200
Public Utility Realty Tax	40,900	500	41,400
Insurance Premiums Tax	419,800	6,200	426,000
Financial Institutions Taxes	407,100	19,800	426,900
Total — Corporation Taxes	$ 5,664,500	$ 794,300	$ 6,458,800
Consumption Taxes			
Sales and Use Tax	$ 12,801,100	$ 881,600	$ 13,682,700
Cigarette Tax	902,100	(33,000)	869,100
Other Tobacco Products Tax	143,000	2,200	145,200
Malt Beverage Tax	22,800	(500)	22,300
Liquor Tax	427,500	7,800	435,300
Total — Consumption Taxes	$ 14,296,500	$ 858,100	$ 15,154,600
Other Taxes			
Personal Income Tax	$ 15,768,800	$ 566,900	$ 16,335,700
Realty Transfer Tax	682,900	78,800	761,700
Inheritance Tax	1,377,400	68,900	1,446,300
Gaming Taxes	284,100	35,900	320,000
Minor and Repealed Taxes	(66,400)	13,900	(52,500)
Total — Other Taxes	$ 18,046,800	$ 764,400	$ 18,811,200
TOTAL TAX REVENUE	$ 38,007,800	$ 2,416,800	$ 40,424,600
NONTAX REVENUE			
State Stores Fund Transfer	$ 185,100	$ -	$ 185,100
Licenses, Fees, and Miscellaneous:			
Licenses and Fees	125,500	36,500	162,000
Miscellaneous	4,152,700	(27,900)	4,124,800
Fines, Penalties, and Interest:			
Other	65,100	(2,800)	62,300
TOTAL NONTAX REVENUE	$ 4,528,400	$ 5,800	$ 4,534,200
GENERAL FUND TOTAL	$ 42,536,200	$ 2,422,600	$ 44,958,800

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)

	2020-21 Actual	2021-22 Estimated	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
TAX REVENUE							
Corporation Taxes							
Corporate Net Income Tax	$ 4,423,759	$ 4,532,300	$ 4,194,700	$ 3,860,800	$ 3,926,000	$ 3,921,600	$ 3,700,100
Selective Business:							
Gross Receipts Tax	989,981	1,032,200	1,022,000	1,012,100	1,002,200	992,300	982,600
Public Utility Realty Tax	40,214	41,400	41,800	42,200	42,600	43,000	43,400
Insurance Premiums Tax	451,784	426,000	446,500	449,200	470,900	489,600	510,600
Financial Institutions Taxes	422,977	426,900	430,900	425,400	430,000	434,900	439,500
Total - Corporation Taxes	$ 6,328,715	$ 6,458,800	$ 6,135,900	$ 5,789,700	$ 5,871,700	$ 5,881,400	$ 5,676,200
Consumption Taxes							
Sales and Use Tax	$ 12,834,895	$ 13,682,700	$ 13,642,500	$ 14,035,100	$ 14,650,900	$ 15,408,500	$ 16,295,500
Cigarette Tax	964,201	869,100	814,300	768,800	729,300	691,900	656,000
Other Tobacco Products Tax	134,893	145,200	156,500	168,700	181,900	196,100	211,400
Malt Beverage Tax	23,271	22,300	21,600	21,400	21,200	21,000	20,800
Liquor Tax	415,839	435,300	446,900	466,000	486,100	507,000	528,800
Total - Consumption Taxes	$ 14,373,099	$ 15,154,600	$ 15,081,800	$ 15,460,000	$ 16,069,400	$ 16,824,500	$ 17,712,500
Other Taxes							
Personal Income Tax	$ 16,283,385	$ 16,335,700	$ 17,584,600	$ 18,636,700	$ 19,682,300	$ 20,787,400	$ 22,144,800
Realty Transfer Tax	640,233	761,700	766,700	760,900	765,100	781,700	792,600
Inheritance Tax	1,345,500	1,446,300	1,321,100	1,275,800	1,266,900	1,257,600	1,273,700
Gaming Taxes	241,834	320,000	317,000	320,400	326,000	332,200	338,700
Minor and Repealed Taxes	(33,130)	(52,500)	(56,700)	(64,600)	(81,300)	(99,400)	(116,300)
Total - Other Taxes	$ 18,477,822	$ 18,811,200	$ 19,932,700	$ 20,929,200	$ 21,959,000	$ 23,059,500	$ 24,433,500
TOTAL TAX REVENUE	$ 39,179,636	$ 40,424,600	$ 41,150,400	$ 42,178,900	$ 43,900,100	$ 45,765,400	$ 47,822,200
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	187,242	162,000	150,600	152,900	149,100	148,800	148,400
Miscellaneous	775,911	4,124,800	317,200	281,300	281,300	281,300	281,300
Fines, Penalties, and Interest:							
Other	64,128	62,300	62,300	62,300	62,300	62,300	62,300
TOTAL NONTAX REVENUE	$ 1,212,382	$ 4,534,200	$ 715,200	$ 681,600	$ 677,800	$ 677,500	$ 677,100
GENERAL FUND TOTAL	$ 40,392,018	$ 44,958,800	$ 41,865,600	$ 42,860,500	$ 44,577,900	$ 46,442,900	$ 48,499,300

Details may not add to totals due to rounding.

General Fund Revenue Sources

This section provides a brief description of the tax and nontax 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 tax will be changed to strengthen add back rules, codify economic nexus rules, and adopt market sourcing for intangible sales, effective for tax years beginning after December 31, 2022. Net operating loss deductions will remain capped at 40 percent of pre-deduction taxable income.

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

January 1, 2023……	7.99 percent
January 1, 2026 ……	6.99 percent
January 1, 2027……	5.99 percent
With the ultimate goal of reaching……	4.99 percent

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, 1992.

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. Beginning in 2022-23, an annual transfer will occur from motor vehicle sales and use tax receipts to the Public Transportation Trust Fund. The transfer will be the greater of the ratio of $450 million to 2020-21 sales and use tax receipts multiplied by current year sales and use tax receipts or $450 million. 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, 2020-21, and 2021-22. This transfer is proposed for 2022-23 and is expected to be reauthorized for each fiscal year in the forecast period. 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¢) 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 2020-21, $13.8 million was transferred to the Environmental Stewardship Fund, $13.2 million was transferred to an account supporting the Farm Show Complex, and $200 million was transferred to the Property Tax Relief Fund. In 2021-22, $12.3 million is to be transferred to the Environmental Stewardship Fund. This transfer is again proposed for 2022-23 and is expected to be reauthorized for each fiscal year in the forecast period. A transfer of $45 million to the School Safety and Security Fund is proposed for 2022-23. The revenues shown for the General Fund are net of these transfers.

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

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

Realty Transfer Tax

Tax Base: The tax is levied on the value of the real estate transferred by a deed, instrument, or other writing. Other taxable transfers include long-term leases greater than thirty years, transfers of real estate from industrial development authorities that will not be used primarily for industrial purposes, and "deemed" transfers of real estate because of the acquisition of companies 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 generally cash or cash equivalents played on a table game less player winnings. Per Act 1-2010, revenue from this tax is deposited to the General Fund until such time that the balance in the Budget Stabilization Reserve Fund exceeds $750,000,000. In fiscal year 2021-22, the balance of the Budget Stabilization Reserve Fund exceeded that amount, so revenue from this tax is scheduled to begin to be deposited into the Property Tax Relief Fund in fiscal year 2022-23.

Tax Rates: Originally 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, and Act 25-2021 made the 2 percent additional tax permanent. 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.

Proposed Change: This budget proposes for table game taxes to continue to be deposited into the General Fund in fiscal year 2022-23 and thereafter.

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)
- Excess motor vehicle rental tax, Act of June 16, 1994, P.L. 279 (Purdon's Title 72 P.S. §8601-A)
- State personal property tax, Act of June 22, 1935, P.L. 414 as amended
- Electric cooperative corporation tax, 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)
- 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 (NIZ) 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 (CRIZ) 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

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Estimated	2022-23 Budget
TAX REVENUE			
Corporate Net Income Tax	$ 4,423,759	$ 4,532,300	$ 4,194,700
Gross Receipts Tax			
Electric, Hydroelectric, and Water Power	$ 761,724	$ 827,200	$ 837,800
Telephone and Telegraph	231,144	208,000	187,200
Transportation	1,457	1,500	1,500
Alternative Fuel Incentive Grant Fund Transfer	(4,345)	(4,500)	(4,500)
SUBTOTAL	$ 989,981	$ 1,032,200	$ 1,022,000
Public Utility Realty Tax	$ 40,214	$ 41,400	$ 41,800
Insurance Premiums Tax			
Domestic Casualty	$ 85,956	$ 87,900	$ 88,800
Domestic Fire	31,655	32,400	32,700
Domestic Life and Previously Exempted Lines	47,634	13,500	7,500
Excess Insurance Brokers	51,216	52,400	53,000
Foreign Excess Casualty	(18,597)	(19,000)	(19,200)
Foreign Excess Fire	(8,092)	(8,300)	(8,400)
Foreign Life	247,177	251,900	276,800
Marine-Foreign	94	100	100
Marine-Domestic	(255)	(300)	(300)
Title Insurance	12,845	13,200	13,300
Unauthorized Insurance	2,151	2,200	2,200
SUBTOTAL	$ 451,784	$ 426,000	$ 446,500
Financial Institutions Taxes			
Federal Mutual Thrift Institutions	$ 7,909	$ 11,500	$ 11,500
National Banks	295,486	301,000	304,100
State Banks	81,505	71,100	71,800
State Mutual Thrift Institutions	15,133	18,000	18,000
Trust Companies	22,944	25,300	25,500
SUBTOTAL	$ 422,977	$ 426,900	$ 430,900
Sales and Use Tax			
Motor Vehicle	$ 1,847,696	$ 1,826,400	$ 1,401,100
Non-Motor Vehicle	10,987,199	11,856,300	12,241,400
SUBTOTAL	$ 12,834,895	$ 13,682,700	$ 13,642,500
Cigarette Tax	$ 964,201	$ 869,100	$ 814,300
Other Tobacco Products Tax	$ 134,893	$ 145,200	$ 156,500
Malt Beverage Tax	$ 23,271	$ 22,300	$ 21,600
Liquor Tax	$ 415,839	$ 435,300	$ 446,900

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Estimated	2022-23 Budget
Personal Income Tax			
Non-Withholding	$ 5,445,408	$ 4,396,200	$ 4,746,400
Withholding	10,837,978	11,939,500	12,838,200
SUBTOTAL	$ 16,283,385	$ 16,335,700	$ 17,584,600
Realty Transfer Tax	$ 640,233	$ 761,700	$ 766,700
Inheritance Tax			
Nonresident Inheritance and Estate Tax	$ 12,470	$ 11,500	$ 10,500
Resident Inheritance and Estate Tax	1,333,030	1,434,800	1,310,600
SUBTOTAL	$ 1,345,500	$ 1,446,300	$ 1,321,100
Gaming Taxes	$ 241,834	$ 320,000	$ 317,000
Minor and Repealed Taxes			
Corporate Loans Tax	$ 181	$ 200	$ 200
Excess Motor Vehicle Tax	9,229	9,600	9,800
Wine Excise Tax	6,290	4,700	5,100
Tax on Writs, Wills, and Deeds	1,302	1,300	1,300
NIZ State Tax Transfer	(46,642)	(58,000)	(61,300)
CRIZ State Tax Transfer	(9,487)	(8,500)	(9,000)
MIRP State Tax Transfer	(15,474)	(15,800)	(16,800)
Tavern Games	1,139	1,500	1,500
Miscellaneous Business Taxes	1,043	1,000	1,000
Fireworks Tax	13,182	12,300	12,300
Capital Stock and Franchise Taxes	(221)	-	-
Other	6,327	(800)	(800)
SUBTOTAL	$ (33,130)	$ (52,500)	$ (56,700)
TOTAL TAX REVENUE	$ 39,179,636	$ 40,424,600	$ 41,150,400
NONTAX REVENUE			
State Stores Fund Transfer	$ 185,100	$ 185,100	$ 185,100
Licenses, Fees, and Miscellaneous			
Executive Offices			
MISCELLANEOUS REVENUE			
Miscellaneous	$ (612)	$ (643)	$ (486)
Interest Transferred to Employee Benefits	(2,006)	(2,006)	(2,006)
DEPARTMENT TOTAL	$ (2,618)	$ (2,649)	$ (2,492)
Auditor General			
LICENSES AND FEES			
Filing Fees - Board of Arbitration of Claims	$ 1	$ 1	$ 1
DEPARTMENT TOTAL	$ 1	$ 1	$ 1

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Estimated	2022-23 Budget
Attorney General			
MISCELLANEOUS REVENUE			
Assessed Civil Penalties Payments	$ 1,404	$ 400	$ 400
Miscellaneous	820	65	65
DEPARTMENT TOTAL	$ 2,224	$ 465	$ 465
Treasury			
MISCELLANEOUS REVENUE			
Allocation Of Treasury Costs	$ 4,026	$ 4,350	$ 4,350
Dividend Income Reinvested - Long Term	*	5	5
Interest On Average Collected Balance - WIC Program	9	11	10
Interest On Deposits	116	165	236
Miscellaneous	129	110	90
Redeposit of Checks	210	205	200
Treasury Invest Inc	4,884	4,925	4,975
Unclaimed Property - Claim Payments	(140,000)	(180,000)	(186,665)
Unclaimed Property - Financial Institution Deposits	5,078	-	-
Unclaimed Property - Other Holder Deposits	369,471	379,043	386,135
Interest Transferred to Hodge Trust Fund	*	(2)	(2)
DEPARTMENT TOTAL	$ 243,921	$ 208,813	$ 209,333
Agriculture			
LICENSES AND FEES			
Abattoir Licenses	$ 4	$ 1	$ 4
Approved Inspectors Certificate and Registration Fees	2	3	3
Eating & Drinking Licenses	2,398	2,300	2,300
Egg Certification Fees	13	11	11
Ice Cream Licenses	138	150	150
Lab Directors' Exam Fees	1	3	3
Livestock Branding Fees	1	1	1
Poultry Technician Licenses	1	6	6
Pub Weighmasters (Under Act 155)	238	250	250
Registration Fee - Food Establishment	253	240	240
Rendering Plant Licenses	2	2	2
SUBTOTAL	$ 3,052	$ 2,965	$ 2,968
MISCELLANEOUS REVENUE			
Miscellaneous	$ (14)	$ 2	$ 2
DEPARTMENT TOTAL	$ 3,037	$ 2,967	$ 2,970

General Fund Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2020-21 Actual	2021-22 Estimated	2022-23 Budget
Banking and Securities			
LICENSES AND FEES			
Licenses and Fees	$ 29,657	$ 29,697	$ 29,697
DEPARTMENT TOTAL	$ 29,657	$ 29,697	$ 29,697
Community and Economic Development		-	-
LICENSES AND FEES		-	-
Municipal Indebtedness Fees	$ 340	$ 360	$ 400
MISCELLANEOUS REVENUE			
Miscellaneous	$ 20	$ -	$ -
Contract Interest	23	19	19
ID/BID Principal Repayments	88	85	80
ID/BID Interest on Loans	24	22	20
ID/Bid Penalty Charges	-	1	1
PENNWORKS Interest on Loans	657	640	625
PENNWORKS Penalty Charges	2	2	2
PENNWORKS Principal Repayment	5,246	4,200	3,800
GENERAL Interest on Loans	1	1	-
General Principal Repayments	-	150	-
SUBTOTAL	$ 6,062	$ 5,120	$ 4,547
DEPARTMENT TOTAL	$ 6,402	$ 5,480	$ 4,947
Conservation and Natural Resources			
MISCELLANEOUS REVENUE			
Camp Leases	$ 836	$ 790	$ 790
Ground Rents	19	18	18
Housing Rents	24	23	23
Mineral Sales	1	1	1
Miscellaneous	*	1	1
Sale of DEP Water Kits	*	1	1
Rights-Of-Way	1,065	1,060	1,060
Water Leases	24	22	22
DEPARTMENT TOTAL	$ 1,969	$ 1,915	$ 1,915
Corrections			
MISCELLANEOUS REVENUE			
Miscellaneous	$ 68	$ -	$ -
Telephone Commissions	2,531	3,395	3,405
DEPARTMENT TOTAL	$ 2,600	$ 3,395	$ 3,405

General Fund Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2020-21 Actual	2021-22 Estimated	2022-23 Budget
Drug and Alcohol Programs			
MISCELLANEOUS REVENUE			
Miscellaneous	$ 1	3	3
DEPARTMENT TOTAL	$ 1	3	3
Education			
LICENSES AND FEES			
Fees For Licensing Private Schools	$ 158	$ 145	$ 145
Private Academic School Teacher Certification Fees	42	42	42
Fees For Licensing Private Driver Training Schools	80	79	79
Secondary Education Evaluation Fees	14	14	14
Teacher Certification Fees	2,481	2,500	2,500
Fingerprint and FBI Background Check Fees	706	675	675
SUBTOTAL	$ 3,481	$ 3,455	$ 3,455
MISCELLANEOUS REVENUE			
Refunds Of Expend Not Credited to Appropriations	2	-	-
DEPARTMENT TOTAL	$ 3,483	$ 3,455	$ 3,455
Environmental Protection			
LICENSES AND FEES			
Bituminous Shot Firers and Machine Runners Exam A	$ 2	$ 2	$ 2
Blasters' Examination and Licensing Fees	23	23	23
Explosives Storage Permit Fees	69	71	71
Government Financed Cost Contracts	59	59	59
Hazardous Waste Facility Annual Permit Administration Fees	53	41	41
Hazardous Waste Facility Permit Application Fees	141	75	75
Hazardous Waste Storage-Disposal Fac-Fee	19	19	19
Hazardous Waste Transporter License and Fees	48	48	48
Infectious & Chemical Waste Transport Fees	13	13	13
Municipal Waste Annual Permit Administration Fees	256	256	256
Municipal Waste Permit Application Fees	34	34	34
Residual Waste Permit Administration Fees	176	176	176
Residual Waste Permit Application/Modification Fees	95	72	72
Sewage Permit Fees	122	115	115
Submerged Land Fees	49	53	53
Water Bacteriological Examination Fees	1	4	4
Water Power and Supply Permit Fees	90	93	93
SUBTOTAL	$ 1,249	$ 1,154	$ 1,154

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Estimated	2022-23 Budget
MISCELLANEOUS REVENUE			
Ground Rentals	$ 11	$ 10	$ 10
Miscellaneous	8	8	8
Payment To Occupy Submerged Lands	2,701	2,532	2,532
Refunds of Expenditures Not Credited to Appropriations	5	7	7
Rights-Of-Way	25	26	26
Royalties to Recovery of Materials - Schuylkill River	98	92	92
SUBTOTAL	$ 2,848	$ 2,675	$ 2,675
DEPARTMENT TOTAL	$ 4,098	$ 3,829	$ 3,829
Gaming Control Board			
LICENSES AND FEES			
VGT License Fees	$ 100	$ 145	$ 25
VGT Application Fees	226	113	113
Fantasy Contest Authorization Fees	76	70	50
Sports Wagering Authorization Fees	20,123	10,000	-
Interactive Gaming Authorization Fees	2,100	1,060	-
Slot License Fees	3,750	3,175	-
Ancillary Table Games License Fees	228	200	200
SUBTOTAL	$ 26,602	$ 14,763	$ 388
MISCELLANEOUS REVENUE			
Miscellaneous	$ 1	$ -	$ -
DEPARTMENT TOTAL	$ 26,603	$ 14,763	$ 388
General Services			
MISCELLANEOUS REVENUE			
Allocation of Purchasing Costs Job 7	$ 5,610	$ 4,676	$ 4,700
Real Estate Services	-	410	410
Rental of State Property	146	90	90
Sale of State Property	3,048	1,500	1,700
Sale of Property Escrow	329	75	85
Reading State Office Building	-	230	230
Scranton State Office Building	-	445	445
Rebates to be Distributed	75	5	5
DEPARTMENT TOTAL	$ 9,209	$ 7,431	$ 7,665
Human Services			
LICENSES AND FEES			
Miscellaneous	$ 57	$ 61	$ 61

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Estimated	2022-23 Budget
MISCELLANEOUS REVENUE			
Miscellaneous	$ 6	$ 6	$ 6
DEPARTMENT TOTAL	$ 63	$ 67	$ 67
Health			
LICENSES AND FEES			
Bathing Place Program - Application Fees	$ 1	$ 1	$ 1
Birth Certificate Fees	6,074	6,515	6,515
Birth Certificate Fees - Transfer	(2,508)	(3,068)	(3,068)
CRE Certification Fees	10	-	-
Home Care Agency Licensure Fees	398	365	365
Hospice Licensing Fees	10	9	9
Miscellaneous Licensure Fees	209	218	218
Nursing Home Licenses	274	287	287
Pediatric Extended Care Licensing Fees	6	4	4
Profit Making Hospital Licenses	220	221	221
Organized Camps Program Fees	3	4	4
Registration Fees - Hearing Aid Act	116	112	112
Registration Fees - Drugs Devices and Cosmetics Act	520	528	528
Vital Statistics Fees	761	760	760
Wholesale Prescription Drug Distribution Licenses	26	27	27
Milk Bank Licensing Fees	2	2	2
SUBTOTAL	$ 6,120	$ 5,984	$ 5,984
MISCELLANEOUS REVENUE			
Miscellaneous	$ -	$ 24	$ 24
DEPARTMENT TOTAL	$ 6,120	$ 6,008	$ 6,008
Historical and Museum Commission			
MISCELLANEOUS REVENUE			
Miscellaneous	$ -	$ 30	$ 30
DEPARTMENT TOTAL	$ *	$ 30	$ 30
Insurance			
LICENSES AND FEES			
Agents' Licenses	$ 51,186	$ 47,500	$ 48,000
Brokers' Licenses	17,051	17,500	17,500
Division of Companies Certification - Certificates and Filing Fees	2,149	1,900	1,900
Miscellaneous Fees	588	550	550
Contra Transfers	(39,688)	(38,725)	(38,975)
Valuation of Policies Fees	8,402	10,000	10,000
SUBTOTAL	$ 39,688	$ 38,725	$ 38,975

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Estimated	2022-23 Budget
MISCELLANEOUS REVENUE			
Miscellaneous	$ 8	$ -	$ -
DEPARTMENT TOTAL	$ 39,696	$ 38,725	$ 38,975
Labor and Industry			
LICENSES AND FEES			
Accessibility	$ 23	$ 65	$ 67
Approval Of Building Plan Fees	934	900	927
Approval Of Elevator Plan Fees	1,007	2,500	2,575
Bedding and Upholstery Fees	714	1,500	1,545
Boiler Inspections Fees	2,542	5,000	5,150
Boiler Plan Fees	113	325	335
Elevator Inspection Fees	1,457	1,950	2,009
Flammable Liquids Storage Fees	239	500	515
Industrial Board	162	400	412
Liquefied Petroleum Gas Plan Fees	5	10	10
Liquefied Petroleum Gas Regis Fees	172	400	412
Stuffed Toys Manufacturers' Registration Fees	50	135	139
UCC Certifications	43	110	113
SUBTOTAL	$ 7,463	$ 13,795	$ 14,209
MISCELLANEOUS REVENUE			
Miscellaneous	$ 461	$ 486	$ 486
DEPARTMENT TOTAL	$ 7,924	$ 14,281	$ 14,695
Revenue			
LICENSES AND FEES			
Certification and Copy Fees	$ 62	$ 65	$ 68
Cigarette Permit Fees	1,519	1,519	1,519
Domestic Violence and Rape Crisis Program Fee	1,043	984	924
Fee - Act 42 of 2017	12,500	2,500	2,500
SUBTOTAL	$ 15,124	$ 5,068	$ 5,011
MISCELLANEOUS REVENUE			
Exempt Collections Per Act 1992-67	$ 12,884	$ 12,884	$ 12,884
District Justice Costs	9,527	13,727	13,727
Act 64 - Contra District Justice Costs	(1,896)	(6,096)	(6,096)
Miscellaneous	3,268	194	194
SUBTOTAL	$ 23,783	$ 20,709	$ 20,709
DEPARTMENT TOTAL	$ 38,908	$ 25,777	$ 25,720

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Estimated	2022-23 Budget
State			
LICENSES AND FEES			
Charities Bureau Registration Fees	$ 3,519	$ 3,362	$ 3,530
Commission and Filing Fees - Bureau of Elections	623	620	620
Commission and Filing Fees - Corporation Bureau	49,116	41,000	43,050
Campaign Finance Fee	127	75	120
Notary Public Commission Fees	979	960	970
SUBTOTAL	$ 54,364	$ 46,017	$ 48,290
MISCELLANEOUS REVENUE			
Prof. & Occupational Affairs Credit Card Transfer	$ (1,144)	$ -	$ -
Interest Transferred to HAVA Program	(47)	-	-
SUBTOTAL	$ (1,191)	$ -	$ -
DEPARTMENT TOTAL	$ 53,173	$ 46,017	$ 48,290
State Police			
MISCELLANEOUS REVENUE			
Act 64 - Contra Miscellaneous Revenue	$ (20)	$ -	$ -
Miscellaneous	128	476	476
DEPARTMENT TOTAL	$ 108	$ 476	$ 476
Transportation			
MISCELLANEOUS REVENUE			
Interest on Securities-Railroad Rehab & Improv	$ -	$ 300	$ 300
DEPARTMENT TOTAL	$ *	$ 300	$ 300
Other			
LICENSES AND FEES			
Liquor Control Board - Small Games of Chance – License Fees	$ 44	$ *	$ *
MISCELLANEOUS REVENUE			
Payments in Lieu of Taxes - SWIF	$ 2,076	$ 2,000	$ 2,000
Insurance Contra IROF Return	-	13,545	5,700
Supreme Court	19	9	4
Transfers From Special Funds	299,435	19,000	59,954
Loans From Other Funds	185,000	-	-
SFR Revenue Replacement	-	3,841,000	-
DEPARTMENT TOTAL	$ 486,573	$ 3,875,554	$ 67,658
Total Licenses, Fees, and Miscellaneous	$ 963,154	$ 4,286,799	$ 467,799
Fines, Penalties, and Interest			
Attorney General			
Criminal Restitution General Fund	$ 11	$ 60	$ 60

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Estimated	2022-23 Budget
Agriculture			
Amusement Rides and Attractions - Fines	$ 2	$ 3	$ 3
General Food Fines	9	15	15
Civil Penalties - Food Establishments	3	10	10
Miscellaneous Fines	2	8	8
Ethics Commission			
Violations-Act 1978-170	$ 29	$ 35	$ 30
Lobbying Act Civil Penalties Act 134-206	15	45	50
Gaming Control Board			
Miscellaneous Fines and Penalties	$ 524	$ 524	$ 524
Health			
Non-Compliance Fines and Penalties BA67	$ 5	$ 3	$ 3
Insurance			
Miscellaneous Fines	$ 841	$ 1,000	$ 1,000
Surcharge on Moving Vehicles Violations	24,500	24,500	24,500
Labor and Industry			
Minor Labor Law Fines	$ 1	$ 1	$ 1
BOIS Regulatory Fines	2	1	1
Miscellaneous Fines	42	50	50
Act 64 - Contra Misc. Fines	(4)	5	5
Public Utility Commission			
Violation of Order Fines	$ 2,625	$ 500	$ 500
Revenue			
CRIZ Program Penalties	$ -	$ 3	$ 3
Commercial Driver Fines	272	320	320
Act 64 - Contra Vehicle Code Fines	(4,910)	(7,127)	(7,127)
Act 64 - Contra Vehicle Code Fines	(3,812)	(3,764)	(3,726)
Vehicle Codes Fines - Local Police Enforcement	17,622	17,575	17,536
Vehicle Code Fines - Overweight Trucks	250	330	330
Vehicle Code Fines - State Police Enforcement	14,259	16,476	16,476
Transportation			
Emission Regulation Fines & Penalties	$ 66	$ 60	$ 60
Fines - Restoration - Operating Privileges	9,412	9,300	9,300
Restoration of Vehicle Registration	2,361	2,368	2,368
Total Fines, Penalties, and Interest	$ 64,128	$ 62,300	$ 62,300
TOTAL NONTAX REVENUES	$ 1,212,382	$ 4,534,200	$ 715,200
TOTAL GENERAL FUND REVENUES	$ 40,392,018	$ 44,958,800	$ 41,865,600

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

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)

	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-2021 Actual
TAX REVENUE						
Corporation Taxes						
Corporate Net Income Tax	$ 2,842,388	$ 2,751,473	$ 2,879,024	$ 3,397,543	$ 2,826,881	$ 4,423,759
Selective Business:						
Gross Receipts Tax	1,304,907	1,230,536	1,149,934	1,250,052	1,104,261	989,981
Public Utility Realty Tax	39,211	40,185	33,817	36,293	37,822	40,214
Insurance Premiums Tax	464,626	433,426	450,857	444,303	473,579	451,784
Financial Institutions Taxes	329,997	322,544	371,314	380,138	392,886	422,977
Total - Corporation Taxes	$ 4,981,129	$ 4,778,164	$ 4,884,945	$ 5,508,328	$ 4,835,428	$ 6,328,715
Consumption Taxes						
Sales and Use Tax	$ 9,795,189	$ 10,004,459	$ 10,381,360	$ 11,099,648	$ 10,817,808	$ 12,834,895
Cigarette Tax	911,512	1,261,572	1,198,252	1,118,764	924,341	964,201
Other Tobacco Products Tax	-	83,915	119,120	129,930	127,274	134,893
Malt Beverage Tax	24,946	24,396	24,115	23,534	23,167	23,271
Liquor Tax	348,056	361,856	371,508	381,876	365,707	415,839
Total - Consumption Taxes	$ 11,079,703	$ 11,736,199	$ 12,094,354	$ 12,753,752	$ 12,258,298	$ 14,373,099
Other Taxes						
Personal Income Tax	$ 12,505,964	$ 12,664,373	$ 13,398,955	$ 14,095,522	$ 12,835,000	$ 16,283,385
Realty Transfer Tax	481,720	478,005	514,441	533,981	497,792	640,233
Inheritance Tax	962,234	977,927	1,019,323	1,053,588	1,082,038	1,345,500
Gaming Taxes	100,200 [a]	120,611 [a]	123,059	131,673	143,022	241,834
Minor and Repealed Taxes	146,871 [bc]	(2,962) [c]	(31,675)	(20,539)	(40,646)	(33,130)
Total - Other Taxes	$ 14,196,988	$ 14,237,955	$ 15,024,102	$ 15,794,224	$ 14,517,207	$ 18,477,822
TOTAL TAX REVENUE	$ 30,257,820	$ 30,752,318	$ 32,003,401	$ 34,056,304	$ 31,610,932	$ 39,179,636
NONTAX REVENUE						
State Stores Fund Transfer	$ - [d]	$ 216,400	$ 185,100	$ 185,100	$ 185,100	$ 185,100
Licenses, Fees, and Miscellaneous:						
Licenses and Fees	116,716	119,138	322,964	326,835	133,407	187,242
Miscellaneous	455,091	501,867	1,980,128	216,729	278,439	775,911
Fines, Penalties, and Interest:						
Other	71,954	79,276	75,355	72,910	67,984	64,128
TOTAL NONTAX REVENUE	$ 643,761	$ 916,682	$ 2,563,547	$ 801,574	$ 664,931	$ 1,212,382
GENERAL FUND TOTAL	$ 30,901,581	$ 31,669,000	$ 34,566,948	$ 34,857,878	$ 32,275,863	$ 40,392,018

[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)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Governor's Office			
General Government			
Governor's Office	$ 6,706	$ 6,706	$ 7,235
TOTAL STATE FUNDS	$ 6,706	$ 6,706	$ 7,235
Augmentations	2,552	2,734	2,901
DEPARTMENT TOTAL	$ 9,258	$ 9,440	$ 10,136
Executive Offices			
General Government			
Office of Administration	$ 9,647	$ 10,453	$ 11,695
Office of State Inspector General	4,369	4,276	6,532
State Inspector General - Welfare Fraud	11,799	11,799	13,121
Office of the Budget	18,788	18,788	19,453
Audit of the Auditor General	99	-	-
Office of General Counsel	5,529	5,838	6,077
Human Relations Commission	10,088	9,713	10,390
Council on the Arts	867	867	952
Juvenile Court Judges' Commission	2,980	2,980	3,596
Transfer to Commonwealth Financing Authority	5,000	5,000	-
Workers' Compensation Security Fund Loan Repayment	145,000	-	-
Subtotal	$ 214,166	$ 69,714	$ 71,816
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	$ 245,701	$ 101,249	$ 103,351
Federal Funds	19,755	4,106,669	18,442
Augmentations	434,444	470,655	508,774
Restricted	23,495	28,500	28,946
DEPARTMENT TOTAL	$ 723,395	$ 4,707,073	$ 659,513
Commission on Crime and Delinquency			
General Government			
Commission on Crime and Delinquency	$ 9,627	$ 11,377	$ 14,232
Violence and Delinquency Prevention Programs	4,033	4,033	4,033
Office of Safe Schools Advocate	379	379	379
Subtotal	$ 14,039	$ 15,789	$ 18,644

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Grants and Subsidies			
Violence Intervention and Prevention	$ -	$ 30,000	$ 35,000
Improvement of Adult Probation Services	16,222	16,222	16,222
Victims of Juvenile Offenders	1,300	1,300	1,300
Intermediate Punishment Treatment Programs	18,167	18,167	18,167
Transfer to Nonprofit Security Grant Fund	5,000	-	10,000
Transfer to Crime Victims Reimbursements (EA)	83	-	-
Subtotal	$ 40,772	$ 65,689	$ 80,689
TOTAL STATE FUNDS	$ 54,811	$ 81,478	$ 99,333
Federal Funds	206,811	221,089	196,194
Augmentations	8,232	15,830	5,170
Restricted	20,324	22,838	24,005
DEPARTMENT TOTAL	$ 290,178	$ 341,235	$ 324,702
Lieutenant Governor			
General Government			
Lieutenant Governor's Office	$ 1,330	$ 1,137	$ 1,124
Board of Pardons	906	2,108	-
Subtotal	$ 2,236	$ 3,245	$ 1,124
TOTAL STATE FUNDS	$ 2,236	$ 3,245	$ 1,124
DEPARTMENT TOTAL	$ 2,236	$ 3,245	$ 1,124
Attorney General			
General Government			
General Government Operations	$ 46,657	$ 47,408	$ 52,408
Drug Law Enforcement	49,054	49,455	53,983
Joint Local-State Firearm Task Force	6,815	7,115	7,705
Witness Relocation	1,215	1,215	1,215
Child Predator Interception	5,280	5,755	6,630
Tobacco Law Enforcement	1,489	1,353	1,431
School Safety	1,664	1,761	1,822
Subtotal	$ 112,174	$ 114,062	$ 125,194
Grants and Subsidies			
County Trial Reimbursement	$ 200	$ 200	$ 200
TOTAL STATE FUNDS	$ 112,374	$ 114,262	$ 125,394
Federal Funds	17,679	17,539	17,709
Augmentations	501	411	276
Restricted	50,442	75,737	68,047
DEPARTMENT TOTAL	$ 180,996	$ 207,949	$ 211,426

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Auditor General			
General Government			
Auditor General's Office	$ 35,681	$ 38,341	$ 41,926
Special Financial Audits	500	500	-
Transition - Governor	-	-	175
Specurity and Other Expenses - Outgoing Governor	-	-	100
Board of Claims	1,880	1,768	1,768
Subtotal	$ 38,061	$ 40,609	$ 43,969
TOTAL STATE FUNDS	$ 38,061	$ 40,609	$ 43,969
Augmentations	11,105	11,247	14,708
DEPARTMENT TOTAL	$ 49,166	$ 51,856	$ 58,677
Treasury			
General Government			
General Government Operations	$ 35,715	$ 37,206	$ 39,480
Board of Finance and Revenue	2,877	2,992	3,275
Divestiture Reimbursement	83	300	15
Publishing Monthly Statements	5	5	5
Intergovernmental Organizations	1,168	1,195	1,195
Information Technology Cyber Security	1,000	1,000	1,000
Subtotal	$ 40,848	$ 42,698	$ 44,970
Grants and Subsidies			
Law Enforcement & Emergency Response Personnel Death Benefit	$ 2,980	$ 3,330	$ 3,330
Transfer to ABLE Fund	900	900	900
Subtotal	$ 3,880	$ 4,230	$ 4,230
Debt Service			
Loan and Transfer Agent	$ 40	$ 40	$ 40
Tax Note Expenses (EA)	338	-	-
Interest on Tax Anticipation Notes (EA)	1,495	-	-
General Obligation Debt Service	1,143,433	1,127,000	1,206,000
Subtotal	$ 1,145,306	$ 1,127,040	$ 1,206,040
TOTAL STATE FUNDS	$ 1,190,034	$ 1,173,968	$ 1,255,240
Federal Funds	-	-	500,000
Augmentations	11,002	7,856	7,885
DEPARTMENT TOTAL	$ 1,201,036	$ 1,181,824	$ 1,763,125
Aging			
Federal Funds	$ 181,180	$ 109,446	$ 105,638
DEPARTMENT TOTAL	$ 181,180	$ 109,446	$ 105,638

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Agriculture			
General Government			
General Government Operations	$ 33,128	$ 34,952	$ 38,808
Transfer to Dog Law Administration	-	1,340	3,000
Agricultural Preparedness and Response	3,000	3,000	6,500
Agricultural Excellence	2,800	2,800	2,800
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	2,187
Agricultural Promotion, Education, and Exports	553	553	553
Hardwoods Research and Promotion	474	474	474
Subtotal	$ 48,721	$ 51,885	$ 60,901
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	215
Open Dairy Show	215	215	215
Youth Shows	169	169	169
State Food Purchase	19,688	22,688	24,688
Food Marketing and Research	494	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	57,708
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	1,893
Subtotal	$ 120,970	$ 123,970	$ 127,316
TOTAL STATE FUNDS	$ 169,691	$ 175,855	$ 188,217
Federal Funds	107,228	108,124	233,968
Augmentations	4,332	3,639	3,683
Restricted	10,684	14,500	14,297
DEPARTMENT TOTAL	$ 291,935	$ 302,118	$ 440,165
Banking and Securities			
Restricted	$ 9,477	$ 9,477	$ 8,882
DEPARTMENT TOTAL	$ 9,477	$ 9,477	$ 8,882

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Community and Economic Development			
General Government			
General Government Operations	$ 19,083	$ 21,032	$ 23,347
Center for Local Government Services	4,217	4,217	4,494
Office of Open Records	3,299	3,299	3,667
Office of International Business Development	5,830	5,830	5,969
Marketing to Attract Tourists	17,826	30,151	4,093
Marketing to Attract Business	2,016	2,016	2,048
Base Realignment and Closure	556	556	572
Subtotal	$ 52,827	$ 67,101	$ 44,190
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	32,500
Invent Penn State	-	-	2,350
Intergovernmental Cooperation Authority - 3rd Class Cities	100	100	100
Pennsylvania First	20,000	20,000	20,000
Municipal Assistance Program	546	546	546
Keystone Communities	24,225	29,700	6,377
State Facility Closure Transition Program	5,000	-	-
Partnerships for Regional Economic Performance	9,880	9,880	11,380
Manufacturing PA	12,000	12,000	13,500
Strategic Management Planning Program	2,367	2,367	2,367
Tourism - Accredited Zoos	800	800	800
Infrastructure Technology Assistance Program	2,000	2,000	2,000
Super Computer Center	500	500	500
Powdered Metals	100	100	100
Rural Leadership Training	100	100	100
Infrastructure and Facilities Improvement Grants	10,000	10,000	10,000
Public Television Technology	750	-	1,500
America250PA	-	-	250
Food Access Initiative	1,000	1,000	1,000
Local Municipal Relief	20,450	18,775	-
Subtotal	$ 128,818	$ 126,868	$ 109,870
TOTAL STATE FUNDS	$ 181,645	$ 193,969	$ 154,060
Federal Funds	312,494	1,010,759	954,608
Augmentations	8,164	7,305	6,885
Restricted	158,881	10,175	10,175
DEPARTMENT TOTAL	$ 661,184	$ 1,222,208	$ 1,125,728

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Conservation and Natural Resources			
General Government			
General Government Operations	$ 26,717	$ 28,350	$ 31,466
State Parks Operations	54,326	54,326	66,856
State Forests Operations	40,635	43,187	53,460
Forest Pest Management	-	-	5,000
Parks and Forests Infrastructure Projects	900	900	900
Subtotal	$ 122,578	$ 126,763	$ 157,682
Grants and Subsidies			
Heritage and Other Parks	$ 3,852	$ 3,852	$ 2,277
Annual Fixed Charges - Flood Lands	70	70	70
Annual Fixed Charges - Project 70	88	88	88
Annual Fixed Charges - Forest Lands	7,812	7,851	7,932
Annual Fixed Charges - Park Lands	430	430	430
Subtotal	$ 12,252	$ 12,291	$ 10,797
TOTAL STATE FUNDS	$ 134,830	$ 139,054	$ 168,479
Federal Funds	57,565	67,290	200,098
Augmentations	50,593	55,441	52,836
Restricted	9,851	13,206	9,245
DEPARTMENT TOTAL	$ 252,839	$ 274,991	$ 430,658
Corrections			
Institutional			
Medical Care	$ 232,486	$ 331,486	$ 340,279
Correctional Education and Training	41,621	42,597	45,764
State Correctional Institutions	936,532	2,083,044	2,165,745
Subtotal	$ 1,210,639	$ 2,457,127	$ 2,551,788
General Government			
General Government Operations	$ 44,268	$ 42,268	$ 40,154
State Field Supervision	141,527	151,403	160,596
Pennsylvania Parole Board	11,859	12,121	12,965
Office of Victim Advocate	-	-	3,236
Board of Pardons	-	-	2,273
Sexual Offenders Assessment Board	6,582	6,582	6,977
Subtotal	$ 204,236	$ 212,374	$ 226,201
TOTAL STATE FUNDS	$ 1,414,875	$ 2,669,501	$ 2,777,989
Federal Funds	1,387,764	19,579	20,734
Augmentations	8,758	8,935	5,770
Restricted	25,746	19,257	260
DEPARTMENT TOTAL	$ 2,837,143	$ 2,717,272	$ 2,804,753

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Drug and Alcohol Programs			
General Government			
General Government Operations	$ 2,620	$ 2,997	$ 3,234
Grants and Subsidies			
Assistance to Drug and Alcohol Programs	$ 44,732	$ 44,732	$ 44,732
TOTAL STATE FUNDS	$ 47,352	$ 47,729	$ 47,966
Federal Funds	417,022	303,650	239,668
Augmentations	-	1	1
Restricted	-	5,125	5,150
DEPARTMENT TOTAL	$ 464,374	$ 356,505	$ 292,785
Education			
General Government			
General Government Operations	$ 25,359	$ 29,981	$ 30,964
Recovery Schools	250	250	250
Information and Technology Improvement	3,740	3,740	3,740
PA Assessment	41,540	45,265	47,128
Transfer to Empowerment	-	-	7,000
State Library	2,238	2,238	2,488
Subtotal	$ 73,127	$ 81,474	$ 91,570
Institutional			
Youth Development Centers - Education	$ 8,283	$ 8,283	$ 8,608
Grants and Subsidies			
Basic Education Funding	$ 6,794,489	$ 7,074,736	$ 8,645,605
Ready to Learn Block Grant	268,000	288,000	288,000
Pre-K Counts	217,284	242,284	302,284
Head Start Supplemental Assistance	64,178	69,178	79,178
Mobile Science and Math Education Programs	4,714	3,214	-
Teacher Professional Development	5,044	5,044	5,044
Adult and Family Literacy	12,475	12,475	12,975
Career and Technical Education	99,000	99,000	105,138
Career and Technical Education Equipment Grants	5,550	5,550	5,550
Authority Rentals and Sinking Fund Requirements	10,500	201,303	212,422
Pupil Transportation	543,311	597,408	613,747
Nonpublic and Charter School Pupil Transportation	79,442	79,442	79,442
Special Education	1,186,815	1,236,815	1,436,815
Early Intervention	325,500	336,500	336,500
Tuition for Orphans and Children Placed in Private Homes	48,000	49,374	49,374
Payments in Lieu of Taxes	170	170	171
Education of Migrant Laborers' Children	853	853	853

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
PA Chartered Schools for the Deaf and Blind	57,557	61,222	64,769
Special Education - Approved Private Schools	122,656	122,656	129,120
School Food Services	30,000	30,000	30,000
School Employees' Social Security	71,001	67,229	68,477
School Employees' Retirement	2,702,000	2,734,000	2,901,000
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	60,470
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	36,420	30,995	-
Safe School Initiative	11,000	11,000	11,000
Trauma-Informed Education	750	750	750
Community Colleges	243,855	245,240	257,502
Transfer to Community College Capital Fund	48,869	52,078	54,682
Regional Community Colleges Services	2,136	2,136	2,136
Northern PA Regional College	7,000	7,000	-
Community Education Councils	2,393	2,393	2,393
Hunger-Free Campus Initiative	-	-	1,000
Sexual Assault Prevention	1,000	1,000	1,500
Thaddeus Stevens College of Technology	18,701	18,701	19,636
State System of Higher Education	477,470	477,470	552,470
Penn State University - General Support	242,096	242,096	254,201
Pennsylvania College of Technology	26,736	26,736	28,073
University of Pittsburgh - General Support	151,507	151,507	159,082
Rural Education Outreach	3,346	3,346	3,513
Temple University - General Support	158,206	158,206	166,116
Lincoln University - General Support	15,166	15,166	15,924
Subtotal	$ 14,274,988	$ 14,942,071	$ 17,077,240
TOTAL STATE FUNDS	$ 14,356,398	$ 15,031,828	$ 17,177,418
Federal Funds	5,367,418	7,938,088	2,898,381
Augmentations	5,715	6,216	6,581
Restricted	5,430	7,683	739
DEPARTMENT TOTAL	$ 19,734,961	$ 22,983,815	$ 20,083,119
Higher Education Assistance Agency			
Grants and Subsidies			
Grants to Students	$ 310,733	$ 310,733	$ 350,370
Pennsylvania Internship Program Grants	450	450	450

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Ready to Succeed Scholarships	5,550	5,550	16,375
Matching Payments for Student Aid	13,121	13,121	13,449
Institutional Assistance Grants	26,521	26,521	27,184
Higher Education for the Disadvantaged	2,358	2,358	2,417
Higher Education of Blind or Deaf Students	49	49	50
Bond-Hill Scholarships	800	800	800
Cheyney Keystone Academy	3,500	3,500	5,000
Targeted Industry Cluster Scholarship Program	6,300	6,300	8,652
Subtotal	$ 369,382	$ 369,382	$ 424,747
TOTAL STATE FUNDS	$ 369,382	$ 369,382	$ 424,747
Federal Funds	-	20,000	35,000
Augmentations	500	15,500	15,000
DEPARTMENT TOTAL	$ 369,882	$ 404,882	$ 474,747
Emergency Management Agency			
General Government			
General Government Operations	$ 13,387	$ 10,603	$ 12,124
State Fire Commissioner	2,807	2,777	3,028
Subtotal	$ 16,194	$ 13,380	$ 15,152
Grants and Subsidies			
Disaster Relief	$ 35,495	$ -	$ 5,000
Hazard Mitigation	-	-	20,000
State Disaster Assistance	-	-	10,000
Firefighters Memorial Flags	10	10	10
Red Cross Extended Care Program	250	250	250
Search and Rescue	250	250	250
Subtotal	$ 36,005	$ 510	$ 35,510
TOTAL STATE FUNDS	$ 52,199	$ 13,890	$ 50,662
Federal Funds	546,492	456,257	447,020
Augmentations	1,217	1,405	1,405
Restricted	3,007	5,026	4,405
DEPARTMENT TOTAL	$ 602,915	$ 476,578	$ 503,492
Environmental Protection			
General Government			
General Government Operations	$ 15,095	$ 16,759	$ 19,929
Environmental Hearing Board	2,554	2,593	2,728
Environmental Program Management	32,041	34,160	42,297
Chesapeake Bay Agricultural Source Abatement	2,935	3,461	3,539
Environmental Protection Operations	94,202	98,036	117,115

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Black Fly Control and Research	3,347	7,645	7,645
West Nile Virus and Zika Virus Control	5,345	5,609	5,880
Subtotal	$ 155,519	$ 168,263	$ 199,133
Grants and Subsidies			
Delaware River Master	$ 38	$ 38	$ 125
Susquehanna River Basin Commission	205	205	740
Interstate Commission on the Potomac River	23	23	51
Delaware River Basin Commission	217	217	1,047
Ohio River Valley Water Sanitation Commission	68	68	183
Chesapeake Bay Commission	300	300	300
Transfer to Conservation District Fund	2,506	2,506	2,506
Interstate Mining Commission	15	15	30
Transfer to Recycling Fund	-	-	10,000
Subtotal	$ 3,372	$ 3,372	$ 14,982
TOTAL STATE FUNDS	$ 158,891	$ 171,635	$ 214,115
Federal Funds	254,442	256,157	554,077
Augmentations	33,452	37,843	38,324
Restricted	76,244	105,002	100,221
DEPARTMENT TOTAL	$ 523,029	$ 570,637	$ 906,737
Ethics Commission			
General Government			
State Ethics Commission	$ 2,932	$ 3,015	$ 3,197
TOTAL STATE FUNDS	$ 2,932	$ 3,015	$ 3,197
DEPARTMENT TOTAL	$ 2,932	$ 3,015	$ 3,197
General Services			
General Government			
General Government Operations	$ 53,698	$ 55,275	$ 61,934
Child Care Reimagined	-	-	30,000
Capitol Police Operations	12,712	14,286	15,923
Rental, Relocation, and Municipal Charges	22,702	26,150	26,701
Utility Costs	23,946	24,626	25,393
Excess Insurance Coverage	4,328	3,477	3,477
Transfer to State Insurance Fund	-	1,500	1,500
Capitol Fire Protection	5,000	5,000	5,000
Subtotal	$ 122,386	$ 130,314	$ 169,928
TOTAL STATE FUNDS	$ 122,386	$ 130,314	$ 169,928
Federal Funds	7,000	-	-
Augmentations	63,552	69,023	70,232
Restricted	518	1,500	1,500
DEPARTMENT TOTAL	$ 193,456	$ 200,837	$ 241,660

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Health			
General Government			
General Government Operations	$ 21,822	$ 30,268	$ 32,830
Quality Assurance	23,093	24,393	28,717
Health Innovation	605	753	774
Achieving Better Care - MAP Program	2,715	2,989	2,973
Vital Statistics	100	100	-
State Laboratory	4,269	4,028	7,424
State Health Care Centers	12,054	24,972	25,784
Sexually Transmitted Disease Screening and Treatment	1,734	1,757	1,893
Subtotal	$ 66,392	$ 89,260	$ 100,395
Grants and Subsidies			
Diabetes Programs	$ 200	$ 200	$ 200
Primary Health Care Practitioner	4,550	4,550	4,550
Community-Based Health Care Subsidy	2,000	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	9,914	10,436	10,436
Regional Cancer Institutes	1,200	1,200	1,200
School District Health Services	34,620	34,620	34,620
Local Health Departments	25,421	27,362	35,993
Local Health - Environmental	2,389	2,564	2,700
Maternal and Child Health Services	1,005	1,398	1,456
Tuberculosis Screening and Treatment	913	913	913
Renal Dialysis	6,300	6,300	6,300
Gene Therapy Research	-	-	5,000
Services for Children with Special Needs	1,728	1,728	1,728
Adult Cystic Fibrosis & Other Chronic Respiratory Illnesses	750	750	750
Cooley's Anemia	100	100	100
Hemophilia	959	959	959
Lupus	100	100	100
Sickle Cell	1,260	1,260	1,260
Regional Poison Control Centers	700	700	700
Trauma Prevention	460	460	460
Epilepsy Support Services	550	550	550
Bio-Technology Research	7,700	8,550	-
Tourette's Syndrome	150	150	150
Amyotrophic Lateral Sclerosis Support Services	850	850	850

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Lyme Disease	3,000	3,000	3,000
Leukemia/Lymphoma	200	200	200
Subtotal	$ 116,674	$ 120,555	$ 125,830
TOTAL STATE FUNDS	$ 183,066	$ 209,815	$ 226,225
Federal Funds	2,031,652	788,248	630,930
Augmentations	4,701	5,463	4,923
Restricted	101,847	97,557	86,068
DEPARTMENT TOTAL	$ 2,321,266	$ 1,101,083	$ 948,146
Health Care Cost Containment Council			
General Government			
Health Care Cost Containment Council	$ 3,167	$ 3,167	$ 3,167
TOTAL STATE FUNDS	$ 3,167	$ 3,167	$ 3,167
DEPARTMENT TOTAL	$ 3,167	$ 3,167	$ 3,167
Historical and Museum Commission			
General Government			
General Government Operations	$ 21,150	$ 21,150	$ 22,979
Grants and Subsidies			
Cultural and Historical Support	$ 2,000	$ 2,000	$ 2,000
TOTAL STATE FUNDS	$ 23,150	$ 23,150	$ 24,979
Federal Funds	5,108	12,375	5,515
Augmentations	823	823	823
Restricted	330	200	80
DEPARTMENT TOTAL	$ 29,411	$ 36,548	$ 31,397
Human Services			
General Government			
General Government Operations	$ 106,235	$ 120,570	$ 122,000
Information Systems	85,905	91,735	100,270
County Administration - Statewide	45,839	51,220	57,456
County Assistance Offices	247,203	299,473	312,338
Children's Health Insurance Administration	1,670	-	-
Child Support Enforcement	16,250	16,250	22,389
New Directions	15,125	20,712	20,902
Subtotal	$ 518,227	$ 599,960	$ 635,355
Institutional			
Youth Development Institutions and Forestry Camps	$ 34,882	$ 64,565	$ 65,767
Mental Health Services	824,697	822,470	918,922
Intellectual Disabilities - State Centers	101,394	101,225	132,597
Subtotal	$ 960,973	$ 988,260	$ 1,117,286

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Grants and Subsidies			
Cash Grants	$ 13,740	$ 13,740	$ 28,073
Supplemental Grants - Aged, Blind, and Disabled	117,804	114,122	163,372
Medical Assistance - Capitation	3,060,301	3,451,343	3,937,426
Medical Assistance - Fee-for-Service	808,350	664,956	663,890
Payment to Federal Government - Medicare Drug Program	694,922	777,638	965,189
Medical Assistance - Workers with Disabilities	45,219	46,649	94,916
Medical Assistance - Physician Practice Plans	9,618	9,613	6,571
Medical Assistance - Hospital-Based Burn Centers	3,862	3,856	4,437
Medical Assistance - Critical Access Hospitals	9,777	10,927	13,057
Medical Assistance - Obstetric and Neonatal Services	2,814	2,806	3,681
Medical Assistance - Trauma Centers	7,534	7,522	8,656
Medical Assistance - Academic Medical Centers	21,479	21,448	17,431
Medical Assistance - Transportation	58,065	61,145	66,762
Expanded Medical Services for Women	6,263	6,263	6,263
Children's Health Insurance Program	62,156	64,752	104,616
Medical Assistance - Long-Term Living	208,841	126,906	128,844
Medical Assistance - Community HealthChoices	3,165,550	3,860,026	5,289,162
Long-Term Care Managed Care	143,088	146,620	178,210
Intellectual Disabilities - Community Base Program	144,432	144,189	147,032
Intellectual Disabilities - Intermediate Care Facilities	144,956	161,528	192,875
Intellectual Disabilities - Community Waiver Program	1,621,829	1,806,720	2,413,096
Intellectual Disabilities - Lansdowne Residential Services	200	200	200
Autism Intervention and Services	27,262	27,493	29,335
Behavioral Health Services	57,149	57,149	57,149
Special Pharmaceutical Services	600	600	500
County Child Welfare	1,166,448	1,318,809	1,499,930
Community-Based Family Centers	19,558	19,558	34,558
Child Care Services	156,482	156,482	156,482
Child Care Assistance	109,885	109,885	109,923
Nurse Family Partnership	12,999	13,083	13,178
Early Intervention	150,469	169,701	181,256
Domestic Violence	19,093	20,093	20,093
Rape Crisis	10,921	11,921	11,921
Breast Cancer Screening	1,723	1,723	1,723
Human Services Development Fund	13,460	13,460	13,460
Legal Services	2,661	4,161	4,161
Homeless Assistance	18,496	18,496	18,496
211 Communications	750	750	750

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Health Program Assistance and Services	13,615	19,890	-
Services for the Visually Impaired	3,102	3,102	3,102
Subtotal	$ 12,135,473	$ 13,469,325	$ 16,589,776
TOTAL STATE FUNDS	$ 13,614,673	$ 15,057,545	$ 18,342,417
Federal Funds	28,624,536	34,515,907	30,302,144
Augmentations	3,714,567	3,866,386	3,921,329
Restricted	25,325	38,682	30,730
DEPARTMENT TOTAL	$ 45,979,101	$ 53,478,520	$ 52,596,620
Infrastructure Investment Authority			
Federal Funds	$ 195,922	$ -	$ 3,700
DEPARTMENT TOTAL	$ 195,922	$ -	$ 3,700
Insurance			
Grants and Subsidies			
USTIF Loan Repayment	$ 86,479	$ -	$ -
TOTAL STATE FUNDS	$ 86,479	$ -	$ -
Federal Funds	5,000	5,000	5,000
DEPARTMENT TOTAL	$ 91,479	$ 5,000	$ 5,000
Labor and Industry			
General Government			
General Government Operations	$ 13,624	$ 13,844	$ 18,059
Occupational and Industrial Safety	2,945	2,945	2,945
Subtotal	$ 16,569	$ 16,789	$ 21,004
Grants and Subsidies			
Occupational Disease Payments	$ 213	$ 164	$ 147
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	384	278	278
New Choices / New Options	750	750	750
Assistive Technology Financing	475	500	500
Assistive Technology Demonstration and Training	450	450	450
Industry Partnerships	2,813	2,813	2,813
Apprenticeship Training	7,000	7,000	7,000
Subtotal	$ 62,374	$ 62,244	$ 62,227
TOTAL STATE FUNDS	$ 78,943	$ 79,033	$ 83,231
Federal Funds	522,910	538,075	461,103
Augmentations	10,070	10,306	10,056
Restricted	2,807	2,095	2,095
DEPARTMENT TOTAL	$ 614,730	$ 629,509	$ 556,485

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Military and Veterans Affairs			
General Government			
General Government Operations	$ 32,590	$ 26,401	$ 29,444
Keystone State ChalleNGe Academy	1,493	1,400	1,675
Burial Detail Honor Guard	99	99	99
American Battle Monuments	50	50	50
Armory Maintenance and Repair	1,145	1,645	2,645
Special State Duty	35	35	35
Subtotal	$ 35,412	$ 29,630	$ 33,948
Institutional			
Veterans Homes	$ 100,321	$ 110,260	$ 146,865
Grants and Subsidies			
Education of Veterans Children	$ 125	$ 135	$ 135
Transfer to Educational Assistance Program Fund	13,265	12,525	13,221
Blind Veterans Pension	222	222	222
Amputee and Paralyzed Veterans Pension	3,714	3,878	3,951
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	3,279	3,756
Subtotal	$ 21,070	$ 20,644	$ 21,890
TOTAL STATE FUNDS	$ 156,803	$ 160,534	$ 202,703
Federal Funds	236,303	222,688	247,417
Augmentations	23,834	26,165	25,880
Restricted	14	101	101
DEPARTMENT TOTAL	$ 416,954	$ 409,488	$ 476,101
Public Utility Commission			
Federal Funds	$ 5,022	$ 5,128	$ 5,183
Restricted	78,061	78,477	80,091
DEPARTMENT TOTAL	$ 83,083	$ 83,605	$ 85,274
Revenue			
General Government			
General Government Operations	$ 142,954	$ 142,954	$ 149,177
Technology and Process Modernization	4,750	4,750	4,910
Commissions - Inheritance and Realty Transfer Taxes (EA)	13,651	12,791	12,311
Subtotal	$ 161,355	$ 160,495	$ 166,398

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Grants and Subsidies			
Distribution of Public Utility Realty Tax	$ 29,213	$ 32,209	$ 33,309
TOTAL STATE FUNDS	$ 190,568	$ 192,704	$ 199,707
Augmentations	34,585	29,958	29,608
Restricted	30,000	30,000	30,000
DEPARTMENT TOTAL	$ 255,153	$ 252,662	$ 259,315
State			
General Government			
General Government Operations	$ 4,239	$ 5,795	$ 14,967
Statewide Uniform Registry of Electors	7,305	11,791	11,791
Voter Registration and Education	485	462	586
Lobbying Disclosure	283	285	825
Publishing Constitutional Amendments (EA)	5,681	4,500	4,500
Electoral College	10	-	-
Publishing State Reapportionment Maps	-	2,500	-
Publishing Federal Reapportionment Maps	-	400	-
Subtotal	$ 18,003	$ 25,733	$ 32,669
Grants and Subsidies			
Voting of Citizens in Military Service	$ 20	$ 20	$ 20
County Election Expenses (EA)	400	1,400	400
Election Code Debt Service	9,044	9,275	9,264
Subtotal	$ 9,464	$ 10,695	$ 9,684
TOTAL STATE FUNDS	$ 27,467	$ 36,428	$ 42,353
Federal Funds	30,495	18,199	9,728
Augmentations	16,531	391	-
Restricted	78,302	80,875	86,553
DEPARTMENT TOTAL	$ 152,795	$ 135,893	$ 138,634
State Police			
General Government			
General Government Operations	$ 183,253	$ 441,366	$ 734,153
Statewide Public Safety Radio System	12,033	6,992	7,043
Law Enforcement Information Technology	6,899	6,899	6,899
Municipal Police Training	1,708	1,708	1,708
Automated Fingerprint Identification System	885	885	885
Gun Checks	4,400	4,400	5,970
Subtotal	$ 209,178	$ 462,250	$ 756,658
TOTAL STATE FUNDS	$ 209,178	$ 462,250	$ 756,658

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Federal Funds	264,867	40,609	41,991
Augmentations	104,813	108,386	108,005
Restricted	5,231	18,097	18,945
DEPARTMENT TOTAL	$ 584,089	$ 629,342	$ 925,599
Transportation			
General Government			
Vehicle Sales Tax Collections	$ 655	$ 520	$ 552
Infrastructure Projects	1,900	1,900	-
Voter Registration	573	550	577
Subtotal	$ 3,128	$ 2,970	$ 1,129
TOTAL STATE FUNDS	$ 3,128	$ 2,970	$ 1,129
Federal Funds	301,685	205,750	205,750
Restricted	5,654	7,325	7,325
DEPARTMENT TOTAL	$ 310,467	$ 216,045	$ 214,204
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
Reapportionment Expenses - Senate	-	800	-
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)	-	-	3,015
Committee on Appropriations (R)	1,508	1,508	-
Committee on Appropriations (D)	1,507	1,507	-
Caucus Operations (R) and (D)	-	-	79,861
Caucus Operations (R)	43,125	46,939	-
Caucus Operations (D)	36,736	37,372	-
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	1,756	1,756
Bi-Partisan Committee, Chief Clerk, Comptroller, and EMS	14,834	14,834	14,834
Reapportionment Expenses - House	-	800	-
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

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
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	$ 352,793	$ 358,789	$ 352,739
TOTAL STATE FUNDS	$ 352,793	$ 358,789	$ 352,739
DEPARTMENT TOTAL	$ 352,793	$ 358,789	$ 352,739
Judiciary			
General Government			
Supreme Court	$ 17,150	$ 17,150	$ 18,649
Justice Expenses	118	118	118
Judicial Center Operations	814	814	1,105
Judicial Council	141	141	141
District Court Administrators	19,657	19,657	21,994
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	12,290

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
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	36,625
Judges Expenses	183	183	183
Commonwealth Court	21,192	21,192	23,526
Judges Expenses	132	132	132
Courts of Common Pleas	117,739	117,739	130,270
Senior Judges	4,004	4,004	4,291
Judicial Education	1,247	1,247	1,899
Problem-Solving Courts	1,103	1,103	1,103
Magisterial District Judges	82,802	82,802	92,186
Magisterial District Judge Education	744	744	1,020
Municipal Court	7,794	7,794	9,122
Judicial Ethics Advisory Board	62	62	62
Judicial Conduct Board	2,468	2,505	2,555
Court of Judicial Discipline	518	606	618
Subtotal	$ 328,710	$ 328,835	$ 364,777
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	$ 355,839	$ 355,964	$ 391,906
Federal Funds	3,679	1,742	1,563
Restricted	50,093	45,626	45,626
DEPARTMENT TOTAL	$ 409,611	$ 403,332	$ 439,095
Government Support Agencies			
General Government			
Legislative Reference Bureau - Salaries and Expenses	$ 9,691	$ 9,985	$ 9,985
Printing of PA Bulletin and PA Code	886	886	886
Contingent Expenses	25	25	25
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

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
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	$ 67,469	$ 67,763	$ 67,763
TOTAL STATE FUNDS	$ 67,469	$ 67,763	$ 67,763
DEPARTMENT TOTAL	$ 67,469	$ 67,763	$ 67,763
General Fund Total-All Funds			
State Funds	$ 34,013,227	$ 37,477,801	$ 43,707,401
Federal Funds	41,110,029	50,988,368	38,341,561
Augmentations	4,554,043	4,761,919	4,841,055
Restricted	771,763	717,061	663,486
FUND TOTAL	$ 80,449,062	$ 93,945,149	$ 87,553,503

MOTOR LICENSE FUND

The Motor License Fund is a special revenue fund composed of monies received from liquid fuels taxes, operator licenses, registration 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.

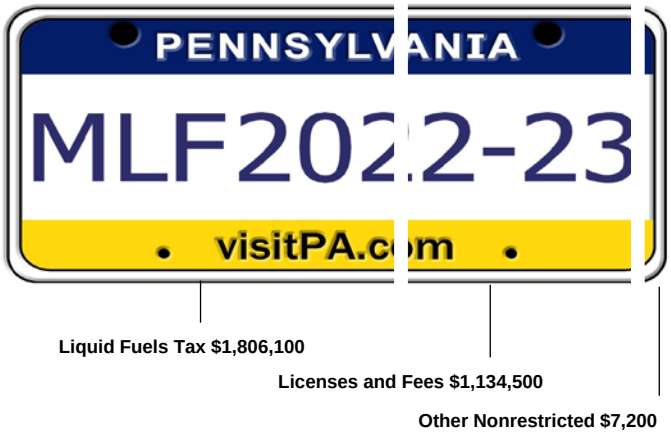
Motor License Fund

The Motor License Fund is a special revenue and major operating fund of the commonwealth. It receives revenues required by the Constitution of Pennsylvania to be used only for costs of construction, reconstruction, maintenance, 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 liquid fuels taxes, vehicle registration and titling fees, and permit and operator license fees. Certain revenues are further restricted to specific highway uses and are not included in the Motor License Fund estimate of revenue.

Taxes on liquid fuels provides approximately 61 percent of total non-restricted Motor License Fund revenues annually. License and fee revenues represent the other major source of revenues for the Motor License Fund.

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.

Income and Outgo

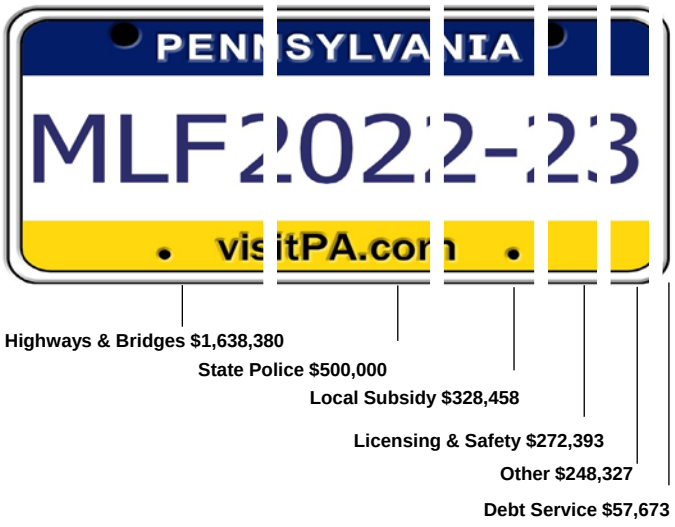


Income
(Dollar Amounts in Thousands)

TOTAL INCOME	$2,947,800
Beginning Balance	187,968
TOTAL	$3,135,768

Outgo
(Dollar Amounts in Thousands)

TOTAL OUTGO	$3,045,231
Ending Balance	90,537
TOTAL	$3,135,768



Seven Year Financial Statement

Excludes Restricted Revenue and Expenditures

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Beginning Balance	$ (51,190)	$ 115,366	$ 187,968	$ 90,537	$ 80,737	$ 52,918	$ 21,988
Adjustment to Beginning Balance	-	-	-	-	-	-	-
Adjusted Beginning Balance	$ (51,190)	$ 115,366	$ 187,968	$ 90,537	$ 80,737	$ 52,918	$ 21,988
Revenue:							
Liquid Fuels Taxes	$ 1,656,359	$ 1,788,000	$ 1,806,100	$ 1,800,400	$ 1,795,100	$ 1,789,800	$ 1,784,600
Licenses and Fees	1,151,355	1,132,100	1,134,500	1,165,600	1,200,200	1,225,300	1,267,200
Other Nonrestricted	17,855	7,100	7,200	7,200	7,300	7,400	7,400
Total Revenue	$ 2,825,569	$ 2,927,200	$ 2,947,800	$ 2,973,200	$ 3,002,600	$ 3,022,500	$ 3,059,200
Prior Year Lapses	63,887	25,000	-	-	-	-	-
Funds Available	$ 2,838,266	$ 3,067,566	$ 3,135,768	$ 3,063,737	$ 3,083,337	$ 3,075,418	$ 3,081,188
Expenditures:							
Appropriations	$ 2,401,400	$ 2,558,917	$ 2,709,763	$ 2,647,532	$ 2,694,951	$ 2,712,962	$ 2,731,938
Executive Authorizations	321,500	320,681	335,468	335,468	335,468	340,468	340,468
Proposed Supplementals	-	-	-	-	-	-	-
Current Year Lapses	-	-	-	-	-	-	-
Total Expenditures	$ 2,722,900	$ 2,879,598	$ 3,045,231	$ 2,983,000	$ 3,030,419	$ 3,053,430	$ 3,072,406
Ending Balance	$ 115,366	$ 187,968	$ 90,537	$ 80,737	$ 52,918	$ 21,988	$ 8,782

Summary by Department

	(Dollar Amounts in Thousands)		
	2020-21 Actual	2021-22 Available	2022-23 Budget
Treasury			
General Government			
Administration — Refunding Liquid Fuels Taxes	$ 551	$ 551	$ 551
Refunds			
Refunding Liquid Fuels Taxes — State Share (EA)	$ 5,000	$ 4,800	$ 4,500
Refunding Liquid Fuels Taxes — Agricultural (EA)	4,750	5,000	5,000
Refunding Liquid Fuels Taxes — Political Subdivisions (EA)	5,000	5,000	5,000
Refunding Liquid Fuels Taxes — Volunteer Services (EA)	800	700	800
Refunding Liquid Fuels Taxes — Snowmobiles & ATVs (EA)	1,000	1,000	1,000
Refunding Liquid Fuels Taxes — Boat Fund (EA)	12,879	12,300	12,790
Subtotal	$ 29,429	$ 28,800	$ 29,090
Debt Service			
Capital Debt Transportation Projects	$ 35,736	$ 35,779	$ 35,826
General Obligation Debt Service	17,859	23,187	21,807
Loan and Transfer Agent	40	40	40
Subtotal	$ 53,635	$ 59,006	$ 57,673
TOTAL STATE FUNDS	$ 83,615	$ 88,357	$ 87,314
Restricted	56,565	69,297	71,610
DEPARTMENT TOTAL	$ 140,180	$ 157,654	$ 158,924
Agriculture			
General Government			
Weights and Measures Administration	$ 5,817	$ 5,817	$ 5,817
Grants and Subsidies			
Dirt, Gravel, and Low Volume Roads	$ 28,000	$ 28,000	$ 28,000
TOTAL STATE FUNDS	$ 33,817	$ 33,817	$ 33,817
DEPARTMENT TOTAL	$ 33,817	$ 33,817	$ 33,817
Community and Economic Development			
General Government			
Appalachian Regional Commission	$ 500	$ 500	$ 750
DEPARTMENT TOTAL	$ 500	$ 500	$ 750
Conservation and Natural Resources			
General Government			
Dirt and Gravel Roads	$ 7,000	$ 7,000	$ 7,000
TOTAL STATE FUNDS	$ 7,000	$ 7,000	$ 7,000
Restricted	13,388	9,305	9,848
DEPARTMENT TOTAL	$ 20,388	$ 16,305	$ 16,848

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Education			
Grants and Subsidies			
Safe Driving Course	$ 1,100	$ 1,100	$ 1,100
DEPARTMENT TOTAL	$ 1,100	$ 1,100	$ 1,100
General Services			
General Government			
Harristown Rental Charges (EA)	$ 95	$ 105	$ 105
Harristown Utility and Municipal Charges (EA)	276	276	276
Tort Claims Payments	9,000	9,000	9,000
TOTAL STATE FUNDS	$ 9,371	$ 9,381	$ 9,381
DEPARTMENT TOTAL	$ 9,371	$ 9,381	$ 9,381
Revenue			
General Government			
Collections — Liquid Fuels Taxes	$ 23,136	$ 21,792	$ 23,125
Refunds			
Refunding Liquid Fuels Taxes (EA)	$ 32,200	$ 31,000	$ 35,497
TOTAL STATE FUNDS	$ 55,336	$ 52,792	$ 58,622
Federal Funds	90	150	250
DEPARTMENT TOTAL	$ 55,426	$ 52,942	$ 58,872
State Police			
General Government			
General Government Operations	$ 617,164	$ 599,652	$ 424,285
Statewide Public Safety Radio System	36,153	20,977	21,130
Law Enforcement Information Technology	20,697	20,697	20,697
Municipal Police Training	1,708	1,708	1,708
Patrol Vehicles	12,000	12,000	13,000
Commercial Vehicle Inspections	12,808	13,427	14,180
Subtotal	$ 700,530	$ 668,461	$ 495,000
Grants and Subsidies			
Municipal Police Training Grants	$ 5,000	$ 5,000	$ 5,000
TOTAL STATE FUNDS	$ 705,530	$ 673,461	$ 500,000
Federal Funds	8,954	8,335	8,243
Augmentations	87	785	785
Restricted	1,667	1,500	1,500
DEPARTMENT TOTAL	$ 716,238	$ 684,081	$ 510,528

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Transportation			
General Government			
General Government Operations	$ 63,900	$ 68,600	$ 73,193
Welcome Centers	3,815	4,115	4,323
Highway and Safety Improvements	170,000	190,000	450,000
Highway Capital Projects (EA)	230,000	230,000	240,000
Highway Maintenance	797,296	896,879	915,880
Highway Systems Technology and Innovation	16,000	16,000	16,000
Reinvestment in Facilities	5,000	16,000	16,500
Driver and Vehicle Services	195,403	225,834	242,258
Homeland Security - REAL ID	25,901	25,901	30,135
Subtotal	$ 1,507,315	$ 1,673,329	$ 1,988,289
Grants and Subsidies			
Local Road Maintenance and Construction Payments	$ 239,816	$ 229,361	$ 248,458
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	40,000	40,000
Payment to Turnpike Commission (EA)	28,000	28,000	28,000
Subtotal	$ 317,816	$ 337,361	$ 356,458
Refunds			
Refunding Collected Monies (EA)	$ 1,500	$ 2,500	$ 2,500
TOTAL STATE FUNDS	$ 1,826,631	$ 2,013,190	$ 2,347,247
Federal Funds	1,879,963	3,432,030	2,799,065
Augmentations	84,969	125,376	100,036
Restricted	1,928,837	2,124,822	2,180,751
DEPARTMENT TOTAL	$ 5,720,400	$ 7,695,418	$ 7,427,099
Fund Summary			
State Funds — Transportation	$ 1,826,631	$ 2,013,190	$ 2,347,247
State Funds — Other Departments	896,269	866,408	697,984
TOTAL STATE FUNDS	$ 2,722,900	$ 2,879,598	$ 3,045,231
Motor License Fund Total—All Funds			
State Funds	$ 2,722,900	$ 2,879,598	$ 3,045,231
Federal Funds	1,889,007	3,440,515	2,807,558
Augmentations	85,056	126,161	100,821
Restricted	2,000,457	2,204,924	2,263,709
FUND TOTAL	$ 6,697,420	$ 8,651,198	$ 8,217,319

Revenue Summary: Five Year Revenue Projections

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Liquid Fuels Taxes	$ 1,656,359	$ 1,788,000	$ 1,806,100	$ 1,800,400	$ 1,795,100	$ 1,789,800	$ 1,784,600
Licenses and Fees	1,151,355	1,132,100	1,134,500	1,165,600	1,200,200	1,225,300	1,267,200
Other Nonrestricted	17,855	7,100	7,200	7,200	7,300	7,400	7,400
TOTAL MOTOR LICENSE FUND REVENUES	$ 2,825,569	$ 2,927,200	$ 2,947,800	$ 2,973,200	$ 3,002,600	$ 3,022,500	$ 3,059,200
Restricted Revenues							
Aviation	$ 5,149	$ 6,700	$ 7,900	$ 7,900	$ 7,900	$ 7,900	$ 7,900
Highway Bridge Improvement	$ 226,448	$ 231,700	$ 230,900	$ 230,600	$ 230,500	$ 230,300	$ 230,300
State Highway Transfer	$ 49,465	$ 53,100	$ 53,700	$ 53,500	$ 53,300	$ 53,100	$ 52,900
Oil Company Franchise Tax	$ 906,855	$ 971,100	$ 981,300	$ 977,700	$ 974,200	$ 970,700	$ 967,300
Supplemental Maintenance	$ 634,798	$ 679,800	$ 686,900	$ 684,300	$ 681,800	$ 679,400	$ 677,000

Adjustments to Revenue Estimates

On June 30, 2021, an official estimate for the 2021-22 fiscal year of $2,846,000,000 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)

	2021-22 Official Estimate	Adjustments	2021-22 Revised Estimate
Liquid Fuels Taxes	$ 1,778,400	$ 9,600	$ 1,788,000
Licenses and Fees	1,059,900	72,200	1,132,100
Other Nonrestricted	7,700	(600)	7,100
TOTAL	$ 2,846,000	$ 81,200	$ 2,927,200

Revenue Sources

Liquid Fuels Taxes

Actual		Estimated	
2015-16	$ 1,659,197	2021-22	$ 1,788,000
2016-17	1,732,660	2022-23	1,806,100
2017-18	1,846,403	2023-24	1,800,400
2018-19	1,837,184	2024-25	1,795,100
2019-20	1,708,438	2025-26	1,789,800
2020-21	1,656,359	2026-27	1,784,600

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 six 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

Actual		Estimated	
2015-16	$ 962,678	2021-22	$ 1,132,100
2016-17	1,000,528	2022-23	1,134,500
2017-18	1,045,596	2023-24	1,165,600
2018-19	992,389	2024-25	1,200,200
2019-20	954,044	2025-26	1,225,300
2020-21	1,151,355	2026-27	1,267,200

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

Other Nonrestricted

Actual		Estimated	
2015-16	$ 35,673	2021-22	$ 7,100
2016-17	25,341	2022-23	7,200
2017-18	56,493	2023-24	7,200
2018-19	19,678	2024-25	7,300
2019-20	997	2025-26	7,400
2020-21	17,855	2026-27	7,400

Other nonrestricted revenues include but are not limited to investment income, sale of unserviceable property, fees for reclaiming abandoned vehicles, highway encroachment permits, and other miscellaneous revenue.

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)

	2020-21 Actual	2021-22 Available	2022-23 Budget
LIQUID FUELS TAXES			
Liquid Fuels Tax			
Liquid Fuels Tax	$ 6	$ -	$ -
Liquid Fuels Tax Penalties	(47)	-	-
Subtotal	$ (41)	$ -	$ -
Alternative Fuel Tax			
Alternative Fuel Tax	$ 12,150	$ 14,990	$ 15,690
Alternative Fuel Tax Interest and Penalties	8	10	10
Subtotal	$ 12,158	$ 15,000	$ 15,700
Motor Carriers Road Tax — International Fuel Tax Agreement			
Motor Carriers Road/IFTA — Fuels Tax	$ 120,601	$ 129,170	$ 128,880
Motor Carriers Road/IFTA — Registration Fees, Special Permit Fees, and Fines	2,547	2,730	2,720
Subtotal	$ 123,148	$ 131,900	$ 131,600
Oil Company Franchise Tax			
Oil Company Franchise Tax	$ 904,831	$ 971,100	$ 981,700
OCFT - Liquid Fuels	470,685	520,690	528,270
OCFT - Liquid Fuels Interest	617	680	690
OCFT - Liquid Fuels Penalties	749	830	840
OCFT - Fuel Use	144,212	147,800	147,300
Subtotal	$ 1,521,094	$ 1,641,100	$ 1,658,800
TOTAL LIQUID FUELS TAXES	$ 1,656,359	$ 1,788,000	$ 1,806,100
LICENSES AND FEES			
Operators' Licenses	$ 80,412	$ 75,500	$ 61,600
REAL ID	9,488	16,300	9,000
Other Fees Collected by Bureau of Motor Vehicles	2,231	1,300	1,400
Registration Fees Received from Other States/IRP	173,333	167,800	181,600
Special Hauling Permit Fees	31,649	32,700	33,000
Vehicle Registration and Titling	854,242	838,500	847,900
TOTAL LICENSES AND FEES	$ 1,151,355	$ 1,132,100	$ 1,134,500

Revenue Detail, continued

	(Dollar Amounts in Thousands)		
	2020-21 Actual	2021-22 Available	2022-23 Budget
OTHER NONRESTRICTED			
Fines and Penalties			
Department of Revenue			
Vehicle Code Fines	$ 11,324	$ -	$ -
Miscellaneous Revenues			
Treasury Investment Income	$ 4,928	$ 5,000	$ 5,100
Department of General Services			
Sale of Unserviceable Property	$ 331	$ 500	$ 500
Department of Transportation			
Fees for Reclaiming Abandoned Vehicles	$ 89	$ 110	$ 110
Highway Encroachment Permits	1,870	2,360	2,360
Interest Earned - Restricted Revenue	(739) [a]	(930) [a]	(930) [a]
Miscellaneous Revenues	44	60	60
Recovered Damages	(5)	(10)	(10)
Refunds of Expenditures Not Credited to Appropriations or Allocations	8	10	10
Sale of Inspection Stickers	1	-	-
Sale of Maps and Plans	4	-	-
TOTAL OTHER NONRESTRICTED	$ 17,855	$ 7,100	$ 7,200
TOTAL MOTOR LICENSE FUND REVENUES	$ 2,825,569	$ 2,927,200	$ 2,947,800

[a] Amounts transferred to restricted revenue account.

Restricted Revenues Not Included in Department Total

Aviation

Actual		Estimated	
2015-16	$ 7,582	2021-22	$ 6,700
2016-17	7,254	2022-23	7,900
2017-18	8,553	2023-24	7,900
2018-19	8,670	2024-25	7,900
2019-20	8,832	2025-26	7,900
2020-21	5,149	2026-27	7,900

Aviation restricted revenues include 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.

	2020-21 Actual	2021-22 Available	2022-23 Budget
AVIATION			
Aviation Liquid Fuels Tax	$ 4,410	$ 6,000	$ 7,100
Interest	739	700	800
TOTAL AVIATION	$ 5,149	$ 6,700	$ 7,900

Highway Bridge Improvement

Actual		Estimated	
2015-16	$ 191,096	2021-22	$ 231,700
2016-17	198,184	2022-23	230,900
2017-18	225,846	2023-24	230,600
2018-19	227,348	2024-25	230,500
2019-20	219,952	2025-26	230,300
2020-21	226,448	2026-27	230,300

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.

	2020-21 Actual	2021-22 Available	2022-23 Budget
HIGHWAY BRIDGE IMPROVEMENT			
Registration Fee Portion-PA-Based Motor Vehicles	$ 12,379	$ 12,200	$ 12,200
Temporary Permit Fees	456	600	600
Oil Company Franchise Tax	213,613	218,900	218,100
TOTAL HIGHWAY BRIDGE IMPROVEMENT	$ 226,448	$ 231,700	$ 230,900

Restricted Revenues Not Included in Department Total, continued

State Highway Transfer

Actual		Estimated	
2015-16	$ 45,888	2021-22	$ 53,100
2016-17	49,420	2022-23	53,700
2017-18	55,436	2023-24	53,500
2018-19	54,793	2024-25	53,300
2019-20	50,710	2025-26	53,100
2020-21	49,465	2026-27	52,900

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. Starting in 2017-18, Act 89 provided that the 3 mills is equally divided between the State Highway Transfer and the Highway Bridge Improvement restricted accounts.

Oil Company Franchise Tax

Actual		Estimated	
2015-16	$ 841,279	2021-22	$ 971,100
2016-17	906,042	2022-23	981,300
2017-18	1,016,312	2023-24	977,700
2018-19	1,004,534	2024-25	974,200
2019-20	929,683	2025-26	970,700
2020-21	906,855	2026-27	967,300

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 changed the 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	
2015-16	$ 588,896	2021-22	$ 679,800
2016-17	634,229	2022-23	686,900
2017-18	711,418	2023-24	684,300
2018-19	703,174	2024-25	681,800
2019-20	650,778	2025-26	679,400
2020-21	634,798	2026-27	677,000

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.

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 rebates, assistance with prescription drug costs, community care, and public transportation subsidies.

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 property tax and rent rebates, assistance with prescription drug costs, community care, 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 individuals to lead fuller lives by restoring a portion of their income through property tax and rent assistance. Act 1 of Special Session No. 1 of 2006 expanded the Property Tax and 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 the maximum standard 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 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 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 services reside within the PENNCARE program and enrich the lives and enable at-risk older Pennsylvanians to remain in a community setting. 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. These funds offset costs for the Community HealthChoices appropriation to reflect the transition of older Pennsylvanians who were previously funded from Long-Term Care and the PENNCARE appropriations.

Act 44 of 2007 provided an annual transfer to the Public Transportation Trust Fund for distribution to transit systems offering free rides to older Pennsylvanians. Additionally, funding is provided for the Older PA Shared Ride program.

Seven Year Financial Statement

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Beginning Balance	$ (119,799)	$ 48,346	$ 158,576	$ 267,992	$ 101,254	$ 32,544	$ 35,278
Adjustment to Beginning Balance	-	-	-	-	-	-	-
Reserve from Previous Year	-	75,000	75,000	75,000	75,000	75,000	75,000
Adjusted Beginning Balance	(119,799)	123,346	233,576	342,992	176,254	107,544	110,278
Revenue:							
Ticket Sales	$ 6,210,859	$ 5,877,533	$ 6,236,889	$ 6,584,141	$ 6,942,139	$ 7,285,869	$ 7,620,575
Commissions	(265,123)	(253,729)	(262,434)	(271,715)	(281,400)	(290,592)	(299,788)
Field Paid Prizes	(3,939,580)	(3,743,900)	(3,956,978)	(4,182,562)	(4,413,559)	(4,658,417)	(4,923,764)
Net Collections	$ 2,006,156	$ 1,879,904	$ 2,017,477	$ 2,129,864	$ 2,247,180	$ 2,336,860	$ 2,397,023
Gaming Transfers for Property Tax Relief	-	114,200	83,400	78,200	73,200	68,300	63,500
Miscellaneous	476	300	300	300	300	300	300
Total Revenue	$ 2,006,632	$ 1,994,404	$ 2,101,177	$ 2,208,364	$ 2,320,680	$ 2,405,460	$ 2,460,823
Prior Year Lapses	112,966	104,311	-	-	-	-	-
Funds Available	$ 1,999,799	$ 2,222,061	$ 2,334,753	$ 2,551,356	$ 2,496,934	$ 2,513,004	$ 2,571,101
Expenditures:							
Appropriations	$ 916,261	$ 822,733	$ 804,905	$ 1,158,030	$ 1,153,155	$ 1,148,281	$ 1,143,408
Executive Authorizations	960,192	1,190,752	1,186,856	1,217,072	1,236,235	1,254,445	1,271,165
Proposed Supplementals	-	(25,000)	-	-	-	-	-
Current Year Lapses	-	-	-	-	-	-	-
Total Expenditures	$ 1,876,453	$ 1,988,485	$ 1,991,761	$ 2,375,102	$ 2,389,390	$ 2,402,726	$ 2,414,573
Reserve for Current Year	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
Ending Balance	$ 48,346	$ 158,576	$ 267,992	$ 101,254	$ 32,544	$ 35,278	$ 81,528

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

SUPPLEMENTAL APPROPRIATIONS

	2021-22 Available
STATE SUPPLEMENTALS	
Aging	
Transfer to Pharmaceutical Assistance Fund	$ (25,000)
TOTAL STATE SUPPLEMENTALS	**$ (25,000)**

Summary by Department

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Aging			
General Government			
General Government Operations	$ 9,966	$ 10,171	$ 11,488
Grants and Subsidies			
PENNCARE	$ 285,726	$ 281,993	$ 282,848
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	155,000	130,000	135,000
Grants to Senior Centers	2,000	2,000	2,000
Subtotal	$ 463,829	$ 435,096	$ 440,951
TOTAL STATE FUNDS	$ 473,795	$ 445,267	$ 452,439
Augmentations	766	805	805
DEPARTMENT TOTAL	$ 474,561	$ 446,072	$ 453,244
Human Services			
Grants and Subsidies			
Medical Assistance - Transportation Services	$ 3,500	$ 3,500	$ 3,500
Medical Assistance - Community HealthChoices	438,966	348,966	348,966
Subtotal	$ 442,466	$ 352,466	$ 352,466
TOTAL STATE FUNDS	$ 442,466	$ 352,466	$ 352,466
DEPARTMENT TOTAL	$ 442,466	$ 352,466	$ 352,466
Revenue			
General Government			
General Operations (EA)	$ 66,848	$ 70,308	$ 72,909
Lottery Equipment Purchase (EA)	-	-	24,500
Lottery Advertising (EA)	51,000	51,000	51,000
Property Tax Rent Rebate - General Operations (EA)	21,024	18,952	20,344
On-line Vendor Commissions (EA)	71,200	73,692	68,233
Instant Vendor Commissions (EA)	54,031	53,100	52,487
iLottery Vendor Commission (EA)	31,469	27,900	29,300
Payment of Prize Money (EA)	493,713	490,293	493,376
Subtotal	$ 789,285	$ 785,245	$ 812,149
Grants and Subsidies			
Property Tax & Rent Assistance for Older Pennsylvanians (EA)	$ -	$ 234,600	$ 203,800
TOTAL STATE FUNDS	$ 789,285	$ 1,019,845	$ 1,015,949
Federal Funds	-	-	203,800
Augmentations	659	663	658
DEPARTMENT TOTAL	$ 789,944	$ 1,020,508	$ 1,220,407

Summary by Department, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 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	$ 170,907	$ 170,907	$ 170,907
TOTAL STATE FUNDS	$ 170,907	$ 170,907	$ 170,907
DEPARTMENT TOTAL	$ 170,907	$ 170,907	$ 170,907
Lottery Fund Total-All Funds			
State Funds	$ 1,876,453	$ 1,988,485	$ 1,991,761
Federal Funds	-	-	203,800
Augmentations	1,425	1,468	1,463
FUND TOTAL	$ 1,877,878	$ 1,989,953	$ 2,197,024

Revenue Summary: Five Year Revenue Projections

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Net Collections	$ 2,006,156	$ 1,879,904	$ 2,017,477	$ 2,129,864	$ 2,247,180	$ 2,336,860	$ 2,397,023
Gaming Transfers for Property Tax Relief	-	114,200	83,400	78,200	73,200	68,300	63,500
Miscellaneous	476	300	300	300	300	300	300
TOTAL LOTTERY FUND REVENUES	$ 2,006,632	$ 1,994,404	$ 2,101,177	$ 2,208,364	$ 2,320,680	$ 2,405,460	$ 2,460,823

Revenue Sources

Net Collections

(Dollar Amounts in Thousands)

Actual		Estimated	
2015-16	$ 1,675,994	2021-22	$ 1,879,904
2016-17	1,559,914	2022-23	2,017,477
2017-18	1,641,016	2023-24	2,129,864
2018-19	1,785,431	2024-25	2,247,180
2019-20	1,675,953	2025-26	2,336,860
2020-21	2,006,156	2026-27	2,397,023

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 included Keno (launched in May 2018) and Xpress Sports (launched in August 2018). Pennsylvania Lottery ticket prices range from $0.50 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**.**

Act 97 of 2019 provided a temporary reduction of the mandated margin rate of return from 25 percent to 20 percent through June 30, 2024. This budget proposes to eliminate the mandated margin rate of return.

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.

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)

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Ticket Sales	$ 6,210,859	$ 5,877,533	$ 6,236,889	$ 6,584,141	$ 6,942,139	$ 7,285,869	$ 7,620,575
Commissions	(265,123)	(253,729)	(262,434)	(271,715)	(281,400)	(290,592)	(299,788)
Field Paid Prizes	(3,939,580)	(3,743,900)	(3,956,978)	(4,182,562)	(4,413,559)	(4,658,417)	(4,923,764)
NET COLLECTIONS	$ 2,006,156	$ 1,879,904	$ 2,017,477	$ 2,129,864	$ 2,247,180	$ 2,336,860	$ 2,397,023

Revenue Sources, continued

Gaming Transfers for Property Tax Relief

(Dollar Amounts in Thousands)

Actual		Estimated	
2015-16	$ 166,800	2021-22	$ 114,200
2016-17	148,000	2022-23	83,400
2017-18	145,700	2023-24	78,200
2018-19	141,700	2024-25	73,200
2019-20	265,000	2025-26	68,300
2020-21	-	2026-27	63,500

Under Act 1 of Special Session No. 1 of 2006, the Property Tax Relief Fund supports Property Tax and Rent Rebate program expansion costs through transfer of gaming revenues. Usage, and thus cost, of the property tax relief declines over time as income eligibility has not changed since 2006. 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	
2015-16	$ 10,923	2021-22	$ 300
2016-17	1,263	2022-23	300
2017-18	2,699	2023-24	300
2018-19	3,516	2024-25	300
2019-20	2,868	2025-26	300
2020-21	476	2026-27	300

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.

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 2022-23 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 "N/A." 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 2020-21 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 34.4	$ 36.0	$ 36.0	$ 36.0	$ 36.0	$ 36.0	$ 36.0

Beneficiaries: Approximately 160 companies and 180 individuals doing business in Pennsylvania benefit from this tax expenditure.

TAX CREDIT FOR NEW JOBS

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

Description: 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. The program cap was $10.1 million per fiscal year.

Under Act 13 of 2019, applications for the credit were not to be approved after June 30, 2020. However, unissued amounts from earlier fiscal years may be awarded for applications approved prior to the expiration date of the credit. The tax credit may 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 2020-21 reflects actual credits awarded under the program for applications approved prior to the expiration of the tax credit program. The estimates for future fiscal years reflect performance projections for the remaining approved projects already in progress.

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

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

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 3.3	$ 6.0	$ 5.3	$ 4.6	$ 5.2	$ 3.8	$ 3.2

Beneficiaries: Approximately 50 applicants doing business in Pennsylvania benefit from this tax expenditure.

RESEARCH AND DEVELOPMENT TAX CREDIT

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

Description: 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 2020-21 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 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.

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.

Various legislative changes have provided for the designation of new zones and the extension of various application and benefit deadlines, including Act 84 of 2016 and Act 43 of 2017. More recently, Act 13 of 2019 provided that three additional KOEZs may be established with Act 25 of 2021 extending the original application deadline by one year to October 1, 2022. This act also set the extension of benefits in these additional zones to five years.

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 99.1	$ 110.0	$ 114.0	$ 114.5	$ 78.8	$ 74.1	$ 54.6

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

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 cap of $225 million for the EITC program was established by Act 26 of 2021. The current program cap of $55 million for the EOSTC program was established by Act 16 of 2019.

Estimates for fiscal year 2020-21 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.

Estimates:

(Dollar Amounts in Millions)

Educational Improvement Tax Credit

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 185.0	$ 225.0	$ 225.0	$ 225.0	$ 225.0	$ 225.0	$ 225.0

Educational Opportunity Scholarship Tax Credit

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 55.0	$ 55.0	$ 55.0	$ 55.0	$ 55.0	$ 55.0	$ 55.0

Beneficiaries: Approximately 1,500 companies, 6,100 individuals, and 1,290 scholarship organizations, educational improvement organizations, and pre-kindergarten scholarship organizations benefit from the EITC expenditure. Approximately 500 companies, 1,700 individuals, and 180 opportunity scholarship organizations benefit from the EOSTC expenditure.

KEYSTONE INNOVATION ZONE

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

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

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

The estimate for fiscal year 2020-21 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 15.0	$ 15.0	$ 15.0	$ 15.0	$ 15.0	$ 15.0	$ 15.0

Beneficiaries: Approximately 220 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 5 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).

Act 25 of 2021 permitted the award of credits to multifilm projects, if produced by the same taxpayer over a period of one to four years.

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 $1 million.

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.

Act 25 of 2021 made several changes to the program. The act permits unallocated credits to be carried forward to the next program year and expands the parameters of eligible concert tour equipment, tour expenses, and qualified taxpayers. The act temporarily expands eligible venues to include rehearsal facilities used for streaming performances from July 1, 2021, to June 30, 2023.

For all components, the estimates for fiscal year 2020-21 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.

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.

Estimates:

(Dollar Amounts in Millions)

Film Production Tax Credit:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 70.0	$ 70.0	$ 70.0	$ 70.0	$ 70.0	$ 70.0	$ 70.0

Video Game Production Tax Credit:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 1.0	$ 1.0	$ 1.0	$ 1.0	$ 1.0	$ 1.0	$ 1.0

Entertainment Economic Enhancement Program:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 4.0	$ 8.0	$ 8.0	$ 8.0	$ 8.0	$ 8.0	$ 8.0

Beneficiaries: Approximately 40 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.

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.

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)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	--	--	--	--

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

RESOURCE ENHANCEMENT AND PROTECTION TAX CREDIT

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

Description: Act 55 of 2007 created the Resource Enhancement and Protection (REAP) Tax Credit to encourage the development of riparian forest buffers and the remediation of legacy sediment on commonwealth farmland. Depending on the type of development, a taxpayer may receive a credit of up to 75 percent of cost of a project. A maximum of $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 2020-21 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 13.0	$ 13.0	$ 13.0	$ 13.0	$ 13.0	$ 13.0	$ 13.0

Beneficiaries: Approximately 70 businesses and 200 individuals will benefit from this tax expenditure.

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

PENNSYLVANIA RESOURCE MANUFACTURING TAX CREDIT

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

Description: 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 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.

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). Depending on the project type, the tax credit is equal to either 25 or 30 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. 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 DOR and are estimated at $0.1 million per year.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 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.

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

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

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)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

WATERFRONT DEVELOPMENT TAX CREDIT

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

Description: 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 2020-21 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 1.4	$ 1.5	$ 1.5	$ 1.5	$ 1.5	$ 1.5	$ 1.5

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

COAL REFUSE ENERGY AND RECLAMATION TAX CREDIT

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

Description: 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 2020-21 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 17.5	$ 20.0	$ 20.0	$ 20.0	$ 20.0	$ 20.0	$ 20.0

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

MANUFACTURING AND INVESTMENT TAX CREDIT

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

Description: Act 84 of 2016 created the Manufacturing and Investment Tax Credit, encompassing the Manufacturing Tax Credit and the Rural Jobs and Investment Tax Credit. 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 5 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 share, insurance premiums, gross receipts, 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 a tax credit up to the amount of the credit-eligible capital contribution 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. Credits will begin to be awarded in fiscal year 2021-22. Credits cannot be utilized for three years after being awarded.

The credit may be used against bank and trust company shares, title insurance companies shares, insurance premiums (including surplus lines and retaliatory fees), 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 2020-21 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.

Estimates:

(Dollar Amounts in Millions)

Manufacturing Tax Credit:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.0	$ 4.0	$ 4.0	$ 4.0	$ 4.0	$ 4.0	$ 4.0

Rural Jobs and Investment Tax Credit:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.0	$ 0.0	$ 0.0	$ 0.0	$ 6.0	$ 6.0	$ 6.0

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

BREWERS' TAX CREDIT

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

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

The estimate for fiscal year 2020-21 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 2.1	$ 5.0	$ 5.0	$ 5.0	$ 5.0	$ 5.0	$ 5.0

Beneficiaries: Up to 510 malt beverage taxpayers may benefit from this tax expenditure.

MIXED-USE DEVELOPMENT TAX CREDIT

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

Description: Act 84 of 2016 created the Mixed-Use Development Tax Credit, allowing the Pennsylvania Housing Finance Agency (PHFA) 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 2020-21 reflects actual credits awarded. The estimates for future fiscal years reflect the program cap, including Act 25 of 2021's increase of the program cap to $4.5 million.

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

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

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 3.0	$ 4.5	$ 4.5	$ 4.5	$ 4.5	$ 4.5	$ 4.5

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

COMPUTER DATA CENTER EQUIPMENT INCENTIVE PROGRAM

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

Description: Act 84 of 2016 created the Computer Data Center Equipment Incentive Program, which provides sales and use tax refunds for computer data center equipment (used to outfit, operate, or benefit a computer data center and component parts, installations, refreshments, replacement, and upgrades to the equipment). Computer data centers wishing to qualify for the sales and use tax refunds must meet certain requirements relating to the size of new investment being made to the computer data center as well as a requirement as to annual compensation of its employees. 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 2020-21 reflects actual refunds awarded under the program for that period. The estimates for future fiscal years reflect the end of the program. Act 25 of 2021 replaced the refund program with a sales and use exemption and prohibited refunds under the current program after December 31, 2021.

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 5.4	$ 3.5	$ --	$ --	$ --	$ --	$ --

Beneficiaries: Approximately 1,040 entities could benefit from this tax expenditure.

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.

Unallocated credits shall be issued to no more than one taxpayer, if that taxpayer has a capital investment of at least $1 billion in the project facility and created 1,800 new permanent jobs, along with meeting all other requirements for a qualified taxpayer.

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ --	$ --	$ --	$ 13.3	$ 26.7	$ 26.7	$ 26.7

Beneficiaries: Up to three qualified businesses which operate qualifying facilities within the commonwealth may benefit from this tax expenditure.

PENNSYLVANIA HOUSING TAX CREDIT

Authorization: Act 107 of November 3, 2020 (P.L. 1074, No. 107), as amended.

Description: Act 107 of 2020 authorized the Pennsylvania Housing Tax Credit and Act 25 of 2021 established fiscal limits on the tax credit. Beginning in fiscal year 2021-22, PHFA may award a total of $10 million in tax credits per fiscal year, where no taxpayer may be awarded a tax credit that exceeds $1.5 million for a qualified low-income housing project. In addition to the amount allocated, the agency may award any unallocated tax credits from the preceding fiscal year.

PHFA shall conditionally reserve tax credits in a manner that the agency reasonably believes will result in at least 10 percent of the tax credits being used to provide housing units targeting households with incomes at or below 30 percent of the area median income.

The tax credit can be applied against personal income (excluding tax withheld by an employer), 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 exceed 50 percent of the taxpayer's qualified tax liability for a single taxable year.

Purpose: The credit is intended to promote the development of qualified low-income housing projects in the commonwealth.

Administrative Costs: Costs to administer the program are borne by DOR and PHFA.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ --	$ 10.0	$ 10.0	$ 10.0	$ 10.0	$ 10.0	$ 10.0

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

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 3.5	$ 3.6	$ 3.8	$ 3.9	$ 4.0	$ 4.1	$ 4.2

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 59.8	$ 60.0	$ 60.1	$ 60.3	$ 60.5	$ 60.6	$ 60.8

Beneficiaries: Approximately 2,500 nonprofit corporations operating in Pennsylvania with unrelated business income benefit from this tax expenditure.

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 605.1	$ 607.3	$ 609.6	$ 611.8	$ 614.1	$ 616.3	$ 618.6

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 Federal Insurance Contributions Act (FICA) 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 2.2	$ 2.6	$ 3.0	$ 3.3	$ 3.5	$ 3.7	$ 3.9

Beneficiaries: Approximately 2,400 taxpayers representing eating and drinking establishments could benefit from this tax expenditure.

NET OPERATING LOSS CARRYFORWARD

Description: Corporations may deduct from current taxable income the net losses from previous years to arrive at their tax liability. 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 528.6	$ 528.6	$ 521.2	$ 525.8	$ 533.9	$ 543.6	$ 553.5

Beneficiaries: Approximately 17,800 businesses per year benefit from this tax expenditure.

NOT-FOR-PROFIT NONSTOCK COMMODITY OR STOCK EXCHANGE

Description: Act 40 of 2005 excluded not-for-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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

PENNSYLVANIA S CORPORATIONS

Description: Corporations with a valid Pennsylvania S corporation election in effect for the taxable year are subject to corporate net income tax only to the extent that they have net recognized built-in gains. Pennsylvania S corporation shareholders must include their distributive share of Pennsylvania S corporation income for Pennsylvania income tax purposes. The tax expenditure is the difference between what is paid by the shareholders under the personal income tax and what the corporations would have paid had they been fully subject to the corporate net income tax. Beginning with Act 7 of 1997, there have been several acts that have linked the Pennsylvania tax treatment of S corporations more closely with federal law.

Purpose: Sub-chapter S corporations are closely-held corporations and are believed to be major job creators. This provision allows tax treatment that is similar to that of the Internal Revenue Service and most other states for these businesses.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 653.7	$ 701.7	$ 739.9	$ 762.2	$ 781.2	$ 800.2	$ 819.5

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$1,155.7	$1,240.5	$1,307.9	$1,347.3	$1,381.1	$1,414.6	$1,448.8

Beneficiaries: As many as 166,500 companies doing business in Pennsylvania benefit from this tax expenditure.

POWDERED METALLURGY NEXUS

Description: Act 55 of 2007 created a nexus exemption for the out-of-state customers of Pennsylvania powdered metallurgy parts manufacturers. This nexus exemption applies retroactively to taxable years beginning after December 31, 2004, as well as taxable years to which there is an appeal prior to the effective date.

Purpose: This nexus exemption ensures that Pennsylvania powdered metallurgy parts manufacturers will not lose business due to a concern that out-of-state customers may be unduly subject to Pennsylvania taxation only for contracting with such a company.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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 for taxpayers who invest in the creation of a new or refurbished manufacturing facility within three years of a designated start date. Act 25 of 2021 allows a deduction to be taken from income following allocation and apportionment, rather than from federal income as in the original legislation. 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.0	$ 23.9	$ 50.4	$ 76.0	$ 100.9	$ 130.6	$ 143.0

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

AIR FREIGHT FORWARDING SPECIAL APPORTIONMENT

Description: All business income of railroad, truck, bus or airline companies is apportioned to the Commonwealth of Pennsylvania by multiplying the income by a special apportionment factor. The numerator is the taxpayer's total revenue miles within the commonwealth during the taxable period. The denominator is the total revenue miles of the taxpayer everywhere during the taxable period. A revenue mile means the average receipts derived from the transportation by the taxpayer of persons or property one mile. This is in lieu of the standard sales factor apportionment ratio.

Act 131 of 2018 allows "qualified air freight forwarding companies" to utilize special income apportionment based on revenue miles, for tax years starting after December 31, 2016. This is in addition to railroad, truck, bus, and airline companies currently using this apportionment. Qualified companies are those engaged in the air freight forwarding business and primarily use an airline with which it has common ownership and control. Such companies shall use the revenue miles of the airline.

Purpose: Allowing qualified air freight forwarding companies to apportion their net income in the same manner as other transportation companies creates equal treatment amongst similar taxpayers.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 7.8	$ 7.5	$ 7.8	$ 8.2	$ 8.6	$ 9.0	$ 9.5

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 9.5	$ 9.6	$ 9.5	$ 9.5	$ 9.5	$ 9.4	$ 9.4

Beneficiaries: The 35 municipally-owned utilities operating in the commonwealth benefit from this tax expenditure.

NUCLEAR GENERATING FACILITY DAMAGE

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

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

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 19.2	$ 19.7	$ 20.2	$ 20.8	$ 21.3	$ 21.9	$ 22.5

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 3.5	$ 3.5	$ 3.6	$ 3.6	$ 3.6	$ 3.7	$ 3.7

Beneficiaries: The 287 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 3.1	$ 3.1	$ 3.2	$ 3.2	$ 3.2	$ 3.2	$ 3.3

Beneficiaries: The 287 public utilities could benefit from this tax expenditure.

RAILROAD RIGHTS-OF-WAY

Description: Railroad rights-of-way and superstructures thereon are excluded from the PURTA base. Railroad rights-of-way are limited ownership of land to be used exclusively for the provision of rail transportation service.

Purpose: PURTA is intended as a tax on real property and not as a tax on property such as these rights. This tax relief may encourage the development of our railroad network that benefits the economy.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 7.2	$ 7.3	$ 7.3	$ 7.4	$ 7.5	$ 7.5	$ 7.6

Beneficiaries: The 21 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 6.3	$ 6.4	$ 6.5	$ 6.5	$ 6.6	$ 6.6	$ 6.7

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 3.9	$ 3.9	$ 4.0	$ 4.0	$ 4.0	$ 4.1	$ 4.1

Beneficiaries: The 430 municipal authorities and the 35 municipal public utilities benefit from this tax expenditure.

ELECTRIC GENERATION FACILITIES

Description: After December 31, 1999, land and improvements indispensable to the generation of electricity are subject to local real estate tax and are excluded from the PURTA tax base and the realty tax equivalent.

Purpose: Electric generation facilities were removed from the PURTA tax base because electric generation is no longer regulated as a public utility function. The electric competition statute, Act 138 of 1996, changed the definition of public utility, and generation facilities can be owned by unregulated entities. This exemption allows a level playing field for participants in electricity supply.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 28.0	$ 28.2	$ 28.5	$ 28.7	$ 29.0	$ 29.2	$ 29.5

Beneficiaries: The 24 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: Approximately 60 taxpayers benefit from this tax expenditure.

INSURANCE PREMIUMS TAX

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

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

The tax is levied on gross premiums received from business done within Pennsylvania during each calendar year. A retaliatory 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 2 percent of gross premiums plus any retaliatory tax. A 3 percent rate is imposed on insurance premiums for policies written with unlicensed insurers by a surplus lines agent when the insured's home state is Pennsylvania. Marine insurance companies are subject to a 5 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 20.4	$ 20.3	$ 21.7	$ 22.7	$ 23.7	$ 24.8	$ 25.9

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 71.7	$ 74.6	$ 77.0	$ 79.5	$ 82.2	$ 85.1	$ 88.2

Beneficiaries: Eleven nonprofit hospital and medical care service organizations doing business in Pennsylvania benefit from this tax expenditure.

EXTRAORDINARY MEDICAL BENEFIT

Description: An exemption is allowed for premiums collected by automobile insurance companies for optional extraordinary medical benefit coverage from $100,000 to $1,100,000. This exemption applies only to premiums collected in association with policies written after June 1, 1989.

Purpose: This exemption benefits private insurance companies that are required to provide the extraordinary medical coverage as a result of the repeal of Pennsylvania's Catastrophic Loss Trust Fund.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.2	$ 0.2	$ 0.2	$ 0.2	$ 0.2	$ 0.2	$ 0.2

Beneficiaries: Approximately 850 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 50.8	$ 55.0	$ 41.6	$ 31.9	$ 12.5	$ 7.8	$ 3.6

Beneficiaries: Approximately 410 life, accident, and health insurance companies doing business in Pennsylvania may benefit from this tax expenditure.

PROPERTY AND CASUALTY INSURANCE GUARANTY ASSOCIATION CREDIT

Description: A tax credit is available to companies that are members of the Pennsylvania Property and Casualty Insurance Guaranty Association (PP&CIGA). Companies may claim a credit for assessments paid to the association in a calendar year that exceed 1 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	$ 0.7	$ 1.3	$ 2.1	$ 2.8	$ 3.6

Beneficiaries: Approximately 1,090 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 DCED and DOR. Estimated costs total $0.1 million per year.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 14.2	$ 20.0	$ 1.5	$ 0.0	$ 0.0	$ 0.0	$ --

Beneficiaries: Approximately 30 taxpayers will benefit from this tax expenditure.

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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 was 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 95.8	$ 98.1	$ 100.4	$ 102.8	$ 105.3	$ 107.7	$ 110.3

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 21.6	$ 27.2	$ 27.4	$ 27.7	$ 28.0	$ 28.3	$ 28.6

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.3	$ 0.4	$ 0.4	$ 0.4	$ 0.4	$ 0.4	$ 0.4

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 12.6	$ 10.9	$ 11.1	$ 11.3	$ 11.6	$ 11.9	$ 12.2

Beneficiaries: The 50 state and federal credit unions operating in Pennsylvania benefit from this tax expenditure.

SALES AND USE TAX

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

The sales and use tax is imposed on the retail sale, consumption, rental, or use of tangible personal property in Pennsylvania. The tax is also imposed on certain services relating to such property and on the charge for specific business services. The Pennsylvania sales tax rate is 6 percent. By law, a 1 percent local tax is added to purchases made in Allegheny County, and 2 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 20.4	$ 20.7	$ 21.0	$ 21.3	$ 21.6	$ 22.0	$ 22.3

Beneficiaries: Information provided under the sales and use tax “Beneficiaries” heading represent an actual or estimated number and description of Pennsylvania residents, households, or businesses benefiting from that specific tax expenditure. An unreported number of non-Pennsylvania entities may also benefit from the tax expenditure.

GENERAL/PERSONAL EXPENDITURES

FOOD

Description: Generally, food and beverages intended for human consumption are exempt from taxation. These foods may be purchased from a bakery, pastry shop, donut shop, delicatessen, grocery store, supermarket, farmer's market, convenience store, or vending machine. Sales of ready-to-eat foods are not exempt from tax and include the sale of meals, sandwiches, food from salad bars, hand-dipped or hand-served iced based products including ice cream and yogurt, hot soup, hot pizza and other hot food items, brewed coffee, and hot beverages. In addition, the exemption does not apply to soft drinks, alcoholic beverages, or food purchased from an establishment from which ready-to-eat food and beverages are sold.

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

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$1,835.1	$1,868.5	$1,851.9	$1,871.6	$1,924.2	$1,975.4	$2,024.3

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:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 85.1	$ 86.7	$ 85.9	$ 86.8	$ 89.3	$ 91.7	$ 93.9

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

PERSONAL HYGIENE PRODUCTS

Description: The purchase at retail or use of disposable diapers, incontinence products, toilet paper, feminine hygiene products, toothpaste, toothbrushes, and dental floss are exempt from taxation.

Purpose: These products are considered essential for maintaining a basic standard of life.

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 46.3	$ 47.8	$ 47.5	$ 48.2	$ 49.4	$ 51.0	$ 52.9

Beneficiaries: Virtually all 5.2 million households benefit from this tax expenditure.

NEWSPAPERS

Description: The purchase or use of newspapers or publications containing information of general interest and reports of current events that qualify as a "newspaper of general circulation qualified to carry a legal advertisement," not including magazines, is exempt from taxation.

Purpose: The purpose of this tax exemption is to encourage citizens to be well informed.

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 19.4	$ 18.1	$ 17.1	$ 16.3	$ 15.7	$ 15.3	$ 15.1

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 37.7	$ 38.8	$ 39.5	$ 40.2	$ 40.9	$ 41.8	$ 42.7

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 670.8	$ 730.6	$ 738.0	$ 764.0	$ 788.8	$ 810.5	$ 829.3

Beneficiaries: Virtually all 5.2 million households benefit from this tax expenditure.

PRESCRIPTION DRUGS AND ORTHOPEDIC EQUIPMENT

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

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

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 955.5	$1,003.9	$1,068.5	$1,135.6	$1,211.0	$1,303.7	$1,416.8

Beneficiaries: Approximately 2.1 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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 144.8	$ 152.3	$ 162.3	$ 172.6	$ 184.6	$ 199.2	$ 217.1

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 110.0	$ 130.7	$ 146.0	$ 154.8	$ 162.2	$ 170.4	$ 180.3

Beneficiaries: Approximately 6.8 million people benefit from this tax expenditure.

CHARGES FOR RETURNABLE CONTAINERS

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

Purpose: Deposit charges usually represent a security in the event a container is not returned. For this reason, a true exchange of property is not considered to have occurred.

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 12.8	$ 13.3	$ 13.8	$ 14.2	$ 14.7	$ 15.3	$ 15.8

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 19.3	$ 18.1	$ 17.6	$ 17.3	$ 17.2	$ 17.2	$ 17.4

Beneficiaries: As many as 134,000 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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 1.7	$ 1.8	$ 1.9	$ 1.9	$ 1.9	$ 2.0	$ 2.0

Beneficiaries: An unknown number of households, businesses, and organizations benefit from this tax expenditure.

TEXTBOOKS

Description: The purchase or use of textbooks for use in schools, colleges, and universities is exempt from taxation. The purchase must be on behalf of or through schools recognized by the Department of Education as institutions of learning.

Purpose: The education of the commonwealth's citizens is a major policy objective of state government. This exemption helps to reduce the overall cost of obtaining an education.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 11.5	$ 11.1	$ 10.7	$ 10.4	$ 10.1	$ 9.8	$ 9.5

Beneficiaries: As many as 859,600 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 13.1	$ 8.8	$ 8.0	$ 8.1	$ 8.4	$ 8.7	$ 9.1

Beneficiaries: Approximately 732,000 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 91.8	$ 110.1	$ 124.5	$ 133.5	$ 140.6	$ 147.4	$ 155.0

Beneficiaries: Approximately 3.4 million households and an unknown number of businesses benefit from this tax expenditure.

BREAST FEEDING SUPPLIES

Description: Act 25 of 2021 provides that the sale at retail of tangible personal property manufactured for the purpose of initiating, supporting, or sustaining breast feeding is exempt from sales and use tax, for purchases after December 31, 2021.

Purpose: The exemption eases any financial burdens associated with breast feeding.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ --	$ 1.2	$ 2.9	$ 3.0	$ 3.3	$ 3.6	$ 3.9

Beneficiaries: Any taxpayer purchasing breast feeding supplies may benefit from this expenditure.

FUELS AND UTILITIES

COAL

Description: The purchase or use of coal is exempt from taxation.

Purpose: This exemption provides special tax treatment of coal versus alternative energy forms. Other major energy sources are exempt only when used directly by the purchaser for residential use. Encouragement of coal consumption may have been perceived as providing or preserving employment when mining was a major employer within the commonwealth.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 111.0	$ 119.9	$ 125.3	$ 129.5	$ 133.6	$ 137.7	$ 142.5

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 7.9	$ 8.1	$ 8.5	$ 8.9	$ 9.2	$ 9.4	$ 9.7

Beneficiaries: Approximately 154,000 households use wood as a primary heating source. In addition, there are approximately 509,000 households with working fireplaces. Both groups benefit from this tax expenditure.

RESIDENTIAL UTILITIES

Description: As defined by law, "tangible personal property" specifies taxable items. Specifically omitted from this definition are electricity, steam, natural, manufactured, and bottled gas and fuel oil; basic local telecommunications service when purchased directly by the user solely for 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.

Estimates:

(Dollar Amounts in Millions)

Electricity:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 483.3	$ 489.2	$ 500.4	$ 514.1	$ 526.3	$ 539.5	$ 553.9

***Fuel Oil/Gas*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 160.8	$ 170.6	$ 171.1	$ 170.8	$ 172.1	$ 174.9	$ 178.5

***Telephone*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 44.0	$ 48.0	$ 52.2	$ 56.0	$ 59.8	$ 63.9	$ 69.0

Beneficiaries: Virtually all 5.2 million households (electricity), 3.7 million households (fuel oil/gas), and 1.7 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 132.0	$ 136.9	$ 141.9	$ 148.2	$ 154.5	$ 160.6	$ 167.1

Beneficiaries: Approximately 5.1 million households and about 303,000 businesses benefit from this tax expenditure.

GASOLINE AND MOTOR FUELS

Description: The purchase or use of gasoline and other motor fuels, taxed under the Liquid Fuels and Fuels Tax Act, is exempt from the sales and use tax.

Purpose: Because these items are already subject to fuels taxes, the legislature has provided for their exemption from the sales and use tax.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 851.3	$1,096.7	$1,035.2	$1,017.3	$1,011.5	$1,014.9	$1,018.3

Beneficiaries: Approximately 4.6 million households and owners of more than 2.3 million heavy trucks, buses, etc., benefit from this tax expenditure.

MOTOR VEHICLES/VESSELS

AIRCRAFT PARTS, HELICOPTERS, FLIGHT SIMULATORS, AND RELATED MATERIALS

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. Act 25 of 2021 provides that the sale at retail of flight simulators, training materials, and corresponding software, and the leasing of helicopters and similar rotorcraft are exempt from sales and use tax effective August 29, 2021.

Purpose: This exclusion places Pennsylvania aircraft manufactures, flight schools, and lessors of helicopters at a competitively neutral position relative to competitors in other states allowing this exemption.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 7.7	$ 8.9	$ 9.8	$ 10.5	$ 11.1	$ 11.7	$ 12.3

Beneficiaries: Approximately 120 aircraft manufacturers and repair companies and 20 flight schools may benefit from this expenditure. An unknown number of lessors of helicopters, as well as of purchasers of these products and services may benefit from this expenditure.

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 64.6	$ 70.9	$ 75.0	$ 77.8	$ 80.9	$ 84.4	$ 87.7

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 17.5	$ 19.1	$ 20.4	$ 21.5	$ 22.5	$ 23.7	$ 24.8

Beneficiaries*:* As many as 10 establishments may benefit from this tax expenditure.

COMMERCIAL VESSELS (Equipment and Maintenance)

Description: The purchase or use of fuel, supplies, equipment, ships or sea stores, and cleaning or maintenance supplies 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 2.8	$ 3.1	$ 3.3	$ 3.4	$ 3.6	$ 3.7	$ 3.9

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 20.0	$ 20.0	$ 20.0	$ 20.0	$ 20.0	$ 19.9	$ 19.9

Beneficiaries: Approximately 300 private school bus contractors and virtually all schools benefit from this tax expenditure.

MULTIPURPOSE AGRICULTURAL VEHICLES USED IN FARMING

Description: Act 25 of 2021 provides that the sale at retail of multipurpose agricultural vehicles used in farming is exempt from sales and use tax, effective January 1, 2022.

Purpose: This exemption provides a benefit for agricultural operations that use multipurpose vehicles.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ --	$ 0.4	$ 0.9	$ 0.9	$ 0.9	$ 1.0	$ 1.0

Beneficiaries: Approximately 52,700 farmers in the commonwealth may benefit from this expenditure.

PRODUCTION EXPENDITURES

MANUFACTURING EXEMPTION (Manufacture and Processing)

Description: An exemption is provided for the purchase or use of machinery, equipment, parts and supplies, or the use of services or utilities used directly in the manufacturing and processing of personal property. This exemption does not apply to motor vehicles, maintenance facilities, managerial or other nonoperational activities or materials, supplies, or equipment used relative to real estate, obtaining disinfecting or pest control services, or building maintenance and cleaning services.

Purpose: Exemption of manufacturing equipment and supplies prevents the multiple taxation that could occur in the production of a finished good for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$1,244.7	$1,363.2	$1,448.8	$1,511.1	$1,569.7	$1,634.0	$1,708.1

Beneficiaries: Approximately 13,000 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 81.5	$ 87.1	$ 89.8	$ 91.9	$ 94.3	$ 97.1	$ 100.3

Beneficiaries: Approximately 52,700 farm operators benefit from this tax expenditure.

MANUFACTURING EXEMPTION (Public Utility)

Description: An exemption is provided for the purchase or use of machinery, equipment, parts and supplies or the use of services or utilities used directly in producing, delivering, or rendering a public utility service. This exemption does not apply to motor vehicles (except those used as common carriers), maintenance facilities, managerial or other nonoperational activities or materials, supplies, or equipment used relative to real estate, obtaining disinfecting or pest control services, or building maintenance and cleaning services.

Purpose: Exemption of equipment and supplies used in producing and delivering a public utility service prevents the multiple taxation that could occur in providing the service. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 96.5	$ 99.5	$ 99.4	$ 100.4	$ 102.4	$ 104.2	$ 105.7

Beneficiaries: Approximately 890 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 10.2	$ 10.3	$ 10.4	$ 10.4	$ 10.4	$ 10.5	$ 10.5

Beneficiaries: Approximately 67,000 entities benefit from this tax expenditure.

CONTRACT FARMING

Description: The purchase or use of tangible personal property or services that are directly used in farming, dairying, or agriculture for the production of food are exempt from tax even if the purchaser is not the entity directly involved in the agricultural activity. This exemption applies to machinery, equipment, parts, supplies, and utilities used in the production of food.

Purpose: Exemption of agricultural equipment and supplies prevents the multiple taxation that could occur in the production of an agricultural food commodity for sale and consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 23.9	$ 25.6	$ 26.4	$ 27.0	$ 27.7	$ 28.5	$ 29.4

Beneficiaries: An unknown number of businesses engaged in contract farming benefit from this tax expenditure.

OTHER

AIRLINE CATERING

Description: Airline purchases of catered food and non-alcoholic beverages served to passengers in connection with the airline service are exempt from tax.

Purpose: This tax exemption lowers the cost of catered food and non-alcoholic beverages purchased by airlines, which may also reduce the cost of airline travel for consumers.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 1.4	$ 1.5	$ 1.6	$ 1.6	$ 1.7	$ 1.8	$ 1.9

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 5.9	$ 6.0	$ 6.1	$ 6.1	$ 6.2	$ 6.3	$ 6.4

Beneficiaries: Approximately 39,800 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 1 percent 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 14.7	$ 14.8	$ 15.8	$ 16.1	$ 16.6	$ 17.3	$ 17.9

Beneficiaries: Approximately 177,880 vendors benefit from this tax expenditure.

OUT-OF-STATE CREDIT

Description: A credit is allowed for the purchase of personal property or taxable services for use outside Pennsylvania equal to the sales tax paid in the applicable state. The state must grant substantially similar tax relief as provided by Pennsylvania.

Purpose: Allowing a credit for tax paid in another state prevents double taxation.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 367.0	$ 348.5	$ 348.4	$ 354.5	$ 348.4	$ 349.8	$ 351.2

Beneficiaries: Approximately 744,300 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 116.1	$ 117.1	$ 124.8	$ 127.8	$ 131.6	$ 136.7	$ 142.0

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TEMPORARY USAGE

Description: Property purchased outside Pennsylvania by a nonresident and temporarily used in Pennsylvania for seven days or less or any length of time by a tourist or vacationer is exempt from taxation. If the property is consumed in the state it becomes taxable.

Purpose: Providing an exemption for temporary usage of taxable property in Pennsylvania does not discourage entry into the state by vacationers, tourists, or others who attend, or are involved in specific short-term events or activities.

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 2.2	$ 2.8	$ 2.8	$ 2.8	$ 2.8	$ 2.8	$ 2.8

Beneficiaries: Approximately 1,300 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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

PURELY PUBLIC CHARITIES

Description: The sale of personal property or services to or for use by any institution of purely public charity as defined by Act 55 of 1997 is exempt from taxation. Act 45 of 1998 extended this exemption to include the purchase or use of certain machinery and equipment used in a construction contract with an exempt entity. The purchase or use may be made by a construction contractor or the exempt entity. Transactions unrelated to the trade or business of such organizations are taxable as are certain materials and supplies purchased for use in connection with real estate.

Purpose: These organizations provide public and charitable services that are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

Estimates: (Dollar Amounts in Millions)

Charitable Organizations:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 12.1	$ 13.3	$ 14.4	$ 15.2	$ 15.9	$ 16.7	$ 17.4

Volunteer Firemen's Organizations:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 20.7	$ 23.2	$ 25.6	$ 27.0	$ 28.4	$ 29.8	$ 31.5

Nonprofit Educational Institutions:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 116.0	$ 130.4	$ 144.6	$ 152.6	$ 160.3	$ 168.3	$ 177.9

Religious Organizations:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 8.0	$ 8.8	$ 9.6	$ 10.1	$ 10.6	$ 11.1	$ 11.6

Health & Social Assistance Organizations:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 180.6	$ 190.8	$ 196.5	$ 203.4	$ 211.6	$ 220.1	$ 229.6

Beneficiaries: Approximately 30,000 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.

Estimates: (Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 407.9	$ 439.4	$ 461.0	$ 485.5	$ 506.7	$ 528.9	$ 552.8

Beneficiaries: Approximately 3,130 governmental units benefit from this tax expenditure.

SUBSTITUTED TAX BASE

Description: The tax on tangible personal property purchased at least six months prior to the first taxable use in Pennsylvania may be based on the prevailing market price at the time of the taxable use. This substituted base would be in lieu of taxing the original purchase price.

Purpose: This alternative tax base permits taxpayers to pay tax relative to the current market value of such assets that most closely approximates current taxable value.

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 13.7	$ 15.1	$ 16.2	$ 17.1	$ 18.0	$ 19.0	$ 19.9

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

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

TOURIST PROMOTION AGENCIES

Description: The purchase or use of supplies and materials by tourist promotion agencies for distribution to the public is exempt from taxation. To be permitted this exemption, an agency must receive grants from the state.

Purpose: Excluding supplies and materials used by tourist promotion agencies that receive state grants reduces the cost of performing promotional activities. The need for direct support to these agencies is decreased by providing this exemption.

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

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

CONSTRUCTION OF MEMORIALS

Description: The purchase or use of materials used in the construction or erection of objects commemorating or memorializing historical events is exempt from taxation. These objects must be purchased by not-for-profit organizations and erected on publicly owned property.

Purpose: This exemption has been provided because these memorials are presumably erected for public benefit and gratification.

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 306.9	$ 328.8	$ 341.7	$ 351.5	$ 362.9	$ 376.5	$ 390.8

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:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: As many as 877,000 residents who have difficulty ascending and descending stairs may benefit from this tax expenditure.

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 8.6	$ 9.0	$ 9.6	$ 9.8	$ 10.1	$ 10.5	$ 10.9

Beneficiaries: Any of the 303,000 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 3.8	$ 3.2	$ 3.3	$ 3.5	$ 3.6	$ 3.8	$ 4.0

Beneficiaries: As many as 133,100 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 1.3	$ 1.9	$ 2.0	$ 2.1	$ 2.3	$ 2.4	$ 2.6

Beneficiaries: Approximately 170 motion picture and video exhibition companies, 70 television broadcasting stations, and 15 cable and subscription programming companies benefit from this expenditure.

COPIES OF AN OFFICIAL DOCUMENT

Description: The sale at retail or use of copies of an official document sold by a government agency or court are exempt from taxation. Included in copies of official documents are any copies in tangible form, including compact discs, microfilm, and similar forms of electronic media. Examples of such documents include notes of court testimony, deposition transcripts, driving records, accident reports, birth and death certificates, deeds, divorce decrees, and other similar documents.

Purpose: This provision eases reporting and administrative burdens on state, county, and local governments, including courts and political subdivisions.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 1.4	$ 1.4	$ 1.4	$ 1.4	$ 1.4	$ 1.4	$ 1.4

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 6.4	$ 6.8	$ 6.6	$ 6.5	$ 6.5	$ 6.6	$ 6.7

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 4.2	$ 4.5	$ 4.8	$ 5.0	$ 5.2	$ 5.4	$ 5.6

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

WRAPPING AND PACKING SUPPLIES

Description: The purchase or use of wrapping paper, twine, bags, cartons, tape, rope, labels, nonreturnable containers, corrugated boxes used by a person engaged in the manufacture of snack food products, and all other wrapping supplies which are incidental to the delivery of personal property is exempt from taxation. This exclusion applies to retailers only. A separately stated charge for wrapping or packaging is taxable. Act 43 of 2017 expanded this definition to include kegs used to contain malt or brewed beverages.

Purpose: Exemption of these items prevents double taxation since the cost of wrapping supplies, as a final input of the product, is included in the price charged by the retailer.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: Approximately 55,400 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

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:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 3.5	$ 3.6	$ 3.6	$ 3.7	$ 3.7	$ 3.7	$ 3.8

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:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 12.4	$ 13.5	$ 14.2	$ 14.7	$ 15.4	$ 16.0	$ 16.6

Beneficiaries: Any financial institution subject to bank and trust company shares or mutual thrift institutions taxes may benefit from this expenditure.

COMPUTER DATA CENTER EQUIPMENT EXEMPTION

Description: Act 25 of 2021 created sales and use tax exemption for computer data center equipment replacing the previous Computer Data Center Incentive Program, which provided a sales and use tax refund for qualified purchases. Beginning January 1, 2022, certified entities can annually submit for a sales and use tax exemption certificate for purchased computer data center equipment used exclusively in the data center certified by the state provided the data center meets certain investment criteria.

Purpose: The exemption provides a benefit for the computer data center industry.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ --	$ 15.7	$ 44.8	$ 53.1	$ 63.0	$ 74.7	$ 88.6

Beneficiaries: Approximately 1,040 data centers may benefit from this exemption.

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.

Estimates:

(Dollar Amounts in Millions)

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
LODGING							
Recreational parks, camps & campgrounds	$ 24.7	$ 27.9	$ 26.9	$ 25.9	$ 24.8	$ 23.8	$ 23.5
PERSONAL SERVICES							
Dry-cleaning & laundry services	$ 41.0	$ 45.4	$ 49.1	$ 51.7	$ 54.1	$ 56.7	$ 59.5
Personal care services	232.9	261.4	285.6	301.6	316.0	332.0	349.9
Funeral parlors, crematories & death care services	55.7	51.3	49.1	47.9	47.3	47.1	47.1
Other: personal services	66.3	74.2	80.9	85.4	89.5	94.1	99.1
BUSINESS SERVICES							
Services to buildings and dwellings	$ 384.4	$ 415.0	$ 438.4	$ 456.9	$ 476.5	$ 496.9	$ 518.0
Advertising, public relations, & related services	1,087.0	1,179.6	1,247.4	1,302.8	1,362.4	1,420.8	1,479.6
Consulting (scientific, environmental, & technical)	493.7	538.5	572.6	599.7	628.6	657.4	686.4
Scientific research & development services	139.2	147.1	147.4	150.3	156.9	163.4	170.0
Information services	174.3	196.6	218.6	234.2	247.7	262.1	278.7
Administrative services	816.7	889.2	944.4	987.2	1,031.9	1,078.6	1,126.9
COMPUTER SERVICES							
Custom programming, design & data processing	$ 750.0	$ 816.4	$ 865.3	$ 903.8	$ 945.5	$ 986.3	$ 1,027.1
AUTOMOTIVE SERVICES							
Parking lots & garages	$ 70.6	$ 79.1	$ 86.3	$ 91.1	$ 95.5	$ 100.3	$ 105.7
RECREATION SERVICES							
Spectator sports admissions (excludes schools)	$ 36.7	$ 45.6	$ 52.4	$ 55.5	$ 58.5	$ 62.1	$ 66.1
Theater, dance, music & performing arts admissions	75.5	94.4	108.5	114.9	121.0	128.3	136.2
Amusement & recreation industries	435.5	562.9	656.9	696.6	734.2	781.1	832.9
Museums, historical sites, zoos & parks	30.7	39.8	46.5	49.4	52.0	55.4	59.0
HEALTH SERVICES							
Home health care, nursing care, & other ambulatory health care services	$ 543.6	$ 593.3	$ 634.9	$ 669.8	$ 703.9	$ 743.9	$ 789.7
Hospitals	1,429.3	1,560.0	1,669.5	1,761.3	1,850.8	1,956.0	2,076.5
Physician & dental services	1,414.1	1,543.4	1,651.7	1,742.5	1,831.1	1,935.2	2,054.5
Social assistance including day care	212.0	234.5	252.6	266.4	279.9	295.8	314.2
PROFESSIONAL SERVICES							
Legal	$ 725.5	$ 799.4	$ 858.5	$ 901.4	$ 944.0	$ 988.8	$ 1,035.9
Architectural, engineering, & related services	454.0	492.8	520.8	542.9	567.0	591.9	617.8
Accounting, auditing and bookkeeping services	399.5	433.2	459.3	480.1	502.1	524.3	547.1
Specialized design	92.3	101.2	108.0	113.0	118.1	123.5	129.3
All other professional and technical services	239.4	260.7	276.7	289.0	302.2	315.5	329.4
TRANSPORTATION SERVICES							
Transit & ground transportation	$ 40.2	$ 45.6	$ 50.1	$ 53.0	$ 56.0	$ 59.0	$ 61.9
Air transportation	11.0	12.6	14.0	14.9	15.7	16.6	17.5
Truck transportation	14.3	15.8	16.9	17.7	18.4	19.2	20.1
Other transportation	18.8	20.9	22.6	23.8	25.0	26.2	27.4
MISCELLANEOUS SERVICES							
Basic television	$ 84.3	$ 91.7	$ 98.9	$ 105.2	$ 111.7	118.6	$ 126.7
Tuition (college, vocational training & instruction	1,010.8	1,132.8	1,236.1	1,304.3	1,366.2	1,435.1	1,512.1
Electrical, plumbing, heating & AC service fees	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Veterinary fees	86.6	97.1	106.0	111.9	117.2	123.1	129.7
Financial institution fees	119.8	123.3	127.0	130.9	134.8	138.8	143.0
Waste management and remediation services	199.6	216.3	229.4	239.8	250.3	261.4	273.0

Beneficiaries: Virtually all 5.2 million households and all 303,000 business establishments benefit from one or more of these service tax expenditures.

CIGARETTE TAX

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

The cigarette tax is an excise tax, based on a rate of 13 cents per cigarette, levied on the sale or possession of cigarettes in Pennsylvania. Between November 2009 and July 2016, the rate was 8 cents per cigarette. Effective November 1, 2009, the cigarette tax was also imposed on little cigars weighing no more than four pounds per thousand sticks. Only one sale of cigarettes, whether individual cigarettes, packages, cartons, or cases, is taxable. 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 $115.3 million transfer was also made to the Tobacco Settlement Fund for Commonwealth Finance Authority debt service payments in FY 2019-20 and 2020-21 and is expected to be reauthorized for each year in the forecast period.

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: Residents in six state veterans' homes benefit from this tax expenditure.

UNSTAMPED CIGARETTES (200 AND UNDER)

Description: Vacationers or tourists crossing state lines with one carton or less of unstamped cigarettes are not required to pay tax on those cigarettes. The carton (200 cigarettes) cannot be resold and must be for personal use only.

Purpose: Persons crossing state lines with one carton or less of cigarettes are presumed to possess such cigarettes for personal use rather than intentionally avoiding payment of the cigarette tax. This expenditure helps to relieve administration and enforcement burdens as well as promote tourism.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

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 $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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 6.8	$ 6.5	$ 6.2	$ 5.9	$ 5.7	$ 5.5	$ 5.3

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 million was transferred to the Property Tax Relief Fund, authorized under Act 114 of 2020. A further transfer of $12.3 million to the Environmental Stewardship Fund was established under Act 24 of 2021 for fiscal year 2021-22.

Act 20 of 2019 provided for recurring transfers to the Farm Show Complex restricted revenue account beginning in fiscal year 2019-20. The annual transfer is approximately $13.3 million.

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 2.2	$ 2.2	$ 2.3	$ 2.4	$ 2.4	$ 2.5	$ 2.6

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$3,420.7	$3,557.7	$3,708.8	$3,872.1	$4,046.6	$4,231.6	$4,427.0

Beneficiaries: As many as 3.3 million retired residents and their survivors benefit from this tax expenditure.

RETIREMENT CONTRIBUTIONS BY EMPLOYERS

Description: Payments made by employers for programs covering employee retirement and employer social security contributions are exempt from taxation.

Purpose: This provision lessens the burden of the tax on Pennsylvania wage earners and maintains fairness since the employee often does not have the right to possess the funds in the retirement plan except upon retirement or separation from the company after a set number of years of service.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 945.1	$1,018.1	$1,088.0	$1,151.4	$1,208.2	$1,267.2	$1,321.8

Beneficiaries: As many as 6.1 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 48.5	$ 51.1	$ 53.9	$ 56.9	$ 60.0	$ 63.3	$ 66.8

Beneficiaries: Approximately 77,800 employees benefit from this tax expenditure.

HEALTH SAVINGS ACCOUNTS/ARCHER MEDICAL SAVINGS ACCOUNTS (ARCHER MSAs)

Description: Act 67 of 2006 provided a personal income tax exemption for contributions made to Health Savings Accounts and Archer Medical 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:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 35.9	$ 36.5	$ 37.8	$ 39.5	$ 41.4	$ 43.4	$ 45.7

Beneficiaries: Individuals filing approximately 478,500 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:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$1,049.1	$1,130.1	$1,207.7	$1,278.1	$1,341.1	$1,406.6	$1,467.2

Beneficiaries: As many as 5.8 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:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 82.6	$ 88.9	$ 95.0	$ 100.6	$ 105.5	$ 110.7	$ 115.5

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

LIFE INSURANCE PROCEEDS

Description: Amounts paid to beneficiaries or the estate of a decedent due to the death of the decedent are exempt from tax.

Purpose: Life insurance proceeds are not considered compensation for services rendered. Also, premiums are often paid with after-tax dollars.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 168.5	$ 170.6	$ 163.8	$ 159.5	$ 158.3	$ 158.7	$ 160.4

Beneficiaries: The death payment beneficiaries of approximately 193,100 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 147.5	$ 76.2	$ 62.2	$ 60.7	$ 59.3	$ 57.9	$ 56.6

Beneficiaries: Approximately 1.4 million people benefit from this tax expenditure.

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 85.0	$ 87.4	$ 87.3	$ 87.2	$ 87.1	$ 87.0	$ 87.0

Beneficiaries: As many as 147,900 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 4.2	$ 4.1	$ 4.1	$ 4.1	$ 4.1	$ 4.1	$ 4.1

Beneficiaries: Approximately 73,200 people benefit from this tax expenditure.

SALE OF A PRINCIPAL RESIDENCE

Description: Beginning January 1, 1998, the gain from a sale of principal residence is excludable from income. Prior to January 1, 1998, this expenditure was a once in a lifetime exclusion of up to $100,000 for those 55 and over.

Purpose: A principal residence is typically sold to meet the changing needs of the taxpayer and not in an effort to recognize a capital gain.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 139.1	$ 169.2	$ 169.1	$ 171.3	$ 174.7	$ 176.7	$ 181.4

Beneficiaries: The owners of approximately 237,500 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:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 130.2	$ 140.6	$ 150.4	$ 159.0	$ 167.2	$ 175.7	$ 184.5

Beneficiaries: Approximately 51,400 residents benefit from this tax expenditure.

SCHOLARSHIPS, GRANTS, FELLOWSHIPS, AND STIPENDS

Description: Scholarships, grants, fellowships, and stipends awarded on the basis of need or academic achievement for the purpose of encouraging or allowing the recipient to further their educational development are not taxable. Fellowships and stipends are taxable if they are awarded as compensation for past, present, or future services.

Purpose: Awards made on the basis of detached generosity are considered to be gifts and are not taxable as income.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 155.0	$ 157.8	$ 160.6	$ 163.5	$ 166.4	$ 169.4	$ 172.4

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.

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 1.0	$ 1.0	$ 0.9	$ 0.9	$ 0.9	$ 0.9	$ 0.9

Beneficiaries: Approximately 11,100 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 42.8	$ 41.3	$ 40.3	$ 39.6	$ 39.2	$ 38.9	$ 38.7

Beneficiaries: Individuals filing approximately 797,600 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.

Estimates:

(Dollar Amounts in Millions)

***Depreciation*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 114.3	$ 124.6	$ 134.6	$ 139.1	$ 149.8	$ 158.8	$ 166.0

Other:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$1,603.4	$1,748.5	$1,889.0	$1,951.6	$2,102.5	$2,229.2	$2,329.2

Beneficiaries: Approximately 1.1 million businesses and professions benefit from this tax expenditure.

FOSTER CARE

Description: Payments received by foster parents are explicitly excluded from the definition of compensation.

Purpose: This exemption provides a benefit to families providing foster care.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 5.3	$ 5.5	$ 5.7	$ 5.9	$ 6.1	$ 6.4	$ 6.6

Beneficiaries: The foster parents of approximately 19,500 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 39.9	$ 42.0	$ 44.3	$ 46.7	$ 49.2	$ 51.9	$ 54.7

Beneficiaries: At least 138,900 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 1.0	$ 1.0	$ 1.0	$ 1.1	$ 1.1	$ 1.1	$ 1.1

Beneficiaries: As many as 100,700 election officials benefit from this tax expenditure.

PENNSYLVANIA LOTTERY NONCASH PRIZES

Description: Pennsylvania Lottery noncash prizes are exempt from personal income tax. Previously, all Pennsylvania Lottery prizes were exempt, until Act 84 of 2016 made cash prizes of the Pennsylvania Lottery subject to personal income tax, effective for tax years beginning on or after January 1, 2016.

Purpose: This provision provides an additional benefit to individuals winning noncash Pennsylvania Lottery prizes.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 1.2	$ 0.8	$ 0.7	$ 0.5	$ 0.4	$ 0.3	$ 0.3

Beneficiaries: The winners of approximately 200 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 66.8	$ 64.7	$ 62.8	$ 61.0	$ 59.3	$ 57.6	$ 55.9

Beneficiaries: Approximately 283,400 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.9	$ 1.0	$ 1.0	$ 1.0	$ 1.1	$ 1.1	$ 1.1

Beneficiaries: Approximately 15,700 new businesses will benefit from this tax expenditure.

INTANGIBLE DRILLING COSTS

Description: Effective tax year 2014, a taxpayer may recover intangible drilling costs (IDCs), as defined by Section 263(c) of the Internal Revenue Code, 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

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 people with disabilities and their families.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.7	$ 0.8	$ 1.0	$ 1.3	$ 1.6	$ 2.0	$ 2.5

Beneficiaries: Approximately 2,700 people with disabilities 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

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

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 2.2	$ 2.2	$ 2.2	$ 2.2	$ 2.2	$ 2.2	$ 2.2

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

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

CROP INSURANCE PROCEEDS

Description: Act 25 of 2021 aligns Pennsylvania with Section 451(f) of the Internal Revenue Code, allowing taxpayers to include crop insurance proceeds in income for the taxable year following the taxable year of crop destruction or damage, provided that the taxpayer establishes that the income from such crops would have been reported in a following taxable year.

Purpose: Given that crop insurance payments are often received because of unforeseen circumstances, this provision could provide greater flexibility in managing income and expenses in unexpectedly challenging times.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefitting from this expenditure is unknown.

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 217.7	$ 220.4	$ 223.0	$ 216.0	$ 209.1	$ 202.1	$ 195.1

Beneficiaries: Individuals filing approximately 1.2 million returns benefit from this tax expenditure.

RESIDENT CREDIT

Description: Pennsylvania residents who have income which is subject to both Pennsylvania personal income tax and the income or wage tax of another state (excluding compensation earned in states with reciprocal agreements) may claim the lesser of the following as credit against the personal income tax: 1) the actual tax paid to the other state, or 2) Pennsylvania taxable income earned in the other state, multiplied by the current Pennsylvania income tax rate. 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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 411.0	$ 452.8	$ 493.9	$ 523.1	$ 548.5	$ 574.2	$ 600.3

Beneficiaries: Individuals filing approximately 142,700 returns benefit from this tax expenditure.

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 estimate for 2020-21 reflects actual credits awarded. Future fiscal years reflect the program cap.

Purpose: These tax credits are intended to encourage early-career farmers in Pennsylvania.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.2	$ 6.0	$ 6.0	$ 6.0	$ 6.0	$ 6.0	$ 6.0

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

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 9.8	$ 8.3	$ 8.4	$ 9.7	$ 9.9	$ 11.0	$ 12.0

Beneficiaries: Approximately 40,000 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: Farmers operating approximately 52,700 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: Approximately 1.4 million Pennsylvania residents benefit from this tax expenditure.

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 provision is intended to give taxpayers who qualified for tax forgiveness a safe harbor from estimated payments.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: Taxpayers filing nearly 46,300 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 1 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 (KRPCF) 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 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 included in the personal income tax administrative cost estimates. Costs incurred to administer the multiple tax expenditures associated with realty transfer tax cannot be separately identified.

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 6.9	$ 7.3	$ 7.3	$ 7.5	$ 7.6	$ 7.7	$ 7.9

Beneficiaries: Approximately 3,130 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 98.6	$ 104.7	$ 104.5	$ 106.6	$ 108.1	$ 110.2	$ 112.9

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 2.3	$ 2.4	$ 2.4	$ 2.5	$ 2.5	$ 2.6	$ 2.6

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 3.3	$ 3.5	$ 3.5	$ 3.5	$ 3.6	$ 3.6	$ 3.7

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TRANSFERS BETWEEN RELIGIOUS ORGANIZATIONS

Description: A transfer between religious organizations or persons holding title for a religious organization, with both parties possessing tax-exempt status under the Internal Revenue Code, is an excluded transaction. The real estate cannot have been used by such transferor for commercial purposes.

Purpose: This exemption provides tax relief to religious organizations that are perceived to provide social benefits.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 3.0	$ 3.2	$ 3.2	$ 3.3	$ 3.3	$ 3.4	$ 3.5

Beneficiaries: Approximately 13,100 religious organizations could benefit from this tax expenditure.

TRANSFERS TO A CONSERVANCY

Description: A transfer to or from a conservancy possessing tax-exempt status under to the Internal Revenue Code is an excluded transaction when its primary purpose is the preservation of land for historic, recreational, scenic, agricultural, or open space opportunities.

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.5	$ 0.6	$ 0.6	$ 0.6	$ 0.6	$ 0.6	$ 0.6

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: Approximately 1,300 family farm businesses could benefit from this tax expenditure.

OWNERSHIP INTEREST IN REAL ESTATE COMPANY OR FAMILY FARM

Description: A transfer between members of the same family of an ownership interest in a real estate company or family farm business is an excluded transaction.

Purpose: A transfer of ownership interest between members of the same family is not considered a change in ownership of the business. This exemption encourages the preservation of family farm businesses and family-owned real estate businesses by allowing transfers of ownership interests between members of the same family not to count toward the corporation becoming an acquired company.

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: Approximately1,300 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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

PRODUCTION OR EXTRACTION OF COAL, OIL, NATURAL GAS, OR MINERALS

Description: Leases for the production or extraction of coal, oil, natural gas, or minerals and assignments thereof are excluded transactions.

Purpose: This exemption gives tax relief to the mining and extracting industries to produce and extract coal, oil, natural gas, and minerals at a lower cost.

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: Approximately 1,940 companies may benefit from this tax expenditure.

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:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: The 287 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:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 2.4	$ 2.5	$ 2.5	$ 2.6	$ 2.6	$ 2.7	$ 2.7

Beneficiaries: Approximately 2,050 taxpayers could benefit from this tax expenditure.

TRANSFERS TO OR FROM A LAND BANK

Description: A transfer of real estate to or from a land bank is an excluded transaction. The term "land bank" shall have the same meaning as given to it in 68 Pa.C.S. § 2103.

Purpose: This exemption provides tax relief on transfers to or from a land bank. Land banks are used by local governments to acquire problem properties and return them to productive use.

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TRANSFERS TO CERTAIN NONPROFIT ORGANIZATIONS FROM HOUSING AUTHORITIES WITHIN THE COMMONWEALTH

Description: A transfer of real estate from a Public Housing Authority (PHA) to a nonprofit 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 nonprofit organizations participating in the RAD program would be taxable.

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: A limited number of nonprofit 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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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 5 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 6 percent.

Purpose: This provision reduces the tax burden on the immediate family members of the decedent.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$1,743.2	$1,825.7	$1,780.8	$1,727.7	$1,703.9	$1,699.8	$1,712.6

Beneficiaries: Approximately 41,600 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 0 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$2,903.9	$3,041.3	$2,966.5	$2,878.0	$2,838.4	$2,831.5	$2,852.9

Beneficiaries: Approximately 37,100 estates benefit from this tax expenditure.

EXEMPTION FOR TRANSFERS OF PROPERTY FROM A CHILD TO PARENT

Description: Property passing from a child 21 years of age or younger to a parent is subject to a 0 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 0 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:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.6	$ 0.6	$ 0.6	$ 0.6	$ 0.6	$ 0.6	$ 0.6

Beneficiaries: Approximately 50 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:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 34.5	$ 36.1	$ 35.2	$ 34.2	$ 33.7	$ 33.6	$ 33.9

Beneficiaries: Approximately 5,000 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:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 143.1	$ 143.4	$ 144.6	$ 146.7	$ 149.7	$ 153.1	$ 157.0

Beneficiaries: Estates of the decedents associated with approximately 80,000 life insurance policies benefit from this expenditure.

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 2.0	$ 2.2	$ 2.1	$ 2.0	$ 2.0	$ 2.0	$ 2.0

Beneficiaries: Approximately 8,800 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 21 years of age or younger is subject to a 0 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 21 or younger rate of 0 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 21 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 15.6	$ 17.7	$ 17.2	$ 16.6	$ 16.5	$ 16.4	$ 16.6

Beneficiaries: Approximately 500 estates benefit from this tax expenditure.

PERSONAL EXCLUSIONS AND DEDUCTIONS

EMPLOYMENT BENEFITS

Description: Employment benefits that the decedent did not have the right to possess, enjoy, assign, or anticipate before death are exempt from inheritance tax. Exempt benefits include pensions, stock-bonuses, profit-sharing plans, Keoghs, Individual Retirement Accounts, and other retirement plans. If the decedent did have the right to possess, enjoy, assign, or anticipate the benefits, they are exempt from Pennsylvania inheritance tax only to the same extent they are exempt from the federal estate tax.

Purpose: This provision limits inheritance tax on employment benefits to which the decedent did not have full rights. An individual is presumed to have full rights to these employment benefits after age 59 ½, the age at which someone may utilize at least a portion of these funds without penalty under the Internal Revenue Code.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 9.8	$ 10.3	$ 10.8	$ 11.4	$ 12.0	$ 12.6	$ 13.2

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 73.1	$ 76.5	$ 74.7	$ 72.4	$ 71.4	$ 71.3	$ 71.8

Beneficiaries: Approximately 53,800 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 82.6	$ 86.5	$ 84.4	$ 81.8	$ 80.7	$ 80.5	$ 81.1

Beneficiaries: Approximately 41,500 estates benefit from this tax expenditure.

SOCIAL SECURITY DEATH PAYMENTS

Description: The lump-sum social security death benefit is exempt from inheritance tax.

Purpose: This provision helps limit the impact of the tax on poorer beneficiaries. The social security death benefit could comprise the majority of assets for many small taxable estates.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 1.0	$ 1.0	$ 1.0	$ 1.0	$ 1.0	$ 1.0	$ 1.0

Beneficiaries: As many as 65,600 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: Approximately 65,600 estates might benefit from this tax expenditure.

PROPERTY SUBJECT TO POWER OF APPOINTMENT

Description: Property left to a trust by the decedent (grantor) subject to a power of appointment (by a grantee), whether or not exercised and notwithstanding any blending of such property with property of the grantee, is exempt from inheritance tax in the estate of the grantee.

Purpose: Pennsylvania taxes the transfer of these assets subject to a power of appointment at the time the interest is created (when the grantor dies). The grantee may have a life interest in the estate with any remainder passing to some other person. This provision prevents taxation when the property is subsequently distributed upon the death of the grantee, having already been taxed in the estate of the grantor.

(Dollar Amounts in Millions)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

SMALL BUSINESS INTEREST TRANSFER EXTENDED PAYMENT SCHEDULE

Description: The inheritance tax due on the transfer of a qualified small business interest may be paid in twenty consecutive quarterly installments beginning nine months after the decedent's death. Each installment payment bears annual interest of 9 percent.

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.6	$ 0.6	$ 0.7	$ 0.7	$ 0.8	$ 0.8	$ 0.9

Beneficiaries: The owners of 52,700 farms might benefit from this tax expenditure.

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:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 6.2	$ 6.4	$ 6.6	$ 6.8	$ 7.0	$ 7.2	$ 7.4

Beneficiaries: The owners of 52,700 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 date. 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:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 7.2	$ 7.6	$ 7.4	$ 7.2	$ 7.1	$ 7.0	$ 7.1

Beneficiaries: The owners of 204,000 family-owned, small businesses might benefit from this tax expenditure.

OTHER EXCLUSIONS

TRANSFERS TO GOVERNMENTS

Description: Inter vivos 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:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.7	$ 0.7	$ 0.7	$ 0.6	$ 0.6	$ 0.6	$ 0.6

Beneficiaries: Approximately 3,700 estates benefit from this tax expenditure.

TRANSFERS TO CHARITABLE AND FRATERNAL ORGANIZATIONS

Description: Inter vivos 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 178.6	$ 187.1	$ 182.5	$ 177.0	$ 174.6	$ 174.2	$ 175.5

Beneficiaries: An estimated 30,100 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 generally cash or cash equivalents played on a table game less player winnings. Per Act 1 of 2010, revenue from this tax is deposited to the General Fund until such time as the balance in the Budget Stabilization Reserve Fund exceeds $750 million. In fiscal year 2021-22, the balance of the Budget Stabilization Reserve Fund exceeded that target, so revenue from this is scheduled to begin to be deposited to the Property Tax Relief Fund in 2022-23.

The current rate is 14 percent of gross table game revenue. 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 1.1	$ 3.2	$ 3.2	$ 3.2	$ 3.2	$ 3.2	$ 3.2

Beneficiaries: All licensed gaming entities in Pennsylvania operating table games may benefit from this tax expenditure.

OIL COMPANY FRANCHISE TAX

Authorization: Chapter 95 of Title 75 of the Pennsylvania Consolidated Statutes.

Act 3 of 1997 imposed a tax of 153.5 mills for all taxable liquid fuels and 208.5 mills for all taxable fuels on oil companies conducting business in Pennsylvania. Act 89 of 2013 added 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 2022 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.3	$ 0.3	$ 0.4	$ 0.4	$ 0.4	$ 0.4	$ 0.4

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 48.0	$ 51.0	$ 51.5	$ 51.3	$ 51.2	$ 51.0	$ 50.8

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 12.1	$ 12.9	$ 13.0	$ 12.9	$ 12.9	$ 12.9	$ 12.8

Beneficiaries: Approximately 1,800 volunteer fire departments and an unknown number of other volunteer organizations benefit from these tax expenditures.

NONPROFIT NONPUBLIC SCHOOLS

Description: Fuel purchased by any nonprofit nonpublic school in which a commonwealth resident may legally fulfill compulsory school attendance requirements is granted an exemption from the tax.

Purpose: Since state government indirectly subsidizes transporting public school children, this exemption provides similar treatment to nonprofit nonpublic schools.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.2	$ 0.2	$ 0.2	$ 0.2	$ 0.2	$ 0.2	$ 0.2

Beneficiaries: As many as 2,770 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.3	$ 0.3	$ 0.3	$ 0.3	$ 0.3	$ 0.3	$ 0.3

Beneficiaries: There are 13 electric cooperatives in the commonwealth that benefit from these tax expenditures.

AGRICULTURAL USE

Description: A full refund of tax paid is granted for fuel consumed in agricultural use relating to the actual production of farm products. Fuel used in farm machinery or equipment engaged in the production or harvesting of agricultural products is exempt from taxation under these provisions.

Purpose: This exemption allows farmers to provide agricultural products at a reduced cost.

(Dollar Amounts in Millions)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 4.7	$ 5.0	$ 5.0	$ 5.0	$ 5.0	$ 5.0	$ 5.0

Beneficiaries: Individuals operating approximately 52,700 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 6.9	$ 4.9	$ 4.8	$ 4.8	$ 4.8	$ 4.8	$ 4.8

Beneficiaries: Approximately 260 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.2	$ 0.1	$ 0.1	$ 0.1	$ 0.1	$ 0.1	$ 0.1

Beneficiaries: Approximately 12 taxpayers benefit from these tax expenditures.

DISCOUNT

Description: A distributor is permitted a variable percentage discount based on the gross tax due on the oil company franchise tax mills added by Act 89 of 2013. Returns and payments are generally due on or before the 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:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 4.9	$ 5.3	$ 5.4	$ 5.3	$ 5.3	$ 5.3	$ 5.3

Beneficiaries: Approximately 740 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:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 0.3	$ 0.3	$ 0.3	$ 0.3	$ 0.3	$ 0.3	$ 0.3

Beneficiaries: Approximately 50 bus companies benefit from this tax expenditure.

MOTOR CARRIERS ROAD TAX / IFTA

Authorization: Chapter 96 of Title 75 of the Pennsylvania Consolidated Statutes.

The motor carriers road tax is equal to the current Pennsylvania oil company franchise tax or alternative fuels tax rate per gallon. 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.8	$ 0.8	$ 0.8	$ 0.8	$ 0.9	$ 0.9	$ 0.9

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 36.6	$ 38.6	$ 38.6	$ 38.5	$ 38.5	$ 38.5	$ 38.5

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 9.0	$ 9.5	$ 9.5	$ 9.5	$ 9.5	$ 9.5	$ 9.5

Beneficiaries: Individuals operating approximately 52,700 farms benefit from this tax expenditure.

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 16.6	$ 17.5	$ 17.5	$ 17.5	$ 17.5	$ 17.5	$ 17.5

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: The owners of approximately 1,920 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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: The owners of approximately 180 implements of husbandry vehicles benefit from this tax expenditure.

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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 2.3	$ 2.5	$ 2.5	$ 2.5	$ 2.5	$ 2.5	$ 2.4

Beneficiaries: Approximately 23,200 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: As many as 13,600 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The 13 electric cooperatives in the commonwealth benefit from this tax expenditure.

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	$ 14.1	$ 14.9	$ 14.9	$ 14.9	$ 14.9	$ 14.9	$ 14.9

Beneficiaries: Approximately 6,100 schools benefit from this tax expenditure.

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this tax expenditure is unknown.

MOTOR VEHICLE CODE

Authorization: Title 75 of the Pennsylvania Consolidated Statutes.

The Motor Vehicle Code, 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:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 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*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.4	$ 0.4	$ 0.4	$ 0.4	$ 0.4	$ 0.4	$ 0.4

Beneficiaries: The owners of approximately 6,160 vehicles benefit from this tax expenditure.

Charitable Organizations:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 1.4	$ 1.5	$ 1.5	$ 1.5	$ 1.6	$ 1.6	$ 1.6

Beneficiaries: The owners of approximately 15,900 vehicles benefit from this tax expenditure.

Former Prisoners of War:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: The owners of approximately 70 vehicles benefit from this tax expenditure.

***Farm Trucks*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 5.2	$ 5.3	$ 5.4	$ 5.6	$ 5.7	$ 5.9	$ 5.9

Beneficiaries: The owners of approximately 9,410 farm trucks benefit from this tax expenditure.

Commercial Implements of Husbandry:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.1	$ 0.2	$ 0.2	$ 0.2	$ 0.2	$ 0.2	$ 0.2

Beneficiaries: The owners of approximately 200 commercial implements of husbandry vehicles benefit from this tax expenditure.

***Emergency Vehicles*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 8.3	$ 8.6	$ 8.7	$ 9.1	$ 9.2	$ 9.5	$ 9.6

Beneficiaries: Organizations owning approximately 13,600 vehicles benefit from this tax expenditure.

***Political Subdivisions*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 28.7	$ 29.6	$ 29.9	$ 31.3	$ 31.6	$ 32.7	$ 33.0

Beneficiaries: Approximately 3,130 governmental units benefit from this tax expenditure.

Older Pennsylvanians:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 3.6	$ 3.9	$ 4.0	$ 4.4	$ 4.6	$ 5.0	$ 5.2

Beneficiaries: Older Pennsylvanians owning approximately 95,900 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: The owners of approximately 40 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: As many as 3,130 political subdivisions may benefit from this tax expenditure.

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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	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)

Estimates:	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: As many as 3,130 political subdivisions may benefit from this tax expenditure.

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 3 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 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.

Estimates:

(Dollar Amounts in Millions)

***Motor Vehicle Leases*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

***Motor Vehicle Rentals*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: Approximately 7,500 common carriers could benefit from this tax expenditure.

SCHOOL BUSES

Description: The lease or rental of school buses is exempt from taxation. These buses must be used exclusively for the transportation of children for school purposes. The provision is extended to persons who have contracts with school districts to transport children. For the purposes of this analysis, the majority of these contracts are assumed to be leases.

Purpose: The costs of transporting school children are directly borne by school districts and indirectly by state government through subsidy programs. This exemption, while limiting state Public Transportation Assistance Fund revenues, decreases state educational subsidy costs.

(Dollar Amounts in Millions)

Estimates:

***Motor Vehicle Leases*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 2.2	$ 2.2	$ 2.2	$ 2.2	$ 2.2	$ 2.2	$ 2.2

***Motor Vehicle Rentals*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 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*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The owners of approximately 489,600 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 an exempt organization such as a 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*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

***Motor Vehicle Rentals*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: Approximately 29,900 organizations may benefit from this tax expenditure.

EXEMPT GOVERNMENTAL UNITS

Description: The lease or rental of personal property to or for use by the federal government, the commonwealth, or its instrumentalities or political subdivisions is exempt from taxation. Based on the criteria adopted to define tax expenditures, federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent local government tax expenditures.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

Estimates:

(Dollar Amounts in Millions)

***Motor Vehicle Leases*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 1.7	$ 1.8	$ 1.9	$ 1.9	$ 2.0	$ 2.1	$ 2.2

***Motor Vehicle Rentals*:**

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.4	$ 0.5	$ 0.5	$ 0.5	$ 0.5	$ 0.5	$ 0.5

Beneficiaries: Approximately 3,130 political subdivisions may benefit from this tax expenditure.

VENDOR DISCOUNT

Description: A licensed vendor is permitted a 1 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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 1.0	$ 1.1	$ 1.0	$ 1.1	$ 1.1	$ 1.1	$ 1.1

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.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: Approximately 3,130 political subdivisions may benefit from this tax expenditure.

VENDOR DISCOUNT

Description: A licensed vendor is permitted a 1 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)

Estimates:

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 0.1	$ 0.1	$ 0.1	$ 0.1	$ 0.1	$ 0.1	$ 0.1

Beneficiaries: Approximately 4,300 vendors may benefit from this tax expenditure.

STATE RACING FUND

Authorization: Article XXVIII-D of the Administrative Code of 1929 (P.L. 177, No. 175), as amended.

The State 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 1981). The Harness Racing Fund and the Horse Racing Fund were combined into the State 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 State Racing Fund contains no tax expenditures as defined by this tax expenditure analysis.

UNEMPLOYMENT COMPENSATION INSURANCE TAX

Administrative Costs: The costs of administering the tax expenditure associated with the unemployment compensation insurance tax are nominal.

LIMITATION OF THE TAXABLE WAGE BASE

Authorization: Act of December 5, 1936 (2nd special session, 1937 P.L. 2897, No. 1), 4(x)(1), as amended, 43 P.S. 753(x)(1).

The purpose of the tax is to provide a fund from which compensation is paid to workers who have become unemployed through no fault of their own. Contributions are required to be made by all employers who pay wages to individuals working in Pennsylvania and whose services are covered under the unemployment compensation law. This tax may include employee contributions withheld by employers from each employee's gross wages. The Pennsylvania Unemployment Compensation Law is administered by the Department of Labor and Industry.

Description: The commonwealth's unemployment compensation law provides for a limitation of the taxable wage base to the first $10,000 of wages paid to each employee during a calendar year by an employer. This amount has increased annually from $8,000 in calendar year 2012 to its current level, set in 2018. All state governments are required by the federal government to tax at least the first $7,000 of subject wages. Many states, including Pennsylvania, have chosen to keep their bases close to the federal minimum. The estimate represents the cost of this limitation as measured by the difference between contributions based on taxable wages and contributions based on total wages. In 1988, legislation was enacted which provides for a "trigger" mechanism to regulate employer and employee contributions. The trigger mechanism, working in conjunction with the experience rating system, would change tax rates in response to a change in the taxable wage base. The methodology used for this estimate does not incorporate the changes that would occur to the tax rates as a result of tax base changes. Projected tax rates were used to estimate contributions based on currently taxable wages. The same tax rates were used to estimate contributions based on total wages paid by contributory employers.

Purpose: The limitation on taxable wages limits growth in employer tax liabilities that would otherwise occur as wages rise.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$7,561.7	$7,799.9	$8,312.0	$8,962.3	$9,461.5	$9,958.7	$10,470.0

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 2021, there were 284,047 contributory employers to the Unemployment Compensation Fund. The following is a breakdown of these employers according to major industry division[1]:

Natural Resources and Mining	3,272	Financial Activities	20,214
Construction	28,906	Professional and Business Services	61,002
Manufacturing	13,136	Education and Health Services	41,091
Trade	44,167	Leisure and Hospitality	26,702
Transportation, Warehousing, Utilities	8,771	Other Services	30,259
Information	5,299	Local Government	1,219

[1/]Based on NAICS industry classification. Data may not add to totals due to the unavailability of industry classification for some employers.

STATE GAMING FUND

Authorization: Chapter 14 of Title 4 of the Pennsylvania Consolidated Statutes.

Act 71 of 2004 established the State Gaming Fund and authorized slots gaming at 14 locations throughout Pennsylvania. Under current law, a total of 24 slot machine licenses with four categories have been established.

Taxes, fees, and assessments are deposited into the State Gaming Fund. The local share assessments are deposited into a restricted receipt account within the State Gaming Fund. Several transfers are made from the State Gaming Fund. All remaining revenue is transferred to the Property Tax Relief Fund and used for general property tax relief as provided in the statute.

Administrative Costs: Administrative costs are believed to be nominal.

SLOT MACHINE TAX

The slot machine tax is a 34 percent state tax on the gross terminal revenue of each Category 1, 2, and 3 slot machine licensee and a 50 percent tax on gross terminal revenue of each Category 4 licensee.

PROMOTIONAL ITEM DEDUCTION

Description: The deduction of promotional items from gross terminal revenue includes the cost of personal property awarded to a player as a result of playing a slot machine. 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 slot machine play.

Estimates:

(Dollar Amounts in Millions)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
$ 5.9	$ 9.7	$ 9.7	$ 9.8	$ 9.9	$ 9.9	$ 10.0

Beneficiaries: All licensed gaming entities in Pennsylvania operating slots may benefit from this tax expenditure.

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.

Department Funding Summary

(Dollar Amounts in Thousands)

	General Fund	Motor License Fund	Lottery Fund	Federal Funds	Augment-ations	Restricted	Other Funds
Governor's Office	$ 7,235	$ -	$ -	$ -	$ 2,901	$ -	$ -
Executive Offices	103,351	-	-	18,442	508,774	28,946	-
Commission on Crime and Delinquency	99,333	-	-	196,194	5,170	24,005	66,929
Lieutenant Governor	1,124	-	-	-	-	-	-
Attorney General	125,394	-	-	17,709	276	68,047	1,455
Auditor General	43,969	-	-	-	14,708	-	315,039
Treasury	1,255,240	87,314	-	500,000	7,885	71,610	18,719
Aging	-	-	452,439	105,638	805	-	2,516
Agriculture	188,217	33,817	-	233,968	3,683	14,297	151,024
Banking and Securities	-	-	-	-	-	8,882	26,413
Community and Economic Development	154,060	750	-	954,608	6,885	10,175	77,282
Conservation and Natural Resources	168,479	7,000	-	200,098	52,836	19,093	190,241
Corrections	2,777,989	-	-	20,734	5,770	260	97,586
Probation and Parole	-	-	-	-	-	-	-
Drug and Alcohol Programs	47,966	-	-	239,668	1	5,150	24,650
Education	17,177,418	1,100	-	2,898,381	6,581	739	853,691
Higher Education Assistance Agency	424,747	-	-	35,000	15,000	-	1,677
eHealth Partnership Authority	-	-	-	-	-	-	-
Emergency Management Agency	50,662	-	-	447,020	1,405	4,405	395,100
Environmental Protection	214,115	-	-	554,077	38,324	100,221	652,844
Ethics Commission	3,197	-	-	-	-	-	-
Fish and Boat Commission	-	-	-	-	-	-	87,476
Game Commission	-	-	-	-	-	-	155,505
Gaming Control Board	-	-	-	-	-	-	50,834
General Services	169,928	9,381	-	-	70,232	1,500	-
Health	226,225	-	-	630,930	4,923	86,068	133,117
Health Care Cost Containment Council	3,167	-	-	-	-	-	-
Historical and Museum Commission	24,979	-	-	5,515	823	80	21,098
Human Services	18,342,417	-	352,466	30,302,144	3,921,329	30,730	425,079
Infrastructure Investment Authority	-	-	-	3,700	-	-	1,132,944
Insurance	-	-	-	5,000	-	-	465,182
Health Insurance Exchange Authority	-	-	-	-	-	-	77,524
Labor and Industry	83,231	-	-	461,103	10,056	2,095	809,841
Liquor Control Board	-	-	-	-	-	-	2,498,518
Military and Veterans Affairs	202,703	-	-	247,417	25,880	101	5,234
Milk Marketing Board	-	-	-	-	-	-	2,840
Public School Employees' Retirement System	-	-	-	-	-	-	93,437
Public Utility Commission	-	-	-	5,183	-	80,091	299,410
Revenue	199,707	58,622	1,015,949	204,050	30,266	30,000	20,542
State	42,353	-	-	9,728	-	86,553	150
State Employees' Retirement System	-	-	-	-	-	-	50,109
State Police	756,658	500,000	-	50,234	108,790	20,445	76,290
Transportation	1,129	2,347,247	170,907	3,004,815	100,036	2,188,076	2,084,259
Legislature	352,739	-	-	-	-	-	-
Judiciary	391,906	-	-	1,563	-	45,626	-
Government Support Agencies	67,763	-	-	-	-	-	400
Commonwealth Totals	$ 43,707,401	$ 3,045,231	$ 1,991,761	$ 41,352,919	$ 4,943,339	$ 2,927,195	$ 11,364,955

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
Governor's Office	**$ 6,706**	**$ 6,706**	**$ 7,235**
(A)Office of Performance through Excellence (OPE)	2,552	2,734	2,901
Subtotal - State Funds	$ 6,706	$ 6,706	$ 7,235
Subtotal - Augmentations	2,552	2,734	2,901
Total - General Government	$ 9,258	$ 9,440	$ 10,136
STATE FUNDS	$ 6,706	$ 6,706	$ 7,235
AUGMENTATIONS	2,552	2,734	2,901
GENERAL FUND TOTAL	**$ 9,258**	**$ 9,440**	**$ 10,136**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
EXECUTIVE DIRECTION:							
GENERAL FUND	$ 6,706	$ 6,706	$ 7,235	$ 7,235	$ 7,235	$ 7,235	$ 7,235
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	2,552	2,734	2,901	2,901	2,901	2,901	2,901
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 9,258	$ 9,440	$ 10,136	$ 10,136	$ 10,136	$ 10,136	$ 10,136
ALL PROGRAMS:							
GENERAL FUND	$ 6,706	$ 6,706	$ 7,235	$ 7,235	$ 7,235	$ 7,235	$ 7,235
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	2,552	2,734	2,901	2,901	2,901	2,901	2,901
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
DEPARTMENT TOTAL	$ 9,258	$ 9,440	$ 10,136	$ 10,136	$ 10,136	$ 10,136	$ 10,136

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 Governor's Office is focused on leading the executive branch to accomplish government that works, schools that teach, and jobs that pay. Many of these initiatives led to government reform, school investment, job growth, health care advances, senior protection, infrastructure improvement, battling opioid abuse, resources for veterans, environmental protection, growth in agriculture, public safety improvements, and criminal justice system reform.

Program Recommendations:

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

		Governor's Office
$	111	—to replace nonrecurring benefits cost reduction.
	418	—to continue current program.
$	529	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Governor's Office.....	$ 6,706	$ 6,706	$ 7,235	$ 7,235	$ 7,235	$ 7,235	$ 7,235

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 chairperson 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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
Lieutenant Governor's Office	**$ 1,330**	**$ 1,137**	**$ 1,124**
Board of Pardons	**906**	**2,108** [a]	**-** [b]
Total - General Government	$ 2,236	$ 3,245	$ 1,124
GENERAL FUND TOTAL	**$ 2,236**	**$ 3,245**	**$ 1,124**

[a] Includes recommended supplemental appropriation of $1,202,000.
[b] Per Act 59 of 2021, transferred to the Department of Corrections.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
EXECUTIVE DIRECTION:							
GENERAL FUND	$ 2,236	$ 3,245	$ 1,124	$ 1,124	$ 1,124	$ 1,124	$ 1,124
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 2,236	$ 3,245	$ 1,124	$ 1,124	$ 1,124	$ 1,124	$ 1,124
ALL PROGRAMS:							
GENERAL FUND	$ 2,236	$ 3,245	$ 1,124	$ 1,124	$ 1,124	$ 1,124	$ 1,124
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
DEPARTMENT TOTAL	$ 2,236	$ 3,245	$ 1,124	$ 1,124	$ 1,124	$ 1,124	$ 1,124

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 in the case of the death, conviction on impeachment, failure to qualify, or resignation of the governor; and serving as chairperson of the Pennsylvania Board of Pardons, which reviews applications for reprieve, commutation of sentences, and pardons. Through statute, the lieutenant governor also serves as chairperson of the Local Government Advisory Committee and is a member of the Pennsylvania Military Community Enhancement Commission and the Pennsylvania Emergency Management Council.

Program Recommendations:

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

	Lieutenant Governor's Office
$ 21	—to replace nonrecurring benefits cost reduction.
(34)	—to continue current program.
$ (13)	*Appropriation Decrease*

	Board of Pardons
$ (2,108)	—Per Act 59 of 2021, transferred to the Department of Corrections.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Lieutenant Governor's Office	$ 1,330	$ 1,137	$ 1,124	$ 1,124	$ 1,124	$ 1,124	$ 1,124
Board of Pardons	906	2,108	-	-	-	-	-
TOTAL GENERAL FUND	$ 2,236	$ 3,245	$ 1,124	$ 1,124	$ 1,124	$ 1,124	$ 1,124

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
Office of Administration	**$ 9,647**	**$ 10,453**	**$ 11,695**
(F)IIJA - State Cybersecurity	-	-	1,071
(F)OIT PS DC NCHIP (EA)	1,333	-	-
(A)HR Shared Services	82,421	84,347	91,828
(A)Temporary Clerical Pool	768	4,305	6,708
(A)Benefit Administration	4,295	4,527	4,776
(A)Workplace Support Division (SEAP)	3,450	3,450	3,475
(A)Agency Services	1,194	1,227	1,249
(A)Managing for Government Responsiveness Training	19	122	122
(A)CDL Drug and Alcohol Testing	320	376	376
(A)Group Life Insurance Program Commissions	100	100	100
(A)Leadership Development Institute	31	98	98
(A)IT Shared Services	226,717	273,200 [a]	297,832
(A)Integrated Enterprise System	39,829	39,829	39,829
(A)Software Services	22,300	1,120 [a]	1,520
(R)Agency IT Projects (EA)	19,969	25,000	25,000
Subtotal	$ 412,393	$ 448,154	$ 485,679
Civil Service Commission:			
(R)Fees from Agencies	3,389	3,340	3,749
(R)Special Merit System Services	137	160	197
Subtotal	$ 3,526	$ 3,500	$ 3,946
Office of State Inspector General	**4,369**	**4,276**	**6,532**
(A)Reimbursements for Special Fund Investigations	1,111	1,111	1,111
Subtotal	$ 5,480	$ 5,387	$ 7,643
State Inspector General - Welfare Fraud	**11,799**	**11,799**	**13,121**
(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	$ 26,704	$ 26,704	$ 28,026

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Office of the Budget	**18,788**	**18,788**	**19,453**
(A)Support for Comptroller Services	34,559	36,419	38,283
(A)Support for Commonwealth Payroll Operations	6,712	6,713	6,998
(A)Support for PLCB Comptroller's Office	6,025	6,025	6,333
(A)Comptroller Single Audit	3,334	3,334	3,350
(A)BOA - Single Audit	800	781	819
(A)Redevelopment Assistance Administration	160	3,130	3,556
Subtotal	$ 70,378	$ 75,190	$ 78,792
Audit of the Auditor General	**99**	**-**	**-**
Office of General Counsel	**5,529**	**5,838**	**6,077**
(A)Reimbursements for Services	235	250	280
(A)CLE Registration Fees	64	126	126
Subtotal	$ 5,828	$ 6,214	$ 6,483
Human Relations Commission	**10,088**	**9,713**	**10,390**
(F)EEOC - Special Project Grant	900	900	900
(F)HUD - Special Project Grant	500	500	500
(A)Miscellaneous Revenues	-	5	5
Subtotal	$ 11,488	$ 11,118	$ 11,795
Council on the Arts	**867**	**867**	**952**
(F)NEA - Grants to the Arts - Administration	980	1,031	1,066
(F)COVID-NEA - Grants to the Arts - Administration (EA)	937	-	-
(A)Creative Aging - Grants to the Arts	-	60	-
Subtotal	$ 2,784	$ 1,958	$ 2,018
Juvenile Court Judges' Commission	**2,980**	**2,980**	**3,596**
(F)PA JCMS Assessment Evaluation (EA)	200	-	-
Subtotal	$ 3,180	$ 2,980	$ 3,596
(F)COVID-SFR Transfer to General Fund	-	3,841,000	-
(F)COVID-SFR Transfer to Emergency Medical Svcs Operating Fund	-	5,000	-
Transfer to Commonwealth Financing Authority - Broadband	**5,000**	**5,000**	**-**
Workers' Compensation Security Fund Loan Repayment	**145,000**	**-**	**-**
Subtotal - State Funds	$ 214,166	$ 69,714	$ 71,816
Subtotal - Federal Funds	19,755	3,863,336	18,442
Subtotal - Augmentations	434,444	470,655	508,774
Subtotal - Restricted Revenues	23,495	28,500	28,946
Total - General Government	$ 691,860	$ 4,432,205	$ 627,978

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Grants and Subsidies:			
(F)COVID-SFR Pandemic Response	$ -	$ 243,333	$ -
Law Enforcement Activities	**3,000**	**3,000**	**3,000**
Grants to the Arts	**9,590**	**9,590**	**9,590**
Juvenile Probation Services	**18,945**	**18,945**	**18,945**
Subtotal - State Funds	$ 31,535	$ 31,535	$ 31,535
Subtotal - Federal Funds	-	243,333	-
Total - Grants and Subsidies	$ 31,535	274,868	31,535
STATE FUNDS	$ 245,701	$ 101,249	$ 103,351
FEDERAL FUNDS	19,755	4,106,669	18,442
AUGMENTATIONS	434,444	470,655	508,774
RESTRICTED REVENUES	23,495	28,500	28,946
GENERAL FUND TOTAL	**$ 723,395**	**$ 4,707,073**	**$ 659,513**

[a] Interagency billing shift for software licensing to IT Shared Services.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
EXECUTIVE DIRECTION:							
GENERAL FUND	$ 197,702	$ 53,316	$ 53,801	$ 54,316	$ 219,370	$ 54,039	$ 53,781
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	16,438	4,104,238	15,976	17,046	16,511	15,440	14,905
AUGMENTATIONS	434,145	470,214	508,363	508,363	508,363	508,363	508,363
RESTRICTED	23,495	28,500	28,946	28,946	28,946	28,946	28,946
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 671,780	$ 4,656,268	$ 607,086	$ 608,671	$ 773,190	$ 606,788	$ 605,995
LEGAL SERVICES:							
GENERAL FUND	$ 5,529	$ 5,838	$ 6,077	$ 6,077	$ 6,077	$ 6,077	$ 6,077
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	299	376	406	406	406	406	406
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 5,828	$ 6,214	$ 6,483	$ 6,483	$ 6,483	$ 6,483	$ 6,483
PREVENTION AND ELIMINATION OF DISCRIMINATORY PRACTICES:							
GENERAL FUND	$ 10,088	$ 9,713	$ 10,390	$ 10,390	$ 10,390	$ 10,390	$ 10,390
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	1,400	1,400	1,400	1,400	1,400	1,400	1,400
AUGMENTATIONS	-	5	5	5	5	5	5
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 11,488	$ 11,118	$ 11,795	$ 11,795	$ 11,795	$ 11,795	$ 11,795

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
DEVELOPMENT OF ARTISTS AND AUDIENCES:							
GENERAL FUND	$ 10,457	$ 10,457	$ 10,542	$ 10,542	$ 10,542	$ 10,542	$ 10,542
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	1,917	1,031	1,066	1,066	1,066	1,066	1,066
AUGMENTATIONS	-	60	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 12,374	$ 11,548	$ 11,608	$ 11,608	$ 11,608	$ 11,608	$ 11,608
JUVENILE REENTRY INTO COMMUNITIES:							
GENERAL FUND	$ 21,925	$ 21,925	$ 22,541	$ 22,541	$ 22,541	$ 22,541	$ 22,541
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 21,925	$ 21,925	$ 22,541	$ 22,541	$ 22,541	$ 22,541	$ 22,541
ALL PROGRAMS:							
GENERAL FUND	$ 245,701	$ 101,249	$ 103,351	$ 103,866	$ 268,920	$ 103,589	$ 103,331
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	19,755	4,106,669	18,442	19,512	18,977	17,906	17,371
AUGMENTATIONS	434,444	470,655	508,774	508,774	508,774	508,774	508,774
RESTRICTED	23,495	28,500	28,946	28,946	28,946	28,946	28,946
OTHER FUNDS	-	-	-	-	-	-	-
DEPARTMENT TOTAL	$ 723,395	$ 4,707,073	$ 659,513	$ 661,098	$ 825,617	$ 659,215	$ 658,422

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. 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 IT 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.

The OSIG's Bureau of Law Enforcement Oversight (BLEO) works to review and improve policing practices within law enforcement agencies under the governor's jurisdiction. BLEO has oversight of the Pennsylvania State Law Enforcement Citizen Advisory Commission. The commission is comprised of Pennsylvania citizens focused on promoting transparency, fairness, and accountability among the commonwealth's state law enforcement agencies by examining events and conducting reviews of policies, practices, and procedures.

Program: Executive Direction, continued

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 Recommendations:

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

Office of Administration

$ 70	—to replace nonrecurring benefits cost reduction.
1,053	—to continue current program.
119	—Initiative—to provide state match requirements for federal infrastructure funding.
$ 1,242	*Appropriation Increase*

Office of State Inspector General

$ 129	—to replace nonrecurring benefits cost reduction.
2,127	—to continue current program.
$ 2,256	*Appropriation Increase*

State Inspector General - Welfare Fraud

$ 241	—to replace nonrecurring benefits cost reduction.
1,081	—to continue current program.
$ 1,322	*Appropriation Increase*

Office of the Budget

$ 330	—to replace nonrecurring benefits cost reduction.
335	—to continue current program.
$ 665	*Appropriation Increase*

Transfer to Commonwealth Financing Authority - Broadband

$ (5,000)	—nonrecurring transfer.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Office of Administration	$ 9,647	$ 10,453	$ 11,695	$ 12,111	$ 12,264	$ 11,933	$ 11,576
Office of State Inspector General	4,369	4,276	6,532	6,532	6,532	6,532	6,532
State Inspector General - Welfare Fraud	11,799	11,799	13,121	13,121	13,121	13,121	13,121
Office of the Budget	18,788	18,788	19,453	19,453	19,453	19,453	19,453
Audit of the Auditor General	99	-	-	99	-	-	99
Transfer to Commonwealth Financing Authority - Broadband	5,000	5,000	-	-	-	-	-
Workers' Compensation Security Fund Loan Repayment	145,000	-	-	-	165,000	-	-
Law Enforcement Activities	3,000	3,000	3,000	3,000	3,000	3,000	3,000
TOTAL GENERAL FUND	$ 197,702	$ 53,316	$ 53,801	$ 54,316	$ 219,370	$ 54,039	$ 53,781

Program: Executive Direction, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	50%	62%	60%	60%	61%
Maintain and improve the overall health of projects within the IT portfolio.							
Project portfolio health	N/A	N/A	N/A	89%	92%	90%	90%
Maintain and expand knowledge of cybersecurity best practices.							
Security Awareness Web-based Training (SAWT) completion	N/A	N/A	83%	92%	90%	90%	90%
Maintain and improve the timeliness of filling positions in the commonwealth's workforce.							
Time to hire (days)	N/A	N/A	72	75	72	76	72
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	92,262	90,899	83,182	90,000	90,000
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	81% *	78%	74%	89%	89%	90%	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	97% *	96%	97%	92%	93%	93%	94%
Amount of overpaid benefits collected by OSIG from individuals who were ineligible to receive public benefits (in thousands)	$26,535 *	$26,132	$26,875	$22,244	$23,000	$23,500	$23,600
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	100	51	25	30	25
State Inspector General - Welfare Fraud:							
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, having their benefits reduced, or closed	47% *	47%	45%	44%	37%	40%	41%
Office of the Budget:							
Improve the commonwealth's accounting and financial reporting system.							
Average cycle time for purchase order invoices (days)	N/A	34.1	33.9	34.4	36.1	35.5	35.0
Average cycle time for non-purchase order invoices (days)	N/A	35.5	34.7	32.3	34.5	34.0	33.5
Value of improper payments identified and recovered (in thousands)	N/A	$5,579	$3,319	$5,529	$4,367	$1,500	$2,500

* Actual year measure data has been corrected.

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 and 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 Office of 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
$ 85	—to replace nonrecurring benefits cost reduction.
154	—to continue current program.
$ 239	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Office of General Counsel	$ 5,529	$ 5,838	$ 6,077	$ 6,077	$ 6,077	$ 6,077	$ 6,077

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 U.S. 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
$ 254	—to replace nonrecurring benefits cost reduction.
423	—to continue current program.
$ 677	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Human Relations Commission	$ 10,088	$ 9,713	$ 10,390	$ 10,390	$ 10,390	$ 10,390	$ 10,390

Program: Prevention and Elimination of Discriminatory Practices, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	18%	15%	12%	9%	6%	9%	11%
Percentage of cases closed within one year	47%	48%	52%	53%	54%	64%	61%
Average case age statewide (days)	527	426	400	400	380	365	270
Increase public awareness of civil rights and equal opportunity laws through education outreach.							
Number of community meetings and outreach events	160	100	105	110	115	145	150

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. PCA also assists 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 Division (PDC) 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 perspectives of Black, Indigenous, and People of Color.

The arts are part of a vibrant and livable Pennsylvania that is competitive for retaining youth, workforce, and attracting businesses. Pursuant to its new community-centric goals and to support Pennsylvania's creative sector, the PCA adapted its new Creative Communities Initiative to address community recovery and resilience; launched a cross-sector partnership with community development financial institutions to leverage affordable, flexible funding for small, creative businesses; and, fostered sector resilience through equitable distribution to provide liquidity and capacity for vulnerable arts organizations across the commonwealth to enable them to stabilize and participate in community recovery.

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 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 to bring creative programming to all six PA Veterans' Homes to conduct arts activities tailored to residents with dementia.

Program Recommendations:

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

Council on the Arts

$ 32	—to replace nonrecurring benefits cost reduction.
53	—to continue current program.
$ 85	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Council on the Arts	$ 867	$ 867	$ 952	$ 952	$ 952	$ 952	$ 952
Grants to the Arts.....	9,590	9,590	9,590	9,590	9,590	9,590	9,590
TOTAL GENERAL FUND	$ 10,457	$ 10,457	$ 10,542	$ 10,542	$ 10,542	$ 10,542	$ 10,542

Program: Development of Artists and Audiences, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Strengthen Pennsylvania communities through the arts.							
Investment granted to rural and Black, Indigenous, and People of Color (BIPOC) communities.....	N/A	N/A	$ 770,708	$ 934,383	$ 1,762,000	$ 1,788,000	$ 1,788,000

Program: Juvenile Reentry into Communities

Goal: To reduce the recurrence of juvenile crime by replacing 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, 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)

	Juvenile Court Judges' Commission
$ 66	—to replace nonrecurring benefits cost reduction.
125	—to continue current program.
425	—Initiative—to provide increased staffing resources for juvenile probation consulting services to counties.
$ 616	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

GENERAL FUND:	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Juvenile Court Judges' Commission	$ 2,980	$ 2,980	$ 3,596	$ 3,596	$ 3,596	$ 3,596	$ 3,596
Juvenile Probation Services	18,945	18,945	18,945	18,945	18,945	18,945	18,945
TOTAL GENERAL FUND	$ 21,925	$ 21,925	$ 22,541	$ 22,541	$ 22,541	$ 22,541	$ 22,541

Program: Juvenile Reentry into Communities, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	84.0%	83.8%	85.4%	86.4% *	88.0%	87.9%	88.6%
Percentage of juveniles without a judicial finding of technical violations of probation while under supervision	79.7%	80.4%	83.3%	84.4%	84.6%	85.4%	86.4%
Percentage of juveniles employed or engaged in an educational/vocational activity at case closing	84.5%	84.9%	87.3%	92.1% *	91.6%	92.7%	94.1%
Percentage of juveniles who complete their assigned community service obligations	95.0%	94.6%	95.2%	97.3% *	96.3%	96.9%	97.2%
Percentage of juveniles who successfully completed a victim awareness curriculum/program while under supervision	96.4%	95.7%	95.6%	97.7%	97.0%	96.9%	97.0%
Percentage of juveniles who made full restitution to their victim(s)	82.9%	82.4%	84.3%	89.2% *	88.2%	88.6%	89.5%
Percentage of juveniles who paid Crime Victim's Compensation Fund costs in full	87.7%	88.4%	89.7%	91.6% *	90.0%	90.1%	90.1%

* Actual year measure data has been corrected.

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 Pennsylvania's 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.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
Commission on Crime and Delinquency	$ **9,627**	$ **11,377**	$ **14,232**
(F)Plan for Juvenile Justice	150	150	170
(F)Justice Assistance Grants	10,000	11,500	11,500
(F)Justice Assistance Grants - Administration	1,000	1,000	1,000
(F)Statistical Analysis Center	300	400	400
(F)Criminal Identification Technology	8,000	10,500	10,500
(F)Crime Victims Compensation Services	8,500	8,500	8,500
(F)VOCA Crime Victims Assistance	130,000	120,000	120,000
(F)VOCA Crime Victims Assistance - Administration	5,000	5,000	5,000
(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	1,700	2,000
(F)Juvenile Justice and Delinquency Prevention	3,000	3,000	3,000
(F)Assault Services Program	600	700	1,500
(F)Second Chance Act - Juvenile Offender Reentry	1,000	-	-
(F)Project Safe Neighborhoods	1,050	1,000	1,000
(F)Forensic Science Program	1,500	1,500	1,500
(F)Adam Walsh Implementation Support	1,000	1,000	1,000
(F)Byrne Competitive Program	450	450	450
(F)Comprehensive Opioid Abuse Site-Based Program	2,200	5,000	5,000
(F)Pennsylvania NCS-X Implementation	550	550	250
(F)Body Worn Camera Policy and Implementation	1,000	2,000	2,000
(F)VOCA Training	600	600	-
(F)Prosecutor and Defender Incentives	160	180	180
(F)STOP School Violence	777	777	600
(F)State Delinquency Prevention Programs	200	200	200
(F)Prosecuting Cold Cases Using DNA	446	446	446
(F)Targeted Violence and Terrorism Prevention	525	525	500
(F)NICS Act Record Improvement Program (NARIP)	245	-	987
(F)PA Youth Survey - DDAP (EA)	-	75	-
(F)Substance Abuse Prevention - DDAP (EA)	281	281	281
(F)Children's Justice Act (EA)	316	400	450
(F)PA State Opioid Response (EA)	15,414	16,555	10,180
(F)Emergency Federal Law Enforcement Assistance Program (EA)	3,547	-	-
(A)Interagency Agreements	5,049	10,911	2,170
(R)Victim and Witness Services	5,367	5,800	5,500
(R)Crime Victims Reimbursements	10,520	10,100	10,100

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(R)Constables Education and Training	847	1,280	1,826
(R)Sheriff and Deputy Sheriff Education and Training	1,166	2,321	3,234
(R)Children's Advocacy Centers	2,301	2,500	2,500
(R)First Chance Trust Fund	-	445	445
(R)Firearms Education and Training Commission	123	392	400
Subtotal	$ 241,811	$ 246,715	$ 236,601
Violence and Delinquency Prevention Programs	**4,033**	**4,033**	**4,033**
(A)Interagency Agreements	3,183	4,919	3,000
Subtotal	$ 7,216	$ 8,952	$ 7,033
Office of Safe Schools Advocate	**379**	**379**	**379**
Subtotal - State Funds	$ 14,039	$ 15,789	$ 18,644
Subtotal - Federal Funds	206,811	201,589	196,194
Subtotal - Augmentations	8,232	15,830	5,170
Subtotal - Restricted Revenues	20,324	22,838	24,005
Total - General Government	$ 249,406	$ 256,046	$ 244,013
Grants and Subsidies:			
Violence Intervention and Prevention	**$ -**	**$ 30,000**	**$ 35,000**
Improvement of Adult Probation Services	**16,222**	**16,222**	**16,222**
Victims of Juvenile Offenders	**1,300**	**1,300**	**1,300**
Intermediate Punishment Treatment Programs	**18,167**	**18,167**	**18,167**
Transfer to Nonprofit Security Grant Fund	**5,000**	**-**	**10,000**
Transfer to Crime Victims Reimbursements (EA)	**83**	**-**	**-**
(F)COVID-SFR Pandemic Response PCCD	-	19,500	-
Total - Grants and Subsidies	$ 40,772	$ 85,189	$ 80,689
STATE FUNDS	$ 54,811	$ 81,478	$ 99,333
FEDERAL FUNDS	206,811	221,089	196,194
AUGMENTATIONS	8,232	15,830	5,170
RESTRICTED REVENUES	20,324	22,838	24,005
GENERAL FUND TOTAL	**$ 290,178**	**$ 341,235**	**$ 324,702**
OTHER FUNDS:			
JUSTICE REINVESTMENT FUND:			
Victim Services (EA)	$ -	$ 250	$ 250
Innovative Policing Grants	556	-	-
County Probation Grants (EA)	-	570	7,813
JUSTICE REINVESTMENT FUND TOTAL	**$ 556**	**$ 820**	**$ 8,063**
MEDICAL MARIJUANA PROGRAM FUND:			
Enforcement Costs (EA)	$ -	$ 2,593	$ 3,266

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
MONETARY PENALTY ENDOWMENTS TRUST FUND:			
(R)NCAA - Penn State Settlement (EA)	$ 4,800	$ 4,800	$ 4,800
SUBSTANCE ABUSE EDUCATION AND DEMAND REDUCTION FUND:			
Substance Abuse Education & Demand Reduction Programs (EA)	$ 6,162	$ 5,500	$ 5,500
Substance Abuse Education & Demand Reduction - Admin (EA)	300	300	300
SUBSTANCE ABUSE EDUCATION AND DEMAND REDUCTION FUND TOTAL	**$ 6,462**	**$ 5,800**	**$ 5,800**
SCHOOL SAFETY AND SECURITY FUND:			
School Safety and Security (EA)	$ 66,000	$ 24,556	$ 45,000
(F)COVID-ESSER-PCCD (EA)	49,762	-	-
SCHOOL SAFETY AND SECURITY FUND TOTAL	**$ 115,762**	**$ 24,556**	**$ 45,000**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 54,811	$ 81,478	$ 99,333
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	206,811	221,089	196,194
AUGMENTATIONS	8,232	15,830	5,170
RESTRICTED	20,324	22,838	24,005
OTHER FUNDS	127,580	38,569	66,929
TOTAL ALL FUNDS	**$ 417,758**	**$ 379,804**	**$ 391,631**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
CRIMINAL AND JUVENILE JUSTICE PLANNING AND COORDINATION:							
GENERAL FUND	$ 54,811	$ 81,478	$ 99,333	$ 89,333	$ 89,333	$ 89,333	$ 104,377
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	206,811	221,089	196,194	196,194	196,194	196,194	196,194
AUGMENTATIONS	8,232	15,830	5,170	5,170	5,170	5,170	5,170
RESTRICTED	20,324	22,838	24,005	24,005	24,005	24,005	24,005
OTHER FUNDS	127,580	38,569	66,929	36,508	37,036	44,067	28,365
SUBCATEGORY TOTAL	$ 417,758	$ 379,804	$ 391,631	$ 351,210	$ 351,738	$ 358,769	$ 358,111
ALL PROGRAMS:							
GENERAL FUND	$ 54,811	$ 81,478	$ 99,333	$ 89,333	$ 89,333	$ 89,333	$ 104,377
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	206,811	221,089	196,194	196,194	196,194	196,194	196,194
AUGMENTATIONS	8,232	15,830	5,170	5,170	5,170	5,170	5,170
RESTRICTED	20,324	22,838	24,005	24,005	24,005	24,005	24,005
OTHER FUNDS	127,580	38,569	66,929	36,508	37,036	44,067	28,365
DEPARTMENT TOTAL	$ 417,758	$ 379,804	$ 391,631	$ 351,210	$ 351,738	$ 358,769	$ 358,111

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, which consist of top-level county officials who address criminal justice issues from a systemic and policy perspective, studying best practices in the administration and delivery of criminal justice, engaging in strategic planning, making recommendations, and establishing 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 develops a funding plan that includes the Improvement of Adult Probation Services program. The plan includes 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 transitioned the responsibility and funding of the Firearms Education and Training Commission to PCCD.

Executive Order 2019-06 required state agencies to work together to identify and implement evidence-based initiatives to help address the public health and public safety crisis of gun violence in Pennsylvania. PCCD supported the Governor's Special Council on Gun Violence and is administering grant funding to support community-led efforts to mitigate issues of gun violence.

PCCD oversees several justice-training programs, including the legislatively mandated basic and continuing education training of sheriffs, deputy sheriffs, constables, and deputy constables.

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 (JJDPC) 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. JJDPC 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.

Program: Criminal and Juvenile Justice Planning and Coordination, continued

VCAP responds to financial losses incurred by victims of crime through the Pennsylvania Crime Victims Fund. This fund is supported primarily by costs assessed against certain convicted offenders, as well as restitution, donations, reimbursements from victims who are awarded civil settlements, and federal Victims of Crime Act funds.

VSP administers a variety of state and federal funds designed to assist victims of crime. These funds support services such as: courtroom accompaniment, victim rights notification, assistance with victim impact statements, crisis intervention, shelter, counseling, emergency services, and long-term services designed to return a victim to their pre-victimization status.

Finally, PCCD administers a program to increase the availability of localized CAC services. CACs provide state-of-the-art treatment for the 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 and community organizations 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)

		Commission on Crime and Delinquency
$	112	—to replace nonrecurring benefits cost reduction.
	743	—to continue current program.
	1,000	—Initiative—to support reintegration of women following incarceration.
	1,000	—Initiative—to provide effective and constitutionally required indigent defense.
$	2,855	*Appropriation Increase*
		Violence Intervention and Prevention
$	5,000	—Initiative—to further support community-led gun violence prevention efforts.
		Transfer to Nonprofit Security Grant Fund
$	10,000	—to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Commission on Crime and Delinquency	$ 9,627	$ 11,377	$ 14,232	$ 14,232	$ 14,232	$ 14,232	$ 14,232
Violence and Delinquency Prevention Programs	4,033	4,033	4,033	4,033	4,033	4,033	4,033

Program: Criminal and Juvenile Justice Planning and Coordination, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Office of Safe School Advocate	379	379	379	379	379	379	379
Violence Intervention and Prevention	-	30,000	35,000	35,000	35,000	35,000	35,000
Improvement of Adult Probation Services	16,222	16,222	16,222	16,222	16,222	16,222	31,266
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
Transfer to Nonprofit Security Grant Fund	5,000	-	10,000	-	-	-	-
Transfer to Crime Victims Reimbursements (EA)	83	-	-	-	-	-	-
TOTAL GENERAL FUND	$ 54,811	$ 81,478	$ 99,333	$ 89,333	$ 89,333	$ 89,333	$ 104,377

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	4,825	4,073	4,399	3,646	3,633	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	49%	51%	53%	51%	62%	62%	62%
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	470,416	430,951	438,157	375,688	339,178	450,000	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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 46,657**	**$ 47,408**	**$ 52,408**
(F)Medicaid Fraud	9,567	9,375	9,134
(F)Innovative Prosecution Program	-	142	-
(F)Innovative Prosecution Program (EA)	212	-	-
(F)Project Safe Neighborhoods (EA)	287	280	288
(F)Project Safe Neighborhoods - SW Philadelphia (EA)	100	134	137
(F)COVID-Emergency Supplemental Funding (EA)	255	-	-
(A)Recovery of Overtime Costs	118	100	100
(A)MAGLOCLEN Non-Profit	178	-	-
(A)Reimbursements	8	16	16
(A)Miscellaneous	1	170	10
(R)Public Protection Law Enforcement	10,998	17,683	16,212
(R)Judicial Fee Account	5,540	5,421	5,000
(R)Collection Administration Account	2,417	3,780	2,500
(R)Seized/Forfeited Property - U.S. Homeland Security	380	1,165	1,250
(R)Coroner's Education Board	-	125	25
(R)Home Improvement Consumer Protection	2,387	2,893	2,693
(R)Investigative Funds - Outside Sources	7,812	8,804	9,251
Subtotal	$ 86,917	$ 97,496	$ 99,024
(R)Office of Consumer Advocate	6,204	6,204	6,204
Drug Law Enforcement	**49,054**	**49,455**	**53,983**
(F)High Intensity Drug Trafficking Areas	5,308	5,308	5,700
(F)COPS Anti-Heroin Task Force (EA)	1,250	1,500	1,600
(F)COPS Anti-Methamphetamine Program (EA)	700	800	850
(A)Recovery of Narcotics Investigation Overtime Costs	196	125	150
(R)Seized/Forfeited Property - State Court Awarded	6,649	15,832	12,945
(R)Seized/Forfeited Property - U.S. Department of Justice	196	3,020	443
(R)Seized/Forfeited Property - U.S. Treasury Department	52	187	225
(R)Criminal Enforcement Account	-	1,749	2,280
(R)Community Drug Abuse Prevention Program	83	1,150	860
Subtotal	$ 63,488	$ 79,126	$ 79,036
Joint Local-State Firearm Task Force	**6,815**	**7,115**	**7,705**
Witness Relocation	**1,215**	**1,215**	**1,215**
Child Predator Interception	**5,280**	**5,755**	**6,630**
Tobacco Law Enforcement	**1,489**	**1,353**	**1,431**
School Safety	**1,664**	**1,761**	**1,822**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Subtotal - State Funds	$ 112,174	$ 114,062	$ 125,194
Subtotal - Federal Funds	17,679	17,539	17,709
Subtotal - Augmentations	501	411	276
Subtotal - Restricted Revenues	42,718	68,013	59,888
Total - General Government	$ 173,072	$ 200,025	$ 203,067
Grants and Subsidies:			
County Trial Reimbursement	**$ 200**	**$ 200**	**$ 200**
(R)Reimbursement to Counties - Full Time District Attorney (EA)	7,724	7,724	8,159
Subtotal - State Funds	$ 200	$ 200	$ 200
Subtotal - Federal Funds	-	-	-
Subtotal - Restricted Revenues	7,724	7,724	8,159
Total - Grants and Subsidies	$ 7,924	$ 7,924	$ 8,359
STATE FUNDS	$ 112,374	$ 114,262	$ 125,394
FEDERAL FUNDS	17,679	17,539	17,709
AUGMENTATIONS	501	411	276
RESTRICTED REVENUES	50,442	75,737	68,047
GENERAL FUND TOTAL	**$ 180,996**	**$ 207,949**	**$ 211,426**
OTHER FUNDS:			
CIGARETTE FIRE SAFETY AND FIREFIGHTER PROTECTION ACT FUND:			
Cigarette Fire Safety & Firefighter Protection Enforcement	$ 100	$ 50	$ 50
STATE GAMING FUND:			
(R)Gaming Enforcement	$ 1,355	$ 1,405	$ 1,405
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 112,374	$ 114,262	$ 125,394
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	17,679	17,539	17,709
AUGMENTATIONS	501	411	276
RESTRICTED	50,442	75,737	68,047
OTHER FUNDS	1,455	1,455	1,455
TOTAL ALL FUNDS	**$ 182,451**	**$ 209,404**	**$ 212,881**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
PUBLIC PROTECTION AND LAW ENFORCEMENT:							
GENERAL FUND	$ 112,374	$ 114,262	$ 125,394	$ 125,394	$ 125,394	$ 125,394	$ 125,394
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	17,679	17,539	17,709	17,709	17,709	17,709	17,709
AUGMENTATIONS	501	411	276	276	276	276	276
RESTRICTED	50,442	75,737	68,047	68,047	68,047	68,047	68,047
OTHER FUNDS	1,455	1,455	1,455	1,455	1,455	1,455	1,455
SUBCATEGORY TOTAL	$ 182,451	$ 209,404	$ 212,881	$ 212,881	$ 212,881	$ 212,881	$ 212,881
ALL PROGRAMS:							
GENERAL FUND	$ 112,374	$ 114,262	$ 125,394	$ 125,394	$ 125,394	$ 125,394	$ 125,394
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	17,679	17,539	17,709	17,709	17,709	17,709	17,709
AUGMENTATIONS	501	411	276	276	276	276	276
RESTRICTED	50,442	75,737	68,047	68,047	68,047	68,047	68,047
OTHER FUNDS	1,455	1,455	1,455	1,455	1,455	1,455	1,455
DEPARTMENT TOTAL	$ 182,451	$ 209,404	$ 212,881	$ 212,881	$ 212,881	$ 212,881	$ 212,881

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 and 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: Public Protection and Law Enforcement, continued

Program Recommendations:

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

General Government Operations

$ 910	—to replace nonrecurring benefits cost reduction.
4,090	—to continue current program.
$ 5,000	*Appropriation Increase*

Child Predator Interception

$ 103	—to replace nonrecurring benefits cost reduction.
772	—to continue current program.
$ 875	*Appropriation Increase*

Drug Law Enforcement

$ 681	—to replace nonrecurring benefits cost reduction.
3,847	—to continue current program.
$ 4,528	*Appropriation Increase*

Tobacco Law Enforcement

$ 27	—to replace nonrecurring benefits cost reduction.
51	—to continue current program.
$ 78	*Appropriation Increase*

Joint Local-State Firearm Task Force

$ 68	—to replace nonrecurring benefits cost reduction.
522	—to continue current program.
$ 590	*Appropriation Increase*

School Safety

$ 35	—to replace nonrecurring benefits cost reduction.
26	—to continue current program.
$ 61	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 46,657	$ 47,408	$ 52,408	$ 52,408	$ 52,408	$ 52,408	$ 52,408
Drug Law Enforcement	49,054	49,455	53,983	53,983	53,983	53,983	53,983
Joint Local-State Firearm Task Force	6,815	7,115	7,705	7,705	7,705	7,705	7,705
Witness Relocation	1,215	1,215	1,215	1,215	1,215	1,215	1,215
Child Predator Interception	5,280	5,755	6,630	6,630	6,630	6,630	6,630
Tobacco Law Enforcement	1,489	1,353	1,431	1,431	1,431	1,431	1,431
School Safety	1,664	1,761	1,822	1,822	1,822	1,822	1,822
County Trial Reimbursement	200	200	200	200	200	200	200
TOTAL GENERAL FUND	$ 112,374	$ 114,262	$ 125,394	$ 125,394	$ 125,394	$ 125,394	$ 125,394

Program: Public Protection and Law Enforcement, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Curtail drug abuse in the commonwealth by apprehending illegal drug traffickers.							
Drug diversion arrests.....	193	164	189	206	122	210	167
Total drug arrests.....	1,197	1,413	1,638	1,301	1,153	1,296	1,296
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.....	2,109	1,816	1,829	1,748	1,912	2,040	2,100
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	20,230	22,976	25,774	27,327	25,286	27,000	27,000
Dollar value of recoupment to consumers regarding business practices (in thousands).....	$ 2,881	$ 3,016	$ 4,160	$ 4,656	$ 6,260	$ 4,000	$ 4,000
Legal actions resulting from consumer tips, complaints, and other sources.....	114	80	156	97	108	100	100
Dollar value of relief awarded on behalf of consumers related to legal actions (in thousands).....	$ 368	$ 3,216	$ 46,227	$ 47,808	$ 28,192	$ 10,000	$ 10,000
Consumer complaints concerning business practices - health care industry	1,939	1,863	2,157	2,202	1,128	1,456	1,456
Dollar value of recoupment to consumers regarding business practices - health care industry (in thousands) .	$ 2,172	$ 893	$ 1,280	$ 1,059	$ 749	$ 1,076	$ 1,076
Increase the number of investigations and arrests related to sexual solicitation of a minor and child pornography.							
Child predator arrests	46	90	87	100	80	100	110
Increase the number of investigations, firearm related arrests, and firearms recovered.							
Firearm related arrests	99	121	107	98	169	180	180
Firearms recovered.....	140	129	179	297	234	290	290

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
Auditor General's Office	**$ 35,681**	**$ 38,341**	**$ 41,926**
(A)Auditing Service Reimbursements	11,105	11,247	14,708
Special Financial Audits	**500**	**500**	**-**
Subtotal	$ 47,286	$ 50,088	$ 56,634
Transition - Governor	**-**	**-**	**175**
Security and Other Expenses - Outgoing Governor	**-**	**-**	**100**
Board of Claims	**1,880**	**1,768**	**1,768**
Subtotal - State Funds	$ 38,061	$ 40,609	$ 43,969
Subtotal - Augmentations	11,105	11,247	14,708
Total - General Government	$ 49,166	$ 51,856	$ 58,677
STATE FUNDS	$ 38,061	$ 40,609	$ 43,969
AUGMENTATIONS	11,105	11,247	14,708
GENERAL FUND TOTAL	**$ 49,166**	**$ 51,856**	**$ 58,677**
OTHER FUNDS:			
MUNICIPAL PENSION AID FUND:			
(R)Municipal Pension Aid	$ 326,059	$ 313,271	$ 314,218
(R)Post-Retirement	1,052	923	821
MUNICIPAL PENSION AID FUND TOTAL	**$ 327,111**	**$ 314,194**	**$ 315,039**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 38,061	$ 40,609	$ 43,969
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	11,105	11,247	14,708
RESTRICTED	-	-	-
OTHER FUNDS	327,111	314,194	315,039
TOTAL ALL FUNDS	**$ 376,277**	**$ 366,050**	**$ 373,716**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
AUDITING:							
GENERAL FUND	$ 38,061	$ 40,609	$ 43,969	$ 43,694	$ 43,694	$ 43,694	$ 43,694
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	11,105	11,247	14,708	14,708	14,708	14,708	14,708
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 49,166	$ 51,856	$ 58,677	$ 58,402	$ 58,402	$ 58,402	$ 58,402
MUNICIPAL PENSION SYSTEMS:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	327,111	314,194	315,039	317,823	321,002	324,211	327,453
SUBCATEGORY TOTAL	$ 327,111	$ 314,194	$ 315,039	$ 317,823	$ 321,002	$ 324,211	$ 327,453
ALL PROGRAMS:							
GENERAL FUND	$ 38,061	$ 40,609	$ 43,969	$ 43,694	$ 43,694	$ 43,694	$ 43,694
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	11,105	11,247	14,708	14,708	14,708	14,708	14,708
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	327,111	314,194	315,039	317,823	321,002	324,211	327,453
DEPARTMENT TOTAL	$ 376,277	$ 366,050	$ 373,716	$ 376,225	$ 379,404	$ 382,613	$ 385,855

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 Annual Comprehensive 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 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)

Auditor General's Office

$	814	—to replace nonrecurring benefits cost reduction.
	2,771	—to continue current program.
$	3,585	*Appropriation Increase*

Special Financial Audits

$	(500)	—program elimination.

Transition - Governor

$	175	—to provide transition costs for the incoming governor.

Security and Other Expenses - Outgoing Governor

$	100	—to provide transition costs for the outgoing governor.

Program: Auditing, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Auditor General's Office	$ 35,681	$ 38,341	$ 41,926	$ 41,926	$ 41,926	$ 41,926	$ 41,926
Special Financial Audits	500	500	-	-	-	-	-
Transition - Governor	-	-	175	-	-	-	-
Security and Other Expenses - Outgoing Governor	-	-	100	-	-	-	-
Board of Claims	1,880	1,768	1,768	1,768	1,768	1,768	1,768
TOTAL GENERAL FUND	$ 38,061	$ 40,609	$ 43,969	$ 43,694	$ 43,694	$ 43,694	$ 43,694

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 Department of 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 System 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, which was abolished by Act 100 of 2016. The duties were fully transitioned to the newly created Municipal Pension Reporting Program 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			**Post-Retirement**	
$ 947	—to continue current program.		$ (102)	—to continue current program.	

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
MUNICIPAL PENSION AID FUND:							
(R)Municipal Pension Aid	$ 326,059	$ 313,271	$ 314,218	$ 317,092	$ 320,351	$ 323,632	$ 326,938
(R)Post-Retirement	1,052	923	821	731	651	579	515
TOTAL MUNICIPAL PENSION AID FUND	$ 327,111	$ 314,194	$ 315,039	$ 317,823	$ 321,002	$ 324,211	$ 327,453

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, Investment, and Cash Management: *To receive, safeguard, and manage the funds of the commonwealth, to ensure that all disbursements are legal and proper, and to manage investments and cash subject to a standard of prudence, safety, and liquidity.*

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 35,715**	**$ 37,206**	**$ 39,480**
(A)Unemployment Compensation Service Reimbursements	4,380	4,392	4,600
(A)Administrative Service Fees	2,326	2,464	2,385
(A)Unclaimed Property Service Fees	4,296	1,000	900
Subtotal	$ 46,717	$ 45,062	$ 47,365
Divestiture Reimbursement	**83**	**300**	**15**
Publishing Monthly Statements	**5**	**5**	**5**
Intergovernmental Organizations	**1,168**	**1,195**	**1,195**
Information Technology Cyber Security	**1,000**	**1,000**	**1,000**
Board of Finance and Revenue	**2,877**	**2,992**	**3,275**
Subtotal - State Funds	$ 40,848	$ 42,698	$ 44,970
Subtotal - Augmentations	11,002	7,856	7,885
Total - General Government	$ 51,850	$ 50,554	$ 52,855
Grants and Subsidies:			
(F)COVID-SFR PA Opportunity Program	$ -	$ -	$ 500,000
Law Enforcement & Emergency Response Personnel Death Benefit	**2,980**	**3,330**	**3,330**
Transfer to ABLE Fund	**900**	**900**	**900**
Total - Grants and Subsidies	$ 3,880	$ 4,230	$ 504,230
Debt Service:			
Loan and Transfer Agent	**$ 40**	**$ 40**	**$ 40**
Tax Note Expenses (EA)	**338**	**-**	**-**
Interest on Tax Anticipation Notes (EA)	**1,495**	**-**	**-**
General Obligation Debt Service	**1,143,433**	**1,127,000** [a]	**1,206,000**
Total - Debt Service	$ 1,145,306	$ 1,127,040	$ 1,206,040
STATE FUNDS	$ 1,190,034	$ 1,173,968	$ 1,255,240
FEDERAL FUNDS	-	-	500,000
AUGMENTATIONS	11,002	7,856	7,885
GENERAL FUND TOTAL	**$ 1,201,036**	**$ 1,181,824**	**$ 1,763,125**
MOTOR LICENSE FUND:			
General Government:			
Administration - Refunding Liquid Fuels Taxes	**$ 551**	**$ 551**	**$ 551**
Refunds:			
Refunding Liquid Fuels Taxes - State Share (EA)	**$ 5,000**	**$ 4,800**	**$ 4,500**
Refunding Liquid Fuels Taxes - Agriculture (EA)	**4,750**	**5,000**	**5,000**
Refunding Liquid Fuels Taxes - Political Subdivisions (EA)	**5,000**	**5,000**	**5,000**
Refunding Liquid Fuels Taxes - Volunteer Services (EA)	**800**	**700**	**800**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Refunding Liquid Fuels Taxes - Snowmobiles & ATVs (EA)	**1,000**	**1,000**	**1,000**
Refunding Liquid Fuels Taxes - Boat Fund (EA)	**12,879**	**12,300**	**12,790**
Total - Refunds	$ 29,429	$ 28,800	$ 29,090
Debt Service:			
Capital Debt Transportation Projects	**$ 35,736**	**$ 35,779**	**$ 35,826**
General Obligation Debt Service	**17,859**	**23,187**	**21,807**
(R)Capital Bridge Debt Service (EA)	56,565	69,297	71,610
Loan and Transfer Agent	**40**	**40**	**40**
Subtotal - State Funds	$ 53,635	$ 59,006	$ 57,673
Subtotal - Restricted Revenues	56,565	69,297	71,610
Total - Debt Service	$ 110,200	$ 128,303	$ 129,283
STATE FUNDS	$ 83,615	$ 88,357	$ 87,314
RESTRICTED REVENUES	56,565	69,297	71,610
MOTOR LICENSE FUND TOTAL	$ **140,180**	$ **157,654**	$ **158,924**
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)	$ 13,782	$ 12,284	$ 12,317
LIQUID FUELS TAX FUND:			
Refunding Liquid Fuels Taxes - Boat Fund (EA)	$ 110	$ 110	$ 110
TUITION ACCOUNT GUARANTEED SAVINGS PROGRAM FUND:			
Tuition Account Program Bureau	$ 3,339	$ 3,339	$ 3,339
(A)Application Fees	2,020	2,120	1,823
TUITION ACCOUNT GUARANTEED SAVINGS PROGRAM FUND TOTAL	**$ 5,359**	**$ 5,459**	**$ 5,162**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 1,190,034	$ 1,173,968	$ 1,255,240
MOTOR LICENSE FUND	83,615	88,357	87,314
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	500,000
AUGMENTATIONS	11,002	7,856	7,885
RESTRICTED	56,565	69,297	71,610
OTHER FUNDS	20,381	18,983	18,719
TOTAL ALL FUNDS	**$ 1,361,597**	**$ 1,358,461**	**$ 1,940,768**

[a] Reflects recommended appropriation reduction of $51,496,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
DISBURSEMENT, INVESTMENT, AND CASH MANAGEMENT:							
GENERAL FUND	$ 44,723	$ 46,923	$ 49,195	$ 49,195	$ 49,195	$ 49,295	$ 49,295
MOTOR LICENSE FUND	29,980	29,351	29,641	29,641	29,641	29,641	29,641
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	500,000	-	-	-	-
AUGMENTATIONS	11,002	7,856	7,885	7,885	7,885	7,885	7,885
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	6,599	6,699	6,402	6,565	6,564	6,534	6,527
SUBCATEGORY TOTAL	$ 92,304	$ 90,829	$ 593,123	$ 93,286	$ 93,285	$ 93,355	$ 93,348
DEBT SERVICE:							
GENERAL FUND	$ 1,145,311	$ 1,127,045	$ 1,206,045	$ 1,283,404	$ 1,324,403	$ 1,422,918	$ 1,457,103
MOTOR LICENSE FUND	53,635	59,006	57,673	53,458	54,179	55,507	57,799
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	56,565	69,297	71,610	72,458	72,847	71,875	73,760
OTHER FUNDS	13,782	12,284	12,317	10,538	10,586	10,643	13,629
SUBCATEGORY TOTAL	$ 1,269,293	$ 1,267,632	$ 1,347,645	$ 1,419,858	$ 1,462,015	$ 1,560,943	$ 1,602,291
ALL PROGRAMS:							
GENERAL FUND	$ 1,190,034	$ 1,173,968	$ 1,255,240	$ 1,332,599	$ 1,373,598	$ 1,472,213	$ 1,506,398
MOTOR LICENSE FUND	83,615	88,357	87,314	83,099	83,820	85,148	87,440
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	500,000	-	-	-	-
AUGMENTATIONS	11,002	7,856	7,885	7,885	7,885	7,885	7,885
RESTRICTED	56,565	69,297	71,610	72,458	72,847	71,875	73,760
OTHER FUNDS	20,381	18,983	18,719	17,103	17,150	17,177	20,156
DEPARTMENT TOTAL	$ 1,361,597	$ 1,358,461	$ 1,940,768	$ 1,513,144	$ 1,555,300	$ 1,654,298	$ 1,695,639

Program: Disbursement, Investment, and Cash Management

Goal: To receive, safeguard, and manage the funds of the commonwealth, to ensure that all disbursements are legal and proper, and to manage investments and cash subject to a standard of prudence, safety, and liquidity.

The Treasury Department is required to receive and deposit all monies of the commonwealth, collect dividends and interest, execute securities transactions, and handle daily settlements of trades. Treasury is also tasked with achieving the best possible advantage for all securities in its custody, pre-auditing requisitions for the expenditure of funds, and disbursing all state monies upon proper authorization to those entitled to receive payment.

Treasury directly invests or oversees management of the investment of all excess revenue on a daily basis, subject to a prudent person standard. The investment function involves developing short- and long-term investment strategies with guidelines determined by statute, policy, prudence, safety, and liquidity.

The Treasury Department directs, monitors, and safeguards securities, bonds, and other investments owned by the commonwealth and the state pension funds. Treasury is responsible for the management of money flowing in and out of approximately 209 separate funds, 48 financial institutions, and investments of more than 60 state agencies, boards, commissions, and authorities.

The state treasurer is chair 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.

Treasury 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 promotes interstate cooperation and progress through participation in various associations, commissions, and organizations with other states and units of government. As a member of several organizations, including 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 and the federal government.

The Treasury Department administers the Tuition Account Program (PA 529), which provides two options 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. The Tuition Account Investment Program Fund allows individuals to save for higher education through several investment options based on age, risk, or socially responsible investments.

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 into 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:

General Government Operations

$ 953	—to replace nonrecurring benefits cost reduction.
1,321	—to continue current program.
$ 2,274	*Appropriation Increase*

Board of Finance and Revenue

$ 59	—to replace nonrecurring benefits cost reduction.
224	—to continue current program.
$ 283	*Appropriation Increase*

Divestiture Reimbursement

$ (285)	—reduced program requirement.

Program: Disbursement, Investment, and Cash Management, continued

Program Recommendations, continued:

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

MOTOR LICENSE FUND:

Refunding Liquid Fuels Taxes - State Share (EA)

$ (300) —based on most recent projection of program requirements.

Refunding Liquid Fuels Taxes - Volunteer Services (EA)

$ 100 —based on most recent projection of program requirements.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 35,715	$ 37,206	$ 39,480	$ 39,480	$ 39,480	$ 39,480	$ 39,480
Divestiture Reimbursement	83	300	15	15	15	15	15
Intergovernmental Organizations	1,168	1,195	1,195	1,195	1,195	1,195	1,195
Information Technology Cyber Security	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Board of Finance and Revenue	2,877	2,992	3,275	3,275	3,275	3,275	3,275
Law Enforcement & Emergency Response Personnel Death Benefit	2,980	3,330	3,330	3,330	3,330	3,330	3,330
Transfer to ABLE Fund	900	900	900	900	900	1,000	1,000
TOTAL GENERAL FUND	$ 44,723	$ 46,923	$ 49,195	$ 49,195	$ 49,195	$ 49,295	$ 49,295
MOTOR LICENSE FUND:							
Administration - Refunding Liquid Fuels Taxes	$ 551	$ 551	$ 551	$ 551	$ 551	$ 551	$ 551
Refunding Liquid Fuels Taxes - State Share (EA)	5,000	4,800	4,500	4,500	4,500	4,500	4,500
Refunding Liquid Fuels Taxes - Agriculture (EA)	4,750	5,000	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)	800	700	800	800	800	800	800
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)	12,879	12,300	12,790	12,790	12,790	12,790	12,790
TOTAL MOTOR LICENSE FUND	$ 29,980	$ 29,351	$ 29,641	$ 29,641	$ 29,641	$ 29,641	$ 29,641

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:

General Obligation Debt Service

$ 79,000 —the net effect on principal and interest requirements.

MOTOR LICENSE FUND:

Capital Debt Transportation Projects

$ 47 —the net effect on principal and interest requirements.

General Obligation Debt Service

$ (1,380) —the net effect on principal and interest requirements.

ENVIRONMENTAL STEWARDSHIP FUND:

Debt Service for Growing Greener (EA)

$ 33 —the net effect on principal and interest requirements.

Appropriations within this Program:

(Dollar Amounts in Thousands)

GENERAL FUND:	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Publishing Monthly Statements	$ 5	$ 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)	1,495	-	-	-	-	-	-
General Obligation Debt Service	1,143,433	1,127,000	1,206,000	1,283,359	1,324,358	1,422,873	1,457,058
TOTAL GENERAL FUND	$ 1,145,311	$ 1,127,045	$ 1,206,045	$ 1,283,404	$ 1,324,403	$ 1,422,918	$ 1,457,103

Program: Debt Service, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
MOTOR LICENSE FUND:							
Capital Debt Transportation Projects	$ 35,736	$ 35,779	$ 35,826	$ 35,873	$ 35,920	$ 35,942	$ 37,706
General Obligation Debt Service	17,859	23,187	21,807	17,545	18,219	19,525	20,053
Loan and Transfer Agent	40	40	40	40	40	40	40
TOTAL MOTOR LICENSE FUND	$ 53,635	$ 59,006	$ 57,673	$ 53,458	$ 54,179	$ 55,507	$ 57,799
ENVIRONMENTAL STEWARDSHIP FUND:							
Debt Service for Growing Greener (EA)	$ 13,782	$ 12,284	$ 12,317	$ 10,538	$ 10,586	$ 10,643	$ 13,629

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
(F)Programs for the Aging - Title III - Administration	$ 1,781	$ 1,781	$ 1,781
(F)COVID-Programs for the Aging - Title III Admin (EA)	1,594	-	-
(F)COVID-Prgms for the Aging - Title III Support Svc Admin (EA)	1,031	-	-
(F)COVID-Prgms for Aging - Title III Caregiver Supp Admin (EA)	311	-	-
(F)Programs for the Aging - Title V - Administration	127	127	127
(F)Medical Assistance - Administration	888	888	888
(F)Programs for the Aging - Title VII - Administration	352	352	352
Subtotal	$ 6,084	$ 3,148	$ 3,148
Total - General Government	$ 6,084	$ 3,148	$ 3,148
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)	37,375	-	-
(F)Programs for the Aging - Nutrition	10,000	10,000	10,000
(F)COVID-Programs for the Aging - Title III - Supportive Services (EA)	28,951	3,520	-
(F)Programs for the Aging - Title V - Employment	8,000	8,000	8,000
(F)Programs for the Aging - Title VII - Elder Rights Protection	7,800	7,800	7,800
(F)Medical Assistance - Attendant Care	69	-	-
(F)COVID-Medical Assistance - Attendant Care (EA)	10	-	-
(F)Medical Assistance Support	9,000	9,000	9,000
(F)Medical Assistance Nursing Home Transition Administration	700	700	700
(F)Chronic Disease Self-Management Education	-	271	271
(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)	6,491	-	-
(F)Overdose Data to Action (EA)	700	700	700
(F)State Opioid Response (EA)	-	57	19
(F)COVID-Community Vaccine Education and Outreach (EA)	-	250	-
Subtotal	$ 175,096	$ 106,298	$ 102,490
Total - Grants and Subsidies	$ 175,096	$ 106,298	$ 102,490
GENERAL FUND TOTAL	**$ 181,180**	**$ 109,446**	**$ 105,638**
LOTTERY FUND:			
General Government:			
General Government Operations	**$ 9,966**	**$ 10,171**	**$ 11,488**
(A)Day Care Licensure	11	11	11
(A)Digital Fingerprint Fees	70	69	69
Subtotal	$ 10,047	$ 10,251	$ 11,568
Subtotal - State Funds	9,966	10,171	11,488

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Subtotal - Augmentations	81	80	80
Total - General Government	$ 10,047	$ 10,251	$ 11,568
Grants and Subsidies:			
PENNCARE	**$ 285,726**	**$ 281,993**	**$ 282,848**
(A)Attendant Care Patient Fees	316	356	356
(A)Adult Protective Services	369	369	369
Subtotal	$ 286,411	$ 282,718	$ 283,573
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	**155,000** [a]	**130,000** [a]	**135,000**
Grants to Senior Centers	**2,000**	**2,000**	**2,000**
Subtotal - State Funds	$ 463,829	$ 435,096	$ 440,951
Subtotal - Augmentations	685	725	725
Total - Grants and Subsidies	$ 464,514	$ 435,821	$ 441,676
STATE FUNDS	$ 473,795	$ 445,267	$ 452,439
AUGMENTATIONS	766	805	805
LOTTERY FUND TOTAL	**$ 474,561**	**$ 446,072**	**$ 453,244**
OTHER FUNDS:			
PHARMACEUTICAL ASSISTANCE FUND:			
PACE Contracted Services (EA)	$ 6,077 [b]	$ 7,698 [b]	$ 380 [b]
(A)Dept of Criminal Justice Claims	1,501	790	790
Administration of PACE (EA)	1,311	1,224	1,286
(F)Diabetes Prevention (EA)	115	60	60
PHARMACEUTICAL ASSISTANCE FUND TOTAL	**$ 9,004**	**$ 9,772**	**$ 2,516**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	473,795	445,267	452,439
FEDERAL FUNDS	181,180	109,446	105,638
AUGMENTATIONS	766	805	805
RESTRICTED	-	-	-
OTHER FUNDS	9,004	9,772	2,516
TOTAL ALL FUNDS	**$ 664,745**	**$ 565,290**	**$ 561,398**

[a] 2020-21 Actual transfer posted was $140,000,000 and 2021-22 Available reflects recommended appropriation reduction of $25,000,000.
[b] The PACE Contracted Services (EA) for 2020-21 Actual is $146,077,000, 2021-22 Available is $137,698,000, and 2022-23 Budget is $135,380,000. Lottery Fund transfer to Pharmaceutical Assistance Fund not added to the total to avoid double counting.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
COMMUNITY SERVICES FOR OLDER PENNSYLVANIANS:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	318,795	315,267	317,439	317,564	317,689	317,815	317,942
FEDERAL FUNDS	181,180	109,446	105,638	105,638	105,638	105,638	105,638
AUGMENTATIONS	766	805	805	805	805	805	805
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 500,741	$ 425,518	$ 423,882	$ 424,007	$ 424,132	$ 424,258	$ 424,385
PHARMACEUTICAL ASSISTANCE:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	155,000	130,000	135,000	130,000	125,000	120,000	115,000
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	9,004	9,772	2,516	2,136	2,136	2,382	3,584
SUBCATEGORY TOTAL	$ 164,004	$ 139,772	$ 137,516	$ 132,136	$ 127,136	$ 122,382	$ 118,584
ALL PROGRAMS:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	473,795	445,267	452,439	447,564	442,689	437,815	432,942
FEDERAL FUNDS	181,180	109,446	105,638	105,638	105,638	105,638	105,638
AUGMENTATIONS	766	805	805	805	805	805	805
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	9,004	9,772	2,516	2,136	2,136	2,382	3,584
DEPARTMENT TOTAL	$ 664,745	$ 565,290	$ 561,398	$ 556,143	$ 551,268	$ 546,640	$ 542,969

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 Department of Aging demonstrates the commonwealth's commitment to supporting older Pennsylvanians by providing an array of services to address the varying needs of individuals and assist with aging in place in their homes and communities.

Many older Pennsylvanians require only minimal support to function independently, therefore a basic service provided by a network of 52 Area Agencies on Aging (AAAs) is to inform individuals of available services. AAAs sponsor over 500 senior community centers throughout the commonwealth that provide a full range of social, nutritional, recreational, and educational activities. Congregate meals, served by centers at lunchtime, provide older Pennsylvanians a hot, nutritionally balanced meal. Transportation services arranged by the agencies allow older Pennsylvanians to visit a doctor, shop, or attend community center events. Job training services include helping older Pennsylvanians find unsubsidized private sector employment and offering job training and subsidized part-time community service employment.

The department and the AAA network develop and administer a comprehensive and coordinated system of home and community-based services for older Pennsylvanians. Home and community-based services promote independence and self-reliance and maximize opportunities for family and community involvement. The department provides person-centered counseling to all consumers to apprise them of available resources, supports, and choices in the continuum of care.

Individuals are assessed to determine unmet needs and referred to the appropriate program for services. Assistance is provided to develop individual, person-centered care plans in coordination with an extensive network of providers. The department, in cooperation with the AAA network, is responsible for ensuring services are provided in a consistent and efficient manner. The department's OPTIONS program of home and community-based services are provided to eligible consumers to assist them in maintaining independence at the highest level of functioning in the community and help delay the need for more costly care services. Priority services in OPTIONS include care management, in-home/home delivered meal service, personal care, and older adult daily living services. Persons with higher incomes share in the cost of OPTIONS services.

AAAs also administer the department's Caregiver Support Program, which focuses on the well-being of the caregiver and provides resources, assistance, and reimbursement for caregiving-related expenses to eligible individuals.

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.

Program Recommendations:

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

General Government Operations

$ 341	—to replace nonrecurring benefits cost reduction.
309	—to continue current program.
667	—Initiative—to provide resources for protective services.
$ 1,317	*Appropriation Increase*

PENNCARE

$ 855	—to continue current program.

Program: Community Services for Older Pennsylvanians, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
LOTTERY FUND:							
General Government Operations	$ 9,966	$ 10,171	$ 11,488	$ 11,488	$ 11,488	$ 11,488	$ 11,488
PENNCARE	285,726	281,993	282,848	282,973	283,098	283,224	283,351
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	$ 318,795	$ 315,267	$ 317,439	$ 317,564	$ 317,689	$ 317,815	$ 317,942

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Ensure that older Pennsylvanians who are in need of protective or ombudsman services are receiving those services.							
Reports of need	28,633[a]	32,253[a]	36,100[a]	36,693[a]	38,339	41,926	44,543
Percentage of investigative reports of need substantiated	33.7%	35.7%	33.4%	33.9%	37.8%	33.7%	33.6%
Percentage of facility complaints resolved to resident satisfaction by ombudsman	85%	81%	86%	83%	83%	80%	83%
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	5,070[a]	5,060[a]	4,380[a]	4,000[a]	4,805	4,850	5,005
Ensure the department's services, programs, and supports reach older Pennsylvanians who need them.							
Number of congregate meals served	111,180[a]	99,370[a]	105,210	102,850	54,893[b]	98,140	95,780
Home delivered meals	42,630[a]	40,530[a]	43,900[a]	44,970[a]	50,696	47,100	48,170

[a] Measure data has been updated to reflect the most current state databases.
[b] Decrease due to COVID-19 pandemic.

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 pharmaceutical assistance to qualified older Pennsylvanians age 65 and over with limited incomes.

The PACE program has two components - PACE and PACE Needs Enhancement Tier (PACENET). PACENET covers individuals with higher incomes. The program pays the Medicare premiums for Part D coverage for PACE and PACENET enrollees, but PACENET cardholders must pay the equivalent of their Part D monthly premiums along with their copays when they pick-up their medications at the pharmacy.

The program acts as the enrollees' representative and facilitates cardholder enrollment into the Extra Help/Low-Income Subsidy offering under Part D and collaborates with selected prescription drug plans to facilitate enrollment of PACE and PACENET cardholders into Part D. The program covers all medications requiring a prescription in the commonwealth, as well as insulin, insulin syringes, and needles, unless a manufacturer does not participate in the Manufacturer's Rebate Program. It does not cover medications that can be purchased without a prescription.

The Department of Aging 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 conducts compliance audits of pharmacy providers to ensure compliance with policies and contract provisions, 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.

PACE conducts benefit outreach and assistance for parolees identified by the Department of Corrections and the Board of Probation and Parole. The program assists in the administration of their pharmacy benefits including the coordination of benefits with PACE and participation in the federal 340B prescription program through Temple University Health Systems. The PACE Application Center and the Pennsylvania Patient Assistance Clearinghouse are available to assist all adult Pennsylvanians with the cost of prescription drugs by applying them for the pharmacy benefits, as well as other public and private health care benefits and social services, such as transportation, housing, and employment.

Program Recommendations:

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

Transfer to Pharmaceutical Assistance Fund

$ 5,000 —increase in Lottery Fund transfer needed to support the PACE program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
LOTTERY FUND:							
Transfer to Pharmaceutical Assistance Fund	$ 155,000	$ 130,000	$ 135,000	$ 130,000	$ 125,000	$ 120,000	$ 115,000

Program: Pharmaceutical Assistance, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	92,731	84,418	75,351	70,312	61,934	54,554	48,054
Total prescriptions per year - PACE	2,410,326	2,147,594	1,745,129	1,429,657	1,178,720	971,828	801,250
Number of older Pennsylvanians enrolled (average) in PACENET	152,500	148,588	153,637	154,371	147,046	151,390	152,290
Total prescriptions per year - PACENET	4,364,233	4,101,029	3,779,470	3,398,782	3,043,557	2,945,810	2,807,853

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 33,128**	**$ 34,952**	**$ 38,808**
(F)COVID-SFR Agriculture Conservation	-	-	135,058
(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	11,500	11,500	11,500
(F)COVID-Emergency Food Assistance (EA)	3,449	4,068	-
(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)COVID-Commodity Supplemental Food (EA)	122	-	-
(F)Organic Cost Distribution	650	650	650
(F)Animal Disease Control	4,000	4,000	4,000
(F)COVID-Epidemiology & Laboratory Surveillance & Response (EA)	-	1,972	-
(F)Food Establishment Inspections	4,500	5,000	5,000
(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)COVID-Specialty Crops (EA)	1,399	-	-
(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)	-	56	-
(F)Chesapeake Bay Pollution Abatement (EA)	3,848	3,118	-
(A)Lime Control Fees	32	13	15
(A)Lime Registration Fees	5	4	3

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(A)Commercial Feed Facility Inspections	59	40	50
(A)Commercial Feed Inspections	846	650	750
(A)Milk Plant Inspections	24	20	20
(A)Administrative Services	- [a]	- [a]	- [a]
(A)Pesticide Regulation	768	725	750
(A)Training Rides and Attractions	5	25	5
(A)Apiary Registration and Fees	38	17	30
(A)Consumer Fireworks License	975	600	600
(A)Taxidermy Permit Registrations	129	95	100
(A)Transfer from Fertilizer Account	- [b]	- [b]	- [b]
(A)Transfer from Environmental Stewardship Fund	- [c]	- [c]	- [c]
(A)Transfer from Other State Agencies	474	500	430
(A)Vet Lab Diagnostic Fees	746	700	700
(A)Domestic Animal Dealer License	63	75	65
(A)Food Site Inspection, License, and Registration Fees	16	25	15
(A)Certificates of Free Sale	152	150	150
(R)Pesticide Regulation	3,800	5,130	5,460
(R)Agriculture Farm Operations	453	476	486
(R)Plant Pest Management	518	574	603
(R)Agronomic Regulatory Account	376	462	503
(R)Fruit and Vegetable Inspection and Grading	33	143	150
(R)Cervidae Livestock Operations	25	70	70
(R)National School Lunch	109	60	60
Subtotal	$ 144,052	$ 147,680	$ 277,841
Transfer to Dog Law Administration	**-**	**1,340** [d]	**3,000**
(R)Dog Law Administration	5,370	7,585	6,965
Agricultural Preparedness and Response	**3,000**	**3,000**	**6,500**
(R)Rapid Response Disaster Readiness	- [e]	- [e]	- [e]
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	- [f]	- [f]	- [f]
(R)Specialty Crop Block Grant Fund	- [g]	- [g]	- [g]
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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Agricultural Research	**2,187**	**2,187**	**2,187**
Agricultural Promotion, Education, and Exports	**553**	**553**	**553**
Hardwoods Research and Promotion	**474**	**474**	**474**
Subtotal - State Funds	$ 48,721	$ 51,885	$ 60,901
Subtotal - Federal Funds	106,978	107,874	233,718
Subtotal - Augmentations	4,332	3,639	3,683
Subtotal - Restricted Revenues	10,684	14,500	14,297
Total - General Government	$ 170,715	$ 177,898	$ 312,599
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**	**215**
Open Dairy Show	**215**	**215**	**215**
Youth Shows	**169**	**169**	**169**
State Food Purchase	**19,688**	**22,688**	**24,688**
Food Marketing and Research	**494**	**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**	**57,708**
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**	**1,893**
Subtotal - State Funds	$ 120,970	$ 123,970	$ 127,316
Subtotal - Federal Funds	250	250	250
Total - Grants and Subsidies	$ 121,220	$ 124,220	$ 127,566
STATE FUNDS	$ 169,691	$ 175,855	$ 188,217
FEDERAL FUNDS	107,228	108,124	233,968
AUGMENTATIONS	4,332	3,639	3,683
RESTRICTED REVENUES	10,684	14,500	14,297
GENERAL FUND TOTAL	**$ 291,935**	**$ 302,118**	**$ 440,165**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
MOTOR LICENSE FUND:			
General Government:			
Weights and Measures Administration	**$ 5,817**	**$ 5,817**	**$ 5,817**
Grants and Subsidies:			
Dirt, Gravel, and Low Volume Roads	**$ 28,000**	**$ 28,000**	**$ 28,000**
MOTOR LICENSE FUND TOTAL	**$ 33,817**	**$ 33,817**	**$ 33,817**
OTHER FUNDS:			
AGRICULTURAL COLLEGE LAND SCRIP FUND:			
Agricultural Research Programs and Extension Services	$ - [h]	$ - [h]	$ - [h]
AGRICULTURAL CONSERVATION EASEMENT PURCHASE FUND:			
Purchase of County Easements (EA)	$ 42,000	$ 40,000	$ 40,000
CONSERVATION DISTRICT FUND:			
Conservation District Grants (EA)	$ 2,992	$ 3,200	$ 3,373
ENVIRONMENTAL STEWARDSHIP FUND:			
Transfer to Agricultural Conservation Easement Program (EA)	$ 11,772	$ 12,776 [i]	$ 13,254
FARM PRODUCTS SHOW FUND:			
General Operations (EA)	$ 9,515	$ 13,000	$ 14,582
NUTRIENT MANAGEMENT FUND:			
Planning, Loans, Grants, and Technical Assistance (EA)	$ 2,887	$ 3,280	$ 3,280
Nutrient Management - Administration (EA)	1,369	1,369	1,381
NUTRIENT MANAGEMENT FUND TOTAL	**$ 4,256**	**$ 4,649**	**$ 4,661**
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**
STATE RACING FUND:			
State Racing Commission	$ 7,365	$ 7,180	$ 7,555
Equine Toxicology and Research Laboratory	13,065	13,251	13,535
(A)Reimbursements - Out-of-State Testing	3	10	5
Horse Racing Promotion	1,711	1,972	2,261
(R)Sire Stakes Fund	10,373	10,735	9,539 [j]
(R)Breeders' Fund	10,357	10,856	15,000 [j]
(R)PA Standardbred Breeders Development Fund	4,383	7,600	7,600 [j]
STATE RACING FUND TOTAL	**$ 47,257**	**$ 51,604**	**$ 55,495**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 169,691	$ 175,855	$ 188,217
MOTOR LICENSE FUND	33,817	33,817	33,817
LOTTERY FUND	-	-	-
FEDERAL FUNDS	107,228	108,124	233,968
AUGMENTATIONS	4,332	3,639	3,683
RESTRICTED	10,684	14,500	14,297
OTHER FUNDS	137,451	144,888	151,024
TOTAL ALL FUNDS	**$ 463,203**	**$ 480,823**	**$ 625,006**

[a] Not added to avoid double counting: 2020-21 Actual is $4,712,164, 2021-22 Available is $5,793,000, and 2022-23 Budget is $5,665,000.
[b] Not added to avoid double counting: 2020-21 Actual is $22,679, 2021-22 Available is $14,000, and 2022-23 Budget is $10,000.
[c] Not added to avoid double counting: 2020-21 Actual is $285,150, 2021-22 Available is $253,000, and 2022-23 Budget is $331,000.
[d] Includes recommended supplemental appropriation of $1,340,000.
[e] Transfer from Agricultural Preparedness and Response not added to avoid double counting: 2020-21 Actual is $2,855,431, 2021-22 Available is $3,000,000, and 2022-23 Budget is $6,500,000.
[f] Transfer from Agricultural Business and Workforce Investment not added to avoid double counting: 2020-21 Actual is $1,111,482, 2021-22 Available is $2,000,000, and 2022-23 Budget is $2,000,000.
[g] Transfer from Agricultural Business and Workforce Investment not added to avoid double counting: 2020-21 Actual is $32,160, 2021-22 Available is $500,000, and 2022-23 Budget is $500,000.
[h] The General Fund transfer into the Agricultural College Land Scrip Fund is not added to avoid double counting: 2020-21 Actual is $54,960,000, 2021-22 Available is $54,960,000, and 2022-23 Budget is $57,708,000.
[i] Includes recommended supplemental executive authorization of $2,643,000.
[j] This budget proposes to redirect a portion of Pennsylvania Race Horse Development Trust Fund restricted racing proceeds.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
PROTECTION AND DEVELOPMENT OF AGRICULTURAL INDUSTRIES:							
GENERAL FUND	$ 147,924	$ 151,088	$ 161,450	$ 162,700	$ 164,590	$ 165,080	$ 165,390
MOTOR LICENSE FUND	33,817	33,817	33,817	33,817	33,817	33,817	33,817
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	80,147	80,546	210,458	75,400	75,400	75,400	75,400
AUGMENTATIONS	4,332	3,639	3,683	3,683	3,683	3,683	3,683
RESTRICTED	10,684	14,500	14,297	14,297	14,297	14,297	14,297
OTHER FUNDS	90,194	93,284	95,529	96,119	96,737	97,386	98,013
SUBCATEGORY TOTAL	$ 367,098	$ 376,874	$ 519,234	$ 386,016	$ 388,524	$ 389,663	$ 390,600
HORSE RACING REGULATION:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	47,257	51,604	55,495	46,812	44,043	43,835	37,785
SUBCATEGORY TOTAL	$ 47,257	$ 51,604	$ 55,495	$ 46,812	$ 44,043	$ 43,835	$ 37,785
EMERGENCY FOOD ASSISTANCE:							
GENERAL FUND	$ 21,767	$ 24,767	$ 26,767	$ 26,767	$ 26,767	$ 26,767	$ 26,767
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	27,081	27,578	23,510	23,510	23,510	23,510	23,510
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 48,848	$ 52,345	$ 50,277	$ 50,277	$ 50,277	$ 50,277	$ 50,277

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
ALL PROGRAMS:							
GENERAL FUND	$ 169,691	$ 175,855	$ 188,217	$ 189,467	$ 191,357	$ 191,847	$ 192,157
MOTOR LICENSE FUND	33,817	33,817	33,817	33,817	33,817	33,817	33,817
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	107,228	108,124	233,968	98,910	98,910	98,910	98,910
AUGMENTATIONS	4,332	3,639	3,683	3,683	3,683	3,683	3,683
RESTRICTED	10,684	14,500	14,297	14,297	14,297	14,297	14,297
OTHER FUNDS	137,451	144,888	151,024	142,931	140,780	141,221	135,798
DEPARTMENT TOTAL	$ 463,203	$ 480,823	$ 625,006	$ 483,105	$ 482,844	$ 483,775	$ 478,662

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 of Agriculture identified three public-facing goals. The first, to facilitate agriculture's continued economic vitality, led to new grant programs for constituencies such as 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.

The first-ever Pennsylvania Farm Bill (PA Farm Bill) was a necessary, aggressive, and bold investment in Pennsylvania agriculture, which has allowed for the department to continue its efforts to achieve the goals outlined in its core business and strategic plan.

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 PA Specialty Crops Grant Program supplements federal funding received from the United States Department of Agriculture. 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 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 (DCED), 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

The PA Farm Bill also created the Agricultural Business Development Center 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 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 programs provide grants for individual projects.

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 Future Farmers of America chapters in 40 counties.

Protected and Educated Public and Industry

The department works to ensure public safety and protects 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 department. 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 5,900 farms and more than 600,000 acres. 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.

Program: Protection and Development of Agricultural Industries, continued

Further supported by the PA Farm Bill, the State Conservation Commission operates the Resource Enhancement and Protection (REAP) tax credit program as well as the Agri-Link program, which offers interest rate reductions on loans to implement Best Management Practices (BMPs). The commission also administers the Conservation Excellence Grant Program which offers 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 Recommendations:

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

GENERAL FUND:

General Government Operations

$ 912	—to replace nonrecurring benefits cost reduction.
2,944	—to continue current program.
$ 3,856	*Appropriation Increase*

Transfer to Dog Law Administration

$ 1,660	—to supplement insufficient license fee revenues to cover dog law enforcement costs.

Agricultural Preparedness and Response

$ 3,500	—Initiative—to monitor and respond to impacts of invasive species.

Livestock and Consumer Health Protection

$ (1,000)	—program elimination.

Animal Health and Diagnostic Commission

$ (2,000)	—program elimination.

Transfer to Agricultural College Land Scrip Fund

$ 2,748	—Initiative—to invest in higher education and improve college access and completion.

University of Pennsylvania - Center for Infectious Disease

$ 1,598	—Initiative—to invest in higher education and improve college access and completion.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 33,128	$ 34,952	$ 38,808	$ 38,808	$ 38,808	$ 38,808	$ 38,808
Transfer to Dog Law Administration	-	1,340	3,000	4,250	5,640	6,130	6,440
Agricultural Preparedness and Response	3,000	3,000	6,500	6,500	6,500	6,500	6,500
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	2,187	2,187	2,187	2,187	2,187
Agricultural Promotion, Education, and Exports	553	553	553	553	553	553	553
Hardwoods Research and Promotion	474	474	474	474	474	474	474
Livestock and Consumer Health Protection	1,000	1,000	-	-	-	-	-
Animal Health and Diagnostic Commission	2,000	2,000	-	-	-	-	-

Program: Protection and Development of Agricultural Industries, continued

Appropriations within this Program, continued

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Livestock Show	215	215	215	215	215	215	215
Open Dairy Show	215	215	215	215	215	215	215
Youth Shows	169	169	169	169	169	169	169
Food Marketing and Research	494	494	494	494	494	494	494
Transfer to Nutrient Management Fund	6,200	6,200	6,200	6,200	6,700	6,700	6,700
Transfer to Conservation District Fund	869	869	869	869	869	869	869
Transfer to Agricultural College Land Scrip Fund	54,960	54,960	57,708	57,708	57,708	57,708	57,708
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	1,893	1,893	1,893	1,893	1,893
TOTAL GENERAL FUND	$ 147,924	$ 151,088	$ 161,450	$ 162,700	$ 164,590	$ 165,080	$ 165,390
MOTOR LICENSE FUND:							
Weights and Measures Administration	$ 5,817	$ 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	$ 33,817	$ 33,817	$ 33,817	$ 33,817	$ 33,817	$ 33,817	$ 33,817

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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)	600	620	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	79%	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	57%	47%	49%	43%	45%	47%

Program: Protection and Development of Agricultural Industries, continued

Program Measures, continued:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Reduce foodborne illness threats through more efficient inspections.							
Number of retail food facility inspections conducted annually to prevent foodborne illnesses	39,638	39,728	38,254	34,447	46,023	40,000	40,000
Number of retail food safety inspections conducted per food inspector	558	560	676	431	700	700	700
Decrease the risk to Pennsylvania consumers when engaging in commercial transactions.							
Number of weights and measures device and system inspections (in thousands)	147	147	149	152	141	153	155
Percentage of weighing and measuring devices inspected within their approved time interval	N/A	58%	52%	49%	65%	70%	75%
Preserve 200 farms (approx. 16,000 acres) annually.							
Number of new farm acres protected	17,500	20,000	17,066	14,605	14,760	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)	455	457	457	262	270	285	295
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	476	725	515	540	565
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	$ 2,300	$ 2,300	$ 1,882	$ 1,891	$ 1,981	$ 2,000	$ 2,000
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	13%	14%	26%	30%	30%
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	324	510	426	400	450

Program: Protection and Development of Agricultural Industries, continued

Program Measures, continued:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
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	1,093	2,070	1,790	3,200	2,300	2,390
Number of training hours provided to accredited agricultural consultants, agricultural support service personnel, and municipal staff	N/A	22,650	19,550	11,200	11,700	12,300	12,900
Facilitate agriculture's continued economic vitality.							
Number of newly preserved farms with a transition, succession, or business plan	N/A	N/A	N/A	60	17	50	50
Percent increase in the number of certified or transitioning to certified organic operations	N/A	N/A	N/A	N/A	3%	4%	5%
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	10%	12%	14%
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	2%	4%	6%
Number of youth events held at the Pennsylvania Farm Show Complex & Expo Center annually	N/A	N/A	13	8	0 *	8	10
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	62%	64%	75%	75%
Dollar value of the economic impact of the Pennsylvania Farm Show Complex & Expo Center (in millions)	N/A	N/A	$ 300	$ 250	$ 0 *	$ 150 *	$ 250

* Reduction due to COVID-19 pandemic.

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)

State Racing Commission

$ 375 —to continue current program.

Horse Racing Promotion

$ 289 —to continue current program.

Equine Toxicology and Research Laboratory

$ 284 —to continue current program.

This budget proposes to redirect a portion of 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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
STATE RACING FUND:							
State Racing Commission	$ 7,365	$ 7,180	$ 7,555	$ 7,555	$ 7,555	$ 7,555	$ 7,555
Equine Toxicology and Research Laboratory	13,065	13,251	13,535	13,320	12,059	11,693	11,343
Horse Racing Promotion	1,711	1,972	2,261	2,155	2,160	2,198	2,235
(R)Sire Stakes Fund	10,373	10,735	9,539	4,997	4,182	4,242	4,271
(R)Breeders' Fund	10,357	10,856	15,000	15,000	15,000	15,000	9,205
(R)PA Standardbred Breeders Development Fund	4,383	7,600	7,600	3,780	3,082	3,142	3,171
TOTAL STATE RACING FUND	$ 47,254	$ 51,594	$ 55,490	$ 46,807	$ 44,038	$ 43,830	$ 37,780

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 1.5 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)

State Food Purchase

$ 2,000 —Initiative—to further address food insecurity and increase access to healthy meals.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 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	22,688	24,688	24,688	24,688	24,688	24,688
TOTAL GENERAL FUND	$ 21,767	$ 24,767	$ 26,767	$ 26,767	$ 26,767	$ 26,767	$ 26,767

Program: Emergency Food Assistance, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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).....	2.7	2.7	2.7	2.3	8.2 *	3.4	3.4
Dollar value of Senior Farmers Market Nutrition Program vouchers redeemed (in millions)	N/A	N/A	$ 2.6	$ 2.5	$ 2.4	$ 2.6	$ 2.8
Dollar value of Women, Infants, and Children (WIC) Farmers Market Nutrition Program (FMNP) vouchers redeemed (in millions)....	N/A	N/A	$ 1.3	$ 1.2	$ 0.9	$ 1.2	$ 1.3
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	127	140	164	175	185

* Increase due to availability of COVID-19 relief funds.

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
(R)Securities Operations (EA)	$ 9,477	$ 9,477	$ 8,882
OTHER FUNDS:			
BANKING TRUST FUND:			
General Government Operations	$ 23,786	$ 23,786	$ 23,413
Transfer to Institution Resolution Account (EA)	3,000	3,000	3,000
BANKING TRUST FUND TOTAL	**$ 26,786**	**$ 26,786**	**$ 26,413**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	-	-	-
RESTRICTED	9,477	9,477	8,882
OTHER FUNDS	26,786	26,786	26,413
TOTAL ALL FUNDS	**$ 36,263**	**$ 36,263**	**$ 35,295**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
FINANCIAL SERVICES INDUSTRY REGULATION:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	9,477	9,477	8,882	8,882	8,882	8,882	8,882
OTHER FUNDS	26,786	26,786	26,413	26,413	26,413	26,413	26,413
SUBCATEGORY TOTAL	$ 36,263	$ 36,263	$ 35,295	$ 35,295	$ 35,295	$ 35,295	$ 35,295
ALL PROGRAMS:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	9,477	9,477	8,882	8,882	8,882	8,882	8,882
OTHER FUNDS	26,786	26,786	26,413	26,413	26,413	26,413	26,413
DEPARTMENT TOTAL	$ 36,263	$ 36,263	$ 35,295	$ 35,295	$ 35,295	$ 35,295	$ 35,295

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, 2021, the department provided regulation and oversight for the following:

Financial Institutions	
Credit unions	48
Banks	72
Bank and trust companies	39
Non-depository trust companies	13
Total Financial Institutions	**172**

Non-Depository Licenses	
Mortgage originators	21,298
Installment sellers	2,740
Mortgage lenders	2,657
Sales finance companies	1,175
Check cashers	681
Mortgage brokers	804
Debt management services	137
Mortgage discount companies	17
Mortgage servicing companies	326
Other licensees	1,021
Total Non-Depository Licensees	**30,856**

Securities Industry	
Broker-dealer agents	216,703
Investment adviser representatives	23,400
Investment adviser and notice filers	3,660
Broker-dealers	1,899
Total Securities Industry	**245,662**

Program Recommendations:

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

General Government Operations

$	387	—to replace nonrecurring benefits cost reduction.
	(760)	—to continue current program.
$	(373)	*Appropriation Decrease*

Program: Financial Services Industry Regulation, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
BANKING TRUST FUND:							
General Government Operations	$ 23,786	$ 23,786	$ 23,413	$ 23,413	$ 23,413	$ 23,413	$ 23,413
Transfer to Institution Resolution Account (EA)	3,000	3,000	3,000	3,000	3,000	3,000	3,000
TOTAL BANKING TRUST FUND	$ 26,786	$ 26,786	$ 26,413	$ 26,413	$ 26,413	$ 26,413	$ 26,413

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Complete independent depository examinations in a timely manner.							
Average number of days for turnaround of independent depository institution examinations	35	32	31	25	23	30	30
Develop highly skilled workforce.							
Percentage of eligible depository and non-depository examiners with the highest certification available for their level of experience	100.00%	90.00%	100.00%	98.27%	100.00%	90.00%	90.00%
Examine non-depository licensees on a regular basis.							
Percentage of all non-depository licensees examined	22.90%	26.00%	24.00%	24.00%	25.09%	20.00%	20.00%
Examine Securities Investment Adviser registrants on an annual basis.							
Percentage of Securities Investment Adviser registrants examined on an annual basis	20.26%	16.83%	17.98%	16.77%	23.00%	20.00%	20.00%
Respond to consumer complaints in a timely and fair manner.							
Average number of days to respond to consumer complaints	5	4	4	4	4	10	10

DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

The mission of the Department of Community and Economic Development 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 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 to increase Pennsylvania's competitiveness.*

Pennsylvania Worldwide: *To leverage the state's overseas network and local partnerships to increase the department's 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.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 19,083**	**$ 21,032**	**$ 23,347**
(F)DOE - Weatherization Administration	6,000	6,000	6,000
(F)IIJA - DOE - Weatherization Administration	-	-	2,500
(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)	3,581	600	-
(F)CSBG - Administration	1,607	1,607	1,607
(F)COVID-CSBG Administration (EA)	700	300	-
(F)LIHEABG - Administration	1,500	1,500	1,500
(F)COVID-LIHEAP Administration (EA)	150	1,651	-
(F)EMG Solutions Administration	1,000	1,000	1,000
(F)COVID-ESG Administration (EA)	306	600	-
(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	10,000	10,000
(F)ARC Area Development	6,000	6,000	6,000
(F)Recovery Housing Administration	-	1,000	1,000
(F)Broadband Infrastructure Program	-	20,000	20,000
(A)Commonwealth Financing Authority	4,063	3,800	3,800
(A)Pennsylvania Industrial Development Authority	1,555	1,500	1,500
(A)Pennsylvania Economic Development Financing Authority	708	675	675
(A)Governmental Transfers	1,385	1,075	655
(A)Local Match	90	80	80
(A)Community Development Bank	57	50	50
(A)Application Fees	3	-	-
Subtotal	$ 68,088	$ 94,770	$ 96,014
(R)Small Business Advocate - Utilities	1,896	1,825	1,825
Center for Local Government Services	**4,217**	**4,217**	**4,494**
(A)Reimbursements	165	5	5
Office of Open Records	**3,299**	**3,299**	**3,667**
Office of International Business Development	**5,830**	**5,830**	**5,969**
(F)SBA State Trade and Export Promotion (STEP)	1,500	1,500	1,500

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Marketing to Attract Tourists	**17,826**	**30,151**	**4,093**
(A)Travel Advertisements	65	60	60
(A)Film Tax Credit App	73	60	60
(R)Marketing to Attract Tourists	3,092	5,000	5,000
Marketing to Attract Business	**2,016**	**2,016**	**2,048**
Base Realignment and Closure	**556**	**556**	**572**
Subtotal - State Funds	$ 52,827	$ 67,101	$ 44,190
Subtotal - Federal Funds	42,644	68,058	67,407
Subtotal - Augmentations	8,164	7,305	6,885
Subtotal - Restricted Revenues	4,988	6,825	6,825
Total - General Government	$ 108,623	$ 149,289	$ 125,307
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**	**32,500**
Invent Penn State	**-**	**-**	**2,350**
Intergovernmental Cooperation Authority - 3rd Class Cities	**100**	**100**	**100**
Pennsylvania First	**20,000**	**20,000**	**20,000**
Municipal Assistance Program	**546**	**546**	**546**
(F)FEMA Technical Assistance	450	450	-
Keystone Communities	**24,225**	**29,700**	**6,377**
(F)Community Services Block Grant	50,000	50,000	50,000
(F)LIHEABG - Weatherization Program	48,000	48,000	48,000
(F)COVID-LIHEAP (EA)	43,000	-	-
(F)DOE - Weatherization	26,000	26,000	26,000
(F)IIJA - DOE - Weatherization Program	-	-	47,500
(F)SCDBG - Disaster Recovery Grant	56,000	56,000	56,000
(F)SCDBG - Neighborhood Stabilization Program	5,000	5,000	5,000
(F)SCDBG Program	6,000	6,000	6,000
(F)EMG Solutions Program	12,000	12,000	12,000
(F)ARC Construction - RSBA Program	20,000	20,000	20,000
(F)EDA Power Grant	3,000	3,000	3,000
(F)Recovery Housing Program	-	5,000	5,000
(F)COVID-ELC Enhancing Detection (EA)	400	-	-
(F)COVID-State Small Business Credit Initiative (EA)	-	206,711	-
(F)COVID-Broadband Capital Projects	-	-	278,794
(F)COVID-CARES Vaccine Outreach (EA)	-	8,000	-
(F)COVID-ARPA Tourism Non-Competitive (EA)	-	17,086	-
(F)COVID-SFR Pandemic Response	-	79,092	-

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET	
(F)COVID-SFR Statewide Small Business Assistance Program	-	-	225,000	
(F)IIJA - Broadband Equity, Access, and Deployment	-	-	100,000	a
(F)IIJA - State Digital Equity Capacity	-	-	625	a
(F)IIJA - Local Cybersecurity	-	-	4,282	
(R)COVID-Hospitality Industry Recovery CBG Program (EA)	145,000	-	-	
State Facility Closure Transition Program	**5,000**	**-**	**-**	
Partnerships for Regional Economic Performance	**9,880**	**9,880**	**11,380**	
Manufacturing PA	**12,000**	**12,000**	**13,500**	
Strategic Management Planning Program	**2,367**	**2,367**	**2,367**	
Tourism - Accredited Zoos	**800**	**800**	**800**	
Infrastructure Technology Assistance Program	**2,000**	**2,000**	**2,000**	
Super Computer Center	**500**	**500**	**500**	
Powdered Metals	**100**	**100**	**100**	
Rural Leadership Training	**100**	**100**	**100**	
Infrastructure and Facilities Improvement Grants	**10,000**	**10,000**	**10,000**	
Public Television Technology	**750**	**-**	**1,500**	
America250PA	**-**	**-**	**250**	
Food Access Initiative	**1,000**	**1,000**	**1,000**	
Local Municipal Relief	**20,450**	**18,775**	**-**	
(F)COVID-Homeowner Assistance (PHFA)	-	350,362	-	
(F)COVID-SFR Construction Cost Relief (PHFA)	-	50,000	-	
(R)Industrial Sites Environmental Assessment Fund	8,653	3,000	3,000	
(R)Industrialized Housing	240	350	350	
Subtotal - State Funds	$ 128,818	$ 126,868	$ 109,870	
Subtotal - Federal Funds	269,850	942,701	887,201	
Subtotal - Restricted Revenues	153,893	3,350	3,350	
Total - Grants and Subsidies	$ 552,561	$ 1,072,919	$ 1,000,421	
STATE FUNDS	$ 181,645	$ 193,969	$ 154,060	
FEDERAL FUNDS	312,494	1,010,759	954,608	
AUGMENTATIONS	8,164	7,305	6,885	
RESTRICTED REVENUES	158,881	10,175	10,175	
GENERAL FUND TOTAL	**$ 661,184**	**$ 1,222,208**	**$ 1,125,728**	
MOTOR LICENSE FUND:				
General Government:				
Appalachian Regional Commission	**$ 500**	**$ 500**	**$ 750**	
OTHER FUNDS:				
BEN FRANKLIN TECHNOLOGY DEVELOPMENT AUTHORITY FUND:				
Ben Franklin Technology	$ 35,000	$ 35,000	$ 35,000	

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
HOME INVESTMENT TRUST FUND:			
(F)Affordable Housing Act Administration	$ 4,000	$ 4,000	$ 4,000
(F)COVID-HOME Investment Partnership Non-Entitlement (EA)	10,464	500	-
HOME INVESTMENT TRUST FUND TOTAL	**$ 14,464**	**$ 4,500**	**$ 4,000**
INDUSTRIAL SITES CLEANUP FUND:			
Industrial Sites Cleanup - Administration (EA)	$ 314	$ 314	$ 314
Industrial Sites Cleanup - Projects (EA)	5,300	6,000	5,500
INDUSTRIAL SITES CLEANUP FUND TOTAL	**5,614**	**$ 6,314**	**$ 5,814**
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)	21,000	11,000	11,000
MACHINERY AND EQUIPMENT LOAN FUND TOTAL	**$ 21,778**	**$ 11,778**	**$ 11,778**
MINORITY BUSINESS DEVELOPMENT FUND:			
General Operations (EA)	$ 340	$ 340	$ 340
Minority Business Development Loans (EA)	1,000	1,000	1,000
MINORITY BUSINESS DEVELOPMENT FUND TOTAL	**$ 1,340**	**$ 1,340**	**$ 1,340**
MUNICIPALITIES FINANCIAL RECOVERY REVOLVING AID FUND:			
Distressed Community Assistance (EA)	$ 7,350	$ 11,350	$ 5,000
SMALL BUSINESS FIRST FUND:			
Administration (EA)	$ 1,958	$ 1,958	$ 1,958
Loans (EA)	13,042	5,042	5,042
Community Economic Development Loans (EA)	5,000	3,000	3,000
SMALL BUSINESS FIRST FUND TOTAL	**$ 20,000**	**$ 10,000**	**$ 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	$ 350
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 181,645	$ 193,969	$ 154,060
MOTOR LICENSE FUND	500	500	750
LOTTERY FUND	-	-	-
FEDERAL FUNDS	312,494	1,010,759	954,608
AUGMENTATIONS	8,164	7,305	6,885
RESTRICTED	158,881	10,175	10,175
OTHER FUNDS	109,826	84,562	77,282
TOTAL ALL FUNDS	**$ 771,510**	**$ 1,307,270**	**$ 1,203,760**

[a] Estimate based on current federal guidance of the minimum grant under IIJA. Formula for additional funding pending.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
JOB CREATION, WORKFORCE TRAINING, BUSINESS GROWTH, AND ATTRACTION:							
GENERAL FUND	$ 57,382	$ 54,331	$ 57,264	$ 57,400	$ 57,400	$ 57,400	$ 57,400
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	80,144	462,920	161,907	61,907	61,907	61,907	60,601
AUGMENTATIONS	7,861	7,180	6,760	6,760	6,760	6,760	6,760
RESTRICTED	10,549	4,825	4,825	4,825	4,825	4,825	4,825
OTHER FUNDS	49,012	29,712	29,282	29,282	29,282	29,282	29,282
SUBCATEGORY TOTAL	$ 204,948	$ 558,968	$ 260,038	$ 160,174	$ 160,174	$ 160,174	$ 158,868
PENNSYLVANIA INNOVATION ECONOMY:							
GENERAL FUND	$ 39,730	$ 38,980	$ 63,830	$ 63,830	$ 63,830	$ 63,830	$ 63,830
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	38,000	38,000	38,000	38,000	38,000	38,000	38,000
SUBCATEGORY TOTAL	$ 77,730	$ 76,980	$ 101,830	$ 101,830	$ 101,830	$ 101,830	$ 101,830
PENNSYLVANIA WORLDWIDE:							
GENERAL FUND	$ 5,830	$ 5,830	$ 5,969	$ 5,969	$ 5,969	$ 5,969	$ 5,969
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	1,500	1,500	1,500	1,500	1,500	1,500	1,500
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 7,330	$ 7,330	$ 7,469	$ 7,469	$ 7,469	$ 7,469	$ 7,469

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
PENNSYLVANIA HAPPINESS:							
GENERAL FUND	$ 20,642	$ 32,967	$ 6,941	$ 6,941	$ 6,941	$ 6,941	$ 6,941
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	138	120	120	120	120	120	120
RESTRICTED	3,092	5,000	5,000	5,000	5,000	5,000	5,000
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 23,872	$ 38,087	$ 12,061	$ 12,061	$ 12,061	$ 12,061	$ 12,061
PENNSYLVANIA COMMUNITIES:							
GENERAL FUND	$ 58,061	$ 61,861	$ 20,056	$ 19,956	$ 19,956	$ 21,456	$ 22,456
MOTOR LICENSE FUND	500	500	750	750	750	750	750
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	230,850	546,339	791,201	291,690	289,549	285,267	258,307
AUGMENTATIONS	165	5	5	5	5	5	5
RESTRICTED	145,240	350	350	350	350	350	350
OTHER FUNDS	22,814	16,850	10,000	10,000	10,000	10,000	10,000
SUBCATEGORY TOTAL	$ 457,630	$ 625,905	$ 822,362	$ 322,751	$ 320,610	$ 317,828	$ 291,868
ALL PROGRAMS:							
GENERAL FUND	$ 181,645	$ 193,969	$ 154,060	$ 154,096	$ 154,096	$ 155,596	$ 156,596
MOTOR LICENSE FUND	500	500	750	750	750	750	750
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	312,494	1,010,759	954,608	355,097	352,956	348,674	320,408
AUGMENTATIONS	8,164	7,305	6,885	6,885	6,885	6,885	6,885
RESTRICTED	158,881	10,175	10,175	10,175	10,175	10,175	10,175
OTHER FUNDS	109,826	84,562	77,282	77,282	77,282	77,282	77,282
DEPARTMENT TOTAL	$ 771,510	$ 1,307,270	$ 1,203,760	$ 604,285	$ 602,144	$ 599,362	$ 572,096

Program: Job Creation, Workforce Training, Business Growth, and Attraction

Goal: To stimulate business growth and attraction to create jobs and ensure a high-quality workforce through targeted job training.

Pennsylvania First

The Department of Community and Economic Development (DCED) runs the Pennsylvania First (PA First) program, which 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 and provides funding to Pennsylvania companies for essential skills and advanced technology training. WEDnetPA is a job training alliance of 26 partners, including 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

The Pennsylvania Business One-Stop Shop streamlines the process 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

The Pennsylvania Industrial Development Authority (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

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

DCED's Office of Energy 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 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 state's interest in redeveloping decommissioned coal-fired power plants.

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

$ 153	—to replace nonrecurring benefits cost reduction.
1,462	—to continue current program.
100	—Initiative—to support industrial sector decarbonization through the deployment of Carbon Capture, Utilization and Storage, and Hydrogen technologies in the commonwealth.
600	—Initiative—to enhance security, outreach, marketing, and promotion of future activities.
$ 2,315	*Appropriation Increase*

Office of Open Records

$ 62	—to replace nonrecurring benefits cost reduction.
306	—to continue current program.
$ 368	*Appropriation Increase*

America250PA

$ 250	—Initiative—to support Pennsylvania's leading role in the 250th Anniversary of the United States.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 19,083	$ 21,032	$ 23,347	$ 23,347	$ 23,347	$ 23,347	$ 23,347
Office of Open Records	3,299	3,299	3,667	3,803	3,803	3,803	3,803
Pennsylvania First	20,000	20,000	20,000	20,000	20,000	20,000	20,000
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
America250PA	-	-	250	250	250	250	250
TOTAL GENERAL FUND	$ 57,382	$ 54,331	$ 57,264	$ 57,400	$ 57,400	$ 57,400	$ 57,400

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
To stimulate business growth and attraction to create jobs and ensure a high-quality workforce through targeted job training.							
Jobs pledged to be created	10,754	5,530	8,005	15,686	4,668	4,808	4,952
Jobs pledged to be retained	43,726	23,897	12,828	39,439	10,616	10,934	11,263
Private funds leveraged (in thousands)	$ 3,389,397	$ 572,312	$ 1,193,335	$ 4,043,580	$ 869,026	$ 895,097	$ 921,950
Businesses assisted	4,983	4,820	3,961	3,774	3,495	3,600	3,708
Number of trainings to PA workers (WEDnetPA, PREP, LGTP, and CSBG)	136,883	96,243	93,889	86,482	93,160	95,955	98,833

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 to increase Pennsylvania's competitiveness.

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 advancement 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, and 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.

Program: Pennsylvania Innovation Economy, continued

Program Recommendations:

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

Transfer to Ben Franklin Technology Development Authority Fund

$ 18,000 —Initiative—to further support technology, innovation, and business startups.

Invent Penn State

$ 2,350 —Initiative—to support entrepreneurs and foster cross-sector collaborations.

Partnerships for Regional Economic Performance

$ 1,500 —Initiative—for competitive grants to PREP organizations to foster partnerships with institutions of higher education.

Manufacturing PA

$ 1,500 —Initiative—for competitive grants to Industrial Resource Centers for innovative service delivery.

Public Television Technology

$ 1,500 —to restore program funding and further promote public television services.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Transfer to Ben Franklin Technology Development Authority Fund	$ 14,500	$ 14,500	$ 32,500	$ 32,500	$ 32,500	$ 32,500	$ 32,500
Invent Penn State	-	-	2,350	2,350	2,350	2,350	2,350
Partnerships for Regional Economic Performance	9,880	9,880	11,380	11,380	11,380	11,380	11,380
Manufacturing PA	12,000	12,000	13,500	13,500	13,500	13,500	13,500
Infrastructure Technology Assistance Program	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Super Computer Center	500	500	500	500	500	500	500
Powdered Metals	100	100	100	100	100	100	100
Public Television Technology	750	-	1,500	1,500	1,500	1,500	1,500
TOTAL GENERAL FUND	$ 39,730	$ 38,980	$ 63,830	$ 63,830	$ 63,830	$ 63,830	$ 63,830

Program: Pennsylvania Innovation Economy, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual		2020-21 Actual	2021-22 Estimated	2022-23 Estimated
To provide technical support and access to capital to Pennsylvania's emerging technology-based companies and entrepreneurial community through strategic partners and networks to increase Pennsylvania's competitiveness.								
Jobs created	3,068	3,261	3,172	1,862	*	1,970	2,029	2,090
Jobs retained	13,566	16,837	14,837	16,454	*	18,566	19,123	19,697
New technology companies established.....	210	167	157	106	*	104	107	110
Businesses assisted .	15,916	17,215	21,013	28,510	*	28,229	29,076	29,948
Private funds leveraged (in thousands)	$ 845,524	$ 771,786	$ 863,049	$ 1,061,191	*	$ 823,575	$ 848,282	$ 873,731

* Actual year measure data has been corrected.

Program: Pennsylvania Worldwide

Goal: To leverage the state's overseas network and local partnerships to increase the department's 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, 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)

		Office of International Business Development
$	41	—to replace nonrecurring benefits cost reduction.
	98	—to continue current program.
$	139	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Office of International Business Development.....	$ 5,830	$ 5,830	$ 5,969	$ 5,969	$ 5,969	$ 5,969	$ 5,969

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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)	$ 55,414	$ 46,869	$ 46,616	$ 42,651	$ 35,073	$ 35,423	$ 35,777
Amount of export sales facilitated (in thousands)	$ 769,787	$ 813,962	$ 650,106	$ 541,124	$ 434,697	$ 439,043	$ 443,434
Jobs supported	9,025	6,649	6,223	7,302	7,620	7,696	7,773
Foreign direct investments (FDI): Projects completed ...	20	20	19	16	23	20	20
Businesses assisted .	967	1,009	928	707	606	612	618

Program: Pennsylvania Happiness

Goal: To inspire the investment of time, labor, and financial resources in the state by building Pennsylvania's image as a destination to visit, a place to grow a business, a community to call home, and a state to feel proud of thanks to a strong quality of work and life.

Marketing to Attract Tourists

Tourism is a key industry for Pennsylvania, injecting an estimated $46 billion annually into the commonwealth's economy and generating close to $5 billion in tax revenues each year which allows for funding of vital services including public safety, education, and other essential programs that benefit Pennsylvanians. Those critical tax revenues also fund the work of tourism promotion partners across the state. 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, an annual 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 the state 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.

The Marketing to Attract Business program provides necessary funding to support the office's marketing initiatives. This includes the Work Smart. Live Happy. microsite and content, DCED 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
$ 15	—to replace nonrecurring benefits cost reduction.
(26,097)	—funding reduction.
24	—to continue current program.
$ (26,058)	*Appropriation Decrease*

	Marketing to Attract Business
$ 13	—to replace nonrecurring benefits cost reduction.
19	—to continue current program.
$ 32	*Appropriation Increase*

Program: Pennsylvania Happiness, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Marketing to Attract Tourists	$ 17,826	$ 30,151	$ 4,093	$ 4,093	$ 4,093	$ 4,093	$ 4,093
Marketing to Attract Business	2,016	2,016	2,048	2,048	2,048	2,048	2,048
Tourism - Accredited Zoos	800	800	800	800	800	800	800
TOTAL GENERAL FUND	$ 20,642	$ 32,967	$ 6,941	$ 6,941	$ 6,941	$ 6,941	$ 6,941

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
To encourage 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)	31,338 *	33,172 *	33,612 *	26,834 *	23,625	30,251	32,940
Travelers' expenditures (in thousands)	$42,450,000	$43,723,000	$44,358,000 *	$31,500,000 *	$24,700,000	$39,922,000	$43,471,000
Tax revenues generated (in thousands)	$ 4,520,000	$ 4,656,000	$ 4,723,000 *	$ 3,354,000 *	$ 2,630,000	$ 4,251,000	$ 4,629,000

* Actual year measure data has been corrected.

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 (KCP) 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 KCP 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 Partnerships Program

The HOME Investment Partnerships 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 Program

The Emergency Solutions Grant (ESG) program is the first step in achieving self-sufficiency for homeless individuals and families, while also assisting other households to avoid 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.

Program: Pennsylvania Communities, continued

Community Services Block Grant

The Community Services Block Grant (CSBG) aims to reduce poverty in a community or those areas of a community where poverty is a particularly acute problem. There are 43 entities that receive CSBG funds as determined by federal guidelines. Addressing the causes and conditions of poverty requires community engagement activities which remove obstacles that block self-sufficiency, such as employment and training resources; community stakeholder collaboration; literacy activities; affordable housing issues; grassroots activities that provide intervention to the causes of poverty; addressing the needs of youth through programming or coordination; and increased engagement in community planning and improvement activities.

Weatherization Assistance Program

The U.S. Department of Energy's (DOE) Weatherization Assistance Program (WAP) assists low-income families who lack resources to invest in energy efficiency. Funds are used to improve the energy efficiency of low-income homes using the most advanced technologies and testing protocols available in the housing industry.

The Pennsylvania WAP, funded by DOE 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 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 for the purpose of enabling the department to prepare an emergency action plan. The Act further empowers the governor to appoint a receiver for the purpose of preparing a recovery plan to be confirmed by Commonwealth Court.

Transportation Projects

Funding is transferred annually to the Commonwealth Financing Authority to assist with the implementation of a variety of transportation projects including: projects that coordinate local land use with transportation assets to enhance existing communities; projects related to streetscape, lighting, sidewalk enhancement, and pedestrian safety; projects that will improve connectivity or the use of existing transportation assets; and projects related to transit-oriented development. Financial assistance provided by the authority is matched by local funding.

Program: Pennsylvania Communities, continued

Program Recommendations:

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

GENERAL FUND:

Center for Local Government Services

$ 77	—to replace nonrecurring benefits cost reduction.
200	—to continue current program.
$ 277	*Appropriation Increase*

Base Realignment and Closure

$ 16	—to continue current program.

Keystone Communities

$ (23,343)	—funding reduction.
20	—to continue current program.
$ (23,323)	*Appropriation Decrease*

Local Municipal Relief

$ (18,775)	—program elimination.

MOTOR LICENSE FUND:

Appalachian Regional Commission

$ 250	—to support increased project activity in Pennsylvania.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Center for Local Government Services	$ 4,217	$ 4,217	$ 4,494	$ 4,494	$ 4,494	$ 4,494	$ 4,494
Base Realignment and Closure	556	556	572	572	572	572	572
Transfer to Municipalities Financial Recovery Revolving Fund	4,500	4,500	4,500	4,500	4,500	6,000	7,000
Intergovernmental Cooperation Authority - 3rd Class Cities	100	100	100	-	-	-	-
Municipal Assistance Program	546	546	546	546	546	546	546
Keystone Communities	24,225	29,700	6,377	6,377	6,377	6,377	6,377
Strategic Management Planning Program	2,367	2,367	2,367	2,367	2,367	2,367	2,367
Rural Leadership Training	100	100	100	100	100	100	100
Food Access Initiative	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Local Municipal Relief	20,450	18,775	-	-	-	-	-
TOTAL GENERAL FUND	$ 58,061	$ 61,861	$ 20,056	$ 19,956	$ 19,956	$ 21,456	$ 22,456
MOTOR LICENSE FUND:							
Appalachian Regional Commission	$ 500	$ 500	$ 750	$ 750	$ 750	$ 750	$ 750

Program: Pennsylvania Communities, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Provide resources and technical assistance and make impactful investments that enhance the performance and quality of Pennsylvania's local governments and communities.							
Municipalities receiving financial and technical assistance through the Strategic Management Planning Program	24	25	25	28	28	30	32
Number of designated distressed communities in Act 47	18	17	16	16	16	19	22
Keystone Communities projects	74	102	147	88	51	107	138
Municipal Assistance Program: Number of local governments assisted	298	152	238	240	250	275	275
Homes weatherized	3,485	2,029	2,292 *	1,991 *	1,479	2,026	2,026

* Actual year measure data has been corrected.

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.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 26,717**	**$ 28,350**	**$ 31,466**
(F)COVID-SFR State & Local Parks & Forest Facility Restoration	-	-	135,058
(F)Land and Water Conservation Fund	14,000	14,000	14,000
(F)Building Resilient Infrastructure and Communities	-	10,000	10,000
(F)Highlands Conservation Program	7,500	7,500	7,500
(F)Regional Conservation Partnership Program	1,500	-	-
(F)Chesapeake Bay Gateway Network	600	600	600
(F)Topographic and Geologic Survey Grants	800	1,000	1,000
(F)U.S. Endowment - Healthy Watershed	200	200	200
(F)PA Recreation Trails (EA)	7,000	8,500	8,500
(A)Key 93 Administrative Costs	-	- [a]	- [a]
(A)Environmental Stewardship Administrative Costs	-	- [b]	- [b]
(A)Payment for Department Services	23	18	18
(A)Internet Record Imaging System	169	100	100
(A)Water Well Drillers	35	38	38
Subtotal	$ 58,544	$ 70,306	$ 208,480
State Parks Operations	**$ 54,326**	**$ 54,326**	**$ 66,856**
(F)Port Security Grant Program	1,200	1,200	-
(F)Mental Health Training	-	150	150
(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	30,500	32,575	28,700
(A)Reimbursement for Services	2,787	5,275	4,065
(A)Sale of Vehicles - Parks	39	51	40
Subtotal	$ 97,002	$ 101,727	$ 107,961
State Forests Operations	**$ 40,635**	**$ 43,187**	**$ 53,460**
(F)Forest Fire Protection and Control	2,500	2,750	2,750
(F)Forestry Incentives and Agriculture Conservation	50	50	-
(F)Forest Management and Processing	4,000	4,000	4,000
(F)Aid to Volunteer Fire Companies	1,100	1,500	1,500
(F)Natural Resource Conservation Service	200	200	200
(F)National Fish and Wildlife Foundation	700	1,000	1,000
(F)Wetland Protection Fund	300	400	400
(F)EPA Chesapeake Bay Grant	1,500	1,500	1,500
(F)USDA Good Neighbor Agreement	500	500	500
(F)Cooperative Endangered Species	40	40	40
(F)Agriculture and Food Research	-	100	100
(F)Wetlands Program Development (EA)	250	250	250

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(F)PA Adoptive Toolbox for Conservation Saturation (EA)	75	-	-
(F)Eradication of Spotted Lanternfly (EA)	200	-	-
(F)Chesapeake Bay Program (EA)	1,200	700	700
(A)Timber Sales	14,230	14,423	16,750
(A)Reimbursement - Forest Fires	1,235	1,000	1,100
(A)Reimbursement for Services	1,431	1,836	1,075
(A)Sale of Vehicles - Forests	125	100	100
(A)Miscellaneous Tickets and Fines	19	25	25
Subtotal	$ 70,290	$ 73,561	$ 85,450
Forest Pest Management	**$ -**	**$ -**	**$ 5,000**
(F)Forest Insect and Disease Control	4,000	3,000	2,000
(A)Reimbursement for Services	-	-	825
Subtotal	$ 4,000	$ 3,000	$ 7,825
Parks and Forests Infrastructure Projects	**$ 900**	**$ 900**	**$ 900**
(R)ATV Management (EA)	$ 3,715	$ 7,000	$ 4,170
(R)Snowmobile Management (EA)	681	1,000	625
(R)Forest Regeneration (EA)	5,250	4,500	4,000
(R)Forestry Research	112	250	250
Subtotal	$ 9,758	$ 12,750	$ 9,045
Subtotal - State Funds	$ 122,578	$ 126,763	$ 157,682
Subtotal - Federal Funds	57,565	67,290	200,098
Subtotal - Augmentations	50,593	55,441	52,836
Subtotal - Restricted Revenues	9,758	12,750	9,045
Total - General Government	$ 240,494	$ 262,244	$ 419,661
Grants and Subsidies:			
Heritage and Other Parks	**$ 3,852**	**$ 3,852**	**$ 2,277**
Annual Fixed Charges - Flood Lands	**70**	**70**	**70**
Annual Fixed Charges - Project 70	**88**	**88**	**88**
Annual Fixed Charges - Forest Lands	**7,812**	**7,851**	**7,932**
Annual Fixed Charges - Park Lands	**430**	**430**	**430**
(R)Keystone Tree Account	93	456	200
Total - Grants and Subsidies	$ 12,345	$ 12,747	$ 10,997
STATE FUNDS	$ 134,830	$ 139,054	$ 168,479
FEDERAL FUNDS	57,565	67,290	200,098
AUGMENTATIONS	50,593	55,441	52,836
RESTRICTED REVENUES	9,851	13,206	9,245
GENERAL FUND TOTAL	**$ 252,839**	**$ 274,991**	**$ 430,658**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
MOTOR LICENSE FUND:			
General Government:			
Dirt and Gravel Roads	**$ 7,000**	**$ 7,000**	**$ 7,000**
Grants and Subsidies:			
(R)Forestry Bridges - Excise Tax (EA)	$ 13,388	$ 9,305	$ 9,848
STATE FUNDS	$ 7,000	$ 7,000	$ 7,000
RESTRICTED REVENUES	13,388	9,305	9,848
MOTOR LICENSE FUND TOTAL	**$ 20,388**	**$ 16,305**	**$ 16,848**
OTHER FUNDS:			
ENVIRONMENTAL EDUCATION FUND:			
General Operations (EA)	$ 350	$ 583	$ 150
ENVIRONMENTAL STEWARDSHIP FUND:			
Parks and Forest Facility Rehabilitation (EA)	$ 12,141	$ 15,080 [c]	$ 15,858
Community Conservation Grants (EA)	6,729	5,400	5,400
Natural Diversity Conservation Grants (EA)	300	325	325
ENVIRONMENTAL STEWARDSHIP FUND TOTAL	**$ 19,170**	**$ 20,805**	**$ 21,583**
KEYSTONE RECREATION, PARK, AND CONSERVATION FUND:			
Parks and Forest Facility Rehabilitation (EA)	$ 33,865	$ 43,651 [d]	$ 43,944
Grants for Local Recreation (EA)	28,220	36,376 [e]	36,621
Grants to Land Trusts (EA)	11,288	14,550 [f]	14,648
KEYSTONE RECREATION, PARK, AND CONSERVATION FUND TOTAL	**$ 73,373**	**$ 94,577**	**$ 95,213**
OIL AND GAS LEASE FUND:			
General Government Operations	$ 14,827	$ 14,790	$ 14,790
State Parks Operations	17,000	16,500	19,000
State Forests Operations	17,000	16,500	19,000
Transfer to Marcellus Legacy Fund (EA)	15,000	15,000	15,000
OIL AND GAS LEASE FUND TOTAL	**$ 63,827**	**$ 62,790**	**$ 67,790**
STATE GAMING FUND:			
Payments in Lieu of Taxes (EA)	$ 5,314	$ 5,340	$ 5,373
WILD RESOURCE CONSERVATION FUND:			
General Operations (EA)	$ 132	$ 132	$ 132

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 134,830	$ 139,054	$ 168,479
MOTOR LICENSE FUND	7,000	7,000	7,000
LOTTERY FUND	-	-	-
FEDERAL FUNDS	57,565	67,290	200,098
AUGMENTATIONS	50,593	55,441	52,836
RESTRICTED	23,239	22,511	19,093
OTHER FUNDS	162,166	184,227	190,241
TOTAL ALL FUNDS	**$ 435,393**	**$ 475,523**	**$ 637,747**

[a] Not included to avoid double counting: 2021-22 Available is $2,989,000 and 2022-23 Budget is $3,500,000.
[b] Not included to avoid double counting: 2021-22 Available is $269,000 and 2022-23 Budget is $269,000.
[c] Includes recommended supplemental executive authorization of $4,305,000.
[d] Includes recommended supplemental executive authorization of $14,312,000.
[e] Includes recommended supplemental executive authorization of $11,927,000.
[f] Includes recommended supplemental executive authorization of $4,770,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
PARKS AND FORESTS MANAGEMENT:							
GENERAL FUND	$ 134,830	$ 139,054	$ 168,479	$ 171,019	$ 171,059	$ 171,099	$ 171,139
MOTOR LICENSE FUND	7,000	7,000	7,000	7,000	7,000	7,000	7,000
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	57,565	67,290	200,098	63,540	63,540	63,540	63,540
AUGMENTATIONS	50,593	55,441	52,836	52,836	52,836	52,836	52,836
RESTRICTED	23,239	22,511	19,093	19,022	18,987	18,952	18,918
OTHER FUNDS	162,166	184,227	190,241	190,539	192,120	195,116	197,430
SUBCATEGORY TOTAL	$ 435,393	$ 475,523	$ 637,747	$ 503,956	$ 505,542	$ 508,543	$ 510,863
ALL PROGRAMS:							
GENERAL FUND	$ 134,830	$ 139,054	$ 168,479	$ 171,019	$ 171,059	$ 171,099	$ 171,139
MOTOR LICENSE FUND	7,000	7,000	7,000	7,000	7,000	7,000	7,000
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	57,565	67,290	200,098	63,540	63,540	63,540	63,540
AUGMENTATIONS	50,593	55,441	52,836	52,836	52,836	52,836	52,836
RESTRICTED	23,239	22,511	19,093	19,022	18,987	18,952	18,918
OTHER FUNDS	162,166	184,227	190,241	190,539	192,120	195,116	197,430
DEPARTMENT TOTAL	$ 435,393	$ 475,523	$ 637,747	$ 503,956	$ 505,542	$ 508,543	$ 510,863

Program: Parks and Forests Management

Goal: 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.

Management of State Park and Forest Lands

The Department of Conservation and Natural Resources (DCNR) manages 2.5 million acres of state parks and state forest land across the commonwealth. Pennsylvania's 121 state parks protect many natural, aesthetic, geologic, scenic, and historical treasures that make the commonwealth unique and diverse. During 2020, state parks hosted more than 46 million visits, a spike of 27 percent from the previous calendar year. Visitors made a record 300,000 state park reservations, up 35 percent from 2019. State forests are managed for multiple uses, including protection of streams, drinking water, clean air, and conservation of many important plant and animal communities. Over 2 million acres of state forests offer exceptional opportunities for low-density outdoor recreation; including hunting, fishing, hiking, mountain biking, and critical scientific research. Forestlands support Pennsylvania's $37 billion forest products industry with a steady supply of forest products. Numerous studies reinforce the belief 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 practices that strengthen the forest's ability to regenerate and combat invasive species outbreaks that threaten species like ash and hemlock trees. In addition, state forests alone sequester approximately 5.5 million standard tons of carbon each year, contributing significantly to the mitigation of climate change.

Improve Communities Through Access to Conservation and Recreation Resources

The Community Conservation Partnerships Program provides technical assistance and matching grants for community parks and trails, snowmobile and ATV trails, land conservation, river conservation, forested buffers, closing trail gaps, and rails-to-trails projects. These grants have assisted every Pennsylvania county and reached more than half of the commonwealth's communities. Parks and trails provide multiple benefits that support local and regional economies, help build more flood and climate resilient communities through nature-based infrastructure, and ensure equitable access to the outdoors so that all can experience the healing and therapeutic benefits of the outdoors and participate in healthful activities.

DCNR also directly supports jobs through its PA Outdoor Corps where participants gain on-the-job skills by working outdoors through a 6-week summer youth corps or a 9-month young adult program. 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.

Stewardship of Natural Resources

DCNR is 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. 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 industries 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 streamside buffer projects across the commonwealth.

Program: Parks and Forests Management, continued

Program Recommendations:

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

GENERAL FUND:

General Government Operations

$ 336	—to replace nonrecurring benefits cost reduction.
2,280	—to continue current program.
500	—Initiative—to increase resources to support outdoor management, recreation, and safety.
$ 3,116	*Appropriation Increase*

State Parks Operations

$ 1,233	—to replace nonrecurring benefits cost reduction.
7,792	—to continue current program.
5,205	—to reflect change in other revenue.
(2,500)	—increased utilization of Oil and Gas Lease funds for current operating costs.
800	—Initiative—to increase resources to support outdoor management, recreation, and safety.
$ 12,530	*Appropriation Increase*

State Forests Operations

$ 919	—to replace nonrecurring benefits cost reduction.
5,715	—to continue current program.
(1,666)	—to reflect change in other revenue.
6,605	—for routine system and equipment upgrades.
(2,500)	—increased utilization of Oil and Gas Lease funds for current operating costs.
1,200	—Initiative—to increase resources to support outdoor management, recreation, and safety.
$ 10,273	*Appropriation Increase*

Forest Pest Management

$ 5,000	—Initiative—for monitoring and control of insect threats to forest health.

Heritage and Other Parks

$ (1,575)	—funding reduction.

Annual Fixed Charges - Forest Lands

$ 81	—for increased in lieu of tax payments in accordance with Act 85 of 2016.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 26,717	$ 28,350	$ 31,466	$ 31,966	$ 31,966	$ 31,966	$ 31,966
State Parks Operations	54,326	54,326	66,856	67,656	67,656	67,656	67,656
State Forests Operations	40,635	43,187	53,460	54,660	54,660	54,660	54,660
Forest Pest Management	-	-	5,000	5,000	5,000	5,000	5,000
Parks and Forests Infrastructure Projects	900	900	900	900	900	900	900
Heritage and Other Parks	3,852	3,852	2,277	2,277	2,277	2,277	2,277
Annual Fixed Charges - Flood Lands	70	70	70	70	70	70	70

Program: Parks and Forests Management, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Annual Fixed Charges - Project 70	88	88	88	88	88	88	88
Annual Fixed Charges - Forest Lands	7,812	7,851	7,932	7,972	8,012	8,052	8,092
Annual Fixed Charges - Park Lands	430	430	430	430	430	430	430
TOTAL GENERAL FUND	$ 134,830	$ 139,054	$ 168,479	$ 171,019	$ 171,059	$ 171,099	$ 171,139
MOTOR LICENSE FUND:							
Dirt and Gravel Roads	$ 7,000	$ 7,000	$ 7,000	$ 7,000	$ 7,000	$ 7,000	$ 7,000

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	4,592 *	3,687 *	15,198 *	2,324 *	6,946	13,409	13,409
Number of miles of trail improved/constructed in communities, state parks, and state forests	143 *	129 *	166 *	129 *	114	177	132
Total Community Grant Funding (in millions)	$ 44.1 *	$ 42.3 *	$ 48 *	$ 52.5 *	$ 50.9	$ 68.1	$ 68.1
Promote responsible stewardship of the commonwealth's natural resources.							
Number of youth trained and employed through the Pennsylvania Outdoor Corps	60 *	213 *	456 *	711 *	772	898	1,088
Enhance the stewardship and management of state parks and forests, operating effectively and efficiently.							
Annual State Park Visits (in millions)	40.6 *	38.8 *	37.4 *	40.7	46.6	40.7	40.8
Green energy savings	$ 1,057 *	$ 1,458 *	$ 15,722 *	$ 394,411 *	$ 394,906	$ 559,618	$ 1,285,820

* Actual year measure data has been corrected.

DEPARTMENT OF CORRECTIONS

The mission of the Department of Corrections 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 into society. The Pennsylvania Parole Board 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. The Board of Pardons reviews criminal cases to determine whether clemency should be recommended to the governor.

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
Institutional:			
Medical Care	**$ 232,486**	**$ 331,486**	**$ 340,279**
(F)COVID-RF Medical Care	99,000	-	-
(F)COVID-Disaster Relief Medical Care (EA)	3,000	-	-
(F)Adult Reentry Education, Employment, and Treatment	-	900	850
(F)PREA Program: Strategic Support for PREA Implementation	-	250	225
(F)Smart Probation	-	715	-
(F)Innovations in Reentry Initiative	-	1,000	-
(F)Pay for Success	-	1,100	1,050
(F)PA State Opioid Response (EA)	4,200	4,200	7,200
(A)AIDS SPBP Rebates	314	-	-
(A)Medical Reimbursements	3	424	150
Subtotal	$ 339,003	$ 340,075	$ 349,754
Correctional Education and Training	**41,621**	**42,597**	**45,764**
(F)Correctional Education	850	850	955
Subtotal	$ 42,471	$ 43,447	$ 46,719
State Correctional Institutions	**936,532**	**2,083,044**	**2,165,745**
(F)COVID-RF State Correctional Institutions	1,176,488	-	-
(F)COVID-Disaster Relief State Correctional Institutions (EA)	74,468	-	-
(F)COVID-Enhanced Detection Expansion (EA)	13,600	**-**	**-**
(F)COVID-Emergency Supplemental Funding (EA)	4,265	-	-
(F)Reimbursement for Incarcerated Aliens	4,992	5,000	5,000
(F)Naloxone Reentry Tracking Program	947	915	871
(F)Criminal Justice and Mental Health Collaboration	41	33	-
(F)Second Chance Act	681	681	600
(F)SABG - Drug and Alcohol Programs (EA)	1,965	1,965	1,965
(F)RSAT - State Incarcerated Individuals (EA)	332	465	660
(A)Reimbursements from Other Jurisdictions	4,108	335	335
(A)Institutional Reimbursements	338	3,089	378
(A)Community Service Centers	-	150	150
(A)Social Security	163	163	163
(A)Miscellaneous	39	39	-

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(R)Rockview Farm Program (EA)	257	257	260
Subtotal	$ 2,219,216	$ 2,096,136	$ 2,176,127
Subtotal - State Funds	$ 1,210,639	$ 2,457,127	$ 2,551,788
Subtotal - Federal Funds	1,384,829	18,074	19,376
Subtotal - Augmentations	4,965	4,200	1,176
Subtotal - Restricted Revenues	257	257	260
Total - Institutional	$ 2,600,690	$ 2,479,658	$ 2,572,600
General Government:			
General Government Operations	**$ 44,268**	**$ 42,268**	**$ 40,154**
(A)County Training	46	160	160
(A)Miscellaneous	-	4	4
(R)Firearms Education and Training Commission	216	-	-
Subtotal	$ 44,530	$ 42,432	$ 40,318
State Field Supervision	**141,527**	**151,403** [a]	**160,596**
(F)Smart Supervision	720	225	225
(F)Swift Certain and Fair	488	384	264
(A)State Parole Supervision Fees	3,457	4,157	4,157
(A)Interstate Supervision Fees	113	90	90
(A)CSG Safe Neighborhood	177	324	183
Subtotal	$ 146,482	$ 156,583	$ 165,515
Pennsylvania Parole Board	**11,859**	**12,121**	**12,965**
Sexual Offenders Assessment Board	**6,582**	**6,582**	**6,977**
Board of Pardons	**-**	**-**	**2,273** [b]
Office of Victim Advocate	**-**	**-**	**3,236**
(F)OVA Victim Voices Post Conviction (EA)	416	-	-
(F)OVA Trauma Informed Retrofitting and Juvenile Justice (EA)	544	100	-
(F)OVA Dialogue Program (EA)	124	27	-
(F)OVA Technological Upgrades and Training (EA)	110	54	-
(F)OVA Post Conviction Victims Rights and Services (EA)	360	486	575
(F)OVA STOP Grant Training and Technical Assistance (EA)	70	20	-
(F)SORNA Notifications (EA)	100	99	102
(F)SORNA Awareness Grant (EA)	3	110	52

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(F)STOP Training and Technical Assistance (EA)	-	-	100
(F)Addressing Sexual Exploitation (EA)	-	-	40
Subtotal	$ 1,727	$ 896	$ 4,105
Subtotal - State Funds	$ 204,236	$ 212,374	$ 226,201
Subtotal - Federal Funds	2,935	1,505	1,358
Subtotal - Augmentations	3,793	4,735	4,594
Subtotal - Restricted Revenues	216	-	-
Total - General Government	$ 211,180	$ 218,614	$ 232,153
Grants and Subsidies:			
(R)County Parole Supervision Fees	$ 25,273	$ 19,000	$ - [c]
STATE FUNDS	$ 1,414,875	$ 2,669,501	$ 2,777,989
FEDERAL FUNDS	1,387,764	19,579	20,734
AUGMENTATIONS	8,758	8,935	5,770
RESTRICTED REVENUES	25,746	19,257	260
GENERAL FUND TOTAL	**$ 2,837,143**	**$ 2,717,272**	**$ 2,804,753**
OTHER FUNDS:			
MANUFACTURING FUND:			
General Operations (EA)	$ 94,333	$ 97,111	$ 97,586
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 1,414,875	$ 2,669,501	$ 2,777,989
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	1,387,764	19,579	20,734
AUGMENTATIONS	8,758	8,935	5,770
RESTRICTED	25,746	19,257	260
OTHER FUNDS	94,333	97,111	97,586
TOTAL ALL FUNDS	**$ 2,931,476**	**$ 2,814,383**	**$ 2,902,339**

[a] Includes recommended supplemental appropriation of $5,047,000.
[b] Per Act 59 of 2021, transferred from Lieutenant Governor.
[c] This budget proposes to allow counties to initially retain all supervision fees collected.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
INCARCERATED INDIVIDUALS:							
GENERAL FUND	$ 1,254,907	$ 2,499,395	$ 2,591,942	$ 2,517,109	$ 2,442,276	$ 2,442,276	$ 2,442,276
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	1,384,829	18,074	19,516	18,091	17,191	16,791	16,791
AUGMENTATIONS	5,011	4,364	1,340	1,340	1,340	1,340	1,340
RESTRICTED	257	257	260	260	260	260	260
OTHER FUNDS	94,333	97,111	97,586	102,956	111,181	107,759	110,817
SUBCATEGORY TOTAL	$ 2,739,337	$ 2,619,201	$ 2,710,644	$ 2,639,756	$ 2,572,248	$ 2,568,426	$ 2,571,484
REENTRY INTO COMMUNITIES:							
GENERAL FUND	$ 159,968	$ 170,106	$ 186,047	$ 185,633	$ 185,633	$ 185,633	$ 185,633
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	2,935	1,505	1,218	1,218	1,218	1,218	1,218
AUGMENTATIONS	3,747	4,571	4,430	4,247	4,247	4,247	4,247
RESTRICTED	25,489	19,000	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 192,139	$ 195,182	$ 191,695	$ 191,098	$ 191,098	$ 191,098	$ 191,098
ALL PROGRAMS:							
GENERAL FUND	$ 1,414,875	$ 2,669,501	$ 2,777,989	$ 2,702,742	$ 2,627,909	$ 2,627,909	$ 2,627,909
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	1,387,764	19,579	20,734	19,309	18,409	18,009	18,009
AUGMENTATIONS	8,758	8,935	5,770	5,587	5,587	5,587	5,587
RESTRICTED	25,746	19,257	260	260	260	260	260
OTHER FUNDS	94,333	97,111	97,586	102,956	111,181	107,759	110,817
DEPARTMENT TOTAL	$ 2,931,476	$ 2,814,383	$ 2,902,339	$ 2,830,854	$ 2,763,346	$ 2,759,524	$ 2,762,582

Program: Incarcerated Individuals

Goal: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

The Department of Corrections protects the public by confining individuals in state correctional institutions for the period of time specified by the courts and the Pennsylvania 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 prepares 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.

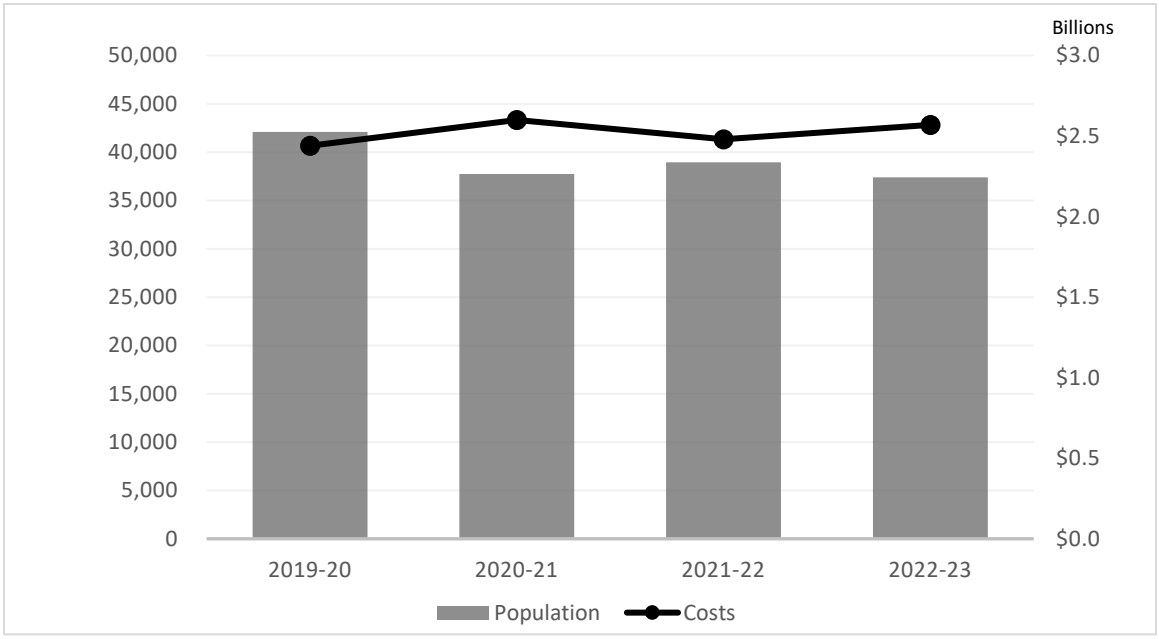
Community Corrections

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.

Program: Incarcerated Individuals, continued

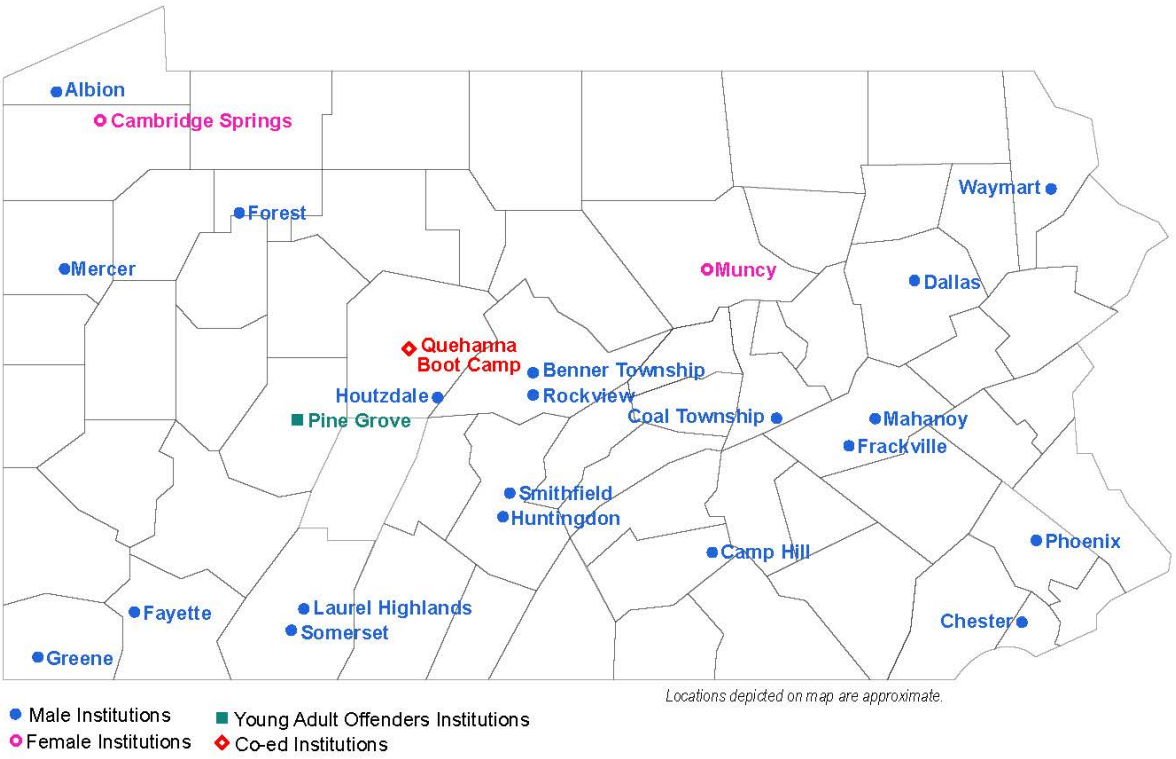
State Correctional Institutions

Population and Operating Costs



The cost of operating the state correctional institution system is estimated to increase from $2.44 billion in 2019-20 to $2.57 billion in 2022-23, an average annual increase of less than two percent. Since June 2020, the population has declined from 42,101 to a projected 37,392.

Locations



Program: Incarcerated Individuals, continued

Population by Institution

Institutions	Population June 2020	Population June 2021	Estimated Population June 2022	Estimated Population June 2023
Albion	2,199	2,171	2,237	2,145
Benner Township	2,019	1,897	1,954	1,874
Cambridge Springs	1,046	899	926	888
Camp Hill	1,993	2,133	2,197	2,109
Chester	978	1,044	1,076	1,032
Coal Township	2,120	1,814	1,869	1,792
Dallas	2,138	1,487	1,532	1,469
Fayette	2,006	1,922	1,980	1,899
Forest	2,390	2,250	2,318	2,223
Frackville	1,208	1,062	1,094	1,049
Greene	1,747	2,328	2,398	2,300
Houtzdale	2,441	1,690	1,741	1,670
Huntingdon	1,856	792	816	783
Laurel Highlands	1,240	2,204	2,271	2,179
Mahanoy	2,323	1,003	1,033	991
Mercer	1,352	1,000	1,030	988
Muncy	1,133	2,991	3,081	2,955
Phoenix	2,745	1,660	1,710	1,640
Pine Grove	1,048	927	955	916
Quehanna Boot Camp	465	326	336	322
Rockview	1,963	1,394	1,436	1,377
Smithfield	1,350	1,312	1,352	1,296
Somerset	2,298	1,979	2,039	1,955
Waymart	1,165	745	768	736
Community Centers	873	714	800	800
Other Jurisdictions	5	4	4	4
Total	42,101	37,748	38,953	37,392

Other jurisdictions capacity includes contract county jail beds and federal beds.

Program: Incarcerated Individuals, continued

Expenditures by Institution: (Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Albion			
State Funds	$ 42,292	$ 89,528	$ 91,442
Federal Funds	50,309	-	5
Augmentations	38	38	28
TOTAL	$ 92,639	$ 89,566	$ 91,475
Benner Township			
State Funds	$ 38,911	$ 85,905	$ 88,506
Federal Funds	48,085	-	-
Augmentations	44	44	32
TOTAL	$ 87,040	$ 85,949	$ 88,538
Cambridge Springs			
State Funds	$ 27,982	$ 57,335	$ 58,331
Federal Funds	30,738	24	20
Augmentations	33	33	12
TOTAL	$ 58,753	$ 57,392	$ 58,363
Camp Hill			
State Funds	$ 67,857	$ 143,974	$ 146,424
Federal Funds	81,439	25	38
Augmentations	49	49	23
TOTAL	$ 149,345	$ 144,048	$ 146,485
Chester			
State Funds	$ 31,898	$ 64,828	$ 66,242
Federal Funds	35,869	-	-
Augmentations	29	29	25
TOTAL	$ 67,796	$ 64,857	$ 66,267
Coal Township			
State Funds	$ 39,829	$ 82,688	$ 85,579
Federal Funds	44,923	15	21
Augmentations	42	42	27
TOTAL	$ 84,794	$ 82,745	$ 85,627
Dallas			
State Funds	$ 52,082	$ 105,934	$ 110,297
Federal Funds	61,176	27	12
Augmentations	40	40	24
TOTAL	$ 113,298	$ 106,001	$ 110,333
Fayette			
State Funds	$ 52,006	$ 112,131	$ 115,250
Federal Funds	61,859	-	-
Augmentations	21	21	16
TOTAL	$ 113,886	$ 112,152	$ 115,266
Forest			
State Funds	$ 42,804	$ 100,795	$ 104,324
Federal Funds	59,419	24	24
Augmentations	34	34	18
TOTAL	$ 102,257	$ 100,853	$ 104,366
Frackville			
State Funds	$ 29,406	$ 62,508	$ 63,681
Federal Funds	37,837	-	-
Augmentations	12	13	10
TOTAL	$ 67,255	$ 62,521	$ 63,691
Greene			
State Funds	$ 46,093	$ 110,197	$ 113,804
Federal Funds	64,304	-	-
Augmentations	24	24	14
TOTAL	$ 110,421	$ 110,221	$ 113,818
Houtzdale			
State Funds	$ 44,162	$ 89,694	$ 93,008
Federal Funds	51,323	24	21
Augmentations	32	32	21
TOTAL	$ 95,517	$ 89,750	$ 93,050
Huntingdon			
State Funds	$ 42,319	$ 96,638	$ 99,392
Federal Funds	55,835	-	-
Augmentations	34	1,409	24
TOTAL	$ 98,188	$ 98,047	$ 99,416
Laurel Highlands			
State Funds	$ 53,480	$ 101,156	$ 103,268
Federal Funds	50,335	-	-
Augmentations	35	35	24
TOTAL	$ 103,850	$ 101,191	$ 103,292
Mahanoy			
State Funds	$ 45,445	$ 94,719	$ 97,963
Federal Funds	52,561	-	-
Augmentations	53	53	35
TOTAL	$ 98,059	$ 94,772	$ 97,998
Mercer			
State Funds	$ 31,837	$ 74,281	$ 75,686
Federal Funds	44,474	-	-
Augmentations	23	23	16
TOTAL	$ 76,334	$ 74,304	$ 75,702
Muncy			
State Funds	$ 44,646	$ 90,903	$ 94,943
Federal Funds	48,012	19	23
Augmentations	56	56	20
TOTAL	$ 92,714	$ 90,978	$ 94,986
Phoenix			
State Funds	$ 74,966	$ 171,153	$ 174,316
Federal Funds	95,335	-	-
Augmentations	68	68	62
TOTAL	$ 170,369	$ 171,221	$ 174,378
Pine Grove			
State Funds	$ 29,184	$ 71,276	$ 71,347
Federal Funds	41,834	257	260
Augmentations	14	14	8
TOTAL	$ 71,032	$ 71,547	$ 71,615
Quehanna Boot Camp			
State Funds	$ 12,758	$ 31,836	$ 32,258
Federal Funds	20,002	173	165
Augmentations	16	16	8
TOTAL	$ 32,776	$ 32,025	$ 32,431

Program: Incarcerated Individuals, continued

Expenditures by Institution: (Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Retreat			
State Funds	$ 6,631 [a]	$ - [b]	$ - [b]
Federal Funds	4,272	-	-
Augmentations	-	-	-
TOTAL	$ 10,903	$ -	$ -
Rockview			
State Funds	$ 49,460	$ 106,693	$ 107,065
Federal Funds	58,221	19	10
Augmentations	295	295	295
TOTAL	$ 107,976	$ 107,007	$ 107,370
Smithfield			
State Funds	$ 32,122	$ 76,785	$ 79,530
Federal Funds	45,908	-	-
Augmentations	11	1,386	8
TOTAL	$ 78,041	$ 78,171	$ 79,538
Somerset			
State Funds	$ 44,368	$ 93,519	$ 94,310
Federal Funds	52,502	23	21
Augmentations	26	26	17
TOTAL	$ 96,896	$ 93,568	$ 94,348
Waymart			
State Funds	$ 45,091	$ 108,651	$ 107,203
Federal Funds	61,716	161	184
Augmentations	28	28	20
TOTAL	$ 106,835	$ 108,840	$ 107,407
Community Centers			
State Funds	$ 83,237	$ 84,724	$ 95,057
Federal Funds	22,332	1,132	1,050
Augmentations	-	150	150
TOTAL	$ 105,569	$ 86,006	$ 96,257
Training Academy			
State Funds	$ 5,916	$ 4,743	$ 4,551
Federal Funds	-	-	-
Augmentations	-	-	-
TOTAL	$ 5,916	$ 4,743	$ 4,551
Central Office			
State Funds	$ 87,985 [b]	$ 140,912 [b]	$ 171,956 [b]
Federal Funds	104,209	16,151	17,522
Augmentations	4,165	499	499
TOTAL	$ 196,359	$ 157,562	$ 189,977
Other Jurisdictions			
State Funds	$ 5,872	$ 3,621	$ 6,055
Federal Funds	-	-	-
Augmentations	-	-	-
TOTAL	$ 5,872	$ 3,621	$ 6,055

[a] State Correctional Institution Retreat closed in June 2020 but was used for COVID-19 mitigation measures in 2020-21.

[b] Expenditures include annual maintenance costs for closed institutions.

Program Recommendations:

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

Medical Care

$ 2,830	—to replace nonrecurring benefits cost reduction.
5,963	—to continue current program.
$ 8,793	*Appropriation Increase*

Correctional Education and Training

$ 989	—to replace nonrecurring benefits cost reduction.
2,178	—to continue current program.
$ 3,167	*Appropriation Increase*

State Correctional Institutions

$ 39,480	—to replace nonrecurring benefits cost reduction.
43,221	—to continue current program.
$ 82,701	*Appropriation Increase*

General Government Operations

$ 391	—to replace nonrecurring benefits cost reduction.
731	—to continue current program.
(3,236)	—transferred to Office of Victim Advocate for program support.
$ (2,114)	*Appropriation Decrease*

Program: Incarcerated Individuals, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Medical Care	$ 232,486	$ 331,486	$ 340,279	$ 340,279	$ 340,279	$ 340,279	$ 340,279
Correctional Education and Training	41,621	42,597	45,764	45,764	45,764	45,764	45,764
State Correctional Institutions	936,532	2,083,044	2,165,745	2,090,912	2,016,079	2,016,079	2,016,079
General Government Operations	44,268	42,268	40,154	40,154	40,154	40,154	40,154
TOTAL GENERAL FUND	$ 1,254,907	$ 2,499,395	$ 2,591,942	$ 2,517,109	$ 2,442,276	$ 2,442,276	$ 2,442,276

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Reduce violence rates.							
In-institution violence rate (on staff and on other persons combined) per 1,000	52.2	53.3	52.4	58.7	35.0	51.0	49.0
Decrease population.							
Population	48,510	48,353	46,482	42,101	37,748	38,953	37,392
Reduce recidivism.							
One-year recidivism rate	42.8%	42.5%	41.3%	40.0%	36.7%	39.5%	38.5%
Three-year recidivism rate	61.0%	63.5%	64.4%	64.7%	62.8%	61.3%	60.8%

Program: Reentry into Communities

Goal: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

The primary goal of reentry 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.
- The Board of Pardons reviews criminal cases to determine whether clemency should be recommended to the governor.

Program Recommendations:

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

State Field Supervision

$ 3,341	—to replace nonrecurring benefits cost reduction.
5,852	—to continue current program.
$ 9,193	*Appropriation Increase*

Pennsylvania Parole Board

$ 254	—to replace nonrecurring benefits cost reduction.
590	—to continue current program.
$ 844	*Appropriation Increase*

Program: Reentry into Communities, continued

Program Recommendations, continued:

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

Sexual Offenders Assessment Board

$ 115	—to replace nonrecurring benefits cost reduction.
280	—to continue current program.
$ 395	*Appropriation Increase*

Board of Pardons

$ 2,273	—Per Act 59 of 2021, transferred from Lieutenant Governor.

Office of Victim Advocate

$ 3,236	—to provide for Office of Victim Advocate program support.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
State Field Supervision	$ 141,527	$ 151,403	$ 160,596	$ 160,596	$ 160,596	$ 160,596	$ 160,596
Pennsylvania Parole Board	11,859	12,121	12,965	12,965	12,965	12,965	12,965
Sexual Offenders Assessment Board	6,582	6,582	6,977	6,977	6,977	6,977	6,977
Board of Pardons	-	-	2,273	1,859	1,859	1,859	1,859
Office of Victim Advocate	-	-	3,236	3,236	3,236	3,236	3,236
TOTAL GENERAL FUND	$ 159,968	$ 170,106	$ 186,047	$ 185,633	$ 185,633	$ 185,633	$ 185,633

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	42,057	41,777	41,459	41,219	39,800	41,005	39,444
Decrease the percentage of supervised individuals who return to prison upon release from prison.							
One-year parole recommitment rate	19%	17%	16%	15%	14%	15%	15%
Three-year parole recommitment rate	42%	42%	42%	41%	39%	41%	40%

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 misuse; and to promote recovery, thereby reducing the human and economic impact of the disease.

The department develops and implements programs to reduce substance misuse and dependency through prevention, intervention, rehabilitation, and treatment programs. These programs are designed to educate all population segments on the effects, dangers, and dependency that drug and alcohol misuse poses to public health and to mitigate the economic impact of substance misuse for the citizens of Pennsylvania.

Programs and Goals

Drug and Alcohol Misuse Prevention and Treatment: *To provide education, intervention, and treatment programs to reduce drug and alcohol addiction, misuse, and dependence as well as problem gambling disorders.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 2,620**	**$ 2,997**	**$ 3,234**
(F)SABG - Administration and Operation	9,657	8,785	8,785
(F)COVID-SABG - Administration and Operation (EA)	4,516	646	-
(F)Substance Abuse Special Projects - Administration and Operation	4,821	4,617	4,327
(F)State Opioid Response Administration	6,997	6,058	6,185
(R)Recovery House Certification	-	125	150
Subtotal	$ 28,611	$ 23,228	$ 22,681
Subtotal - State Funds	$ 2,620	$ 2,997	$ 3,234
Subtotal - Federal Funds	25,991	20,106	19,297
Subtotal - Restricted Revenues	-	125	150
Total - General Government	$ 28,611	$ 23,228	$ 22,681
Grants and Subsidies:			
Assistance to Drug and Alcohol Programs	**$ 44,732**	**$ 44,732**	**$ 44,732**
(F)SABG - Drug and Alcohol Services	81,956	79,870	79,870
(F)COVID-SABG - Drug and Alcohol Services (EA)	98,075	-	-
(F)Substance Abuse Special Projects Grants	28,331	25,413	21,954
(F)State Opioid Response	182,669	178,261	118,547
(A)Community Restitution Payments	-	1	1
(R)Opioid Settlements	-	5,000	5,000
Subtotal	$ 435,763	$ 333,277	$ 270,104
Subtotal - State Funds	$ 44,732	$ 44,732	$ 44,732
Subtotal - Federal Funds	391,031	283,544	220,371
Subtotal - Augmentations	-	1	1
Subtotal - Restricted Revenues	-	5,000	5,000
Total - Grants and Subsidies	$ 435,763	$ 333,277	$ 270,104
STATE FUNDS	$ 47,352	$ 47,729	$ 47,966
FEDERAL FUNDS	417,022	303,650	239,668
AUGMENTATIONS	-	1	1
RESTRICTED REVENUES	-	5,125	5,150
GENERAL FUND TOTAL	**$ 464,374**	**$ 356,505**	**$ 292,785**
OTHER FUNDS:			
COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND:			
Drug and Alcohol Treatment Services (EA)	$ 3,428	$ 5,713 [a]	$ 6,020
(R)Compulsive and Problem Gambling Treatment (EA)	6,369	5,800	6,800
COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND TOTAL	**$ 9,797**	**$ 11,513**	**$ 12,820**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
MEDICAL MARIJUANA PROGRAM FUND:			
Drug and Alcohol Treatment Services (EA)	$ -	$ 5,186	$ 6,533
STATE STORES FUND:			
Alcohol Abuse Programs (EA)	$ 4,174	$ 5,297	$ 5,297
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 47,352	$ 47,729	$ 47,966
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	417,022	303,650	239,668
AUGMENTATIONS	-	1	1
RESTRICTED	-	5,125	5,150
OTHER FUNDS	13,971	21,996	24,650
TOTAL ALL FUNDS	**$ 478,345**	**$ 378,501**	**$ 317,435**

[a] Includes recommended supplemental executive authorization of $1,037,000, which represents estimated revenues.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
DRUG AND ALCOHOL MISUSE PREVENTION AND TREATMENT:							
GENERAL FUND	$ 47,352	$ 47,729	$ 47,966	$ 47,966	$ 47,966	$ 47,966	$ 47,966
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	417,022	303,650	239,668	239,668	239,668	239,668	239,668
AUGMENTATIONS	-	1	1	1	1	1	1
RESTRICTED	-	5,125	5,150	5,150	5,150	5,150	5,150
OTHER FUNDS	13,971	21,996	24,650	25,989	27,227	28,196	28,766
SUBCATEGORY TOTAL	$ 478,345	$ 378,501	$ 317,435	$ 318,774	$ 320,012	$ 320,981	$ 321,551
ALL PROGRAMS:							
GENERAL FUND	$ 47,352	$ 47,729	$ 47,966	$ 47,966	$ 47,966	$ 47,966	$ 47,966
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	417,022	303,650	239,668	239,668	239,668	239,668	239,668
AUGMENTATIONS	-	1	1	1	1	1	1
RESTRICTED	-	5,125	5,150	5,150	5,150	5,150	5,150
OTHER FUNDS	13,971	21,996	24,650	25,989	27,227	28,196	28,766
DEPARTMENT TOTAL	$ 478,345	$ 378,501	$ 317,435	$ 318,774	$ 320,012	$ 320,981	$ 321,551

Program: Drug and Alcohol Misuse Prevention and Treatment

Goal: To provide education, intervention, and treatment programs to reduce drug and alcohol addiction, misuse, and dependence as well as problem gambling disorders.

The Department of Drug and Alcohol Programs (DDAP) is tasked with the development and implementation of a comprehensive plan to reduce substance misuse 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.

DDAP 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

DDAP provides the SCAs with funding to deliver or purchase substance use disorder (SUD) 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 the Get Help Now hotline, 1-800-662-HELP, which is available 24/7, 365 days a year to provide confidential referral services to Pennsylvanians seeking SUD treatment, as well as families experiencing difficulty, as a result of drug and alcohol use/misuse.

Additionally, DDAP 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 a problem gambling disorder.

Quality Assurance

DDAP conducts over 900 annual inspections of licensed SUD 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 2022. Recovery houses offer individuals recovering from SUD a safe and supportive substance-free environment.

Workforce Development

DDAP's focus on workforce development includes education and training on prevention, intervention, treatment, and recovery support services for 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
$	42	—to replace nonrecurring benefits cost reduction.
	195	—to continue current program.
$	237	*Appropriation Increase*

Program: Drug and Alcohol Misuse Prevention and Treatment, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 2,620	$ 2,997	$ 3,234	$ 3,234	$ 3,234	$ 3,234	$ 3,234
Assistance to Drug and Alcohol Programs	44,732	44,732	44,732	44,732	44,732	44,732	44,732
TOTAL GENERAL FUND	$ 47,352	$ 47,729	$ 47,966	$ 47,966	$ 47,966	$ 47,966	$ 47,966

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Provide drug and alcohol treatment services.							
Pennsylvania's Get Help Now Hotline calls	12,251	17,051	16,095	13,714	18,834	19,000	19,000
Percentage of Pennsylvania's Get Help Now Hotline calls resulting in services	42.3%	43.9%	48.3%	55.1%	63.9%	65.0%	65.0%
Number of individuals admitted to treatment	28,040	29,068	28,508	28,290	17,713 *	18,000 *	18,000 *
Licensure and/or federal certification surveys completed.							
Licensed inpatient drug and alcohol facilities	194	205	222	228	224	224	224
Inpatient capacity	9,113	9,755	10,493	10,955	11,219	11,219	11,219
Licensed outpatient drug and alcohol facilities	575	647	638	643	622	622	622
Outpatient capacity	98,446	114,988	117,609	118,835	123,323	123,323	123,323

*Activity reduced due to COVID-19.

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 25,359**	**$ 29,981**	**$ 30,964**
(F)Adult Basic Education - Administration	1,500	2,000	2,000
(F)Education of Exceptional Children	12,000	13,000	13,000
(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	960	960	960
(F)School Health Education Programs	100	100	100
(F)Preschool Development Grants	30,000	-	-
(F)Medical Assistance - Nurses' Aide Training	670	670	670
(F)State and Community Highway Safety	1,500	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	165	165
(F)Migrant Education Coordination Program	130	130	130
(F)School Improvement Grants	20,000	12,000	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	-	-
(F)Emergency Impact Aid Program	2,000	2,000	2,000
(F)Assistance for Homeless Children and Youth	21	-	-
(F)Refugee School Impact Development (EA)	520	850	850
(F)COVID - Training and Outreach (EA)	22	-	-
(F)COVID - Homeless Children and Youth (EA)	-	32,749	-
(A)Teacher Certification Fees	1,321	1,579	2,033
(A)PlanCon	843	1,013	950
(A)Approved Private Schools	924	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	-	30	30
(A)SARA Reciprocity	135	141	141

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(A)Higher Education Fees	135	161	161
(A)Teacher Certification - Printable Certificates	35	20	20
(A)Management Services	9	30	-
Subtotal	$ 167,455	$ 165,128	$ 133,723
(R)Private Licensed Schools	482	683	739
Recovery Schools	**250**	**250**	**250**
Information and Technology Improvement	**3,740**	**3,740**	**3,740**
(F)Statewide Longitudinal Data Systems	5,110	5,110	5,110
PA Assessment	**41,540**	**45,265**	**47,128**
(F)Title VI - Part A State Assessments	15,000	15,000	15,000
Transfer to Empowerment	**-**	**-**	**7,000**
(R)Empowerment School Districts	4,948	7,000	**-**
State Library	**2,238**	**2,238**	**2,488**
(F)LSTA - Library Development	8,500	8,500	8,500
(F)COVID-LSTA - Library Development Emergency Relief	-	4,786	-
(A)Keystone Fund	103	105	109
(A)Penalties and Reimbursements	-	1	1
Subtotal - State Funds	$ 73,127	$ 81,474	$ 91,570
Subtotal - Federal Funds	165,094	162,433	124,898
Subtotal - Augmentations	5,715	6,216	6,581
Subtotal - Restricted Revenues	5,430	7,683	739
Total - General Government	$ 249,366	$ 257,806	$ 223,788
Institutional:			
Youth Development Centers - Education	**$ 8,283**	**$ 8,283**	**$ 8,608**
Subtotal	$ 8,283	$ 8,283	$ 8,608
Grants and Subsidies:			
Support of Public Schools:			
Basic Education Funding	**$ 6,794,489** [a]	**$ 7,074,736** [a]	**$ 8,645,605** [a]
Ready to Learn Block Grant	**268,000**	**288,000**	**288,000**
Pre-K Counts	**217,284**	**242,284**	**302,284**
Head Start Supplemental Assistance	**64,178**	**69,178**	**79,178**
Mobile Science and Math Education Programs	**4,714**	**3,214**	**-**
Teacher Professional Development	**5,044**	**5,044**	**5,044**
Adult and Family Literacy	**12,475**	**12,475**	**12,975**
(F)Adult Basic Education - Local	22,000	23,000	23,000
Career and Technical Education	**99,000**	**99,000**	**105,138**
(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**	**201,303**	**212,422**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Pupil Transportation	**543,311**	**597,408**	**613,747**
Nonpublic and Charter School Pupil Transportation	**79,442**	**79,442**	**79,442**
Special Education	**1,186,815**	**1,236,815**	**1,436,815**
(F)Individuals with Disabilities Education - Local	470,000	470,000	550,000
(F)COVID-IDEA-Grants to States (EA)	93,476	-	-
Early Intervention	**325,500**	**336,500**	**336,500**
(F)Individuals with Disabilities Education	16,000	16,000	16,000
(F)COVID-IDEA-Preschool (EA)	7,302	-	-
Tuition for Orphans and Children Placed in Private Homes	**48,000**	**49,374**	**49,374**
Payments in Lieu of Taxes	**170**	**170**	**171**
Education of Migrant Laborers' Children	**853**	**853**	**853**
PA Chartered Schools for the Deaf and Blind	**57,557**	**61,222** [b]	**64,769**
Special Education - Approved Private Schools	**122,656**	**122,656**	**129,120**
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)	182,000	34,039	-
(F)COVID-Food and Nutrition-P-EBT Administration (EA)	-	1,156	-
School Employees' Social Security	**71,001**	**67,229** [c]	**68,477**
School Employees' Retirement	**2,702,000**	**2,734,000**	**2,901,000**
(F)ESEA - Title I - Local	850,000	875,000	900,000
(F)Improving Teacher Quality - Title II - Local	105,000	105,000	100,000
(F)Title IV 21st Century Community Learning Centers - Local	90,000	90,000	90,000
(F)Title III - Language Instruction for LEP and Immigrant Student	24,000	24,000	24,000
(F)Title VI - Rural and 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)	13,784	13,784	13,784
(F)COVID-Gov. Emergency Education Relief Non-Public Schools	150,023	152,742	-
(F)COVID-Governor's Emergency Education Relief-Other	47,075	-	-
(F)COVID-ESSER - LEA (EA)	2,224,965	4,500,814	-
(F)COVID-ESSER - SEA	-	485,696	-
(F)COVID-ESSER - SEA Administration (EA)	-	14,000	-
Subtotal	$ 17,850,863	$ 21,028,383	$ 17,989,947
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**	**60,470**
Library Services for the Visually Impaired and Disabled	**2,567**	**2,567**	**2,567**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Library Access	**3,071**	**3,071**	**3,071**
Job Training and Education Programs	**36,420**	**30,995**	**-**
(F)COVID-SFR Pandemic Response	-	13,725	-
Safe School Initiative	**11,000**	**11,000**	**11,000**
Trauma-Informed Education	**750**	**750**	**750**
Subtotal	$ 227,968	$ 236,268	$ 192,548
Higher Education - Other Grants and Subsidies:			
Community Colleges	**$ 243,855**	**$ 245,240**	**$ 257,502**
Transfer to Community College Capital Fund	**48,869**	**52,078**	**54,682**
Regional Community Colleges Services	**2,136**	**2,136**	**2,136**
Northern PA Regional College	**7,000**	**7,000**	**-**
Community Education Councils	**2,393**	**2,393**	**2,393**
Hunger-Free Campus Initiative	**-**	**-**	**1,000**
Sexual Assault Prevention	**1,000**	**1,000**	**1,500**
Thaddeus Stevens College of Technology	**18,701**	**18,701**	**19,636**
Subtotal	$ 323,954	$ 328,548	$ 338,849
State System of Higher Education:			
State Universities	**477,470**	**477,470**	**552,470**
(F)COVID-SFR-State System of Higher Education	-	50,000	150,000
Subtotal	$ 477,470	$ 527,470	$ 702,470
The Pennsylvania State University:			
General Support	**242,096**	**242,096**	**254,201**
Pennsylvania College of Technology	**26,736**	**26,736**	**28,073**
Subtotal	$ 268,832	$ 268,832	$ 282,274
University of Pittsburgh:			
General Support	**151,507**	**151,507**	**159,082**
Rural Education Outreach	**3,346**	**3,346**	**3,513**
Subtotal	$ 154,853	$ 154,853	$ 162,595
Temple University:			
General Support	**158,206**	**158,206**	**166,116**
Subtotal	$ 158,206	$ 158,206	$ 166,116
Lincoln University:			
General Support	**15,166**	**15,166**	**15,924**
Subtotal	$ 15,166	$ 15,166	$ 15,924
Subtotal - State Funds	$ 14,274,988	$ 14,942,071	$ 17,077,240
Subtotal - Federal Funds	5,202,324	7,775,655	2,773,483
Total - Grants and Subsidies	$ 19,477,312	$ 22,717,726	$ 19,850,723

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
STATE FUNDS	$ 14,356,398	$ 15,031,828	$ 17,177,418
FEDERAL FUNDS	5,367,418	7,938,088	2,898,381
AUGMENTATIONS	5,715	6,216	6,581
RESTRICTED REVENUES	5,430	7,683	739
GENERAL FUND TOTAL	**$ 19,734,961**	**$ 22,983,815**	**$ 20,083,119**
MOTOR LICENSE FUND:			
Grants and Subsidies:			
Safe Driving Course	**$ 1,100**	**$ 1,100**	**$ 1,100**
OTHER FUNDS:			
COMMUNITY COLLEGE CAPITAL FUND:			
Community College Capital	$ 1,823 [d]	$ 1,437 [d]	$ - [d]
GOV. CASEY ORGAN & TISSUE DONATION AWARENESS FUND:			
Governor Casey Organ & Tissue Donation Awareness Fund (EA)	$ 165	$ 165	$ 165
KEYSTONE RECREATION, PARK, AND CONSERVATION FUND:			
Local Libraries Rehabilitation and Development (EA)	$ 4,515	$ 5,820 [e]	$ 5,859
SSHE - Deferred Maintenance (EA)	20,319	26,190 [f]	26,367
KEYSTONE RECREATION, PARK, AND CONSERVATION FUND TOTAL	**$ 24,834**	**$ 32,010**	**$ 32,226**
PA RACE HORSE DEVELOPMENT TRUST FUND:			
(R)Nellie Bly Tuition Program	$ -	$ -	$ 88,087
(F)COVID-SFR Nellie Bly Tuition Program	-	-	111,913 [g]
PA RACE HORSE DEVELOPMENT TRUST FUND	**$ -**	**$ -**	**$ 200,000**
PROPERTY TAX RELIEF FUND:			
Property Tax Relief Payments (EA)	$ 621,000	$ 621,300	$ 621,300
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 14,356,398	$ 15,031,828	$ 17,177,418
MOTOR LICENSE FUND	1,100	1,100	1,100
LOTTERY FUND	-	-	-
FEDERAL FUNDS	5,367,418	7,938,088	2,898,381
AUGMENTATIONS	5,715	6,216	6,581
RESTRICTED	5,430	7,683	739
OTHER FUNDS	647,822	654,912	853,691
TOTAL ALL FUNDS	**$ 20,383,883**	**$ 23,639,827**	**$ 20,937,910**

[a] Includes funding for school district Social Security payments: 2020-21 Actual is $539,410,000, 2021-22 Available is $519,657,000 which includes recommended supplemental appropriation of $7,963,000, and 2022-23 Budget is $540,526,000.
[b] Includes recommended supplemental appropriation of $3,500,000.
[c] Reflects recommended appropriation reduction of $832,000.
[d] The Community College Capital spend for 2020-21 Actual is $50,692,000; 2021-22 Available is $53,515,000; and 2022-23 Budget is $51,937,000. The General Fund Transfer to Community College Capital Fund not added to avoid double counting.
[e] Includes recommended supplemental executive authorization of $1,908,000.
[f] Includes recommended supplemental executive authorization of $8,587,000.
[g] Originally appropriated from the General Fund.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
EDUCATION SUPPORT SERVICES:							
GENERAL FUND	$ 29,099	$ 33,721	$ 34,704	$ 34,704	$ 34,704	$ 34,704	$ 34,704
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	141,594	134,147	101,398	100,998	100,998	100,998	100,998
AUGMENTATIONS	5,612	6,110	6,471	6,471	6,471	6,471	6,471
RESTRICTED	482	683	739	739	739	739	739
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 176,787	$ 174,661	$ 143,312	$ 142,912	$ 142,912	$ 142,912	$ 142,912
PREK-12 EDUCATION:							
GENERAL FUND	$12,861,472	$13,527,686	$15,555,890	$15,726,196	$15,839,014	$15,970,543	$16,072,049
MOTOR LICENSE FUND	1,100	1,100	1,100	1,100	1,100	1,100	1,100
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	5,217,324	7,740,655	2,638,483	2,638,483	2,638,483	2,638,483	2,638,483
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	4,948	7,000	-	-	-	-	-
OTHER FUNDS	622,988	622,902	621,465	621,465	621,465	621,465	621,465
SUBCATEGORY TOTAL	$ 18,707,832	$ 21,899,343	$ 18,816,938	$ 18,987,244	$ 19,100,062	$ 19,231,591	$ 19,333,097
LIBRARY SERVICES:							
GENERAL FUND	$ 67,346	$ 67,346	$ 68,596	$ 68,596	$ 68,596	$ 68,596	$ 68,596
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	8,500	13,286	8,500	8,500	8,500	8,500	8,500
AUGMENTATIONS	103	106	110	110	110	110	110
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	4,515	5,820	5,859	5,819	5,854	5,973	6,053
SUBCATEGORY TOTAL	$ 80,464	$ 86,558	$ 83,065	$ 83,025	$ 83,060	$ 83,179	$ 83,259

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
HIGHER EDUCATION:							
GENERAL FUND	$ 1,398,481	$ 1,403,075	$ 1,518,228	$ 1,518,228	$ 1,518,228	$ 1,626,271	$ 1,625,425
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	50,000	150,000	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	20,319	26,190	226,367	226,183	226,342	118,837	120,040
SUBCATEGORY TOTAL	$ 1,418,800	$ 1,479,265	$ 1,894,595	$ 1,744,411	$ 1,744,570	$ 1,745,108	$ 1,745,465
ALL PROGRAMS:							
GENERAL FUND	$14,356,398	$15,031,828	$17,177,418	$17,347,724	$17,460,542	$17,700,114	$17,800,774
MOTOR LICENSE FUND	1,100	1,100	1,100	1,100	1,100	1,100	1,100
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	5,367,418	7,938,088	2,898,381	2,747,981	2,747,981	2,747,981	2,747,981
AUGMENTATIONS	5,715	6,216	6,581	6,581	6,581	6,581	6,581
RESTRICTED	5,430	7,683	739	739	739	739	739
OTHER FUNDS	647,822	654,912	853,691	853,467	853,661	746,275	747,558
DEPARTMENT TOTAL	$20,383,883	$23,639,827	$20,937,910	$20,957,592	$21,070,604	$21,202,790	$21,304,733

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
$	480	—to replace nonrecurring benefits cost reduction.
	503	—to continue current program.
$	983	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 25,359	$ 29,981	$ 30,964	$ 30,964	$ 30,964	$ 30,964	$ 30,964
Information and Technology Improvement	3,740	3,740	3,740	3,740	3,740	3,740	3,740
TOTAL GENERAL FUND	$ 29,099	$ 33,721	$ 34,704	$ 34,704	$ 34,704	$ 34,704	$ 34,704

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. Since 2015-16, new funding has been distributed through the student-weighted fair funding formula. 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

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:

Early Intervention Programs (EI) provide special education to eligible three- to five-year-old children. They are administered by intermediate units, schools, and Elwyn, collectively known as entities designated under Mutually Agreed Upon Written Arrangements (MAWAs). EI services may be directly offered by the MAWAs or under contract with other providers.

Pre-K Counts provides high-quality early childhood education to income-eligible Pennsylvania children in diverse settings, including school-based programs, Keystone STARS 3 and 4 child care centers, private academic preschools, and Head Start agencies.

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 schools 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, 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 (CTE) serves secondary students enrolled in approved career and technical education programs of study at high schools, charter schools, and career and technical centers. CTE 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. CTE students have the opportunity to pursue career pathways in which students can earn high-value industry certifications and college credits through various state and local articulation agreements such as dual enrollment with postsecondary providers.

Program: PreK–12 Education, continued

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 Recommendations:

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

GENERAL FUND:

PA Assessment

$ 1,863 —to continue current program.

Transfer to Empowerment

$ 7,000 —funding for transfer to Empowerment Restricted Account.

Youth Development Centers - Education

$ 325 —to continue current program.

Basic Education Funding

$ 20,869 —to continue current program funding for school district Social Security payments.

1,550,000 —Initiative—to continue sustained investment in school district basic education programs.

$ 1,570,869 *Appropriation Increase*

Pre-K Counts

$ 60,000 —Initiative—to invest in high-quality early childhood education for 3- and 4-year-olds.

Head Start Supplemental Assistance

$ 10,000 —Initiative—to invest in high-quality early childhood education for 3- and 4-year-olds.

Mobile Science and Math Education Programs

$ (3,214) —program elimination.

Adult and Family Literacy

$ 500 —Initiative—to provide additional resources for adult education.

$ 6,138 **Career and Technical Education**
—to continue current program.

Authority Rentals and Sinking Fund Requirements

$ 11,119 —to provide reimbursement for existing school construction projects and charter leases to reduce reliance on debt.

Pupil Transportation

$ 16,339 —to continue current program.

Special Education

$ 200,000 —Initiative—to provide increased resources for school district special education instruction.

Payments in Lieu of Taxes

$ 1 —to continue current program.

PA Chartered Schools for the Deaf and Blind

$ 3,547 —to continue current program.

Special Education - Approved Private Schools

$ 6,464 —to continue current program.

School Employees' Social Security

$ 1,248 —to continue current program.

School Employees' Retirement

$ 167,000 —to continue current program.

Job Training and Education Programs

$ (30,995) —program elimination.

Program: PreK–12 Education, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Recovery Schools	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
PA Assessment ...	41,540	45,265	47,128	48,990	48,990	48,990	48,990
Transfer to Empowerment.....	-	-	7,000	7,000	7,000	7,000	7,000
Youth Development Centers - Education.....	8,283	8,283	8,608	8,608	8,608	8,608	8,608
Basic Education Funding.....	6,794,489	7,074,736	8,645,605	8,661,803	8,678,505	8,695,708	8,713,427
Ready to Learn Block Grant	268,000	288,000	288,000	288,000	288,000	288,000	288,000
Pre-K Counts	217,284	242,284	302,284	302,284	302,284	302,284	302,284
Head Start Supplemental Assistance	64,178	69,178	79,178	79,178	79,178	79,178	79,178
Mobile Science and Math Education Programs	4,714	3,214	-	-	-	-	-
Teacher Professional Development.....	5,044	5,044	5,044	5,044	5,044	5,044	5,044
Adult and Family Literacy	12,475	12,475	12,975	12,975	12,975	12,975	12,975
Career and Technical Education.....	99,000	99,000	105,138	105,138	105,138	105,138	105,138
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	201,303	212,422	217,422	217,422	229,569	216,111
Pupil Transportation.....	543,311	597,408	613,747	613,747	613,747	613,747	613,747
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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Special Education	1,186,815	1,236,815	1,436,815	1,436,815	1,436,815	1,436,815	1,436,815
Early Intervention.	325,500	336,500	336,500	336,500	336,500	336,500	336,500
Tuition for Orphans and Children Placed in Private Homes	48,000	49,374	49,374	49,374	49,374	49,374	49,374
Payments in Lieu of Taxes	170	170	171	171	171	171	171
Education of Migrant Laborers' Children	853	853	853	853	853	853	853
PA Chartered Schools for the Deaf and Blind	57,557	61,222	64,769	77,861	77,861	77,861	77,861
Special Education - Approved Private Schools	122,656	122,656	129,120	155,219	155,219	155,219	155,219
School Food Services	30,000	30,000	30,000	30,000	30,000	30,000	30,000
School Employees' Social Security	71,001	67,229	68,477	70,532	72,648	74,827	77,072
School Employees' Retirement	2,702,000	2,734,000	2,901,000	3,007,000	3,101,000	3,201,000	3,296,000
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	36,420	30,995	-	-	-	-	-
Safe School Initiative.....	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Trauma-Informed Education.....	750	750	750	750	750	750	750
TOTAL GENERAL FUND.....	$12,861,472	$13,527,686	$15,555,890	$15,726,196	$15,839,014	$15,970,543	$16,072,049
MOTOR LICENSE FUND:							
Safe Driving Course	$ 1,100	$ 1,100	$ 1,100	$ 1,100	$ 1,100	$ 1,100	$ 1,100

Program: PreK–12 Education, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Improve access to high-quality early learning programs for all Pennsylvania children and families.							
Students in state-funded Head Start Supplemental	5,703	5,549	6,112	6,497	6,458	6,774	6,774
Students in PA Pre-K Counts program	18,249	21,029	23,128	25,318	25,160	28,113	30,421
Number of children participating in Early Intervention	54,375	55,997	57,947	59,960	57,500	60,000	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	45.0%	45.4%	47.6%	49.8%	52.0%	54.2%	56.4%
Percentage of students proficient or advanced in English language arts	62.6%	63.1%	64.6%	66.1%	67.6%	69.1%	70.6%
Percentage of students proficient or advanced in science	63.6%	65.0%	66.4%	67.8%	69.2%	70.6%	72.0%
Increase collaboration between early childhood, K-12, and postsecondary education as well as business and industry partners to align instruction with Pennsylvania's current and emerging workforce needs and emphasize the value of career and technical skills.							
Number of students enrolled in PDE-approved career and technical education (CTE) programs of study	67,294	67,248	67,236	68,105	65,482	65,646	65,980

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 16 million visitors who borrowed nearly 60 million books, including digital content. Nearly two-third of the Public Library Subsidy goes directly to libraries and library systems. The other third is split between state resource centers, the 29 district library centers, and to support county coordination efforts. This funding also 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 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, saving more than 60 percent in delivery costs. 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.

Library Services for Visually Impaired and 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)

	State Library
$ 59	—to replace nonrecurring benefits cost reduction.
191	—to continue current program.
$ 250	*Appropriation Increase*

	Public Library Subsidy
$ 1,000	—to continue current program.

Program: Library Services, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
State Library	$ 2,238	$ 2,238	$ 2,488	$ 2,488	$ 2,488	$ 2,488	$ 2,488
Public Library Subsidy	59,470	59,470	60,470	60,470	60,470	60,470	60,470
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	$ 67,346	$ 67,346	$ 68,596	$ 68,596	$ 68,596	$ 68,596	$ 68,596

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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)	8,494	9,933	8,315	8,125	6,419[a]	8,315	8,500
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)	4,470	4,755	4,515	4,852	5,110	5,148	5,200
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)	13,004	14,146	14,374	14,569	6,356[a]	14,000	14,000
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 and Disabled program (in thousands)	1,222	1,297	1,224	1,634	1,748	1,861	1,900
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	334,554	358,120	630,937	109,184[b]	182,052[b]	254,920[b]	327,788

[a] Reduction due to COVID-19 pandemic.
[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 more than 215 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 Public Institutions 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.

Funding for Community Colleges 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.

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's degree levels.

Thaddeus Stevens College of Technology 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 the 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.

Program: Higher Education, continued

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 Recommendations:

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

Community Colleges

$ 12,262 —Initiative—to invest in higher education and improve college access and completion.

Transfer to Community College Capital Fund

$ 2,604 —Initiative—to invest in higher education and improve college access and completion.

Northern PA Regional College

$ (7,000) —funding elimination.

Hunger-Free Campus Initiative

$ 1,000 —Initiative—to provide resources to combat food insecurity at postsecondary institutions.

Sexual Assault Prevention

$ 500 —Initiative—to combat campus sexual assault at postsecondary institutions.

Thaddeus Stevens College of Technology

$ 935 —Initiative—to invest in higher education and improve college access and completion.

State System of Higher Education

$ 75,000 —Initiative—to invest in higher education and improve college access and completion.

The Pennsylvania State University

$ 13,442 —Initiative—to invest in higher education and improve college access and completion.

University of Pittsburgh

$ 7,742 —Initiative—to invest in higher education and improve college access and completion.

Temple University

$ 7,910 —Initiative—to invest in higher education and improve college access and completion.

Lincoln University

$ 758 —Initiative—to invest in higher education and improve college access and completion.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Community Colleges.	$ 243,855	$ 245,240	$ 257,502	$ 257,502	$ 257,502	$ 257,502	$ 257,502
Transfer to Community College Capital Fund	48,869	52,078	54,682	54,682	54,682	54,682	54,682
Regional Community Colleges Services	2,136	2,136	2,136	2,136	2,136	2,136	2,136

Program: Higher Education, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Northern PA Regional College	7,000	7,000	-	-	-	-	-
Community Education Councils	2,393	2,393	2,393	2,393	2,393	2,393	2,393
Nellie Bly Tuition Program	-	-	-	-	-	108,043	107,197
Hunger-Free Campus Initiative	-	-	1,000	1,000	1,000	1,000	1,000
Sexual Assault Prevention	1,000	1,000	1,500	1,500	1,500	1,500	1,500
Thaddeus Stevens College of Technology	18,701	18,701	19,636	19,636	19,636	19,636	19,636
State System of Higher Education	477,470	477,470	552,470	552,470	552,470	552,470	552,470
The Pennsylvania State University	268,832	268,832	282,274	282,274	282,274	282,274	282,274
University of Pittsburgh	154,853	154,853	162,595	162,595	162,595	162,595	162,595
Temple University	158,206	158,206	166,116	166,116	166,116	166,116	166,116
Lincoln University	15,166	15,166	15,924	15,924	15,924	15,924	15,924
TOTAL GENERAL FUND	$ 1,398,481	$ 1,403,075	$ 1,518,228	$ 1,518,228	$ 1,518,228	$ 1,626,271	$ 1,625,425

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	65.4%	65.7%	66.0%	66.2%	66.4%	66.6%	57.0%	*
Percentage of Pennsylvania high school graduates who earn a degree within six years of graduation	43.2%	43.8%	42.9%	43.1%	47.0%	48.5%	43.0%	*
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	62.5%	63.9%	64.8%	64.0%	64.0%	64.0%	66.0%	
Percentage of full-time, first-time students at community colleges earning a degree within 150 percent of normal time	16.6%	19.0%	19.7%	22.0%	22.0%	22.0%	21.3%	
Percentage of Pennsylvania residents with a postsecondary degree or credential	46.5%	50.3%	51.0%	51.4%	53.0%	54.7%	54.7%	

* Reduction due to COVID-19 pandemic.

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.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
Grants and Subsidies:			
Grants to Students	**$ 310,733**	**$ 310,733**	**$ 350,370**
(A)Grants to Students Supplement	-	15,000	15,000
Pennsylvania Internship Program Grants	**450**	**450**	**450**
Ready to Succeed Scholarships	**5,550**	**5,550**	**16,375**
Matching Payments for Student Aid	**13,121**	**13,121**	**13,449**
Institutional Assistance Grants	**26,521**	**26,521**	**27,184**
Higher Education for the Disadvantaged	**2,358**	**2,358**	**2,417**
Higher Education of Blind or Deaf Students	**49**	**49**	**50**
Bond-Hill Scholarships	**800**	**800**	**800**
Cheyney Keystone Academy	**3,500**	**3,500**	**5,000**
(A)Cheyney Keystone Academy Supplement	500	500	-
Targeted Industry Cluster Scholarship Program	**6,300**	**6,300**	**8,652**
(F)COVID-SFR Pandemic Response	-	5,000	-
(F)COVID-SFR PA Student Loan Relief for Nurses	-	15,000	-
(F)COVID-SFR Health Care Worker Student Loan Forgiveness	-	-	35,000
Subtotal - State Funds	$ 369,382	$ 369,382	$ 424,747
Subtotal - Federal Funds	-	20,000	35,000
Subtotal - Augmentations	500	15,500	15,000
Total - Grants and Subsidies	$ 369,882	$ 404,882	$ 474,747
STATE FUNDS	$ 369,382	$ 369,382	$ 424,747
FEDERAL FUNDS	-	20,000	35,000
AUGMENTATIONS	500	15,500	15,000
GENERAL FUND TOTAL	**$ 369,882**	**$ 404,882**	**$ 474,747**
OTHER FUNDS:			
HIGHER EDUCATION ASSISTANCE FUND:			
(R)Educational Training Vouchers Program	$ 3,445	$ 2,443	$ 1,618
(R)Public Defender and District Attorney Loan Forgiveness	56	58	59
HIGHER EDUCATION ASSISTANCE FUND TOTAL	**$ 3,501**	**$ 2,501**	**$ 1,677**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 369,382	$ 369,382	$ 424,747
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	20,000	35,000
AUGMENTATIONS	500	15,500	15,000
RESTRICTED	-	-	-
OTHER FUNDS	3,501	2,501	1,677
TOTAL ALL FUNDS	**$ 373,383**	**$ 407,383**	**$ 476,424**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
FINANCIAL ASSISTANCE TO STUDENTS:							
GENERAL FUND	$ 340,503	$ 340,503	$ 395,146	$ 395,146	$ 395,146	$ 395,146	$ 395,146
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	20,000	35,000	-	-	-	-
AUGMENTATIONS	500	15,500	15,000	15,000	15,000	15,000	15,000
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	3,501	2,501	1,677	1,677	1,677	1,677	1,677
SUBCATEGORY TOTAL	$ 344,504	$ 378,504	$ 446,823	$ 411,823	$ 411,823	$ 411,823	$ 411,823
FINANCIAL AID TO INSTITUTIONS:							
GENERAL FUND	$ 28,879	$ 28,879	$ 29,601	$ 29,601	$ 29,601	$ 29,601	$ 29,601
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 28,879	$ 28,879	$ 29,601	$ 29,601	$ 29,601	$ 29,601	$ 29,601
ALL PROGRAMS:							
GENERAL FUND	$ 369,382	$ 369,382	$ 424,747	$ 424,747	$ 424,747	$ 424,747	$ 424,747
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	20,000	35,000	-	-	-	-
AUGMENTATIONS	500	15,500	15,000	15,000	15,000	15,000	15,000
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	3,501	2,501	1,677	1,677	1,677	1,677	1,677
DEPARTMENT TOTAL	$ 373,383	$ 407,383	$ 476,424	$ 441,424	$ 441,424	$ 441,424	$ 441,424

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 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		**Higher Education of Blind or Deaf Students**
$ 39,637	—to maintain the maximum state grant award.	$ 1	—to continue current program.
	Ready to Succeed Scholarships		**Cheyney Keystone Academy**
$ 10,825	—to continue current program.	$ 1,500	—to continue current program.
	Matching Payments for Student Aid		**Targeted Industry Cluster Scholarship Program**
$ 328	—to continue current program.	$ 2,352	—to continue current program.

The budget recommends $15,000,000 for the Grants to Students Supplement funded by PHEAA reserves.

Program: Financial Assistance to Students, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Grants to Students	$ 310,733	$ 310,733	$ 350,370	$ 350,370	$ 350,370	$ 350,370	$ 350,370
Pennsylvania Internship Program Grants	450	450	450	450	450	450	450
Ready to Succeed Scholarships	5,550	5,550	16,375	16,375	16,375	16,375	16,375
Matching Payments for Student Aid	13,121	13,121	13,449	13,449	13,449	13,449	13,449
Higher Education of Blind or Deaf Students	49	49	50	50	50	50	50
Bond-Hill Scholarships	800	800	800	800	800	800	800
Cheyney Keystone Academy	3,500	3,500	5,000	5,000	5,000	5,000	5,000
Targeted Industry Cluster Scholarship Program	6,300	6,300	8,652	8,652	8,652	8,652	8,652
TOTAL GENERAL FUND	$ 340,503	$ 340,503	$ 395,146	$ 395,146	$ 395,146	$ 395,146	$ 395,146

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Increase enrollment and graduation rates at Pennsylvania's colleges and universities.							
Applications for PA State Grants	546,182	542,030	525,372	507,062	489,300	468,260	472,943
PA State Grant recipients	143,157	140,827	143,647	132,910	118,723	111,483	112,598
Ready to Succeed Scholarship (RTSS) recipients	3,249	3,117	3,461	3,633	3,436	3,631	10,451
Develop a strong workforce in targeted industries in Pennsylvania through access to financial assistance for postsecondary education.							
PA Targeted Industry Program (PA-TIP) recipients	1,871	1,714	1,557	1,525	1,765	1,877	2,350

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 qualified students. In 2020-21, there were 34 Act 101 programs that operated at institutions across the commonwealth, serving more than 3,660 students.

Program Recommendations:

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

Institutional Assistance Grants

$ 663 —to continue current program.

Higher Education for the Disadvantaged

$ 59 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Institutional Assistance Grants.....	$ 26,521	$ 26,521	$ 27,184	$ 27,184	$ 27,184	$ 27,184	$ 27,184
Higher Education for the Disadvantaged....	2,358	2,358	2,417	2,417	2,417	2,417	2,417
TOTAL GENERAL FUND.....	$ 28,879	$ 28,879	$ 29,601	$ 29,601	$ 29,601	$ 29,601	$ 29,601

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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 through Institutional Assistance Grants (IAG) Program	89	88	88	88	89	89	88
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	33	34	36	36

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 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 focus on continual process improvement to consistently meet or exceed the expectations of the people, communities, and partners we serve in every aspect of emergency management.*

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.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 13,387**	**$ 10,603**	**$ 12,124**
(F)Civil Preparedness	21,000	35,000	35,000
(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)	5,000	4,000	-
(A)Miscellaneous	164	4	4
(R)Radiological Emergency Response Planning	1,301	1,475	1,475
(R)Radiation Emergency Response Fund	762	750	750
(R)Radiation Transportation Emergency Response Fund	9	180	180
Subtotal	$ 143,123	$ 153,512	$ 151,033
State Fire Commissioner	**2,807**	**2,777**	**3,028**
(F)Fire Prevention	42	20	20
(F)Firefighters Assistance Program (EA)	350	500	500
(A)Fire and Emergency Medical Services Programs	1,052	1,400	1,400
(A)Arson Fines	1	1	1
(R)Online Training Educator and Reimbursement	13	1,121	500
Subtotal	$ 4,265	$ 5,819	$ 5,449
Subtotal - State Funds	$ 16,194	$ 13,380	$ 15,152
Subtotal - Federal Funds	127,892	141,020	137,020
Subtotal - Augmentations	1,217	1,405	1,405
Subtotal - Restricted Revenues	2,085	3,526	2,905
Total - General Government	$ 147,388	$ 159,331	$ 156,482
Grants and Subsidies:			
Disaster Relief	**$ 35,495**	**$ -**	**$ 5,000**
(F)Disaster Relief (EA)	80,000	60,000	60,000
(F)COVID-PA Disaster Relief (EA)	320,000	237,240	150,000
(F)COVID-Emergency Performance Management Grant CARES (EA)	3,053	-	-
(F)SCDBG - Disaster Recovery (EA)	-	4,450	-
(F)Emergency Federal Law Enforcement Assistance (EA)	3,547	3,547	-
Hazard Mitigation	**-**	**-**	**20,000**
(F)Hazard Mitigation (EA)	12,000	10,000	35,000
(F)COVID-Hazard Mitigation (EA)	-	-	65,000
State Disaster Assistance	**-**	**-**	**10,000**
Firefighters Memorial Flags	**10**	**10**	**10**
Red Cross Extended Care Program	**250**	**250**	**250**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Search and Rescue	**250**	**250**	**250**
(R)Emergency Medical Services Grant Program	922 [a]	1,500 [a]	1,500 [a]
Subtotal - State Funds	$ 36,005	$ 510	$ 35,510
Subtotal - Federal Funds	418,600	315,237	310,000
Subtotal - Restricted Revenues	922	1,500	1,500
Total - Grants and Subsidies	$ 455,527	$ 317,247	$ 347,010
STATE FUNDS	$ 52,199	$ 13,890	$ 50,662
FEDERAL FUNDS	546,492	456,257	447,020
AUGMENTATIONS	1,217	1,405	1,405
RESTRICTED REVENUES	3,007	5,026	4,405
GENERAL FUND TOTAL	**$ 602,915**	**$ 476,578**	**$ 503,492**
OTHER FUNDS:			
HAZARDOUS MATERIAL RESPONSE FUND:			
General Operations	$ 180	$ 180	$ 160
Hazardous Materials Response Team	180	180	160
Grants to Counties	1,260	1,260	1,120
Public and Facility Owner Education	180	180	160
HAZARDOUS MATERIAL RESPONSE FUND TOTAL	**$ 1,800**	**$ 1,800**	**$ 1,600**
PROPERTY TAX RELIEF FUND:			
Transfer to Fire and Emergency Medical Services Grant Programs (EA)	$ 5,000	$ 5,000	$ 5,000
STATE GAMING FUND:			
Transfer to Fire and Emergency Medical Services Grant Programs (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**
FIRE AND EMERGENCY MEDICAL SERVICES LOAN FUND:			
Fire and Emergency Services Loans	$ 7,640	$ 20,000	$ 20,000
911 FUND:			
General Operations (EA)	$ 6,300	$ 6,300	$ 6,300
Emergency Services Grants (EA)	347,904	335,700	335,700
911 FUND TOTAL	**$ 354,204**	**$ 342,000**	**$ 342,000**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 52,199	$ 13,890	$ 50,662
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	546,492	456,257	447,020
AUGMENTATIONS	1,217	1,405	1,405
RESTRICTED	3,007	5,026	4,405
OTHER FUNDS	395,144	395,300	395,100
TOTAL ALL FUNDS	**$ 998,059**	**$ 871,878**	**$ 898,592**

[a] Not added to the total to avoid double counting: Transfers to (R) Emergency Medical Services Grant Program from the Property Tax Relief Fund ($5,000,000) and the State Gaming Fund ($25,000,000). Balance shown represents the Fireworks Tax transfers within each year.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
EMERGENCY MANAGEMENT:							
GENERAL FUND	$ 49,132	$ 10,853	$ 47,374	$ 22,621	$ 22,926	$ 22,926	$ 22,926
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	546,100	455,737	446,500	136,500	136,500	136,500	136,500
AUGMENTATIONS	164	4	4	4	4	4	4
RESTRICTED	2,072	2,405	2,405	2,405	2,405	2,405	2,405
OTHER FUNDS	356,754	344,550	344,350	329,339	316,045	316,045	316,045
SUBCATEGORY TOTAL	$ 954,222	$ 813,549	$ 840,633	$ 490,869	$ 477,880	$ 477,880	$ 477,880
FIRE PREVENTION AND SAFETY:							
GENERAL FUND	$ 3,067	$ 3,037	$ 3,288	$ 3,288	$ 3,288	$ 3,288	$ 3,288
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	392	520	520	520	520	520	520
AUGMENTATIONS	1,053	1,401	1,401	1,401	1,401	1,401	1,401
RESTRICTED	935	2,621	2,000	2,000	2,000	2,000	2,000
OTHER FUNDS	38,390	50,750	50,750	50,750	50,750	50,750	50,750
SUBCATEGORY TOTAL	$ 43,837	$ 58,329	$ 57,959	$ 57,959	$ 57,959	$ 57,959	$ 57,959
ALL PROGRAMS:							
GENERAL FUND	$ 52,199	$ 13,890	$ 50,662	$ 25,909	$ 26,214	$ 26,214	$ 26,214
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	546,492	456,257	447,020	137,020	137,020	137,020	137,020
AUGMENTATIONS	1,217	1,405	1,405	1,405	1,405	1,405	1,405
RESTRICTED	3,007	5,026	4,405	4,405	4,405	4,405	4,405
OTHER FUNDS	395,144	395,300	395,100	380,089	366,795	366,795	366,795
DEPARTMENT TOTAL	$ 998,059	$ 871,878	$ 898,592	$ 548,828	$ 535,839	$ 535,839	$ 535,839

Program: Emergency Management

Goal: To focus on continual process improvement to consistently meet or exceed the expectations of the people, communities, and partners we serve in every aspect of emergency management.

In 1978, the Pennsylvania Emergency Services Code created the Pennsylvania Emergency Management Agency (PEMA) from the State Council of Civil Defense. It also expanded the mandate of the agency to include an all-hazards comprehensive emergency management program. Since then, the agency's responsibilities have continued to evolve and today it serves a critical role in coordinating the core emergency management functions of emergency preparedness, response, recovery, and hazard mitigation.

The agency's mission is accomplished through a systematic approach to threats and hazards that pose the greatest risk to the safety and security of the residents of the commonwealth, including natural and human-made disasters, acts of terrorism, and other emergencies. 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 any disaster. At the agency's core is a comprehensive training and qualification program that develops and maintains skilled emergency management and support personnel at the state, county, and local municipal level who are responsible for carrying out all aspects of the statewide emergency management program.

PEMA's core daily responsibilities include managing programs that promote individual and community preparedness, developing and updating emergency plans and procedures, coordinating training and exercises, maintaining and advancing Next Generation 9-1-1 technology across the state, statewide chemical reporting, hazardous materials preparedness and response, nuclear power safety, hazard mitigation, and private sector integration. Many of the preparedness and mitigation activities involve the administration of a number of state and federal grant programs. PEMA also coordinates the National Flood Insurance Program for the commonwealth. Daily responsibilities also include the operation of PEMA's Commonwealth Watch and Warning Center which serves as the main incident reporting, information sharing, and public alert and warning point in the state that maintains a statewide 24/7 Common Operating Picture.

During disasters and other emergencies, PEMA is responsible for directing and coordinating all available commonwealth resources needed to support county and local governments in protecting residents and supporting short and long-term recovery operations. This is accomplished through the Commonwealth Response Coordination Center which, when activated, serves as the main coordination hub for all emergency operations across all state agencies, levels of government, non-governmental and voluntary agencies, and the private sector. PEMA provides advice and guidance to the governor related to all emergent situations that may warrant the issuance of a Governor's Proclamation of Disaster Emergency and a request to the President of the United States for a major disaster declaration. Following a presidential disaster declaration, the agency advises the administration of the Individual Assistance (IA) and Public Assistance (PA) Grant Programs as part of short and long-term recovery operations. PEMA also serves as the main point of contact for the Federal Emergency Management Agency (FEMA) for federal-state business during both steady-state operations as well as during disasters.

In support of response to disasters and other emergencies, PEMA wholly, or in conjunction with other state agencies, coordinates a number of statewide specialized response teams such as the PA Type 3 All-Hazards Incident Management Team, Pennsylvania Helicopter Aquatic Rescue Team, Voluntary Rescue Service Recognition, Swift Water and Flood Evacuation Teams, and in-state Urban Search and Rescue Response teams.

Program: Emergency Management, continued

Program Recommendations:

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

General Government Operations

$ 168	—to replace nonrecurring benefits cost reduction.
1,353	—to continue current program.
$ 1,521	*Appropriation Increase*

Disaster Relief

$ 5,000	—state match for federally funded projects.

Hazard Mitigation

$ 20,000	—state match for federally funded projects.

State Disaster Assistance

$ 10,000	—Initiative—to provide disaster assistance to individuals including access to safe, secure, and weathertight homes.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 13,387	$ 10,603	$ 12,124	$ 12,371	$ 12,676	$ 12,676	$ 12,676
Disaster Relief	35,495	-	5,000	-	-	-	-
Hazard Mitigation	-	-	20,000	-	-	-	-
State Disaster Assistance	-	-	10,000	10,000	10,000	10,000	10,000
Search and Rescue	250	250	250	250	250	250	250
TOTAL GENERAL FUND	$ 49,132	$ 10,853	$ 47,374	$ 22,621	$ 22,926	$ 22,926	$ 22,926

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	61%	82%	87%	75%	80%	85%	90%
Improve the preparedness and response capabilities of individuals and communities to all hazards.							
Percentage of PEMA staff that are National Incident Management System certified	58%	64%	75%	45%	71%	52%	75%
Number of businesses participating in private sector integration program	14	50	200	456	345	400	450
Percentage of counties that adopt Hazard Mitigation (HM) plans	95%	90%	93%	85%	90%	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 Office of the State Fire Commissioner oversees the development and operation of the State Fire Academy, the Fire and Emergency Medical Services Loan Program, the Fire Company and Emergency Medical Services Grant Program, the Pennsylvania Fire Information Reporting System, 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 to firefighters throughout 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 Fire and Emergency Medical Services Loan Program provides assistance to fire and emergency medical services (EMS) companies 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 each year to fire companies and EMS companies to assist in maintaining or improving capability to provide fire, ambulance, and rescue services. An additional amount, up to $1.5 million is available from the Fireworks Tax, and 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
$	61	—to replace nonrecurring benefits cost reduction.
	190	—to continue current program.
$	251	*Appropriation Increase*

Program: Fire Prevention and Safety, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
State Fire Commissioner	$ 2,807	$ 2,777	$ 3,028	$ 3,028	$ 3,028	$ 3,028	$ 3,028
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	$ 3,067	$ 3,037	$ 3,288	$ 3,288	$ 3,288	$ 3,288	$ 3,288

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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.							
Fire and emergency medical services loans awarded (in thousands)	$ 11,671	$ 10,393	$ 16,473	$ 10,894	$ 7,640	$ 20,000	$ 20,000
Fire company grants awarded	1,974	1,973	1,970	2,008	1,979	2,000	2,000
Firefighter certifications issued.....	3,310	3,586	2,916	3,126	796	2,817	3,071
Fire casualties.....	125	125	152	111	129	125	125
Total firefighters trained	4,872	3,890	3,407	2,979	252	428	435

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET	
GENERAL FUND:				
General Government:				
General Government Operations	**$ 15,095**	**$ 16,759**	**$ 19,929**	
(F)COVID-SFR Watershed and Wetland Restoration	**-**	**-**	180,077	
(F)IIJA - Assistance for Small and Disadvantaged Communities	**-**	**-**	28,103	
(F)IIJA - Orphan Well Plugging	**-**	**-**	25,000	a
(F)IIJA - DOE - Energy Programs	**-**	**-**	22,300	
(F)IIJA - Electric Grid Resilience	-	-	13,236	b
(F)IIJA - Energy Efficiency and Conservation	**-**	**-**	4,000	
(A)Reimbursement - EDP Services	10,010	10,006	10,006	
Subtotal	$ 25,105	$ 26,765	$ 302,651	
Environmental Program Management	**32,041**	**34,160**	**42,297**	
(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	7,000	7,000	
(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	754	
(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	6,000	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)IIJA - Abandoned Mine Reclamation (EA)	-	-	25,000	
(F)Homeland Security Initiative (EA)	1,000	1,000	1,000	

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(A)Payments - Department Services	830	1,176	1,087
(A)Safe Drinking Water Administration	268	300	250
(A)Water Pollution Control Administration	246	200	270
(A)PA DOT ISTEA Program	-	25	-
(A)Vehicle Sales - EPM	5	5	5
(R)Sewage Facilities Program Administration (EA)	607	803	652
(R)Used Tire Pile Remediation (EA)	-	3	1
Subtotal	$ 212,218	$ 216,393	$ 249,487
Chesapeake Bay Agricultural Source Abatement	**2,935**	**3,461**	**3,539**
(F)Chesapeake Bay Pollution Abatement	15,000	15,000	15,000
Subtotal	$ 17,935	$ 18,461	$ 18,539
Environmental Protection Operations	**94,202**	**98,036**	**117,115**
(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	5,500	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)USDA Good Neighbor Authority	-	200	200
(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	55
(A)Reimbursement - Laboratory Services	8,674	11,545	11,934
(A)Lab Accreditation	1,801	1,623	1,620
(A)Reimbursement - Department Services	4,177	5,297	5,297
(A)PADOT ISTEA Program	1,408	1,000	1,000
(A)Clean Air Administration	3,165	3,860	3,860
(A)Solid Waste Abatement	500	500	500
(A)Safe Drinking Water Administration	385	630	555
(A)Water Pollution Control Administration	100	86	100
(A)Vehicle Sales - EPO	156	100	100
Subtotal	$ 175,767	$ 184,076	$ 203,480
Black Fly Control and Research	**3,347**	**7,645**	**7,645**
(A)County Contributions	1,091	750	1,000
Subtotal	$ 4,438	$ 8,395	$ 8,645

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
West Nile Virus and Zika Virus Control	**5,345**	**5,609**	**5,880**
(F)Zika Vector Control Response (EA)	22	37	37
(A)Vehicle Sales	53	-	-
(A)Tick and Lyme Testing	583	740	740
Environmental Hearing Board	**2,554**	**2,593**	**2,728**
(R)Safe Drinking Water Account	4,874	10,635	10,211
(R)Radiation Protection Fund	12,140	15,004	15,259
(R)Clean Water Fund	19,338	19,477	15,000
(R)Solid Waste Abatement Fund	2,118	2,018	2,026
(R)Well Plugging Account	22,636	27,293	26,647
(R)Abandoned Well Plugging	7	722	722
(R)Orphan Well Plugging	143	618	618
(R)Alternative Fuels	4,389	7,208	8,308
(R)Industrial Land Recycling	282	618	324
(R)Waste Transportation Safety Account	1,579	2,139	2,123
(R)Electronics Material Recycling Account	446	464	330
Subtotal	$ 67,952	$ 86,196	$ 81,568
Subtotal - State Funds	$ 155,519	$ 168,263	$ 199,133
Subtotal - Federal Funds	254,442	256,157	554,077
Subtotal - Augmentations	33,452	37,843	38,324
Subtotal - Restricted Revenues	68,559	87,002	82,221
Total - General Government	$ 511,972	$ 549,265	$ 873,755
Grants and Subsidies:			
Delaware River Master	**$ 38**	**$ 38**	**$ 125**
Susquehanna River Basin Commission	**205**	**205**	**740**
Interstate Commission on the Potomac River	**23**	**23**	**51**
Delaware River Basin Commission	**217**	**217**	**1,047**
Ohio River Valley Water Sanitation Commission	**68**	**68**	**183**
Chesapeake Bay Commission	**300**	**300**	**300**
Transfer to Conservation District Fund	**2,506**	**2,506**	**2,506**
Transfer to Recycling Fund	**-**	**-**	**10,000**
Interstate Mining Commission	**15**	**15**	**30**
(R)Environmental Mitigation Trust Agreement Account	7,685	18,000	18,000
Total - Grants and Subsidies	$ 11,057	$ 21,372	$ 32,982
STATE FUNDS	$ 158,891	$ 171,635	$ 214,115
FEDERAL FUNDS	254,442	256,157	554,077
AUGMENTATIONS	33,452	37,843	38,324
RESTRICTED REVENUES	76,244	105,002	100,221
GENERAL FUND TOTAL	**$ 523,029**	**$ 570,637**	**$ 906,737**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
ACID MINE DRAINAGE ABATEMENT AND TREATMENT FUND:			
(F)Acid Mine Drainage Abatement and Treatment (EA)	$ 28,784	$ 25,014	$ 17,742
CLEAN AIR FUND:			
Major Emission Facilities (EA)	$ 20,801	$ 20,083	$ 19,869
Mobile and Area Facilities (EA)	11,290	10,153	10,299
Clean Energy Programs (EA)	-	-	410,617
CLEAN AIR FUND TOTAL	**$ 32,091**	**$ 30,236**	**$ 440,785**
COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND:			
General Operations (EA)	$ 4,679	$ 4,738	$ 3,712
Payment of Claims (EA)	2,240	2,040	2,040
COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND TOTAL	**$ 6,919**	**$ 6,778**	**$ 5,752**
COAL LANDS IMPROVEMENT FUND:			
Coal Lands Restoration (EA)	$ 840	$ 1,200	$ 325
CONSERVATION DISTRICT FUND:			
Conservation District Grants (EA)	$ 4,581	$ 4,581	$ 4,653
ENERGY DEVELOPMENT FUND:			
Energy Development - Administration (EA)	$ 131	$ 139	$ 155
Energy Development Loans/Grants (EA)	2,300	-	2,250
ENERGY DEVELOPMENT FUND TOTAL	**$ 2,431**	**$ 139**	**$ 2,405**
ENVIRONMENTAL EDUCATION FUND:			
General Operations (EA)	$ 906	$ 881	$ 1,382
ENVIRONMENTAL STEWARDSHIP FUND:			
Watershed Protection and Restoration (EA)	$ 29,749	$ 32,287 [c]	$ 33,495
HAZARDOUS SITES CLEANUP FUND:			
General Operations (EA)	$ 23,887	$ 24,170	$ 22,837
Hazardous Sites Cleanup (EA)	24,000	9,000	9,000
Host Municipality Grants (EA)	25	25	25
Small Business Pollution Prevention (EA)	1,000	1,000	1,000
Transfer to Industrial Sites Cleanup Fund (EA)	3,000	3,000	3,000
Transfer to Household Hazardous Waste Account (EA)	1,000	1,000	1,000
(R)Hazardous Sites Cleanup	-	15,000	15,000
HAZARDOUS SITES CLEANUP FUND TOTAL	**$ 52,912**	**$ 53,195**	**$ 51,862**
MINE SAFETY FUND:			
General Operations (EA)	$ 13	$ 17	$ 49
NON-COAL SURFACE MINING CONSERVATION & RECLAMATION FUND:			
General Operations (EA)	$ 4,164	$ 3,978	$ 1,997
NUTRIENT MANAGEMENT FUND:			
Education, Research, and Technical Assistance (EA)	$ 2,126	$ 2,100	$ 2,100

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
RECYCLING FUND:			
Recycling Coordinator Reimbursement (EA)	$ 2,000	$ 2,000	$ 2,000
Reimbursement for Municipal Inspection (EA)	300	400	325
Reimburse-Host Municipality Permit Applications Review (EA)	10	10	10
Administration of Recycling Program (EA)	1,386	1,367	1,386
County Planning Grants (EA)	1,750	1,300	1,500
Municipal Recycling Grants (EA)	30,000	44,000	27,000
Municipal Recycling Performance Program (EA)	21,500	21,500	21,500
Public Education/Technical Assistance (EA)	13,475	7,595	5,700
(R)Household Hazardous Waste	972	1,500	1,500
RECYCLING FUND TOTAL	**$ 71,393**	**$ 79,672**	**$ 60,921**
REMINING FINANCIAL ASSURANCE FUND:			
Remining Financial Assurance (EA)	$ 558	$ 400	$ 400
STORAGE TANK FUND:			
General Operations (EA)	$ 4,300	$ 3,986	$ 4,404
(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	6,517	7,000	7,000
STORAGE TANK FUND TOTAL	**$ 15,557**	**$ 15,726**	**$ 16,144**
SURFACE MINING CONSERVATION & RECLAMATION FUND:			
General Operations (EA)	$ 5,041	$ 4,999	$ 4,173
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)	$ 4,000	$ 3,479	$ 2,559
Pollution Prevention Program (EA)	100	100	100
UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL	**$ 4,100**	**$ 3,579**	**$ 2,659**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 158,891	$ 171,635	$ 214,115
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	254,442	256,157	554,077
AUGMENTATIONS	33,452	37,843	38,324
RESTRICTED	76,244	105,002	100,221
OTHER FUNDS	268,165	270,782	652,844
TOTAL ALL FUNDS	**$ 791,194**	**$ 841,419**	**$ 1,559,581**

[a] Estimate based on current federal guidance of the maximum early grant under IIJA. Formula for additional funding pending.
[b] Estimate based on proration of total federal IIJA grant award using factors of total area and population. Formula for funding pending.
[c] Includes recommended supplemental executive authorization of $6,682,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
ENVIRONMENTAL SUPPORT SERVICES:							
GENERAL FUND	$ 17,649	$ 19,352	$ 22,657	$ 22,657	$ 22,657	$ 22,657	$ 22,657
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	272,716	81,339	81,339	81,339	81,339
AUGMENTATIONS	10,010	10,006	10,006	10,006	10,006	10,006	10,006
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	15,000	15,000	15,000	15,000	15,000	15,000
SUBCATEGORY TOTAL	$ 27,659	$ 44,358	$ 320,379	$ 129,002	$ 129,002	$ 129,002	$ 129,002
ENVIRONMENTAL PROTECTION AND MANAGEMENT:							
GENERAL FUND	$ 141,242	$ 152,283	$ 191,458	$ 191,458	$ 191,458	$ 191,458	$ 191,458
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	254,442	256,157	281,361	281,157	281,157	281,157	281,157
AUGMENTATIONS	23,442	27,837	28,318	28,318	28,318	28,318	28,318
RESTRICTED	76,244	105,002	100,221	100,221	100,221	100,221	100,221
OTHER FUNDS	268,165	255,782	637,844	626,568	600,669	601,628	603,214
SUBCATEGORY TOTAL	$ 763,535	$ 797,061	$ 1,239,202	$ 1,227,722	$ 1,201,823	$ 1,202,782	$ 1,204,368
ALL PROGRAMS:							
GENERAL FUND	$ 158,891	$ 171,635	$ 214,115	$ 214,115	$ 214,115	$ 214,115	$ 214,115
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	254,442	256,157	554,077	362,496	362,496	362,496	362,496
AUGMENTATIONS	33,452	37,843	38,324	38,324	38,324	38,324	38,324
RESTRICTED	76,244	105,002	100,221	100,221	100,221	100,221	100,221
OTHER FUNDS	268,165	270,782	652,844	641,568	615,669	616,628	618,214
DEPARTMENT TOTAL	$ 791,194	$ 841,419	$ 1,559,581	$ 1,356,724	$ 1,330,825	$ 1,331,784	$ 1,333,370

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
$ 213	—to replace nonrecurring benefits cost reduction.
621	—to continue current program.
2,336	—Initiative—to provide state match requirements for federal infrastructure funding.
$ 3,170	*Appropriation Increase*

	Environmental Hearing Board
$ 36	—to replace nonrecurring benefits cost reduction.
99	—to continue current program.
$ 135	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 15,095	$ 16,759	$ 19,929	$ 19,929	$ 19,929	$ 19,929	$ 19,929
Environmental Hearing Board	2,554	2,593	2,728	2,728	2,728	2,728	2,728
TOTAL GENERAL FUND	$ 17,649	$ 19,352	$ 22,657	$ 22,657	$ 22,657	$ 22,657	$ 22,657

Program: Environmental Support Services, continued

Program Measures:

	2016-17 Actual		2017-18 Actual		2018-19 Actual		2019-20 Actual		2020-21 Actual	2021-22 Estimated	2022-23 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)	90%		90%		94%		94%		94%	96%	98%
Total Authorizations Received	43,576	*	43,786		41,676	*	38,920	*	39,800	40,596	41,408
Total Authorizations Disposed	42,236	*	45,770	*	41,741	*	39,269	*	37,766	38,521	39,292
Responding to critical citizen complaints promptly.											
Average days to respond to Priority 1 complaints (target: same day)	0.4	*	0.2		0.3	*	0.3	*	0.3	0.3	0.3

* Actual year measure data has been updated to reflect the current status of multi-year projects.

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 the department'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

DEP has undertaken several efforts to begin to address the increasing threat of climate change. As the commonwealth progresses toward participation in the multi-state Regional Greenhouse Gas Initiative (RGGI), Pennsylvania is well positioned to make important investments to assist in the transition to a new energy economy as a result of market demand shifts over the past decade. This action will reduce carbon pollution from electric generation by a projected 97 to 227 million tons by 2030 as well as reduce other air pollutants.

The agency is also implementing the methane reduction strategy which addresses methane and volatile organic compound emissions from the oil and gas sector. The department 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. The department 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. The department 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. The department also inspects non-permitted entities and responds to spills and complaints where waters may be affected.

Pennsylvania's Chesapeake Bay Phase 3 Watershed Implementation Plan (Phase 3 WIP) was developed in consultation with the Departments of Agriculture and Conservation and Natural Resources. 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. The department 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.

Program: Environmental Protection and Management, continued

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. The department designs and maintains networks to monitor ambient air quality in Pennsylvania, performs meteorological tracking, and conducts air quality modeling studies to scientifically determine whether air quality goals are achieved. Due to the location of Pennsylvania in the populated northeast corridor, DEP implements regional haze and interstate ozone transport programs.

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. The department 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. The department also administers the Hazardous Sites Cleanup Program to remediate threats to human health and the environment from toxic chemicals from abandoned sites or where there is no viable responsible party. The department is a key member of the Perfluoroalkyl and polyfluoroalkyl substances (PFAS) Action Team to address releases of 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 with partners 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 disproportionally 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 plant reactors. While the department'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, the department oversees the plugging of wells that no longer serve their intended purpose.

Program: Environmental Protection and Management, continued

Program Recommendations:

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

Environmental Program Management

$ 725	—to replace nonrecurring benefits cost reduction.
2,412	—to continue current program.
5,000	—Initiative—to increase resources to support clean water, waterways, and wetlands.
$ 8,137	*Appropriation Increase*

Chesapeake Bay Agricultural Source Abatement

$ 30	—to replace nonrecurring benefits cost reduction.
48	—to continue current program.
$ 78	*Appropriation Increase*

Environmental Protection Operations

$ 2,777	—to replace nonrecurring benefits cost reduction.
2,902	—to continue current program.
13,400	—to reflect change in other special fund sources.
$ 19,079	*Appropriation Increase*

West Nile Virus and Zika Virus Control

$ 53	—to replace nonrecurring benefits cost reduction.
218	—to continue current program.
$ 271	*Appropriation Increase*

Delaware River Master

$ 87	—to continue current program.

Susquehanna River Basin Commission

$ 535	—to continue current program.

Interstate Commission on the Potomac River

$ 28	—to continue current program.

Delaware River Basin Commission

$ 830	—to continue current program.

Ohio River Valley Water Sanitation Commission

$ 115	—to continue current program.

Transfer to Recycling Fund

$ 10,000	—to maintain municipality grant levels.

Interstate Mining Commission

$ 15	—to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Environmental Program Management	$ 32,041	$ 34,160	$ 42,297	$ 42,297	$ 42,297	$ 42,297	$ 42,297
Chesapeake Bay Agricultural Source Abatement	2,935	3,461	3,539	3,539	3,539	3,539	3,539
Environmental Protection Operations	94,202	98,036	117,115	117,115	117,115	117,115	117,115
Black Fly Control and Research	3,347	7,645	7,645	7,645	7,645	7,645	7,645
West Nile Virus and Zika Virus Control	5,345	5,609	5,880	5,880	5,880	5,880	5,880
Delaware River Master	38	38	125	125	125	125	125

Program: Environmental Protection and Management, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Susquehanna River Basin Commission	205	205	740	740	740	740	740
Interstate Commission on the Potomac River	23	23	51	51	51	51	51
Delaware River Basin Commission	217	217	1,047	1,047	1,047	1,047	1,047
Ohio River Valley Water Sanitation Commission	68	68	183	183	183	183	183
Chesapeake Bay Commission	300	300	300	300	300	300	300
Transfer to Conservation District Fund	2,506	2,506	2,506	2,506	2,506	2,506	2,506
Transfer to Recycling Fund	-	-	10,000	10,000	10,000	10,000	10,000
Interstate Mining Commission	15	15	30	30	30	30	30
TOTAL GENERAL FUND	$ 141,242	$ 152,283	$ 191,458	$ 191,458	$ 191,458	$ 191,458	$ 191,458

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Improve the state of the environment.							
Percentage of population in counties monitoring below the 2015 Ambient Ozone Standard	64%	69%	56%	76%	83%	83%	83%
Tons of municipal solid waste recycled (in millions)	7.84	6.36	5.47	7.81	7.10	7.10	7.10
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	82%	77%	80%	79%	74%	85%	92%
Total violations recorded	25,608 *	27,822 *	31,145 *	30,305 *	31,401	30,700	31,000
Total violations resolved	23,550 *	25,360 *	26,928 *	27,041 *	22,713	25,200	26,100
Total inspections conducted	97,774 *	96,938 *	97,223 *	89,272 *	93,186	95,750	97,250
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	31,679	32,188	32,770	33,115 *	33,532	33,932	34,332

* Actual year measure data has been updated to reflect the current status of multi-year projects.

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
State Ethics Commission	**$ 2,932**	**$ 3,015**	**$ 3,197**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
EXECUTIVE DIRECTION:							
GENERAL FUND	$ 2,932	$ 3,015	$ 3,197	$ 3,197	$ 3,197	$ 3,197	$ 3,197
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 2,932	$ 3,015	$ 3,197	$ 3,197	$ 3,197	$ 3,197	$ 3,197
ALL PROGRAMS:							
GENERAL FUND	$ 2,932	$ 3,015	$ 3,197	$ 3,197	$ 3,197	$ 3,197	$ 3,197
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
DEPARTMENT TOTAL	$ 2,932	$ 3,015	$ 3,197	$ 3,197	$ 3,197	$ 3,197	$ 3,197

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 implementing and 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 enforcing 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)

		State Ethics Commission
$	61	—to replace nonrecurring benefits cost reduction.
	121	—to continue current program.
$	182	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
State Ethics Commission	$ 2,932	$ 3,015	$ 3,197	$ 3,197	$ 3,197	$ 3,197	$ 3,197

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 protect, conserve, and enhance the commonwealth's aquatic resources and provide fishing and boating opportunities.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
BOAT FUND:			
General Operations (EA)	$ 18,794	$ 19,614	$ 22,663
(F)Miscellaneous Boat Grants (EA)	6,184	5,684	5,840
(R)Improvement of Hazardous Dams	7,378	8,730	8,730
BOAT FUND TOTAL	**$ 32,356**	**$ 34,028**	**$ 37,233**
FISH FUND:			
General Operations (EA)	$ 34,595	$ 34,527	$ 37,745
(F)Miscellaneous Fish Grants (EA)	9,212	11,246	11,458
FISH FUND TOTAL	**$ 43,807**	**$ 45,773**	**$ 49,203**
STATE GAMING FUND:			
Payments in Lieu of Taxes (EA)	$ 40	$ 40	$ 40
UNCONVENTIONAL GAS WELL FUND:			
Gas Well Fee Administration (EA)	$ 1,000	$ 1,000	$ 1,000
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	77,203	80,841	87,476
TOTAL ALL FUNDS	**$ 77,203**	**$ 80,841**	**$ 87,476**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
RECREATIONAL FISHING AND BOATING:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	77,203	80,841	87,476	87,476	87,476	87,476	87,476
SUBCATEGORY TOTAL	$ 77,203	$ 80,841	$ 87,476	$ 87,476	$ 87,476	$ 87,476	$ 87,476
ALL PROGRAMS:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	77,203	80,841	87,476	87,476	87,476	87,476	87,476
DEPARTMENT TOTAL	$ 77,203	$ 80,841	$ 87,476	$ 87,476	$ 87,476	$ 87,476	$ 87,476

Program: Recreational Fishing and Boating

Goal: To protect, conserve, and enhance the commonwealth's aquatic resources and provide fishing and boating opportunities.

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)**
$ 162	–to replace nonrecurring benefits cost reduction.	$ 315	–to replace nonrecurring benefits cost reduction.
2,887	–to continue current program.	2,903	–to continue current program.
$ 3,049	*Executive Authorization Increase*	$ 3,218	*Executive Authorization Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
BOAT FUND:							
General Operations (EA)	$ 18,794	$ 19,614	$ 22,663	$ 22,663	$ 22,663	$ 22,663	$ 22,663
FISH FUND:							
General Operations (EA)	$ 34,595	$ 34,527	$ 37,745	$ 37,745	$ 37,745	$ 37,745	$ 37,745

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Number of fishing licenses sold	841,743	800,240	765,983	777,087	934,259	860,126	860,126
Actively registered boats.....	318,936	313,409	306,412	301,088	301,236	310,494	304,284
Total pounds of fish stocked and/or distributed	1,898,577	1,955,213	2,068,004	2,109,138	2,241,002	2,150,000	2,150,000

GAME COMMISSION

The mission of the Game Commission is to manage and protect wildlife and their habitats while promoting hunting and trapping 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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
GAME FUND:			
General Operations (EA)	$ 129,376	$ 125,146	$ 116,154
Land Acquisition and Development (EA)	500	500	500
(F)Pittman-Robertson Act (EA)	25,000	25,000	25,000
(F)Miscellaneous Wildlife Grants (EA)	2,991	2,818	1,165
(R)Natural Propagation of Wildlife (EA)	9,000	9,000	9,000
GAME FUND TOTAL	**$ 166,867**	**$ 162,464**	**$ 151,819**
STATE GAMING FUND:			
Payments in Lieu of Taxes (EA)	$ 3,686	$ 3,686	$ 3,686
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	170,553	166,150	155,505
TOTAL ALL FUNDS	**$ 170,553**	**$ 166,150**	**$ 155,505**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
WILDLIFE MANAGEMENT:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	170,553	166,150	155,505	156,755	158,005	159,255	160,505
SUBCATEGORY TOTAL	$ 170,553	$ 166,150	$ 155,505	$ 156,755	$ 158,005	$ 159,255	$ 160,505
ALL PROGRAMS:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	170,553	166,150	155,505	156,755	158,005	159,255	160,505
DEPARTMENT TOTAL	$ 170,553	$ 166,150	$ 155,505	$ 156,755	$ 158,005	$ 159,255	$ 160,505

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 and Title 58 of the Pennsylvania 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 (Wildlife Management Areas) and is judiciously acquiring additional lands, including indentures, lands providing access into existing State Game Lands, and sensitive habitats for species of concern. The commission also administers cooperative programs to encourage Best Management Practices 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.

The Pennsylvania Game Commission manages and protects 480 species of wild birds and mammals including game animals, such as deer, turkey, grouse, bear, and elk. Species that are not hunted ('non-game' or 'Diversity' species), including endangered and threatened species, are also managed by the Game Commission.

Managing Diversity species involves monitoring their population trends, recommending changes to regulatory status, identifying and mitigating threats, improving habitats, and conducting research needed to support their long-term conservation. Collaboration with state, federal, and private partners is critically important to the commission's mission, given the breadth of species and habitats occurring in the commonwealth.

Program Recommendations:

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

		General Operations (EA)
$	(16,611)	—nonrecurring project costs.
	2,370	—to replace nonrecurring benefits cost reduction.
	5,249	—to continue current program.
$	(8,992)	*Executive Authorization Decrease*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GAME FUND:							
General Operations (EA)	$ 129,376	$ 125,146	$ 116,154	$ 117,154	$ 118,154	$ 119,154	$ 120,154
Land Acquisition and Development (EA)	500	500	500	500	500	500	500
(R)Natural Propagation of Wildlife (EA)	9,000	9,000	9,000	9,000	9,000	9,000	9,000
TOTAL GAME FUND.....	$ 138,876	$ 134,646	$ 125,654	$ 126,654	$ 127,654	$ 128,654	$ 129,654

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Ensure the propagation and preservation of wildlife through land and game management.							
Number of hunting licenses sold.....	914,244	885,564	855,546	860,798	887,211	904,955	904,955
Citations for violation of game laws	6,775	6,617	6,824	6,910	6,810	6,946	7,085

GAMING CONTROL BOARD

The Gaming Control Board protects the interest of the public by ensuring the integrity of legalized gaming through the strict enforcement of the law and regulations, the licensing of qualified individuals and entities, and fulfilling the objectives of legalized gaming in the commonwealth to deliver a significant source of revenue, assist the horse racing industry, provide broad economic opportunities, and enhance tourism.

Programs and Goals

Gaming Regulation: *To protect the interest of the public by ensuring the integrity of legalized gaming and supporting the objectives of legalized gaming in the commonwealth to deliver a significant source of revenue, assist the horse racing industry, provide broad economic opportunities, and enhance tourism.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
STATE GAMING FUND:			
(R)Administration	$ 37,357	$ 38,973	$ 40,489
(R)General Operations	6,000	7,700	7,700
Local Law Enforcement Grants (EA)	2,000	2,000	2,000
STATE GAMING FUND TOTAL	**$ 45,357**	**$ 48,673**	**$ 50,189**
VIDEO GAMING FUND:			
(R)Video Gaming Administration	$ 475	$ 475	$ 475
(R)Testing and Certification (EA)	50	50	50
VIDEO GAMING FUND TOTAL	**$ 525**	**$ 525**	**$ 525**
FANTASY CONTEST FUND:			
(R)Fantasy Contest Administration	$ 156	$ 100	$ 100
(R)Application and Licensure (EA)	100	20	20
FANTASY CONTEST FUND TOTAL	**$ 256**	**$ 120**	**$ 120**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	46,138	49,318	50,834
TOTAL ALL FUNDS	**$ 46,138**	**$ 49,318**	**$ 50,834**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GAMING REGULATION:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	46,138	49,318	50,834	50,834	50,834	50,834	50,834
SUBCATEGORY TOTAL	$ 46,138	$ 49,318	$ 50,834	$ 50,834	$ 50,834	$ 50,834	$ 50,834
ALL PROGRAMS:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	46,138	49,318	50,834	50,834	50,834	50,834	50,834
DEPARTMENT TOTAL	$ 46,138	$ 49,318	$ 50,834	$ 50,834	$ 50,834	$ 50,834	$ 50,834

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)

	Administration
$ 1,019	–to replace nonrecurring benefits cost reduction.
497	–to continue current program.
$ 1,516	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
STATE GAMING FUND:							
(R)Administration	$ 37,357	$ 38,973	$ 40,489	$ 40,489	$ 40,489	$ 40,489	$ 40,489
(R)General Operations	6,000	7,700	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	$ 45,357	$ 48,673	$ 50,189	$ 50,189	$ 50,189	$ 50,189	$ 50,189

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 53,698**	**$ 55,275**	**$ 61,934**
(F)COVID - PA Disaster Relief (EA)	7,000	-	-
(A)Public Works Modernization	13,777	20,000	20,000
(A)Shared Services - Procurement	8,416	9,355	10,043
(A)CoStar Program	2,841	2,300	2,800
(A)Metrology Fees	294	270	270
(A)Contract Administration Fees	375	150	200
(A)E-Verify	-	15	15
(A)Federal Surplus Property	1,659	1,830	1,835
(A)State Surplus Property	1,821	900	1,269
(A)Recycling Program	624	400	475
(A)Real Estate Services	480	500	597
(A)DGS Annex	301	250	105
(A)State Building Use	330	207	157
(A)State Construction Notices	15	15	15
(A)Media Center Reimbursements	400	400	400
(A)Newsroom Services	5	5	5
(A)Employee Liability Self Insurance Program	234	311	327
(A)Administrative Services	127	140	146
(R)Temporary Fleet Vehicles	518	1,500	1,500
Subtotal	$ 92,915	$ 93,823	$ 102,093
Child Care Reimagined	**-**	**-**	**30,000**
Capitol Police Operations	**12,712**	**14,286**	**15,923**
(A)Capitol Police Services	1,176	1,200	1,200
Subtotal	$ 13,888	$ 15,486	$ 17,123
Rental, Relocation, and Municipal Charges	**22,702**	**26,150**	**26,701**
(A)Agency Rental Charges - Harristown Rents	4,185	4,275	4,253
(A)Real Estate Lease Reimbursements	25,653	26,055	25,678
Subtotal	$ 52,540	$ 56,480	$ 56,632
Utility Costs	**23,946**	**24,626**	**25,393**
(A)DGS Annex	202	205	142
(A)Energy Management	637	240	300
Subtotal	$ 24,785	$ 25,071	$ 25,835
Excess Insurance Coverage	**4,328**	**3,477** [a]	**3,477**
Transfer to State Insurance Fund	**-**	**1,500** [b]	**1,500**
Capitol Fire Protection	**5,000**	**5,000**	**5,000**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Subtotal - State Funds	$ 122,386	$ 130,314	$ 169,928
Subtotal - Federal Funds	7,000	-	-
Subtotal - Augmentations	63,552	69,023	70,232
Subtotal - Restricted Revenues	518	1,500	1,500
Total - General Government	$ 193,456	$ 200,837	$ 241,660
STATE FUNDS	122,386	130,314	169,928
FEDERAL FUNDS	7,000	-	-
AUGMENTATIONS	63,552	69,023	70,232
RESTRICTED REVENUES	518	1,500	1,500
GENERAL FUND TOTAL	**$ 193,456**	**$ 200,837**	**$ 241,660**
MOTOR LICENSE FUND:			
General Government:			
Harristown Rental Charges (EA)	**$ 95**	**$ 105**	**$ 105**
Harristown Utility and Municipal Charges (EA)	**276**	**276**	**276**
Tort Claims Payments	**9,000**	**9,000**	**9,000**
Total - General Government	9,371	9,381	9,381
MOTOR LICENSE FUND TOTAL	**$ 9,371**	**$ 9,381**	**$ 9,381**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 122,386	$ 130,314	$ 169,928
MOTOR LICENSE FUND	9,371	9,381	9,381
LOTTERY FUND	-	-	-
FEDERAL FUNDS	7,000	-	-
AUGMENTATIONS	63,552	69,023	70,232
RESTRICTED	518	1,500	1,500
OTHER FUNDS	-	-	-
TOTAL ALL FUNDS	**$ 202,827**	**$ 210,218**	**$ 251,041**

[a] Reflects recommended appropriation reduction of $1,500,000.
[b] Includes recommended supplemental appropriation of $1,500,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
FACILITY, PROPERTY, AND COMMODITY MANAGEMENT:							
GENERAL FUND	$ 122,386	$ 130,314	$ 169,928	$ 139,928	$ 139,928	$ 139,928	$ 139,928
MOTOR LICENSE FUND	9,371	9,381	9,381	9,381	9,381	9,381	9,381
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	7,000	-	-	-	-	-	-
AUGMENTATIONS	63,552	69,023	70,232	70,232	70,232	70,232	70,232
RESTRICTED	518	1,500	1,500	1,500	1,500	1,500	1,500
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 202,827	$ 210,218	$ 251,041	$ 221,041	$ 221,041	$ 221,041	$ 221,041
ALL PROGRAMS:							
GENERAL FUND	$ 122,386	$ 130,314	$ 169,928	$ 139,928	$ 139,928	$ 139,928	$ 139,928
MOTOR LICENSE FUND	9,371	9,381	9,381	9,381	9,381	9,381	9,381
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	7,000	-	-	-	-	-	-
AUGMENTATIONS	63,552	69,023	70,232	70,232	70,232	70,232	70,232
RESTRICTED	518	1,500	1,500	1,500	1,500	1,500	1,500
OTHER FUNDS	-	-	-	-	-	-	-
DEPARTMENT TOTAL	$ 202,827	$ 210,218	$ 251,041	$ 221,041	$ 221,041	$ 221,041	$ 221,041

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 (DGS) provides shared services to support the business operations of all agencies in the Commonwealth of Pennsylvania. With DGS assistance and oversight, its customers procure goods and services, obtain and renovate facilities, operate vehicles efficiently, and create workspaces that are clean, safe, and comfortable. DGS also handles insurance claims, collects and distributes surplus property, and provides police and security services for commonwealth owned or operated facilities. These services benefit not only state agencies, but local governments, nonprofit organizations, and the public.

Property and Asset Management

The Bureau of Facilities Management provides building management and maintenance services for 20 state-owned office buildings in and around Harrisburg, including the Capitol Complex and governor's executive residence, as well as for leased buildings. Outside of the Harrisburg area, the bureau operates the Scranton and Reading state office buildings.

The PA Capitol Police is 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.

The Energy and Resource Management Office facilitates Guaranteed Energy Saving Act (GESA) projects for owned facilities across the commonwealth as well as the operation and maintenance of high voltage, HVAC, and plumbing equipment located in Harrisburg facilities.

The GreenGov Council is co-chaired by the Secretaries of the Departments of General Services, Environmental Protection, and Conservation and Natural Resources and encourages the incorporation of environmentally sustainable practices into the commonwealth's policy, planning, operations, procurement, and regulatory functions. The council works with state agencies to achieve the energy efficiency and performance goals established in Executive Order 2019-01.

Public Works

Public Works is comprised of the Bureaus of Capital Projects Planning and Procurement, Capital Projects Design Management, Capital Projects Construction, and Workplace Operations. Collectively, these bureaus manage every aspect of planning, design, bidding, and construction of the commonwealth's non-highway capital projects.

Procurement

The Bureau of Procurement contracts for services, information technology, equipment, and supplies for the commonwealth and establishes procurement policy for all state agencies.

The bureau also administers the commonwealth's cooperative purchasing program known as COSTARS, through which more than 9,200 registered and eligible local public procurement units (members) are able to use state contracts under the Commonwealth Procurement Code.

The Bureau of Vehicle Management provides transportation services to all state agencies, managing a fleet of over 11,000 passenger vehicles. The bureau manages all maintenance and repairs and works with repair vendors to reduce the overall fleet maintenance cost.

The Bureau of Supplies and Surplus Operations administers both State and Federal Surplus Property Programs. The State Surplus Property Division sells property no longer used by commonwealth agencies, boards, and commissions to the general public through on-site and online auctions. Federal surplus property is donated to state agencies, local municipalities, nonprofit organizations, and law enforcement entities for a nominal service charge.

Diversity, Inclusion, and Small Business Opportunities

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.

Program: Facility, Property, and Commodity Management, continued

Administration

The Bureau of Publications provides a wide range of mail, custom print, and design services to agency customers across the enterprise including variable data print-to-mail and mail presort services. The bureau also hosts an online storefront, PAPublisher, through which agency customers can order personalized products. The bureau also provides direct distribution, eliminating an agency's need to print and store large quantities of product. The bureau also produces The Pennsylvania Manual and the Commonwealth Telephone Directory.

The Bureau of Real Estate is responsible for the purchase, sale, and lease of real property and the management of property owned and leased by the commonwealth. This includes 600 facility leases for the Pennsylvania Liquor Control Board and over 500 leases on behalf of other commonwealth agencies, including commercial, office, warehouse, and hangar space. The bureau 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. The bureau maintains an inventory of facility and building information and manages the Master Parking Lease in Harrisburg. The bureau acquires real property for capital projects and disposes surplus real property owned by the commonwealth.

The Bureau of Finance and Risk Management protects and maintains the financial integrity of the commonwealth's assets and uses risk treatment strategies to manage the commonwealth's liability relative to state-operated vehicles, medical professionals, personal property, commonwealth real estate, and other areas of significant risk. 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.

Commonwealth Media Services (CMS) 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. CMS services are designed to assist agencies in developing a portfolio of media strategies to communicate program information to 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 on social media, they work closely with agencies to deliver up-to-date content and creative messaging solutions.

The DGS Office of Business Transformation collaborates with department bureaus to deliver greater value to customer agencies. The office creates effective business processes, visible management systems, and uses a healthy government framework to foster strategic decisions and increase efficiency and effectiveness. Finally, as one of the Office of Performance Through Excellence's designated Lean model agencies, the office serves as a 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:

General Government Operations

$ 1,200	—to replace nonrecurring benefits cost reduction.
2,515	—to continue current program.
2,944	—Initiative—to provide resources to support efficient and effective service delivery.
$ 6,659	*Appropriation Increase*

Child Care Reimagined

$ 30,000	—Initiative—to provide access to high-quality, low-cost childcare for commonwealth employees.

Capitol Police Operations

$ 334	—to replace nonrecurring benefits cost reduction.
1,303	—to continue current program.
$ 1,637	*Appropriation Increase*

Rental, Relocation, and Municipal Charges

$ 551	—to continue current program.

Utility Costs

$ 767	—to continue current program.

Program: Facility, Property, and Commodity Management, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 53,698	$ 55,275	$ 61,934	$ 61,934	$ 61,934	$ 61,934	$ 61,934
Child Care Reimagined	-	-	30,000	-	-	-	-
Capitol Police Operations	12,712	14,286	15,923	15,923	15,923	15,923	15,923
Rental, Relocation, and Municipal Charges	22,702	26,150	26,701	26,701	26,701	26,701	26,701
Utility Costs	23,946	24,626	25,393	25,393	25,393	25,393	25,393
Excess Insurance Coverage	4,328	3,477	3,477	3,477	3,477	3,477	3,477
Transfer to State Insurance Fund	-	1,500	1,500	1,500	1,500	1,500	1,500
Capitol Fire Protection	5,000	5,000	5,000	5,000	5,000	5,000	5,000
TOTAL GENERAL FUND	$ 122,386	$ 130,314	$ 169,928	$ 139,928	$ 139,928	$ 139,928	$ 139,928
MOTOR LICENSE FUND:							
Harristown Rental Charges (EA)	$ 95	$ 105	$ 105	$ 105	$ 105	$ 105	$ 105
Harristown Utility and Municipal Charges (EA)	276	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	$ 9,371	$ 9,381	$ 9,381	$ 9,381	$ 9,381	$ 9,381	$ 9,381

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Generate procurement savings for the commonwealth.							
DGS procurement related savings (in thousands)	$ 83,208	$ 153,500	$ 122,606	$ 56,563	$ 61,636	$ 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%	11%	14%	17%	20%	23%	26%
Reduce energy consumption and associated energy costs in state-owned facilities.							
DGS energy use (in BTU per square foot)	76,678 *	84,313	82,095 *	76,153 *	74,145	71,920	69,763

* Actual year measure data has been corrected.

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 21,822**	**$ 30,268**	**$ 32,830**
(F)COVID-RF General Government Operations	4,000	-	-
(F)WIC Administration and Operation	42,959	42,959	42,959
(F)Health Assessment	613	613	582
(F)COVID-Health Assessment (EA)	103	-	-
(F)PHHSBG - Administration and Operation	4,524	4,693	4,870
(F)MCHSBG - Administration and Operation	16,596	16,659	16,659
(F)Adult Blood Lead Epidemiology	167	26	24
(F)EMS for Children	304	304	321
(F)TB - Administration and Operation	1,270	1,328	1,407
(F)Lead - Administration and Operation	990	1,001	1,160
(F)AIDS Health Education - Administration and Operation	8,511	8,511	8,511
(F)Primary Care Cooperative Agreements	463	463	555
(F)HIV / AIDS Surveillance	444	506	597
(F)HIV Care - Administration and Operation	4,136	4,136	4,136
(F)Cancer Prevention and Control	7,921	8,308	8,313
(F)Environmental Public Health Tracking	190	244	472
(F)COVID-Health Equity (EA)	27,676	-	-
(F)Special Preparedness Initiatives	500	500	490
(F)State Loan Repayment Program	1,415	1,500	1,500
(F)Public Health Emergency Preparedness and Response (EA)	54,680	54,680	54,680
(F)COVID-Public Health Emergency Preparedness and Response (EA)	79,965	1,000	-
(F)COVID-Public Assistance (EA)	3,650	106,500	-
(F)SABG - DDAP Support Services (EA)	156	98	103
(F)Learning Management System (EA)	42	42	42
(F)Vehicular Safety Assessment and Outreach Program (EA)	138	165	150
(A)Miscellaneous	430	1,191	172
Subtotal	$ 283,665	$ 285,695	$ 180,533
Quality Assurance	**23,093**	**24,393**	**28,717**
(F)Medicare - Health Service Agency Certification	14,100	14,100	14,100
(F)COVID-Medicare - Health Service Agency Certification (EA)	3,185	1,495	-
(F)Medicaid Certification	11,300	11,300	11,300
(F)COVID-Medicaid Certification (EA)	2,450	1,641	-
(A)Indoor Tanning Regulation Fund	118	118	124
(A)Publication Fees	-	1	1
(R)Long-Term Care Infection Prevention and Control (EA)	-	915	-
Subtotal	$ 54,246	$ 53,963	$ 54,242

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Health Innovation	**605**	**753**	**774**
(F)Rural Health	8,943	4,967	100
(F)ARRA - Health Information Exchange Capacity (EA)	1,305	-	-
Subtotal	$ 10,853	$ 5,720	$ 874
Achieving Better Care - MAP Program	**2,715**	**2,989**	**2,973**
(F)Prescription Drug Monitoring	18,124	18,124	18,762
(F)State Opioid Response Programs (EA)	18,024	3,110	3,110
Subtotal	$ 38,863	$ 24,223	$ 24,845
Vital Statistics	**100**	**100**	**-**
(F)Cooperative Health Statistics	2,182	2,275	2,275
(F)Health Statistics	103	90	90
(F)Behavioral Risk Factor Surveillance System	565	742	742
(F)COVID-Behavioral Risk Factor Surveillance System (EA)	-	313	-
(R)County Coroner/Medical Examiner Distribution (EA)	985	1,110	1,110
(R)Vital Statistics Improvement Administration (EA)	12,725	15,726	16,238
(A)VitalChek Revenue	2,282	2,282	2,282
(A)Reimbursement for Microfilming	143	143	143
Subtotal	$ 19,085	$ 22,781	$ 22,880
State Laboratory	**4,269**	**4,028**	**7,424**
(F)Epidemiology & Laboratory Surveillance & Response	6,327	6,450	6,571
(F)COVID-Epidemiology & Laboratory Surveillance & Response (EA)	1,009,871	38,670	-
(F)Clinical Laboratory Improvement	674	674	651
(F)Food Emergency Response	305	-	-
(A)Licensure for Clinical Laboratories	1,334	1,334	1,870
(A)Drug Abuse Proficiency	253	253	253
(A)Alcohol Proficiency Testing	70	70	7
(A)Erythrocyte Protoporphyrin Testing	11	11	11
(A)Blood Lead Specimen Testing	11	11	11
(A)Blood Lead Testing	49	49	49
Subtotal	$ 1,023,174	$ 51,550	$ 16,847
State Health Care Centers	**12,054**	**24,972**	**25,784**
(F)COVID-RF State Health Care Centers	10,000	-	-
(F)Disease Control Immunization Program	14,269	14,269	14,927
(F)COVID-Disease Control Immunization (EA)	219,516	2,000	-
(F)PHHSBG - Block Program Services	7,108	7,108	7,708
(F)Preventive Health Special Projects	2,788	3,221	3,472
(F)Collaborative Chronic Disease Programs	5,591	4,630	5,060

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(F)Sexual Violence Prevention and Education	1,673	1,655	1,656
(F)Live Healthy	4,703	4,703	4,828
(F)Educate Older Adults Program (EA)	403	-	-
Subtotal	$ 278,105	$ 62,558	$ 63,435
Sexually Transmitted Disease Screening and Treatment	**1,734**	**1,757**	**1,893**
(F)Survey and Follow-Up - Sexually Transmitted Diseases	3,195	3,295	3,306
(F)COVID-Strengthening STD Prevention and Control (EA)	-	4,186	-
Subtotal	$ 4,929	$ 9,238	$ 5,199
Subtotal - State Funds	$ 66,392	$ 89,260	$ 100,395
Subtotal - Federal Funds	1,628,117	403,254	246,189
Subtotal - Augmentations	4,701	5,463	4,923
Subtotal - Restricted Revenues	13,710	17,751	17,348
Total - General Government	$ 1,712,920	$ 515,728	$ 368,855
Grants and Subsidies:			
Diabetes Programs	**$ 200**	**$ 200**	**$ 200**
Primary Health Care Practitioner	**4,550**	**4,550**	**4,550**
Community-Based Health Care Subsidy	**2,000**	**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	**9,914**	**10,436**	**10,436**
(F)AIDS Ryan White and HIV Care	61,864	61,864	61,864
(F)Housing for Persons with AIDS	4,079	4,079	4,104
(F)AIDS Health Education Program	2,613	2,613	2,613
(R)RWHAP Rebates	88,044	78,925	67,839
Subtotal	$ 166,514	$ 157,917	$ 146,856
Regional Cancer Institutes	**1,200**	**1,200**	**1,200**
School District Health Services	**34,620**	**34,620**	**34,620**
Local Health Departments	**25,421**	**27,362**	**35,993**
Local Health - Environmental	**2,389**	**2,564**	**2,700**
Maternal and Child Health Services	**1,005**	**1,398**	**1,456**
(F)Women, Infants and Children (WIC)	278,219	278,219	278,219
(F)COVID-Women, Infants and Children (EA)	15,989	-	-
(F)MCHSBG - Program Services	20,500	19,855	20,833
(F)Teenage Pregnancy Prevention	5,383	5,383	4,780
(F)Abstinence Education	4,609	4,609	4,605
(F)Family Health Special Projects	4,557	2,545	2,490
(F)MCH Lead Poisoning Prevention and Abatement	2,375	2,705	2,440

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(F)Screening Newborns	1,669	1,680	1,596
(F)COVID-Screening Newborns (EA)	360	240	-
(F)Newborn Hearing Screening and Intervention	527	528	525
(F)Traumatic Brain Injury	465	627	611
Subtotal	$ 335,658	$ 317,789	$ 317,555
Tuberculosis Screening and Treatment	**913**	**913**	**913**
(F)Tuberculosis Control Program	326	47	61
Subtotal	$ 1,239	$ 960	$ 974
Renal Dialysis	**6,300**	**6,300**	**6,300**
Gene Therapy Research	**-**	**-**	**5,000**
(R)Pediatric Cancer Research Fund	93	881	881
Services for Children with Special Needs	**1,728**	**1,728**	**1,728**
Adult Cystic Fibrosis & Other Chronic Respiratory Illnesses	**750**	**750**	**750**
Cooley's Anemia	**100**	**100**	**100**
Hemophilia	**959**	**959**	**959**
Lupus	**100**	**100**	**100**
Sickle Cell	**1,260**	**1,260**	**1,260**
Regional Poison Control Centers	**700**	**700**	**700**
Trauma Prevention	**460**	**460**	**460**
Epilepsy Support Services	**550**	**550**	**550**
Bio-Technology Research	**7,700**	**8,550**	**-**
Tourette's Syndrome	**150**	**150**	**150**
Amyotrophic Lateral Sclerosis Support Services	**850**	**850**	**850**
Lyme Disease	**3,000**	**3,000**	**3,000**
Leukemia/Lymphoma	**200**	**200**	**200**
Subtotal - State Funds	$ 116,674	$ 120,555	$ 125,830
Subtotal - Federal Funds	403,535	384,994	384,741
Subtotal - Restricted Revenues	88,137	79,806	68,720
Total - Grants and Subsidies	$ 608,346	$ 585,355	$ 579,291
STATE FUNDS	$ 183,066	$ 209,815	$ 226,225
FEDERAL FUNDS	2,031,652	788,248	630,930
AUGMENTATIONS	4,701	5,463	4,923
RESTRICTED REVENUES	101,847	97,557	86,068
GENERAL FUND TOTAL	**$ 2,321,266**	**$ 1,101,083**	**$ 948,146**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
EMERGENCY MEDICAL SERVICES OPERATING FUND:			
Emergency Medical Services	$ 9,200	$ 9,200	$ 10,200
Catastrophic Medical and Rehabilitation	4,100	4,300	4,200
EMERGENCY MEDICAL SERVICES OPERATING FUND TOTAL	**$ 13,300**	**$ 13,500**	**$ 14,400**
GOV. CASEY ORGAN & TISSUE DONATION AWARENESS FUND:			
Implementation Costs (EA)	$ 170	$ 170	$ 168
Hospital and Other Medical Costs (EA)	18	18	20
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)	$ 13,426	$ 20,743	$ 26,131
Loan Repayment to General Fund (EA)	-	3,000	-
Patient Financial Hardship Program (EA)	-	7,779	9,799
Medical Marijuana Research (EA)	-	15,557	19,598
MEDICAL MARIJUANA PROGRAM FUND TOTAL	**$ 13,426**	**$ 47,079**	**$ 55,528**
TOBACCO SETTLEMENT FUND:			
Tobacco Use Prevention and Cessation (EA)	$ 16,309	$ 16,001	$ 15,549
Health Research - Health Priorities (EA)	45,664	44,802	43,537
Health Research - National Cancer Institute (EA)	3,624	3,556	3,455
TOBACCO SETTLEMENT FUND TOTAL	**$ 65,597**	**$ 64,359**	**$ 62,541**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 183,066	$ 209,815	$ 226,225
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	2,031,652	788,248	630,930
AUGMENTATIONS	4,701	5,463	4,923
RESTRICTED	101,847	97,557	86,068
OTHER FUNDS	92,971	125,586	133,117
TOTAL ALL FUNDS	**$ 2,414,237**	**$ 1,226,669**	**$ 1,081,263**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
HEALTH SUPPORT SERVICES:							
GENERAL FUND	$ 51,899	$ 61,678	$ 71,944	$ 72,185	$ 72,185	$ 72,185	$ 72,185
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	1,355,773	349,800	202,025	202,025	202,025	202,025	202,025
AUGMENTATIONS	2,276	3,038	2,498	2,498	2,498	2,498	2,498
RESTRICTED	-	915	-	-	-	-	-
OTHER FUNDS	13,426	23,743	26,131	31,186	35,826	39,383	41,339
SUBCATEGORY TOTAL	$ 1,423,374	$ 439,174	$ 302,598	$ 307,894	$ 312,534	$ 316,091	$ 318,047
HEALTH RESEARCH:							
GENERAL FUND	$ 9,200	$ 10,050	$ 6,400	$ 6,400	$ 6,400	$ 6,400	$ 6,400
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	2,850	3,420	3,107	3,107	3,107	3,107	3,107
AUGMENTATIONS	2,425	2,425	2,425	2,425	2,425	2,425	2,425
RESTRICTED	13,803	17,717	18,229	18,229	18,229	18,229	18,229
OTHER FUNDS	49,288	63,915	66,590	70,382	73,861	76,529	77,997
SUBCATEGORY TOTAL	$ 77,566	$ 97,527	$ 96,751	$ 100,543	$ 104,022	$ 106,690	$ 108,158
PREVENTIVE HEALTH:							
GENERAL FUND	$ 108,410	$ 124,530	$ 134,324	$ 134,894	$ 134,894	$ 134,894	$ 134,894
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	673,029	435,028	425,798	425,798	425,798	425,798	425,798
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	88,044	78,925	67,839	67,839	67,839	67,839	67,839
OTHER FUNDS	16,309	16,001	15,549	15,549	15,549	15,549	15,549
SUBCATEGORY TOTAL	$ 885,792	$ 654,484	$ 643,510	$ 644,080	$ 644,080	$ 644,080	$ 644,080

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
HEALTH TREATMENT SERVICES:							
GENERAL FUND	$ 13,557	$ 13,557	$ 13,557	$ 13,557	$ 13,557	$ 13,557	$ 13,557
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	13,948	21,927	24,847	26,743	28,483	29,817	30,550
SUBCATEGORY TOTAL	$ 27,505	$ 35,484	$ 38,404	$ 40,300	$ 42,040	$ 43,374	$ 44,107
ALL PROGRAMS:							
GENERAL FUND	$ 183,066	$ 209,815	$ 226,225	$ 227,036	$ 227,036	$ 227,036	$ 227,036
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	2,031,652	788,248	630,930	630,930	630,930	630,930	630,930
AUGMENTATIONS	4,701	5,463	4,923	4,923	4,923	4,923	4,923
RESTRICTED	101,847	97,557	86,068	86,068	86,068	86,068	86,068
OTHER FUNDS	92,971	125,586	133,117	143,860	153,719	161,278	165,435
DEPARTMENT TOTAL	$ 2,414,237	$ 1,226,669	$ 1,081,263	$ 1,092,817	$ 1,102,676	$ 1,110,235	$ 1,114,392

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 identification, surveillance and investigation, outbreak response, and 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 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, long-term 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 of Health Bureau of Laboratories operates the state public health lab and regulates clinical laboratories serving the citizens of Pennsylvania. The laboratory supports disease prevention through the provision of investigatory, diagnostic, and confirmatory testing, as well as related consultation for both infectious and non-infectious diseases. Routine testing provides information necessary for patient care and aids in monitoring ongoing public health concerns in Pennsylvania. The state public health laboratory performs approximately 200,000 tests each year, including 3,000 rabies, 2,200 foodborne disease, and 1,500 influenza tests. Tests are also performed for diseases or conditions such as COVID-19, measles, mumps, meningitis, tuberculosis, botulism, Lyme disease, and the presence of drugs, alcohol, and lead. The state public health laboratory is an integral part of preparedness and response throughout the commonwealth. The bureau licenses more than 10,000 laboratories, including independent labs and labs located within hospitals and physicians' offices, establishes performance standards, and monitors compliance through onsite inspections. The bureau administers proficiency testing programs to monitor Pennsylvania laboratories' abilities to perform testing for blood lead, erythrocyte protoporphyrin, alcohol, and drugs of abuse.

Program: Health Support Services, continued

Facility Counts and Inspection Frequency

Facility Type	Frequency	# of Licensed Facilities		
		2019-20	2020-21	2021-22
Abortion facilities	Inspected annually	16	16	16
Acute care hospitals	Surveyed and licensed on a three-year cycle	215	196+	196+
Ambulatory surgical facilities (class B and C)	Inspected annually	327	320	320
Birth centers	Inspected annually	5	5	5
End-stage renal disease facilities	One-third of facilities are surveyed annually	329	329	333
Home care agencies	Onsite inspection every three years; written surveys other two years	2,526	2,968	3,689
Home health agencies	Onsite inspection every three years; written surveys other two years	570	581	599
Hospice agencies	Onsite inspection every three years; written surveys other two years	182	180	184
Intellectual Disabilities - Intermediate Care Facilities	Surveyed annually	169	170	164
Nursing homes	Inspected annually	699	695	688
Pediatric extended care centers	Surveyed annually	15	16	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

$ 501	—to replace nonrecurring benefits cost reduction.
719	—to continue current program.
1,342	—Initiative—to enhance public health infrastructure.
$ 2,562	*Appropriation Increase*

Quality Assurance

$ 539	—to replace nonrecurring benefits cost reduction.
3,785	—to continue current program.
$ 4,324	*Appropriation Increase*

Achieving Better Care - MAP Program

$ (16)	—to continue current program.

State Laboratory

$ 131	—to replace nonrecurring benefits cost reduction.
626	—to continue current program.
2,639	—Initiative—to enhance public health infrastructure.
$ 3,396	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 21,822	$ 30,268	$ 32,830	$ 32,830	$ 32,830	$ 32,830	$ 32,830
Quality Assurance	23,093	24,393	28,717	28,958	28,958	28,958	28,958
Achieving Better Care - MAP Program	2,715	2,989	2,973	2,973	2,973	2,973	2,973
State Laboratory	4,269	4,028	7,424	7,424	7,424	7,424	7,424
TOTAL GENERAL FUND	$ 51,899	$ 61,678	$ 71,944	$ 72,185	$ 72,185	$ 72,185	$ 72,185

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)

Vital Statistics

$ (100) —to reflect change in other revenue.

Bio-Technology Research

$ (8,550) —program elimination.

Gene Therapy Research

$ 5,000 —Initiative—to support gene therapy research.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Vital Statistics	$ 100	$ 100	$ -	$ -	$ -	$ -	$ -
Diabetes Programs	200	200	200	200	200	200	200
Regional Cancer Institutes	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Gene Therapy Research	-	-	5,000	5,000	5,000	5,000	5,000
Bio-Technology Research	7,700	8,550	-	-	-	-	-
TOTAL GENERAL FUND	$ 9,200	$ 10,050	$ 6,400	$ 6,400	$ 6,400	$ 6,400	$ 6,400

Program: Health Research, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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)	60.7%	66.8%	91.8%	90.9%	99.7%	99.9%	100.0%
Event Date Lag (%) for Birth Records (Note: a higher rate equals better performance)	54.4%	55.5%	56.5%	58.4%	60.0%	63.0%	70.0%
Event Date Lag (%) for Death Records (Note: a higher rate equals better performance)	4.7%	33.2%	57.6%	67.6%	89.0%	97.0%	98.0%
Number of drug-related overdose deaths	4,643	5,396	4,422	4,420	5,100	5,150	5,150

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. County and municipal 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 ages 40 to 64; and provides Pap tests, human papillomavirus (HPV) tests, and biopsies to detect cervical cancer for women ages 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 percent 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.

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 reviews maternal deaths and examines 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 vaccines 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 childcare and school immunization reporting. 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 case management services for children under the age of 7 with elevated blood lead levels. In addition, the Childhood Lead Poisoning Prevention Program provides education and training to families, communities, contractors, and healthcare providers to promote lead poisoning prevention in children under the age of 6 and blood lead testing.

Program: Preventive Health, continued

The School Health Program supports health services for all children who are attending elementary or secondary school, either public or private. The program reimburses 500 school districts, 160 charter schools and 10 vocational technical schools for a portion of the costs associated with providing school nursing and dental services. State health center nurses offer technical assistance and recommendations to school officials during investigation of disease in students and staff.

Other Health Promotion and Disease and Injury Prevention Programs

The department promotes appropriate adult immunizations by providing information to community-based and public organizations. Vaccines are also made available to uninsured and underinsured adults through state health centers, county and municipal health departments, and federally qualified and rural health clinics. The state health center nurses offer immunizations to eligible individuals and public health education 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, the HIV program conducts disease investigations and contact elicitation interviews.

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 conducts contact elicitation interviews and related investigative services.

The goal of the Tuberculosis (TB) Program is to reduce the incidence of TB and provide outpatient examination, diagnosis, and appropriate treatment for persons with TB disease and infection.

State health centers offer public STD, HIV, and TB testing clinics, community outreach, and provider education relating to the prevention of these communicable diseases in the community.

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, the department continues efforts to increase the availability of naloxone to Pennsylvanians. This includes working both internally and with other state agencies on access to naloxone through initatives such as NaloxBox, pricing of naloxone, and examining usability of other naloxone types. Public awareness and education campaigns seek to improve knowledge around the use and availability of naloxone. Under the authority of the Controlled Substance, Drug, Device, and Cosmetic Act, the department issued and has updated, 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 dashboard also includes community impact information, which looks at the impact of the opioid epidemic on families and children, related diseases, such as HIV and hepatitis C, the economy, and the criminal justice system. 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.

Program: Preventive Health, continued

The Diabetes Prevention Program, Heart Disease and Stroke Prevention Program, and Obesity Prevention and Wellness Program work collaboratively to promote healthy, active lifestyles in communities, health care systems, schools, early care and education centers, and worksites. These changes support the development of healthy environments that encourage positive behaviors to reduce and control diabetes and hypertension, and to prevent heart disease, obesity, stroke, and related chronic diseases and conditions.

The Asthma Control Program provides education and information to persons with asthma, caregivers, and health professionals that support the identification of triggers and self-management of asthma.

The Violence and Injury Prevention program is designed to reduce the incidence of 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)

	Health Innovation
$ 21	—to continue current program.
	State Health Care Centers
$ 504	—to replace nonrecurring benefits cost reduction.
308	—to continue current program.
$ 812	*Appropriation Increase*
	Sexually Transmitted Disease Screening and Treatment
$ 136	—to continue current program.
	Local Health Departments
$ 1,417	—to continue current program.
7,214	—Initiative—to restore support to local health departments.
$ 8,631	*Appropriation Increase*
	Local Health - Environmental
$ 136	—to continue current program.
	Maternal and Child Health Services
$ 58	—to reflect change in federal earnings.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Health Innovation	$ 605	$ 753	$ 774	$ 774	$ 774	$ 774	$ 774
State Health Care Centers	12,054	24,972	25,784	25,784	25,784	25,784	25,784
Sexually Transmitted Disease Screening and Treatment	1,734	1,757	1,893	1,893	1,893	1,893	1,893
Primary Health Care Practitioner	4,550	4,550	4,550	4,550	4,550	4,550	4,550
Community-Based Health Care Subsidy	2,000	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:

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
AIDS Programs and Special Pharmaceutical Services	9,914	10,436	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	27,362	35,993	36,516	36,516	36,516	36,516
Local Health - Environmental	2,389	2,564	2,700	2,747	2,747	2,747	2,747
Maternal and Child Health Services	1,005	1,398	1,456	1,456	1,456	1,456	1,456
Tuberculosis Screening and Treatment	913	913	913	913	913	913	913
Epilepsy Support Services	550	550	550	550	550	550	550
Lyme Disease	3,000	3,000	3,000	3,000	3,000	3,000	3,000
TOTAL GENERAL FUND	$ 108,410	$ 124,530	$ 134,324	$ 134,894	$ 134,894	$ 134,894	$ 134,894

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Meet and maintain Healthy People 2020 objectives for vaccination rates among school-age children.							
Kindergarten immunization rate for measles, mumps, and rubella (MMR) vaccine	93.7%	96.8%	97.0%	97.0%	97.5%	98.0%	98.0%
Percentage of school districts with required school nurse to student ratio	95.8%	95.8%	98.2%	98.3%	98.5%	98.9%	99.1%
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)	30.3%	31.6%	30.9%	33.2%	32.7%	33.1%	31.5%
Percentage of adults with diabetes	11.3%	10.6%	11.3%	10.8%	11.4%	11.0%	11.4%
Percentage of children <72 months screened for lead	17.1%	17.8%	19.0%	19.9%	17.6%	19.6%	20.0%
Percentage of children <72 months with Blood Lead Level (BLL) >5ug/dl	4.4%	4.5%	4.1%	3.5% *	3.0%	2.9%	2.6%
Neonatal abstinence syndrome (per 1,000 births)	15.1 *	14.8 *	14.2 *	12.9 *	13.0	12.2	11.7
Rate of maternal mortality disparity between black and white persons (per 100,000 live births)	11.9 *	11.9 *	11.4 *	11.4 *	11.4	10.1	10.1

Program: Preventive Health, continued

Program Measures, continued:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Rate of mortality disparity between black and white infants (per 1,000 live births)	10.0	9.2	7.8	8.2 *	9.0	8.9	8.6
Rate of mortality disparity between black and white children, ages 1-4 (per 100,000 children ages 1-4)	17.0	11.7	16.6 *	20.8 *	11.2	10.7	9.7
Other communicable disease programs and incidences reported.							
Percentage of newly HIV diagnosed individuals linked to care within 30 days	73.7%	77.6%	80.0%	81.3%	83.9%	83.5%	85.3%
Number of individuals who test HIV negative referred to Pre-exposure Prophylaxis (PrEP) services	6	225	540	3,412	2,268	3,600	3,750
Percentage of initiation of TB treatment	79.4%	92.5%	92.3% *	90.2% *	83.8%	83.8%	96.0%
Percentage of completion of TB treatment	83.5%	86.0% *	91.7% *	90.2% *	83.8%	95.0%	95.0%
Percentage of initiation of latent tuberculosis infection (LTBI) for immigrants and refugees	79.0%	78.6% *	68.4% *	64.7% *	66.7%	100.0%	87.0%
Percentage of completion of latent tuberculosis infection (LTBI) for immigrants and refugees	72.2%	56.1% *	61.1% *	68.2% *	66.7%	87.0%	87.0%
Number of cases of primary and secondary Syphilis (per 100,000 population)	5.9	6.7	6.2	7.8	8.5	9.1	9.5
Number of cases of Gonorrhea (per 100,000 population)	114.3	121.0	124.0	125.6	126.2	158.5	160.5
Number of cases of Chlamydia (per 100,000 population)	445.4	444.5	463.3	481.9	485.5	430.4	450.0
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	18.0%	18.8%	17.0%	17.3%	16.0%	15.3%	15.0%
Percentage of adults (age 18+) who vape	19.7%	22.8%	24.8%	25.8%	26.8%	27.0%	25.0%
Percentage of teens who smoke	15.9%	13.6%	13.6%	6.5% *	6.0%	5.5%	5.3%
Percentage of teens who vape	N/A	17.9%	N/A	24.4%	25.4%	26.0%	24.0%

* Actual year measure data has been updated to reflect the most current state and national databases.

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 Program provides children and adults with a variety of services for certain health conditions including cystic fibrosis, Cooley's anemia, hemophilia, sickle cell, spina bifida, and home ventilator care for children with chronic respiratory failure. Services include increased client engagement, increased system functionality, development of peer supports, access to mental health screenings, 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.

Specialty Care Programs	
Program	Minimum Receiving Treatment*
Referrals to treatment for metabolic conditions	206
Renal disease	6,539
Sickle Cell disease	1,943
Hemophilia	2,401
Cooley's Anemia	80
Spina Bifida	1,206
Cystic Fibrosis	1,246
Services for children with special needs (home ventilators)	113

* Reflects only state funding and based on 2020-21 data counts of children and adults receiving services through department-supported 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)

All appropriations are recommended at the current year funding levels.

Program: Health Treatment Services, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 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	750	750	750	750	750
Cooley's Anemia	100	100	100	100	100	100	100
Hemophilia	959	959	959	959	959	959	959
Lupus	100	100	100	100	100	100	100
Sickle Cell	1,260	1,260	1,260	1,260	1,260	1,260	1,260
Regional Poison Control Centers	700	700	700	700	700	700	700
Trauma Prevention	460	460	460	460	460	460	460
Tourette's Syndrome	150	150	150	150	150	150	150
Amyotrophic Lateral Sclerosis Support Services	850	850	850	850	850	850	850
Leukemia/Lymphoma	200	200	200	200	200	200	200
TOTAL GENERAL FUND	$ 13,557	$ 13,557	$ 13,557	$ 13,557	$ 13,557	$ 13,557	$ 13,557

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 30-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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
Health Care Cost Containment Council	**$ 3,167**	**$ 3,167**	**$ 3,167**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
HEALTH CARE REPORTING:							
GENERAL FUND	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167
ALL PROGRAMS:							
GENERAL FUND	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
DEPARTMENT TOTAL	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167

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 and reauthorized most recently by Act 15 of 2020. It is governed by a 30-member board that represents health care purchasers (business and labor), consumers, health care providers, insurers, health economists, members of the Pennsylvania General Assembly, 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 5 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 to create reports. Updating and expanding an interactive consumer friendly online database focused on localized hospitalization data at the county level is also a priority for PHC4.

Program Recommendations:

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

Health Care Cost Containment Council is recommended at the current year funding level.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Health Care Cost Containment Council	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167	$ 3,167

HISTORICAL AND MUSEUM COMMISSION

The mission of the Pennsylvania Historical and Museum Commission 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.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 21,150**	**$ 21,150**	**$ 22,979**
(F)Historic Preservation	2,050	4,237	2,350
(F)Surface Mining Review	150	155	170
(F)Environmental Review	348	358	370
(F)American Battlefield Protection Program	2,000	7,000	2,000
(F)Maritime Heritage	-	525	525
(F)Appalachian Development	100	100	100
(F)Hurricane Sandy Disaster Relief (EA)	213	-	-
(F)COVID-PA History To Go (EA)	247	-	-
(A)State Records Center	823	823	823
(A)Keystone Recreation, Park, and Conservation Fund	- [a]	- [a]	- [a]
(R)Rent and Other Income	330	200	80
Subtotal	$ 27,411	$ 34,548	$ 29,397
Subtotal - State Funds	$ 21,150	$ 21,150	$ 22,979
Subtotal - Federal Funds	5,108	12,375	5,515
Subtotal - Augmentations	823	823	823
Subtotal - Restricted Revenues	330	200	80
Total - General Government	$ 27,411	$ 34,548	$ 29,397
Grants and Subsidies:			
Cultural and Historical Support	**$ 2,000**	**$ 2,000**	**$ 2,000**
Subtotal - State Funds	$ 2,000	$ 2,000	$ 2,000
Total - Grants and Subsidies	$ 2,000	$ 2,000	$ 2,000
STATE FUNDS	$ 23,150	$ 23,150	$ 24,979
FEDERAL FUNDS	5,108	12,375	5,515
AUGMENTATIONS	823	823	823
RESTRICTED REVENUES	330	200	80
GENERAL FUND TOTAL	**$ 29,411**	**$ 36,548**	**$ 31,397**
OTHER FUNDS:			
HISTORICAL PRESERVATION FUND:			
General Operations (EA)	$ 1,742	$ 1,267	$ 1,167
(R)Mitigation and Special Projects	669	889	888
HISTORICAL PRESERVATION FUND TOTAL	**$ 2,411**	**$ 2,156**	**$ 2,055**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
KEYSTONE RECREATION, PARK, AND CONSERVATION FUND:			
Historic Site Development (EA)	$ 14,675	$ 18,915 [b]	$ 19,043
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 23,150	$ 23,150	$ 24,979
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	5,108	12,375	5,515
AUGMENTATIONS	823	823	823
RESTRICTED	330	200	80
OTHER FUNDS	17,086	21,071	21,098
TOTAL ALL FUNDS	**$ 46,497**	**$ 57,619**	**$ 52,495**

[a] Not added to avoid double counting: 2020-21 Actual is $734,000, 2021-22 Available is $946,000 and 2022-23 Budget is $952,000.
[b] Includes recommended supplemental executive authorization of $6,202,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
STATE HISTORY:							
GENERAL FUND	$ 21,150	$ 21,150	$ 22,979	$ 23,623	$ 23,623	$ 23,623	$ 23,623
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	5,108	12,375	5,515	5,515	5,515	5,515	5,515
AUGMENTATIONS	823	823	823	823	823	823	823
RESTRICTED	330	200	80	60	60	60	60
OTHER FUNDS	2,411	2,156	2,055	2,055	2,055	1,523	1,167
SUBCATEGORY TOTAL	$ 29,822	$ 36,704	$ 31,452	$ 32,076	$ 32,076	$ 31,544	$ 31,188
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	14,675	18,915	19,043	18,910	19,025	19,413	19,671
SUBCATEGORY TOTAL	$ 16,675	$ 20,915	$ 21,043	$ 20,910	$ 21,025	$ 21,413	$ 21,671
ALL PROGRAMS:							
GENERAL FUND	$ 23,150	$ 23,150	$ 24,979	$ 25,623	$ 25,623	$ 25,623	$ 25,623
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	5,108	12,375	5,515	5,515	5,515	5,515	5,515
AUGMENTATIONS	823	823	823	823	823	823	823
RESTRICTED	330	200	80	60	60	60	60
OTHER FUNDS	17,086	21,071	21,098	20,965	21,080	20,936	20,838
DEPARTMENT TOTAL	$ 46,497	$ 57,619	$ 52,495	$ 52,986	$ 53,101	$ 52,957	$ 52,859

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 and ensuring the direction of each program is focused on meeting the agency's mission and strategic goals. It includes legislative, marketing, 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 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 25 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 351 buildings and 1,986 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; and managing the Pennsylvania Historical Marker Program. This program also administers several grant programs including the Keystone Historic Preservation Grant Program; works with property owners on state and federal historic tax credits; and partners with other agencies and organizations to promote the architectural and archaeological resources of the commonwealth.

Program: State History, continued

Program Recommendations:

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

		General Government Operations
$	377	—to replace nonrecurring benefits cost reduction.
	743	—to continue current program.
	709	—for utility and maintenance costs of new archives building.
$	1,829	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 21,150	$ 21,150	$ 22,979	$ 23,623	$ 23,623	$ 23,623	$ 23,623

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Share permanent museum collections with the public by providing online access.							
Records added online to collections database	N/A	N/A	N/A	8,689	10,166	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 (in thousands)	1,563	822	683	497	1,318	500	500
Review impact of state and federally supported projects on historic resources to foster preservation outcomes.							
Environmental submissions received	5,585	5,606	5,647	5,523	6,530	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)	3,068	3,715	2,844	7,717	2,424	1,500	1,500
Share Pennsylvania history through exhibits and programs at historic sites and museums.							
Onsite visitation at PHMC-owned sites and museums	299,134	302,782	285,353	171,369	19,498*	120,000	120,000

* Activity reduced due to COVID-19 closing of PHMC-owned sites and museums.

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

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 SHPO 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 (CLG) Grant Program awards are given to CLGs 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)

Cultural and Historical Support is recommended at the current year funding level.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Cultural and Historical Support	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000

Program: Museum and Community Assistance, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Build local government and professional capacity in the history, preservation, and records management fields.							
Trained practitioners and local government officials annually in-person or online.....	1,899	2,335	3,322	5,361	4,456	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.	15,448	13,000	12,785	9,111	9,027	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.	3,177	503	2,855	26,269	27,339	27,000	27,000
Assist communities in preserving local history at museums and historical societies.							
Grants provided to non-profit cultural and historical institutions across the commonwealth.....	141	142	151	153	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)	$ 1,490	$ 1,275	$ 2,569	$ 2,633	$ 2,308	$ 5,000	$ 5,000

DEPARTMENT OF HUMAN SERVICES

The mission of the Department of Human Services is to assist Pennsylvanians in leading safe, healthy, and productive lives through equitable, trauma-informed, and outcome-focused services while being an accountable steward of commonwealth 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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 106,235**	**$ 120,570**	**$ 122,000**
(F)Medical Assistance - Administration	33,509	36,779	39,265
(F)SNAP - Administration	6,582	5,747	5,747
(F)SSBG - Administration	358	358	358
(F)TANFBG - Administration	15,208	15,208	11,400
(F)CCDFBG - Administration	31,201	32,091	32,939
(F)Child Welfare - Title IV-E - Administration	7,492	8,329	10,211
(F)Child Welfare Services - Administration	867	867	867
(F)Community-Based Family Resource and Support - Administration	689	689	689
(F)Developmental Disabilities - Basic Support	4,157	4,299	4,429
(F)COVID-Developmental Disabilities - Basic Support (EA)	149	-	-
(F)Disabled Education - Administration	90	392	392
(F)Early Head Start Expansion Program	14,950	14,950	14,950
(F)COVID-Early Head Start Expansion and Child Care Prtnshp (EA)	1,179	-	-
(F)MCH - Administration	207	236	242
(F)MHSBG - Administration	979	890	1,137
(F)Refugees and Persons Seeking Asylum - Administration	1,942	3,703 [a]	2,802
(F)Homeland Security (EA)	75	75	75
(A)Child Abuse Reviews	8,636	8,325	8,325
(A)Adam Walsh Clearance	1,134	1,832	1,832
(A)Training Reimbursement	-	457	457
(A)Miscellaneous Reimbursements	13	-	-
Subtotal	$ 235,652	$ 255,797	$ 258,117
Information Systems	**85,905**	**91,735** [b]	**100,270**
(F)Medical Assistance - Information Systems	100,307	99,693	97,206
(F)SNAP - Information Systems	28,114	27,949	29,985
(F)TANFBG - Information Systems	11,189	13,424	15,784
(F)Child Welfare - Title IV-E - Information Systems	8,510	11,422	10,832
(F)Child Support Enforcement - Information Systems	9,639	6,712	7,894
(F)CHIP - Information Systems	14,868	12,887	16,478
(F)COVID-CHIP Information Systems (EA)	301	300	-
(A)COMPASS Support - CHIP	520	520	520
(A)Medical Data Exchange	-	13	13
Subtotal	$ 259,353	$ 264,655	$ 278,982
County Administration - Statewide	**45,839**	**51,220** [c]	**57,456**
(F)Medical Assistance - Statewide	65,058	67,797	71,343
(F)SNAP - Statewide	38,484	37,574	39,584

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(F)COVID-SNAP - State Administrative Expense Grants (EA)	48,173	-	-
(F)COVID-SNAP P-EBT Administration (EA)	7,082	13,688	-
(F)TANFBG - Statewide	1,072	1,072	1,072
(F)ARRA - Health Information Technology	12,385	12,394	12,251
(F)CHIP - Statewide	1,700	-	-
(F)Children's Health Insurance Administration	-	6,366	5,116
(F)COVID-Children's Health Insurance Administration (EA)	-	227	-
(A)SNAP - Retained Collections	1,755	2,201	2,201
(A)eHealth Fees	680	468	468
(A)FS Bonus Plan - County Admin Statewide	246	-	-
Subtotal	$ 222,474	$ 193,007	$ 189,491
County Assistance Offices	**247,203**	**299,473**	**312,338**
(F)Medical Assistance - County Assistance Offices	247,042	204,296	224,136
(F)SNAP - County Assistance Offices	128,490	124,362	136,393
(F)TANFBG - County Assistance Offices	51,037	42,543	46,218
(F)SSBG - County Assistance Offices	3,000	3,000	3,000
(F)LIHEABG - Administration	27,000	27,000	29,452
(F)COVID-LIHEABG - Administration (EA)	29,768	-	-
(F)COVID-LIHWAP Administration	-	6,488	-
Subtotal	$ 733,540	$ 707,162	$ 751,537
Children's Health Insurance Administration	**1,670**	**-**	**-**
(F)Children's Health Insurance Administration	4,955	-	-
(F)COVID-Children's Health Insurance Administration (EA)	420	-	-
Subtotal	$ 7,045	$ -	$ -
Child Support Enforcement	**16,250**	**16,250**	**22,389**
(F)Child Support Enforcement - Title IV - D	159,007	159,467	171,431
(A)Title IV - D Incentive Collections	4,774	10,894	15,570
(A)State Retained Support Collections	1,393	1,269	1,269
Subtotal	$ 181,424	$ 187,880	$ 210,659
New Directions	**15,125**	**20,712**	**20,902**
(F)TANFBG - New Directions	126,197	126,197	131,326
(F)Medical Assistance - New Directions	15,161	8,448	12,975
(F)SNAP - New Directions	15,381	17,817	18,546
Subtotal	$ 171,864	$ 173,174	$ 183,749
Subtotal - State Funds	$ 518,227	$ 599,960	$ 635,355
Subtotal - Federal Funds	1,273,974	1,155,736	1,206,525
Subtotal - Augmentations	19,151	25,979	30,655
Total - General Government	$ 1,811,352	$ 1,781,675	$ 1,872,535

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Institutional:			
Youth Development Institutions and Forestry Camps	**$ 34,882**	**$ 64,565**	**$ 65,767**
(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
(A)Institutional Reimbursements	38	10	10
Subtotal	$ 75,570	$ 75,225	$ 76,427
Mental Health Services	**824,697**	**822,470** [d]	**918,922**
(F)Medical Assistance - Mental Health	178,590	189,590	199,806
(F)COVID-Medical Assistance - Mental Health (EA)	19,865	21,350	-
(F)Medicare Services - State Mental Hospitals	17,900	17,900	17,900
(F)COVID-Direct Relief to Providers/State Hospitals (EA)	2,187	-	-
(F)Homeless Mentally Ill	2,496	2,496	2,496
(F)MHSBG - Community Mental Health Services	32,000	38,000	38,000
(F)COVID-Mental Health Services Block Grant (EA)	73,963	1,613	-
(F)SSBG - Community Mental Health Services	10,366	10,366	10,366
(F)Suicide Prevention	1,896	5,436 [e]	5,436
(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)Youth Suicide Prevention	736	736	736
(F)Transition Age Youth	1,500	-	-
(F)Early Childhood Mental Health	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)	100	45	45
(F)COVID-Crisis Counseling (EA)	5,986	-	-
(F)COVID-Mobile Crisis Intervention Services (EA)	-	773	-
(A)Intergovernmental Transfer	32,845	37,370	37,370
(A)Institutional Collections	6,356	4,942	4,895
(A)Miscellaneous Institutional Reimbursements	1,518	1,446	1,519
(A)Mental Health - Miscellaneous Augmentations	-	175	75
Subtotal	$ 1,225,546	$ 1,166,753	$ 1,249,611
Intellectual Disabilities - State Centers	**101,394**	**101,225** [f]	**132,597**
(F)Medical Assistance - State Centers	153,059	154,030	148,500
(F)COVID-Medical Assistance - ID State Centers (EA)	15,620	16,384	-
(F)Medicare Services - State Centers	507	463	363
(F)COVID-Direct Relief to Providers/State Centers (EA)	393	-	-
(A)Institutional Collections - State Centers	7,442	6,980	6,980

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(A)ID Assessment - State Centers	18,146	17,556	17,367
Subtotal	$ 296,561	$ 296,638	$ 305,807
Subtotal - State Funds	$ 960,973	$ 988,260	$ 1,117,286
Subtotal - Federal Funds	570,359	481,877	446,343
Subtotal - Augmentations	66,345	68,479	68,216
Total - Institutional	$ 1,597,677	$ 1,538,616	$ 1,631,845
Grants and Subsidies:			
Cash Grants	**$ 13,740**	**$ 13,740**	**$ 28,073**
(F)TANFBG - Cash Grants	207,093	207,093	143,245
(F)COVID-Pandemic Emergency Assistance Fund (EA)	26,445	-	-
(F)Other Federal Support - Cash Grants	6,428	6,428	7,079
(F)LIHEABG - Low-Income Families and Individuals	188,563	188,563	191,305
(F)COVID-LIHEABG - Low-Income Families and Individuals (EA)	267,905	-	-
(F)COVID-Low-Income Household Water Assistance Program	-	36,763	-
(F)Refugees and Persons Seeking Asylum - Social Services	14,758	27,358 [g]	18,448
(A)Parent Pathways - Aspen Institute Grant	150	-	-
Subtotal	$ 725,082	$ 479,945	$ 388,150
Supplemental Grants - Aged, Blind, and Disabled	**117,804**	**114,122** [h]	**163,372**
Medical Assistance - Capitation	**3,060,301**	**3,451,343** [i]	**3,937,426**
(F)Medical Assistance - Capitation	11,688,112	13,280,662	13,418,111
(F)COVID-Medical Assistance - Capitation (EA)	602,423	1,268,223	-
(A)MA - MCO Assessment	1,869,821	1,994,670	2,034,567
(A)Statewide Hospital Assessment	775,739	741,815	793,836
(A)Pittsburgh Ambulance Intergovernmental Transfer	-	698	698
Subtotal	$ 17,996,396	$ 20,737,411	$ 20,184,638
Medical Assistance - Fee-for-Service	**808,350**	**664,956** [j]	**663,890**
(F)Medical Assistance - Fee-for-Service	1,802,171	2,080,078 [k]	1,737,365
(F)COVID-Medical Assistance - Fee-for-Service (EA)	105,820	159,014	-
(F)ARRA - MA - Health Information Technology	45,000	10,000	-
(F)COVID-Regional Congregate Care Assistance Team (EA)	-	11,500	-
(F)COVID-SFR Healthcare Workforce Assistance	-	110,000	-
(F)COVID-SFR Hospital Workforce Assistance	-	100,000	-
(A)Hospital Assessment	178,327	178,327	178,327
(A)Statewide Hospital Assessment	155,462	212,443	139,395
(A)Miscellaneous Outpatient	250	200	-
(A)FQHC Alternative Payment Methodology IGT	12,485	12,316	14,161
Subtotal	$ 3,107,865	$ 3,538,834	$ 2,733,138
Payment to Federal Government - Medicare Drug Program	**694,922**	**777,638** [l]	**965,189**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE		2022-23 BUDGET
Medical Assistance - Workers with Disabilities	**45,219**	**46,649**	m	**94,916**
(F)Medical Assistance - Workers with Disabilities	61,724	66,683		86,566
(F)COVID-Medical Assistance - Workers with Disabilities (EA)	15,784	14,287		-
Subtotal	$ 122,727	$ 127,619		$ 181,482
Medical Assistance - Physician Practice Plans	**9,618**	**9,613**	n	**6,571**
(F)Medical Assistance - Physician Practice Plans	11,006	11,159		7,217
(F)COVID-Medical Assistance - Physician Practice Plans (EA)	454	459		-
Subtotal	$ 21,078	$ 21,231		$ 13,788
Medical Assistance - Hospital-Based Burn Centers	**3,862**	**3,856**	o	**4,437**
(F)Medical Assistance - Hospital-Based Burn Centers	4,846	4,940		4,807
(F)COVID-Medical Assistance - Hospital-Based Burn Centers (EA)	576	582		-
Subtotal	$ 9,284	$ 9,378		$ 9,244
Medical Assistance - Critical Access Hospitals	**9,777**	**10,927**	p	**13,057**
(F)Medical Assistance - Critical Access Hospitals	16,293	18,099	q	17,612
(F)COVID-Medical Assistance - Critical Access Hospitals (EA)	1,935	2,131		-
(A)Statewide Hospital Assessment	3,200	3,200		3,200
Subtotal	$ 31,205	$ 34,357		$ 33,869
Medical Assistance - Obstetric and Neonatal Services	**2,814**	**2,806**	r	**3,681**
(F)Medical Assistance - Obstetric and Neonatal Services	7,300	7,438		7,238
(F)COVID-Medical Assistance - Obstetric and Neonatal Services (EA)	867	876		-
(A)Statewide Hospital Assessment	3,000	3,000		3,000
Subtotal	$ 13,981	$ 14,120		$ 13,919
Medical Assistance - Trauma Centers	**7,534**	**7,522**	s	**8,656**
(F)Medical Assistance - Trauma Centers	9,453	9,637		9,378
(F)COVID-Medical Assistance - Trauma Centers (EA)	1,123	1,135		-
Subtotal	$ 18,110	$ 18,294		$ 18,034
Medical Assistance - Academic Medical Centers	**21,479**	**21,448**	t	**17,431**
(F)Medical Assistance - Academic Medical Centers	27,374	27,477	u	18,884
(F)COVID-Medical Assistance - Academic Medical Centers (EA)	3,202	3,234		-
Subtotal	$ 52,055	$ 52,159		$ 36,315
Medical Assistance - Transportation	**58,065**	**61,145**	v	**66,762**
(F)Medical Assistance - Transportation	76,553	80,919	w	84,878
(F)COVID-Medical Assistance - Transportation (EA)	2,017	2,091		-
Subtotal	$ 136,635	$ 144,155		$ 151,640
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	**62,156**	**64,752**	x	**104,616**
(F)Children's Health Insurance Program	276,133	237,906		299,144

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE		2022-23 BUDGET
(F)COVID-Children's Health Insurance Program (EA)	17,155	14,907		-
(A)Medical Assistance - Assessments	9,479	13,373		13,499
(R)Children's Health Insurance Program	25,325	38,682		30,730
Subtotal	$ 390,248	$ 369,620		$ 447,989
Medical Assistance - Long-Term Living	**208,841**	**126,906**	y	**128,844**
(F)Medical Assistance - Long-Term Living	131,227	147,053	z	99,640
(F)COVID-Medical Assistance - Long-Term Living (EA)	15,911	60,239		-
(F)COVID-SFR Long-Term Living Programs	-	282,000		250,000
(A)Attendant Care Patient Fee	360	486		486
(A)Attendant Care Parking Fines	51	51		51
Subtotal	$ 356,390	$ 616,735		$ 479,021
Medical Assistance - Community HealthChoices	**3,165,550**	**3,860,026**	aa	**5,289,162**
(F)Medical Assistance - Community HealthChoices	5,273,919	6,481,347		7,359,562
(F)COVID-Medical Assistance - Community HealthChoices (EA)	568,410	1,463,887		-
(F)COVID-HCBS Provider Testing Needs (EA)	-	2,000		-
(A)Intergovernmental Transfer	101,127	93,492		101,127
(A)Nursing Home Assessments	394,551	394,551		406,387
(A)Statewide Hospital Assessment	44,792	43,387		50,320
(A)MCO Assessment	54,643	55,476		58,961
(A)Ambulance Intergovernmental Transfer	-	52		52
Subtotal	$ 9,602,992	$ 12,394,218		$ 13,265,571
Long-Term Care Managed Care	**143,088**	**146,620**	ab	**178,210**
(F)Medical Assistance - Long-Term Care Managed Care	179,634	193,815		194,358
(F)COVID-Medical Assistance - Long-Term Care Man Care (EA)	21,328	45,224		-
Subtotal	$ 344,050	$ 385,659		$ 372,568
Intellectual Disabilities - Community Base Program	**144,432**	**144,189**	ac	**147,032**
(F)Medical Assistance - Community ID Services	59,982	74,585	ad	73,664
(F)COVID-Medical Assistance - Community ID Services (EA)	1,825	3,355		-
(F)COVID-Risk Screening Tool Among Residential Settings (EA)	-	460		-
(F)SSBG - Community ID Services	7,451	7,451		7,451
Subtotal	$ 213,690	$ 230,040		$ 228,147
Intellectual Disabilities - Intermediate Care Facilities	**144,956**	**161,528**	ae	**192,875**
(F)Medical Assistance - ID/ICF	185,347	236,260	af	243,221
(F)COVID-Medical Assistance - ID/ICF (EA)	24,349	22,510		-
(A)ID Assessment - ID/ICF	22,297	20,900		20,900
Subtotal	$ 376,949	$ 441,198		$ 456,996
Intellectual Disabilities - Community Waiver Program	**1,621,829**	**1,806,720**	ag	**2,413,096**
(F)Medical Assistance - Community ID Waiver Program	1,750,328	2,557,792	ah	2,539,552
(F)COVID-Medical Assistance - Community ID Waiver Program (EA)	201,596	567,669		-
Subtotal	$ 3,573,753	$ 4,932,181		$ 4,952,648

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Intellectual Disabilities - Lansdowne Residential Services	**200**	**200**	**200**
Autism Intervention and Services	**27,262**	**27,493** [ai]	**29,335**
(F)Medical Assistance - Autism Intervention Services	27,438	35,768 [aj]	34,061
(F)COVID-Medical Assistance - Autism Intervention Services (EA)	3,033	8,514	-
Subtotal	$ 57,733	$ 71,775	$ 63,396
Behavioral Health Services	**57,149**	**57,149**	**57,149**
(F)Access to Medication-Assisted Treatment	1,500	-	-
(F)State Opioid Response (EA)	5,253	-	-
(F)COVID-SFR Behavioral Health	-	-	40,000
Subtotal	$ 63,902	$ 57,149	$ 97,149
Special Pharmaceutical Services	**600**	**600**	**500**
County Child Welfare	**1,166,448**	**1,318,809** [ak]	**1,499,930**
(F)Child Welfare Services	34,719	34,174	40,061
(F)Child Welfare - Title IV-E	440,805	405,460	428,863
(F)COVID-Child Welfare - Title IV-E (EA)	18,000	18,000	-
(F)Medical Assistance - Child Welfare	1,824	1,477	1,521
(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	18,665	20,000	20,000
(F)Community-Based Family Resource and Support	143	143	143
(F)Child Abuse Prevention and Treatment	4,608	12,500	12,500
(F)COVID-Child Abuse State Grants (EA)	3,574	-	-
(F)COVID-Community-Based Child Abuse Prevention (EA)	8,788	-	-
(F)Title IV-B - Caseworker Visits	1,365	1,000	1,000
(F)Children's Justice Act	1,150	1,200	1,450
(F)COVID-Promoting Safe and Stable Families (EA)	2,739	-	-
(F)COVID-Chafee Foster Care Program and ETV (EA)	14,329	-	-
(A)Birth Certificate - Mandated Reporter Training	850	953	953
Subtotal	$ 1,788,536	$ 1,884,245	$ 2,076,950
Community-Based Family Centers	**19,558**	**19,558**	**34,558**
(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
(F)COVID-MCH - Early Childhood Home Visiting (EA)	1,369	2,781	-
(F)Early Childhood Comprehensive Systems	-	256 [al]	256
Subtotal	$ 46,269	$ 47,937	$ 60,156
Child Care Services	**156,482**	**156,482**	**156,482**
(F)CCDFBG - Child Care Services	431,136	422,961	580,220

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(F)COVID-CCDFBG - Child Care Services (EA)	759,564	728,864	-
(F)CCDFBG - School Age	1,260	1,260	-
(F)SSBG - Child Care Services	30,977	30,977	30,977
(F)Head Start Collaboration Project	225	225	225
Subtotal	$ 1,379,644	$ 1,340,769	$ 767,904
Child Care Assistance	**109,885**	**109,885**	**109,923**
(F)TANFBG - Child Care Assistance	230,306	220,820	360,696
(F)CCDFBG - Child Care Assistance	38,710	47,614	57,264
(F)SNAP - Child Care Assistance	2,194	3,093	3,443
(A)Early Childhood Education Revenue	1,654	1,705	1,705
Subtotal	$ 382,749	$ 383,117	$ 533,031
Nurse Family Partnership	**12,999**	**13,083** [am]	**13,178**
(F)Medical Assistance - Nurse Family Partnership	2,544	2,544	2,544
(F)COVID-Medical Assistance - Nurse Family Partnership (EA)	90	95	-
Subtotal	$ 15,633	$ 15,722	$ 15,722
Early Intervention	**150,469**	**169,701** [an]	**181,256**
(F)Medical Assistance - Early Intervention	59,978	72,400	79,118
(F)COVID-Medical Assistance - Early Intervention (EA)	5,509	6,995	-
(F)Education for Children with Disabilities - Early Intervention	15,026	16,225 [ao]	16,225
(F)COVID-IDEA - Infants and Toddlers (EA)	7,180	-	-
Subtotal	$ 238,162	$ 265,321	$ 276,599
Domestic Violence	**19,093**	**20,093**	**20,093**
(F)Family Violence Prevention Services	4,355	4,355	4,355
(F)COVID-Family Violence Prevention Services (EA)	4,507	12,174	-
(F)SSBG - Domestic Violence Programs	5,705	5,705	5,705
(F)PHHSBG - Domestic Violence (EA)	200	100	100
(A)Marriage Law Fees	833	833	833
Subtotal	$ 34,693	$ 43,260	$ 31,086
Rape Crisis	**10,921**	**11,921**	**11,921**
(F)SSBG - Rape Crisis	1,721	1,721	1,721
(F)COVID-Rape Crisis (EA)	-	5,483	-
Subtotal	$ 12,642	$ 19,125	$ 13,642
Breast Cancer Screening	**1,723**	**1,723**	**1,723**
(F)SSBG - Family Planning	2,000	2,000	2,000
Subtotal	$ 3,723	$ 3,723	$ 3,723
Human Services Development Fund	**13,460**	**13,460**	**13,460**
Legal Services	**2,661**	**4,161**	**4,161**
(F)SSBG - Legal Services	5,049	5,049	5,049
Subtotal	$ 7,710	$ 9,210	$ 9,210

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
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	-	-
(F)COVID-Emergency Rental Assistance Program	569,808	500,168	-
Subtotal	$ 594,470	$ 522,847	$ 22,679
211 Communications	**750**	**750**	**750**
Health Program Assistance and Services	**13,615**	**19,890**	**-**
(F)COVID-SFR Pandemic Response	-	9,850	-
Subtotal	$ 13,615	$ 29,740	$ -
Services for the Visually Impaired	**3,102**	**3,102**	**3,102**
Subtotal - State Funds	$ 12,135,473	$ 13,469,325	$ 16,589,776
Subtotal - Federal Funds	26,780,203	32,878,294	28,649,276
Subtotal - Augmentations	3,629,071	3,771,928	3,822,458
Subtotal - Restricted Revenues	25,325	38,682	30,730
Total - Grants and Subsidies	$ 42,570,072	$ 50,158,229	$ 49,092,240
STATE FUNDS	$ 13,614,673	$ 15,057,545	$ 18,342,417
FEDERAL FUNDS	28,624,536	34,515,907	30,302,144
AUGMENTATIONS	3,714,567	3,866,386	3,921,329
RESTRICTED REVENUES	25,325	38,682	30,730
GENERAL FUND TOTAL	**$ 45,979,101**	**$ 53,478,520**	**$ 52,596,620**
LOTTERY FUND:			
Grants and Subsidies:			
Medical Assistance - Transportation Services	$ **3,500**	**$ 3,500**	**$ 3,500**
Medical Assistance - Community HealthChoices	**438,966**	**348,966**	**348,966**
Total - Grants and Subsidies	$ 442,466	$ 352,466	$ 352,466
LOTTERY FUND TOTAL	**$ 442,466**	**$ 352,466**	**$ 352,466**
OTHER FUNDS:			
TOBACCO SETTLEMENT FUND:			
Medical Care for Workers with Disabilities (EA)	$ 108,725	$ 106,672	$ 103,660
(F)Medical Assistance - Workers with Disabilities (EA)	136,503	135,953	113,066
(F)COVID-Medical Assistance - Workers with Disabilities (EA)	16,209	8,019	-
Subtotal	$ 261,437	$ 250,644	$ 216,726
Uncompensated Care (EA)	29,646	29,086	28,265
(F)Medical Assistance - Uncompensated Care (EA)	37,201	33,161	30,621
(F)COVID-Medical Assistance - Uncompensated Care (EA)	4,692	-	-
Subtotal	$ 71,539	$ 62,247	$ 58,886
Medical Assistance - Community HealthChoices	155,448	152,457	148,067
TOBACCO SETTLEMENT FUND TOTAL	**$ 488,424**	**$ 465,348**	**$ 423,679**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
CHILDREN'S TRUST FUND:			
Children's Trust Fund (EA)	$ 1,400	$ 1,400	$ 1,400
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 13,614,673	$ 15,057,545	$ 18,342,417
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	442,466	352,466	352,466
FEDERAL FUNDS	28,624,536	34,515,907	30,302,144
AUGMENTATIONS	3,714,567	3,866,386	3,921,329
RESTRICTED	25,325	38,682	30,730
OTHER FUNDS	489,824	466,748	425,079
TOTAL ALL FUNDS	**$ 46,911,391**	**$ 54,297,734**	**$ 53,374,165**

[a] Includes recommended supplemental appropriation of $1,400,000.
[b] Reflects recommended appropriation reduction of $150,000.
[c] Reflects recommended appropriation reduction of $114,000.
[d] Reflects recommended appropriation reduction of $10,675,000.
[e] Includes recommended supplemental appropriation of $3,200,000.
[f] Reflects recommended appropriation reduction of $7,979,000.
[g] Includes recommended supplemental appropriation of $12,600,000.
[h] Reflects recommended appropriation reduction of $910,000.
[i] Reflects recommended appropriation reduction of $531,052,000.
[j] Includes recommended supplemental appropriation of $17,396,000.
[k] Includes recommended supplemental appropriation of $167,309,000.
[l] Reflects recommended appropriation reduction of $37,437,000.
[m] Reflects recommended appropriation reduction of $17,658,000.
[n] Reflects recommended appropriation reduction of $458,000.
[o] Reflects recommended appropriation reduction of $582,000.
[p] Reflects recommended appropriation reduction of $2,130,000.
[q] Includes recommended supplemental appropriation of $1,000.
[r] Reflects recommended appropriation reduction of $875,000.
[s] Reflects recommended appropriation reduction of $1,135,000.
[t] Reflects recommended appropriation reduction of $3,233,000.
[u] Includes recommended supplemental appropriation of $127,000.
[v] Reflects recommended appropriation reduction of $1,195,000.
[w] Includes recommended supplemental appropriation of $164,000.
[x] Reflects recommended appropriation reduction of $2,905,000.
[y] Reflects recommended appropriation reduction of $11,254,000.
[z] Includes recommended supplemental appropriation of $39,155,000.
[aa] Reflects recommended appropriation reduction of $372,151,000.
[ab] Reflects recommended appropriation reduction of $15,134,000.
[ac] Reflects recommended appropriation reduction of $527,000.
[ad] Includes recommended supplemental appropriation of $17,452,000.
[ae] Reflects recommended appropriation reduction of $6,871,000.
[af] Includes recommended supplemental appropriation of $24,653,000.
[ag] Reflects recommended appropriation reduction of $60,709,000.
[ah] Includes recommended supplemental appropriation of $594,231,000.
[ai] Reflects recommended appropriation reduction of $1,711,000.
[aj] Includes recommended supplemental appropriation of $6,815,000.
[ak] Reflects recommended appropriation reduction of $6,500,000.
[al] Includes recommended supplemental appropriation of $256,000.
[am] Reflects recommended appropriation reduction of $48,000.
[an] Reflects recommended appropriation reduction of $2,956,000.
[ao] Includes recommended supplemental appropriation of $1,199,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
HUMAN SERVICES SUPPORT:							
GENERAL FUND	$ 192,890	$ 213,055	$ 223,020	$ 223,328	$ 223,328	$ 223,328	$ 223,328
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	322,562	297,000	303,682	303,909	303,909	303,909	303,909
AUGMENTATIONS	10,303	11,147	11,147	11,147	11,147	11,147	11,147
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 525,755	$ 521,202	$ 537,849	$ 538,384	$ 538,384	$ 538,384	$ 538,384
MEDICAL ASSISTANCE AND HEALTH CARE DELIVERY:							
GENERAL FUND	$ 4,792,030	$ 5,128,918	$ 5,892,895	$ 5,981,051	$ 6,042,008	$ 6,087,737	$ 6,115,423
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	3,500	3,500	3,500	3,500	3,500	3,500	3,500
FEDERAL FUNDS	14,783,696	17,524,437	15,692,200	15,664,848	15,938,026	15,688,719	15,313,100
AUGMENTATIONS	3,007,763	3,160,042	3,180,683	3,227,327	3,275,733	3,325,030	3,375,282
RESTRICTED	25,325	38,682	30,730	30,730	30,730	30,730	30,730
OTHER FUNDS	332,976	312,891	275,612	274,844	274,844	274,844	274,844
SUBCATEGORY TOTAL	$22,945,290	$26,168,470	$25,075,620	$25,182,300	$25,564,841	$25,410,560	$25,112,879
LONG-TERM LIVING:							
GENERAL FUND	$ 3,517,479	$ 4,133,552	$ 5,596,216	$ 5,403,662	$ 5,562,632	$ 5,726,306	$ 5,894,828
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	438,966	348,966	348,966	706,966	706,966	706,966	706,966
FEDERAL FUNDS	6,190,429	8,675,565	7,903,560	7,879,589	8,112,981	8,353,314	8,600,797
AUGMENTATIONS	595,524	587,495	617,384	629,721	642,304	655,138	668,228
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	155,448	152,457	148,067	148,067	148,067	148,067	148,067
SUBCATEGORY TOTAL	$10,897,846	$13,898,035	$14,614,193	$14,768,005	$15,172,950	$15,589,791	$16,018,886

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
INCOME MAINTENANCE:							
GENERAL FUND	$ 455,961	$ 515,517	$ 604,530	$ 603,454	$ 604,189	$ 599,857	$ 599,857
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	1,688,598	1,327,722	1,262,920	1,260,769	1,262,194	1,253,786	1,253,786
AUGMENTATIONS	8,998	14,832	19,508	18,832	18,832	14,832	14,832
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 2,153,557	$ 1,858,071	$ 1,886,958	$ 1,883,055	$ 1,885,215	$ 1,868,475	$ 1,868,475
MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES:							
GENERAL FUND	$ 882,446	$ 880,219	$ 976,571	$ 980,216	$ 980,216	$ 980,216	$ 980,216
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	366,883	300,350	326,830	286,830	286,830	286,830	286,830
AUGMENTATIONS	40,719	43,933	43,859	43,784	43,784	43,784	43,784
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 1,290,048	$ 1,224,502	$ 1,347,260	$ 1,310,830	$ 1,310,830	$ 1,310,830	$ 1,310,830
INTELLECTUAL DISABILITIES/AUTISM:							
GENERAL FUND	$ 2,040,073	$ 2,241,355	$ 2,915,135	$ 2,939,568	$ 3,028,707	$ 3,030,110	$ 3,031,206
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	2,430,928	3,685,241	3,046,812	3,054,710	3,033,569	3,034,252	3,035,303
AUGMENTATIONS	47,885	45,436	45,247	45,177	34,889	34,848	34,807
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 4,518,886	$ 5,972,032	$ 6,007,194	$ 6,039,455	$ 6,097,165	$ 6,099,210	$ 6,101,316

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
HUMAN SERVICES:							
GENERAL FUND	$ 1,284,401	$ 1,476,220	$ 1,638,653	$ 1,681,623	$ 1,727,310	$ 1,774,365	$ 1,822,832
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	1,231,399	1,125,921	609,830	609,846	609,862	609,878	609,895
AUGMENTATIONS	1,721	1,796	1,796	1,796	1,796	1,796	1,796
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 2,517,521	$ 2,603,937	$ 2,250,279	$ 2,293,265	$ 2,338,968	$ 2,386,039	$ 2,434,523
CHILD DEVELOPMENT:							
GENERAL FUND	$ 449,393	$ 468,709	$ 495,397	$ 498,129	$ 500,902	$ 503,716	$ 506,572
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	1,610,041	1,579,671	1,156,310	1,179,757	1,203,206	1,226,654	1,207,286
AUGMENTATIONS	1,654	1,705	1,705	1,705	1,705	1,705	1,705
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	1,400	1,400	1,400	1,000	1,000	1,000	1,000
SUBCATEGORY TOTAL	$ 2,062,488	$ 2,051,485	$ 1,654,812	$ 1,680,591	$ 1,706,813	$ 1,733,075	$ 1,716,563
ALL PROGRAMS:							
GENERAL FUND	$13,614,673	$15,057,545	$18,342,417	$18,311,031	$18,669,292	$18,925,635	$19,174,262
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	442,466	352,466	352,466	710,466	710,466	710,466	710,466
FEDERAL FUNDS	28,624,536	34,515,907	30,302,144	30,240,258	30,750,577	30,757,342	30,610,906
AUGMENTATIONS	3,714,567	3,866,386	3,921,329	3,979,489	4,030,190	4,088,280	4,151,581
RESTRICTED	25,325	38,682	30,730	30,730	30,730	30,730	30,730
OTHER FUNDS	489,824	466,748	425,079	423,911	423,911	423,911	423,911
DEPARTMENT TOTAL	$46,911,391	$54,297,734	$53,374,165	$53,695,885	$54,615,166	$54,936,364	$55,101,856

Program: Human Services Support

Goal: To provide effective administrative and support systems through which the substantive programs of the department can be operated.

The Department of Human Services (DHS) provides support management and the administrative systems necessary to implement, maintain, and monitor critical programs.

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
$	888	—to replace nonrecurring benefits cost reduction.
	(929)	—to continue current program.
	348	—to reflect change in federal earnings.
	1,123	—Initiative—to provide increased resources for licensing, budgeting, and program support, including support of a child welfare crisis response team to assist counties.
$	1,430	*Appropriation Increase*

		Information Systems
$	6,354	—to continue current program.
	1,881	—to reflect change in federal earnings.
	300	—to replace federal funding received in 2021-22 for COVID-19 response.
$	8,535	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 106,235	$ 120,570	$ 122,000	$ 122,308	$ 122,308	$ 122,308	$ 122,308
Information Systems	85,905	91,735	100,270	100,270	100,270	100,270	100,270
211 Communications	750	750	750	750	750	750	750
TOTAL GENERAL FUND	$ 192,890	$ 213,055	$ 223,020	$ 223,328	$ 223,328	$ 223,328	$ 223,328

Program: Human Services Support, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Maintain services and supports that will improve the cost effectiveness of human services programs.							
Online applications submitted through COMPASS (in thousands)	783	875	1,167	1,496	1,575	1,654	1,737
Percentage of all applications submitted online through COMPASS	35.2%	39.5%	42.7%	52.4%	70.6%	68.5%	69.4%
Percentage of all COMPASS users who are also using the mobile application	8.0%	33.0%	30.7%	32.7%	40.8%	43.0%	45.0%
Average number of days to process an application - MA/NH/Waiver	12.5	11.9	12.8	12.0	11.6	11.0	11.0
Average number of days to process an application - TANF	9.7	9.5	10.2	10.3	15.1	15.0	15.0
Average number of days to process an application - SNAP	7.3	7.1	7.0	6.6	6.0	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 1 million 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. The Physical Health (PH) managed care services for a majority of MA recipients are administered by the Office of Medical Assistance Programs. 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.

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.

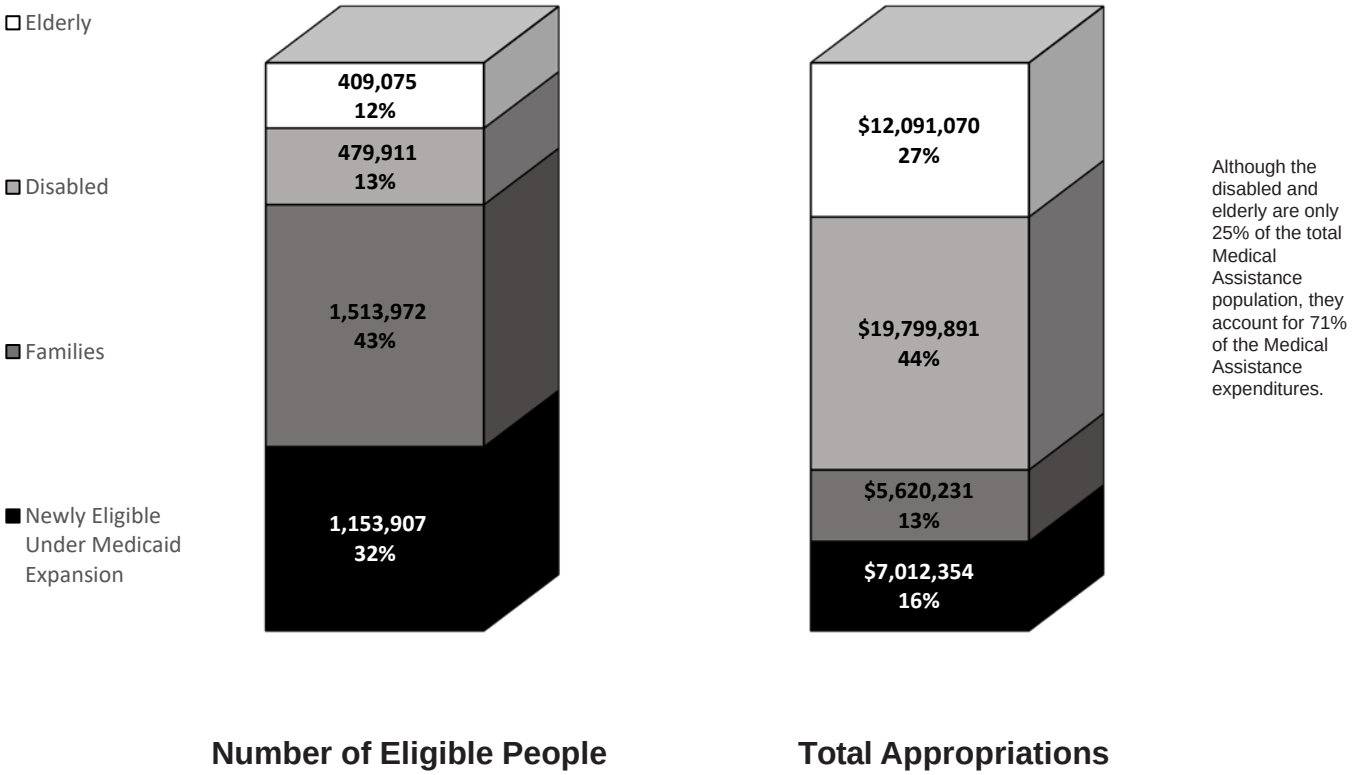
Inpatient and outpatient health care services for the remaining MA recipients are provided through the fee-for-service delivery system. Services are paid in accordance with the pre-established MA Fee Schedule. Additional payments are made to hospitals to partially offset the cost of uncompensated care 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 2022-23
(Dollar Amounts in Thousands)



Medicaid expenditures includes 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

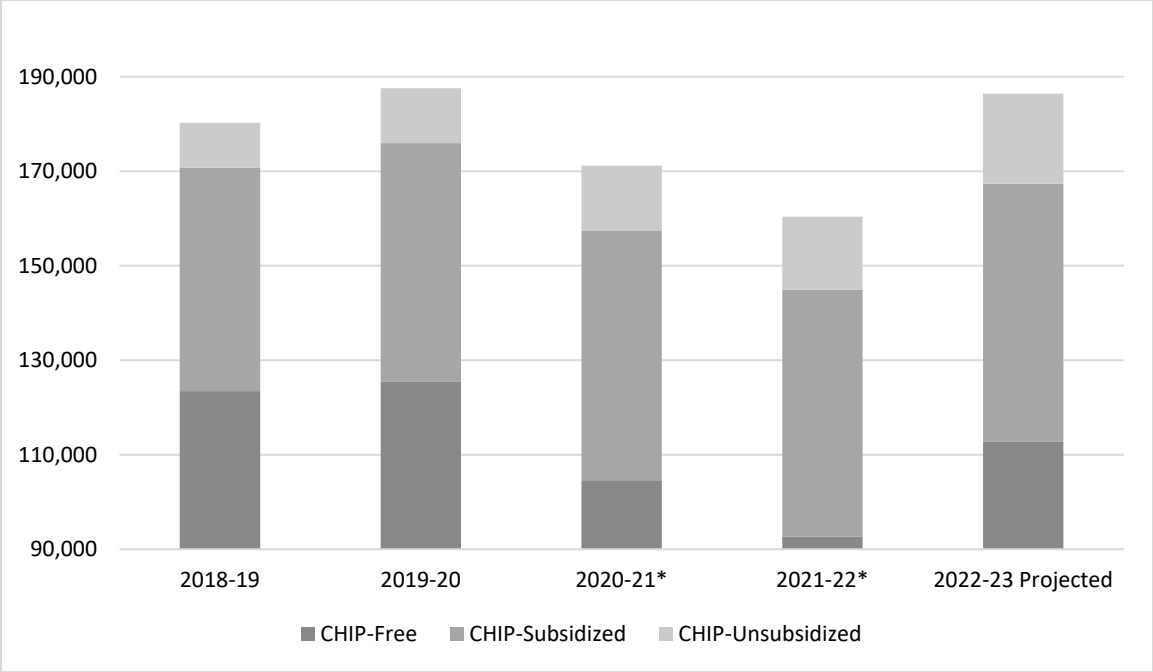
The Expanded Medical Services for Women program provides counseling and other services to women seeking alternatives to abortion. Nonprofits are awarded grants to provide services to women for up to 12 months after childbirth including food, shelter, clothing, health care, counseling, adoption services, parenting classes, assistance for post-delivery stress, and other support programs.

Children's Health Insurance Program

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 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 186,398 children will be served by the program in 2022-23.

*Decline in enrollment is due to children moving to Medical Assistance as a result of the impact of COVID-19 on parental income.

Program Recommendations:

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

GENERAL FUND:

Medical Assistance - Capitation

$ (299,853)	—nonrecurring prior-year carryover costs.
823,238	—to replace federal funding received in 2021-22 for COVID-19 response.
468,325	—to reflect change in enrollment and rate increases.
58,617	—revision of federal financial participation from a full-year blended rate of 52.56% to 52.17%.
25,930	—to reflect change in provider performance and incentive payments.
7,992	—to extend maternal post-partum coverage from 60 to 365 days.
2,728	—to reflect change in administrative/cash flow adjustments and other requirements.
(471,477)	—to reflect impact of Medical Assistance Redeterminations after Public Health Emergency ends.
(55,257)	—to reflect change in Medical Assistance - MCO Assessment revenue.
(52,021)	—to reflect change in Statewide Hospital Assessment revenue.
(14,718)	—to reflect change in pharmacy rebates.
(7,421)	—Initiative—savings as a result of increasing the minimum wage to $12 an hour.
$ 486,083	*Appropriation Increase*

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

$ (123,640)	—nonrecurring academic medical center payments.
(29,089)	—nonrecurring prior-year payments.
(6,056)	—nonrecurring prior-year carryover costs.
(12,900)	—funding reduction.
122,416	—to replace federal funding received in 2021-22 for COVID-19 response.
35,950	—increase in costs and clients eligible for Medicare Part A and B premiums.
27,723	—to reflect change in caseload and utilization including prescription drugs.
7,433	—revision of federal financial participation from a full-year blended rate of 52.56% to 52.17%.
1,879	—to reflect change in administrative/cash flow adjustments and other payments.
(24,782)	—net impact of change in Statewide Hospital Assessment revenue.
$ (1,066)	*Appropriation Decrease*

Payment to Federal Government - Medicare Drug Program

$ (195)	—nonrecurring prior-year carryover costs.
116,659	—to replace federal funding received in 2021-22 for COVID-19 response.
71,087	—to reflect increase in mandated payback for pharmacy services.
$ 187,551	*Appropriation Increase*

Medical Assistance - Workers with Disabilities

$ 24,002	—to replace federal funding received in 2021-22 for COVID-19 response.
10,460	—to reflect impact of Workers with Job Success program.
9,259	—to reflect change in caseload and utilization.
3,012	—to reflect change in available Tobacco Settlement Funds.
1,534	—revision of federal financial participation from a full-year blended rate of 52.56% to 52.17%.
$ 48,267	*Appropriation Increase*

Medical Assistance - Physician Practice Plans

$ (3,500)	—funding reduction.
458	—to replace federal funding received in 2021-22 for COVID-19 response.
$ (3,042)	*Appropriation Decrease*

Medical Assistance - Hospital-Based Burn Centers

$ 581	—to replace federal funding received in 2021-22 for COVID-19 response.

Medical Assistance - Critical Access Hospitals

$ 2,130	—to replace federal funding received in 2021-22 for COVID-19 response.

Medical Assistance - Obstetric and Neonatal Services

$ 875	—to replace federal funding received in 2021-22 for COVID-19 response.

Program: Medical Assistance and Health Care Delivery, continued

Program Recommendations, continued:

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

Medical Assistance - Trauma Centers

$ 1,134	—to replace federal funding received in 2021-22 for COVID-19 response.
$ (4,017)	*Appropriation Decrease*

Medical Assistance - Academic Medical Centers

$ (7,250)	—funding reduction.
3,233	—to replace federal funding received in 2021-22 for COVID-19 response.
$ (4,017)	*Appropriation Decrease*

Medical Assistance - Transportation

$ 3,388	—to reflect change in caseload and utilization.
2,090	—to replace federal funding received in 2021-22 for COVID-19 response.
139	—revision of federal financial participation from a full-year blended rate of 52.56% to 52.17%.
$ 5,617	*Appropriation Increase*

Children's Health Insurance Program

$ 1,777	—to continue current program.
25,188	—to reflect impact of Medical Assistance Redeterminations after Public Health Emergency ends.
14,906	—to replace federal funding received in 2021-22 for COVID-19 response.
7,953	—to reflect change in restricted cigarette tax revenue.
4,203	—to provide for a rate increase.
943	—revision of federal financial participation from a full-year blended rate of 66.795% to 66.520%.
50	—to extend maternal post-partum coverage from 60 to 365 days.
(17,661)	—to reflect change in CHIP premium arrearages.
(126)	—to reflect change in assessment revenue.
2,631	—Initiative—to provide an increase in the minimum wage to $12 an hour.
$ 39,864	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Children's Health Insurance Administration	$ 1,670	$ -	$ -	$ -	$ -	$ -	$ -
Medical Assistance - Capitation	3,060,301	3,451,343	3,937,426	3,957,404	3,966,523	3,962,468	3,944,441
Medical Assistance - Fee-for-Service	808,350	664,956	663,890	677,168	690,711	704,525	718,616
Payment to Federal Government - Medicare Drug Program	694,922	777,638	965,189	979,667	994,362	1,009,277	1,024,416
Medical Assistance - Workers with Disabilities	45,219	46,649	94,916	103,903	107,020	110,231	113,538
Medical Assistance - Physician Practice Plans	9,618	9,613	6,571	6,571	6,571	6,571	6,571
Medical Assistance - Hospital-Based Burn Centers	3,862	3,856	4,437	4,437	4,437	4,437	4,437

Program: Medical Assistance and Health Care Delivery, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Medical Assistance - Critical Access Hospitals	9,777	10,927	13,057	13,057	13,057	13,057	13,057
Medical Assistance - Obstetric and Neonatal Services	2,814	2,806	3,681	3,681	3,681	3,681	3,681
Medical Assistance - Trauma Centers	7,534	7,522	8,656	8,656	8,656	8,656	8,656
Medical Assistance - Academic Medical Centers	21,479	21,448	17,431	17,431	17,431	17,431	17,431
Medical Assistance - Transportation	58,065	61,145	66,762	70,100	73,605	77,285	81,150
Expanded Medical Services for Women	6,263	6,263	6,263	6,263	6,263	6,263	6,263
Children's Health Insurance Program	62,156	64,752	104,616	132,713	149,691	163,855	173,166
TOTAL GENERAL FUND	$ 4,792,030	$ 5,128,918	$ 5,892,895	$ 5,981,051	$ 6,042,008	$ 6,087,737	$ 6,115,423
LOTTERY FUND:							
Medical Assistance - Transportation Services	$ 3,500	$ 3,500	$ 3,500	$ 3,500	$ 3,500	$ 3,500	$ 3,500

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Maintain services and supports to eligible Pennsylvanians while helping them to improve their health and well-being.							
Medical Assistance (in thousands):							
Persons participating in Medical Assistance (monthly average)	2,853	2,908	2,886	2,882	3,186	3,451	3,281
Persons participating in Medical Assistance (monthly average) – Adults (ages 21 and older)	1,640	1,684	1,662	1,663	1,867	2,042	1,860
Persons participating in Medical Assistance (monthly average) – Children (under age 21)	1,213	1,224	1,224	1,219	1,319	1,409	1,421
Newly Medicaid-eligible adults receiving enhanced federal match under the ACA (monthly average)	785	785	759	837	1,025	1,154	918
Managed Care:							
Emergency Room utilization per 1,000 member-months	74.00	72.00	68.90	66.90	66.10	48.80	50.00
Inpatient utilization (total discharges per 1,000 member-months)	8.00	7.00	7.13	6.97	6.68	6.05	6.00
Percentage of children from birth to 15 months visiting a physician 6 or more times in the past year	69.5%	68.7%	71.6%	73.5%	74.0%	65.2%	65.7%
Percentage of persons ages 2 to 20 receiving at least one dental visit in the past year	60.0%	60.8%	64.0%	65.8%	66.3%	54.2%	54.7%

Program: Medical Assistance and Health Care Delivery, continued

Program Measures, continued:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
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)	37.5%	36.4%	34.7%	33.7%	33.2%	38.4%	37.9%
Transportation Program:							
One-way trips (in thousands)	8,663	8,581	8,172	6,533 [a]	6,866	7,069	7,423
Cost per trip	$15.24	$15.67	$19.47	$19.18 [a]	$25.92	$31.97	$31.97
Medical Care for Workers with Disabilities:							
Recipients enrolled in program (monthly average)	29,502	30,072	31,481	33,631	32,560	31,240	32,505
Enable eligible Pennsylvanians to secure access to quality, affordable health insurance coverage.							
Children's Health Insurance Program:							
Children's Health Insurance Program (CHIP) enrollment (monthly average)	169,853	178,912	180,254	187,573	171,179	160,383	186,398
Percentage of CHIP-enrolled two-year-olds with one or more capillary or venous blood tests for lead prior to their second birthday	60.4%	61.9%	66.2%	72.7%	74.7%	78.6%	82.6%
Percentage of CHIP-enrolled children ages 3 to 19 who received a well-child visit with a primary care physician [b]	N/A	N/A	N/A	N/A	63.5%	65.0%	66.5%
Percentage of CHIP-enrolled children ages 2 to 19 receiving an annual dental visit	72.2%	72.3%	71.8%	72.2%	56.9%	72.8%	73.1%
CHIP-enrolled children ages <1 to 19 utilizing an emergency department (visits per 1,000 member-months)	28.56	28.50	27.52	26.59	15.85	18.55	21.25
CHIP-enrolled children ages <1 to 19 with an acute inpatient discharge (discharges per 1,000 member-months)	0.85	0.86	0.80	0.69	0.58	0.71	0.68

[a] Actual year measure data has been corrected.
[b] Measure changed from children 3 to 6 to children 3 to 19.

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

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 (CHC). 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

$ (24,750)	—funding reduction.
11,778	—to continue current program.
13,952	—to replace federal funding received in 2021-22 for COVID-19 response.
958	—revision of federal financial participation from a full-year blended rate of 52.56% to 52.17%.
$ 1,938	*Appropriation Increase*

Medical Assistance - Community HealthChoices

$ (44,946)	—nonrecurring prior-year carryover costs.
686,701	—to continue current program.
723,503	—to replace federal funding received in 2021-22 for COVID-19 response.
69,201	—revision of federal financial participation from a full-year blended rate of 52.56% to 52.17%.
24,360	—to reflect risk corridor payment for calendar year 2020.
4,390	—to reflect change in available Tobacco Settlement Funds.
(29,890)	—to reflect change in assessment revenue.
(4,463)	—to reflect change in pharmacy rebates.
280	—Initiative—to implement Agency with Choice.
$ 1,429,136	*Appropriation Increase*

Program: Long-Term Living, continued

Program Recommendations, continued:

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

Long-Term Care Managed Care

$	(1,628)	—nonrecurring prior-year carryover costs.
	4,866	—to continue current program.
	4,445	—to provide home and community-based services to 372 additional older Pennsylvanians.
	21,996	—to replace federal funding received in 2021-22 for COVID-19 response.
	1,911	—revision of federal financial participation from a full-year blended rate of 52.56% to 52.17%.
$	31,590	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Medical Assistance - Long-Term Living	$ 208,841	$ 126,906	$ 128,844	$ 131,706	$ 134,341	$ 137,027	$ 139,768
Medical Assistance - Community HealthChoices	3,165,550	3,860,026	5,289,162	5,089,547	5,242,234	5,399,501	5,561,486
Long-Term Care Managed Care	143,088	146,620	178,210	182,409	186,057	189,778	193,574
TOTAL GENERAL FUND	$ 3,517,479	$ 4,133,552	$ 5,596,216	$ 5,403,662	$ 5,562,632	$ 5,726,306	$ 5,894,828
LOTTERY FUND:							
Medical Assistance - Community HealthChoices	$ 438,966	$ 348,966	$ 348,966	$ 706,966	$ 706,966	$ 706,966	$ 706,966

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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)	50,451	39,069	26,750	5,311	2,712	2,290	2,374
Community HealthChoices - Recipients receiving institutional care (monthly average)	N/A	11,085	25,182	49,225	44,662	41,878	45,905
Number of Long-Term Living recipients receiving home and community-based waiver services (OBRA Waiver and Act 150) (monthly average)	55,994	54,313	27,372	4,124	1,255	1,143	1,057

Program: Long-Term Living, continued

Program Measures, continued:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Community HealthChoices - Recipients receiving home and community-based waiver services (monthly average)	N/A	11,059	63,211	92,698	95,631	100,158	112,677
Percentage of Long-Term Living recipients receiving institutional care (monthly average)	47%	43%	36%	36%	33%	30%	30%
Percentage of Long-Term Living and Community HealthChoices recipients receiving services in the community (monthly average)	53%	57%	64%	64%	67%	70%	70%
Persons with developmental disabilities served in the OBRA Waiver (monthly average)	1,389	1,065	767	431	383	456	465
Recipients receiving services through the LIFE program (monthly average)	5,767	6,247	6,831	7,320	7,414	7,679	7,896

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 review financial and non-financial criteria with applicants of Temporary Assistance for Needy Families (TANF), Medical Assistance (MA), the 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 shutoffs, and provides furnace repairs through other agencies.

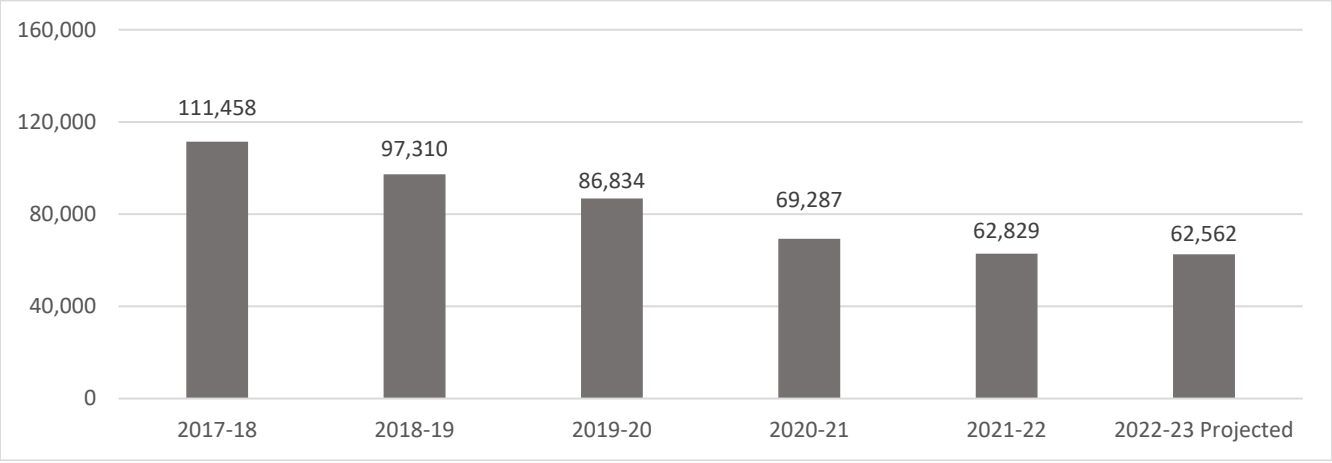
SNAP is federally funded and regulated by the United States Department of Agriculture's Food and Nutrition Service but is administered by the state to assist low-income recipients in buying the food they need to maintain a healthy lifestyle.

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 $841 for individuals and $1,261 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
$	614	—to replace nonrecurring benefits cost reduction.
	3,779	—to continue current program.
	1,011	—to reflect change in federal earnings.
	227	—to replace federal funding received in 2021-22 for COVID-19 response.
	14	—revision of federal financial participation from 66.795% to 66.520%.
	591	—Initiative—to provide increased resources for licensing and program support.
$	6,236	*Appropriation Increase*
		County Assistance Offices
$	3,499	—to replace nonrecurring benefits cost reduction.
	10,868	—to continue current program.
	(1,502)	—to reflect change in federal earnings.
$	12,865	*Appropriation Increase*
		Child Support Enforcement
$	1,302	—to continue current program.
	4,837	—for technology refresh project.
$	6,139	*Appropriation Increase*
		New Directions
$	1,205	—to continue current program.
	(1,015)	—to reflect change in federal earnings.
$	190	*Appropriation Increase*
		Cash Grants
$	14,333	—Initiative—to provide an increase in the minimum monthly SNAP benefit for elderly or disabled individuals.
		Supplemental Grants - Aged, Blind, and Disabled
$	(750)	—impact of caseload changes.
	50,000	—Initiative—to increase supplementary payments to personal care homes.
$	49,250	*Appropriation Increase*

Program: Income Maintenance, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
County Administration - Statewide	$ 45,839	$ 51,220	$ 57,456	$ 57,620	$ 57,620	$ 57,620	$ 57,620
County Assistance Offices	247,203	299,473	312,338	312,338	312,338	312,338	312,338
Child Support Enforcement	16,250	16,250	22,389	21,149	21,884	17,552	17,552
New Directions	15,125	20,712	20,902	20,902	20,902	20,902	20,902
Cash Grants	13,740	13,740	28,073	28,073	28,073	28,073	28,073
Supplemental Grants - Aged, Blind, and Disabled	117,804	114,122	163,372	163,372	163,372	163,372	163,372
TOTAL GENERAL FUND	$ 455,961	$ 515,517	$ 604,530	$ 603,454	$ 604,189	$ 599,857	$ 599,857

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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)	126,135	111,594	97,310	86,952 *	69,403	62,939	62,667
Persons receiving State Supplemental Grants (monthly average)	372,080	367,858	365,004	360,108 *	352,739	342,444	340,537
Persons receiving SNAP benefits (monthly average in thousands)	1,863	1,842	1,784	1,786	1,822	1,842	1,861
Households receiving energy cash payments	348,680	344,008	328,706	312,141	303,123	312,141	312,141
Households receiving energy crisis payments	87,681	109,112	104,915	114,117	116,639	114,117	114,117
TANF recipients enrolled in employment and training programs (monthly average)	11,778	9,949	8,095	7,686	8,017	8,000	9,000
TANF recipients obtaining employment	52,110	51,503	43,700	36,445	18,641	30,000	30,000

* Actual year measure data has been corrected.

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 joinders, and single county authorities to provide behavioral health services.

State Hospitals

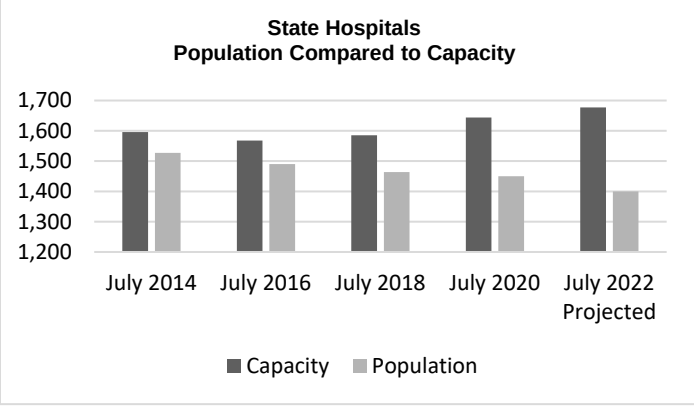
Direct mental health treatment services are currently provided through six state-operated hospitals and one restoration (long-term care) center. State hospitals provide long-term inpatient care for individuals who require intensive treatment. Additionally, they provide specialized inpatient care for 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 joinders, or through contracts with private, nonprofit organizations or agencies. Services, with some exceptions, are funded with state, federal, and/or county matching funds.

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 MA 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.



The population at state hospitals has declined by 127 individuals (or 8 percent) since 2014, as more people receive health services in the community. During that same period, capacity at the state hospitals has increased by 81 beds (or 5 percent) due to an increased need for forensic beds.

Program: Mental Health and Substance Abuse Services, continued

Expenditures by State Hospital, Restoration Center, and Community Program

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Clarks Summit			
State Funds	$ 23,718	$ 23,938	$ 32,291
Federal Funds	25,442	25,283	22,675
Augmentations	1,178	740	679
TOTAL	$ 50,338	$ 49,961	$ 55,645
Danville			
State Funds	$ 20,529	$ 22,148	$ 26,557
Federal Funds	26,121	26,029	23,329
Augmentations	1,065	923	888
TOTAL	$ 47,715	$ 49,100	$ 50,774
Norristown			
State Funds	$ 71,607	$ 74,656	$ 85,804
Federal Funds	36,510	36,777	32,949
Augmentations	782	538	728
TOTAL	$ 108,899	$ 111,971	$ 119,481
South Mountain State Restoration Center			
State Funds	$ 13,475	$ 13,512	$ 15,124
Federal Funds	15,278	15,423	13,995
Augmentations	1,735	1,602	1,557
TOTAL	$ 30,488	$ 30,537	$ 30,676
Torrance			
State Funds	$ 52,245	$ 54,359	$ 63,177
Federal Funds	42,467	42,599	38,487
Augmentations	740	709	746
TOTAL	$ 95,452	$ 97,667	$ 102,410
Warren			
State Funds	$ 23,759	$ 22,948	$ 36,477
Federal Funds	26,285	26,116	23,416
Augmentations	1,061	936	878
TOTAL	$ 51,105	$ 50,000	$ 60,771
Wernersville			
State Funds	$ 40,826	$ 41,271	$ 50,358
Federal Funds	33,699	33,493	30,189
Augmentations	1,313	940	938
TOTAL	$ 75,838	$ 75,704	$ 81,485
Administrative Cost			
State Funds	$ 4,493	$ 4,597	$ 5,039
Federal Funds	-	-	-
Augmentations	-	-	-
TOTAL	$ 4,493	$ 4,597	$ 5,039
Community Programs			
State Funds	$ 573,440	$ 564,261	$ 604,095
Federal Funds	154,271	84,844	81,790
Augmentations	32,845	37,545	37,445
TOTAL	$ 760,556	$ 686,650	$ 723,330
Budgetary Reserve			
State Funds	$ 605	$ 780	$ -
Federal Funds	57	9,786	20,000
Augmentations	-	-	-
TOTAL	$ 662	$ 10,566	$ 20,000

Program: Mental Health and Substance Abuse Services, continued

State Hospital and Restoration Center Populations for the Prior, Current, and Upcoming Year

State Hospital/Restoration Center	Population July 2020	Population July 2021	Projected Population July 2022	Projected Bed Capacity July 2022	Projected Percentage of Capacity July 2022
Clarks Summit	155	140	140	203	69.0%
Danville	147	161	161	161	100.0%
Norristown	319	309	309	375	82.4%
South Mountain State Restoration Center	135	107	107	159	67.3%
Torrance	291	289	289	361	80.1%
Warren	139	139	139	152	91.4%
Wernersville	264	255	255	266	95.9%
TOTAL	1,450	1,400	1,400	1,677	83.5%

Program Recommendations:

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

Mental Health Services

$ 9,976	—to replace nonrecurring benefits cost reduction.
(780)	—funding reduction.
19,564	—to continue current program.
21,350	—to replace federal funding received in 2021-22 for COVID-19 response.
1,250	—to annualize prior-year expansion of community services.
36,652	—Initiative—to restore two-thirds of base funding to counties.
7,190	—Initiative—to provide placements for hard-to-place individuals leaving correctional facilities.
1,250	—Initiative—to provide home and community-based services for 20 individuals currently residing in state hospitals.
$ 96,452	*Appropriation Increase*

Special Pharmaceutical Services

$ (100)	—to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Mental Health Services	$ 824,697	$ 822,470	$ 918,922	$ 922,567	$ 922,567	$ 922,567	$ 922,567
Behavioral Health Services	57,149	57,149	57,149	57,149	57,149	57,149	57,149
Special Pharmaceutical Services	600	600	500	500	500	500	500
TOTAL GENERAL FUND	$ 882,446	$ 880,219	$ 976,571	$ 980,216	$ 980,216	$ 980,216	$ 980,216

Program: Mental Health and Substance Abuse Services, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Maintain services and supports for persons with mental illness to live, work, and contribute to their communities with increased health and independence.							
Community Mental Health Services:							
Persons receiving mental health inpatient and outpatient services from non-Medical Assistance funding (unduplicated)	181,914	185,796	189,512	179,874 *	193,302	193,302	227,879
Persons receiving services through Medical Assistance expenditures (fee-for-service and HealthChoices) (unduplicated)	592,389	612,469	620,884	585,340 *	586,000	666,277	682,134
Percentage of patients discharged from a psychiatric inpatient setting who have follow-up service seven days from discharge (ages 21 to 64)	63%	62%	63%	63% *	64%	65%	65%
Substance Use Disorder Services:							
Number of individuals on Medical Assistance with a substance use disorder	264,122	270,381	276,127	271,388 *	278,302	285,216	292,302
Non-hospital detoxification and rehabilitation clients	38,986	41,999	43,299	42,180 *	43,000	50,725	53,474
Percentage of patients discharged from a substance use disorder hospital setting who have follow-up services seven days from discharge (ages 21 to 64)	65%	73%	71%	72% *	75%	75%	75%
Persons receiving methadone maintenance services	26,509	26,934	27,012	26,483 *	27,135	27,824	28,102
Behavioral Health:							
Persons receiving behavioral health services through Medical Assistance expenditures	N/A	N/A	761,845	695,473 *	696,000	750,000	750,000
Utilization rate of Behavioral Health services	N/A	N/A	26%	23% *	26%	26%	26%
State Hospitals:							
Total persons served in state hospitals	2,045	1,967	2,248	2,303 *	2,230	2,250	2,292
Average cost per person in state hospital population	$204,256	$218,425	$237,522	$259,859 *	$265,098	$273,051	$281,243
Percentage of adults readmitted to state hospitals within 180 days of discharge	3%	2%	2%	4% *	3%	3%	3%
Percentage of persons in state hospitals with stays longer than two years	56%	53%	41%	32% *	33%	35%	35%

* Actual year measure data has been corrected.

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

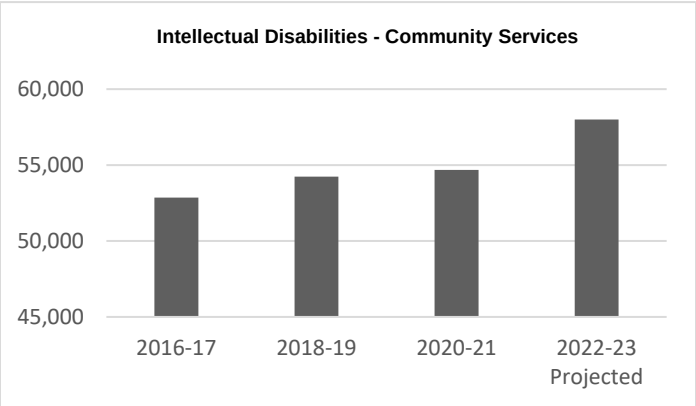
The MH/ID Act provides the statutory basis, along with the Medicaid Consolidated, Person/Family Directed Support, and Community Living Waivers and the Targeted Support Management service in the state plan; to enable people to live in the community, in their own homes, apartments, the homes of family 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 5,100 people served since 2016-17.

Program: Intellectual Disabilities, continued

Expenditures by State Center

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget		2020-21 Actual	2021-22 Available	2022-23 Budget
Ebensburg				**White Haven**			
State Funds	$ 27,458	$ 28,542	$ 37,241	State Funds	$ 15,166	$ 15,980	$ 20,796
Federal Funds	42,162	45,825	41,312	Federal Funds	22,748	24,949	22,697
Augmentations	7,068	6,871	6,898	Augmentations	3,884	3,825	3,606
TOTAL	$ 76,688	$ 81,238	$ 85,451	TOTAL	$ 41,798	$ 44,754	$ 47,099
Hamburg				**Non-Facility**			
State Funds	$ 3,672	$ 3,486	$ 3,835	State Funds	$ 998	$ 835	$ 965
Federal Funds	-	-	-	Federal Funds	305	-	-
Augmentations	2	-	-	Augmentations	-	-	-
TOTAL	$ 3,674	$ 3,486	$ 3,835	TOTAL	$ 1,303	$ 835	$ 965
Polk				**Budgetary Reserve**			
State Funds	$ 25,563	$ 24,734	$ 32,658	State Funds	$ -	$ -	$ -
Federal Funds	40,156	41,082	37,684	Federal Funds	19,720	13,600	5,000
Augmentations	7,140	6,699	6,613	Augmentations	-	-	-
TOTAL	$ 72,859	$ 72,515	$ 76,955	TOTAL	$ 19,720	$ 13,600	$ 5,000
Selinsgrove							
State Funds	$ 28,537	$ 27,648	$ 37,102				
Federal Funds	44,488	45,421	42,170				
Augmentations	7,494	7,141	7,230				
TOTAL	$ 80,519	$ 80,210	$ 86,502				

State Center Population for the Prior, Current, and Upcoming Years

	Population July 2020	Population July 2021	Projected Population July 2022	Projected Bed Capacity July 2022	Projected Percentage Capacity July 2022
State Center					
Ebensburg	193	180	196	402	48.8%
Polk	185	172	90	521	17.3%
Selinsgrove	201	185	202	564	35.8%
White Haven	101	83	40	275	14.5%
TOTAL	680	620	528	1,762	30.0%

Program: Intellectual Disabilities, continued

Program Recommendations:

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

Intellectual Disabilities - State Centers

$ 9,158	—to replace nonrecurring benefits cost reduction.
(580)	—to continue current program.
16,384	—to replace federal funding received in 2021-22 for COVID-19 response.
5,291	—revision of federal financial participation from a full-year blended rate of 52.56% to 52.17%.
1,119	—to reflect change in federal earnings and other revenue.
$ 31,372	*Appropriation Increase*

Intellectual Disabilities - Community Base Program

$ 1,332	—to continue current program.
1,422	—to replace federal funding received in 2021-22 for COVID-19 response.
89	—revision of federal financial participation from a full-year blended rate of 52.56% to 52.17%.
$ 2,843	*Appropriation Increase*

Intellectual Disabilities - Intermediate Care Facilities

$ 11,232	—to continue current program.
22,510	—to replace federal funding received in 2021-22 for COVID-19 response.
1,707	—revision of federal financial participation from a full-year blended rate of 52.56% to 52.17%.
(4,102)	—Initiative—savings as a result of community transitions.
$ 31,347	*Appropriation Increase*

Intellectual Disabilities - Community Waiver Program

$ 327,194	—to continue current program, including annualization of prior-year expansion.
240,192	—to replace federal funding received in 2021-22 for COVID-19 response.
17,397	—revision of federal financial participation from a full-year blended rate of 52.56% to 52.17%.
18,756	—Initiative—to provide home and community-based services for individuals on the emergency wait list.
5,163	—Initiative—to transition individuals from institutions to the community.
(2,326)	—Initiative—savings from performance-based incentives.
$ 606,376	*Appropriation Increase*

Autism Intervention and Services

$ (2,170)	—funding reduction.
504	—to continue current program.
3,296	—to replace federal funding received in 2021-22 for COVID-19 response.
212	—revision of federal financial participation from a full-year blended rate of 52.56% to 52.17%.
$ 1,842	*Appropriation Increase*

Program: Intellectual Disabilities, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Intellectual Disabilities - State Centers	$ 101,394	$ 101,225	$ 132,597	$ 125,367	$ 112,370	$ 112,415	$ 112,460
Intellectual Disabilities - Community Base Program	144,432	144,189	147,032	147,071	147,071	147,071	147,071
Intellectual Disabilities - Intermediate Care Facilities	144,956	161,528	192,875	187,980	187,980	187,980	187,980
Intellectual Disabilities - Community Waiver Program	1,621,829	1,806,720	2,413,096	2,449,523	2,547,084	2,547,422	2,547,422
Intellectual Disabilities - Lansdowne Residential Services	200	200	200	200	200	200	200
Autism Intervention and Services	27,262	27,493	29,335	29,427	34,002	35,022	36,073
TOTAL GENERAL FUND	$ 2,040,073	$ 2,241,355	$ 2,915,135	$ 2,939,568	$ 3,028,707	$ 3,030,110	$ 3,031,206

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual		2020-21 Actual	2021-22 Estimated	2022-23 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	818	882	899	917	*	914	909	909
Number of persons receiving intellectual disability services	55,172	55,667	56,366	56,954	*	56,646	61,000	61,000
Persons receiving intellectual disability services during fiscal year: Home and Community Services (Waiver and Base services) (unduplicated)	52,860	53,457	54,236	54,885	*	54,680	58,000	58,611
Persons receiving Consolidated Waiver services during fiscal year: Home and Community Services (unduplicated)	18,267	18,396	18,452	18,687		18,815	19,005	19,250
Persons receiving Person/Family Directed Supports Waiver services during fiscal year: Home and Community Services (unduplicated)	13,721	14,658	14,625	13,786	*	13,497	13,494	13,494
Persons receiving Community Living Waiver services during fiscal year: Home and Community Services (unduplicated)	N/A	1,006	2,809	3,772		3,959	4,689	5,421
Persons receiving Base services during fiscal year: Home and Community Services (unduplicated)	23,446	23,601	23,193	22,579	*	21,234	23,190	23,190

Program: Intellectual Disabilities, continued

Program Measures, continued:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual		2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Number of individuals receiving services who reside in a private home (not in a provider-controlled setting)	39,163	39,765	40,409	51,113	*	50,721	53,311	53,311
Persons receiving residential services (during fiscal year):								
Private intermediate care facilities for persons with intellectual disabilities (ICFs/ID)	2,071	2,028	1,962	1,877		1,775	1,870	1,930
State centers	915	869	779	720		678	597	528
Number of people moving from private ICFs/ID and state centers into the community	33	127	29	7		37	156	134
Average cost of individuals served in the community:								
Consolidated Waiver services	$124,671	$142,175	$160,538	$163,187	*	$160,738	$191,270	$210,994
Community Living Waiver services	N/A	$ 31,809	$ 29,085	$ 32,405	*	$ 32,274	$ 48,092	$ 57,241
Person/Family Directed Supports Waiver services	$ 20,130	$ 23,007	$ 19,007	$ 16,903	*	$ 15,066	$ 26,763	$ 30,460
Autism services	$ 48,676	$ 51,949	$ 58,120	$ 54,144		$ 56,625	$ 73,349	$ 70,256
Employment of persons receiving intellectual disability services:								
Number of persons receiving intellectual disability services with an employment goal and receiving employment services	N/A	4,546	4,397	5,540	*	5,663	6,000	6,000
Number of persons receiving intellectual disability services with competitive, integrated employment	N/A	6,474	6,789	6,435	*	6,687	7,000	7,000

* Actual year measure data has been corrected.

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 and county governments are jointly responsible for providing quality and effective services to children 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, 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.

Facility	Population July 2020	Population July 2021	Projected Population July 2022	Projected Capacity July 2022	Projected Percentage of Capacity July 2022
YFC-Hickory Run…..	11	19	19	48	39.6%
YFC-Trough Creek.	20	23	23	48	47.9%
Loysville…….	47	54	52	52	100.0%
South Mountain Secure Treatment Unit……..	21	21	20	24	83.3%
North Central Secure Treatment Unit……..	82	65	68	88	77.3%
Total	**181**	**182**	**182**	**260**	**70.0%**

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.

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.

Program: Human Services, continued

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.

Rape crisis services are also 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 are at risk of, 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, helping 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 individual appropriations.

Program Recommendations:

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

Youth Development Institutions and Forestry Camps

$ 1,202	—to continue current program.

County Child Welfare

$ 149,869	—for county needs-based budgets as mandated by Act 30 of 1991.
14,305	—to continue current program.
13,000	—to replace federal funding received in 2021-22 for COVID-19 response.
2,147	—Initiative—to provide an increase in the minimum wage to $12 an hour.
1,800	—Initiative—to provide resources to support expansion of court appointed special advocates.
$ 181,121	*Appropriation Increase*

Health Program Assistance and Services

$ (19,890)	—program elimination.

Program: Human Services, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Youth Development Institutions and Forestry Camps	$ 34,882	$ 64,565	$ 65,767	$ 65,767	$ 65,767	$ 65,767	$ 65,767
County Child Welfare	1,166,448	1,318,809	1,499,930	1,542,900	1,588,587	1,635,642	1,684,109
Domestic Violence	19,093	20,093	20,093	20,093	20,093	20,093	20,093
Rape Crisis	10,921	11,921	11,921	11,921	11,921	11,921	11,921
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	4,161	4,161	4,161	4,161	4,161	4,161
Homeless Assistance	18,496	18,496	18,496	18,496	18,496	18,496	18,496
Health Program Assistance and Services	13,615	19,890	-	-	-	-	-
Services for the Visually Impaired	3,102	3,102	3,102	3,102	3,102	3,102	3,102
TOTAL GENERAL FUND	$ 1,284,401	$ 1,476,220	$ 1,638,653	$ 1,681,623	$ 1,727,310	$ 1,774,365	$ 1,822,832

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Maintain supports and services that will improve the health, well-being, development, and safety of Pennsylvania's families.							
Youth Development Centers:							
Youth served	803	815	807	708	520	700	750
Percentage of youth in work experience	63.3%	54.0%	51.0%	47.9%	38.5%	35.0%	40.0%
Family Support Services by Setting:							
Annual number of children receiving child welfare services at home (unduplicated)	186,855	194,761	187,280	181,435 *	200,000	205,000	210,000
Out of home placements in:							
Community-based placements	23,471	23,854	21,414	19,237 *	22,350	22,050	21,750
Group Homes: Community residential programs	2,470	2,421	1,922	1,473 *	1,950	1,950	1,900
Foster care: Community residential programs	20,621	21,060	19,091	17,469 *	20,000	19,750	19,500
Other: Community residential programs	380	373	401	295 *	350	350	350
Annual recipients of in-state institutional care programs (unduplicated)	1,948	1,779	1,466	1,199 *	1,700	1,700	1,700
Children in out-of-state programs	175	182	313	366 *	298	225	225

Program: Human Services, continued

Program Measures, continued:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Additional Family Support Services:							
Percentage of children reunited with parents or primary caregiver within 12 months of placement	43.4%	35.5%	40.7%	37.8% *	50.0%	55.0%	58.0%
Percentage of children not returning to care within 12 months of discharge to parents or primary caregivers	82.0%	79.9%	78.5%	80.3% *	88.7%	90.0%	90.0%
Finalized adoptions	2,148	2,454	2,680	2,277 *	2,200	2,225	2,250
Children reaching permanency outside of adoption	7,152	7,616	7,332	6,158 *	8,200	8,200	8,200
Investigations of reported child abuse	46,759	46,345	42,124	36,773 *	46,000	46,000	46,000
Percentage of child abuse investigations substantiated	9.9%	10.5%	11.7%	12.6%	13.7%	11.0%	11.0%
Number of child abuse clearances processed (in thousands)	842	802	833	888 *	812	850	850
Average number of days to process a child abuse clearance	3	5	6	5	2	5	5
Homeless Assistance:							
Persons receiving homeless services	78,348	80,433	77,663	73,975	57,206	65,000	65,000
Other Human Services:							
Domestic violence victims served	44,583	44,346	42,303	39,793	39,995	45,000	45,000
Rape crisis/sexual assault victims served	29,188	33,481	33,348	24,798	23,134	34,000	34,000
Breast cancer screening clients	63,699	66,898	66,794	38,537	39,717	67,000	67,000
Legal service clients	14,838	15,767	15,243	13,046	15,746	15,800	16,500

* Actual year measure data has been corrected.

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.

Child Care Funding
(Dollar Amounts in Thousands)

	2022-23 Budget
Low-Income Working Families	
State Funds[1]	$ 156,482
Federal Funds	611,422
Total	$ 767,904
TANF Recipients / Former TANF Recipients	
State Funds[2]	$ 109,923
Federal Funds	421,403
Other Funds	1,705
Total	$ 533,031
Grand Total	$ 1,300,935

[1] Child Care Services appropriation.
[2] Child Care Assistance appropriation.

The Early Intervention program, for children from birth to age three, provides services and support 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.

Program: Child Development, continued

Program Recommendations:

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

Community-Based Family Centers

$ 15,000	—Initiative—to expand access to evidence-based home visiting programs.

Child Care Assistance

$ 38	—Initiative—to provide an increase in the minimum wage to $12 an hour.

Nurse Family Partnership

$ 95	—to replace federal funding received in 2021-22 for COVID-19 response.

Early Intervention

$ 4,481	—to continue current program.
5,915	—to replace federal funding received in 2021-22 for COVID-19 response.
1,159	—to add maternal post-partum depression to tracking eligibility.
$ 11,555	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Community-Based Family Centers	$ 19,558	$ 19,558	$ 34,558	$ 34,558	$ 34,558	$ 34,558	$ 34,558
Child Care Services	156,482	156,482	156,482	156,482	156,482	156,482	156,482
Child Care Assistance	109,885	109,885	109,923	109,954	109,985	110,016	110,047
Nurse Family Partnership	12,999	13,083	13,178	13,178	13,178	13,178	13,178
Early Intervention	150,469	169,701	181,256	183,957	186,699	189,482	192,307
TOTAL GENERAL FUND	$ 449,393	$ 468,709	$ 495,397	$ 498,129	$ 500,902	$ 503,716	$ 506,572

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Maintain supports and services that will improve the health, well-being, development, and safety of all Pennsylvania's children.							
Child Development:							
Total children served in subsidized child care during the last month of the fiscal year	103,332	109,229	109,235	107,348	82,424	89,885	119,995
Percentage of children in subsidized child care enrolled in Keystone STARS Level 3 or 4 facilities	30.9%	33.0%	36.3%	35.6%	41.1%	42.0%	42.0%
Number of regulated facilities	7,374	7,395	7,240	6,985	6,849	7,000	7,000
Percentage of regulated facilities at Keystone STARS Level 3 or 4	19.9%	22.2%	24.0%	24.6%	22.1%	27.0%	27.0%
Early Intervention:							
Children participating in Early Intervention (EI) services	39,931	42,729	45,024	44,837 *	42,360	46,600	48,400
Evidence-Based Home Visiting Programs:							
Number of children served (funded slots) in evidence-based home visiting programs	5,256	8,347	8,975	10,789 *	10,397	10,502	14,000

* Actual year measure data has been corrected.

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.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
Grants and Subsidies:			
(F)Sewage Projects Revolving Loan Fund	$ 127,200	$ -	$ -
(F)Drinking Water Projects Revolving Loan Fund	66,982	-	-
(F)Infrastructure Improvement Projects	1,740	-	3,700
Total - Grants and Subsidies	$ 195,922	$ -	$ 3,700
GENERAL FUND TOTAL	**$ 195,922**	**$ -**	**$ 3,700**
OTHER FUNDS:			
ENVIRONMENTAL STEWARDSHIP FUND:			
Storm Water, Water, and Sewer Grants (EA)	$ 18,851	$ 20,460 [a]	$ 21,226
MARCELLUS LEGACY FUND:			
Water and Sewer Projects (EA)	$ 6,379	$ 10,189	$ 10,179
PENNVEST FUND:			
PENNVEST Operations (EA)	$ 5,841	$ 5,934	$ 5,934
Revenue Bond Loan Pool (EA)	10	10	10
Grants - Other Revenue Sources (EA)	10,000	35,000	35,000
Revolving Loans and Administration (EA)	120,000 [b]	60,000 [b]	80,000 [b]
(R)Growing Greener Grants	- [c]	- [c]	- [c]
(R)Revolving Loans and Administration	3,023	1,000	1,000
(R)Marcellus Grants (Marcellus Legacy Fund)	- [d]	- [d]	- [d]
PENNVEST FUND TOTAL	**$ 138,874**	**$ 101,944**	**$ 121,944**
PENNVEST DRINKING WATER REVOLVING FUND:			
Additional Drinking Water Projects Revolving Loans	$ 210,686	$ 200,000	$ 200,000
Transfer to Water Pollution Control Revolving Fund	20,000	20,000	20,000
(F)Drinking Water Projects Revolving Loan Fund	- [e]	44,018	50,000
(F)IIJA - Drinking Water Projects Revolving Loan Fund	-	-	125,000
(F)Loan Program Administration	- [f]	2,532	2,532
(F)IIJA - Loan Program Administration	-	-	5,118
(F)Technical Assistance to Small Systems	- [g]	1,750	1,750
(F)IIJA - Technical Assistance to Small Systems	-	-	2,250
(F)Assistance to State Programs	- [h]	7,000	7,000
(F)IIJA - Assistance to State Programs	-	-	13,000
(F)Local Assistance and Source Water Pollution	- [i]	8,500	8,500
(F)IIJA - Local Assistance and Source Water Pollution	-	-	21,500
(R)Revolving Loans - Conditional Funds	-	1,000	1,000
PENNVEST DRINKING WATER REVOLVING FUND TOTAL	**$ 230,686**	**$ 284,800**	**$ 457,650**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
PENNVEST WATER POLLUTION CONTROL REVOLVING FUND:			
Additional Sewage Projects Revolving Loans (EA)	$ 270,000	$ 257,200	$ 260,000
Transfer to Drinking Water Revolving Fund (EA)	110,686	20,000	60,000
(F)Sewage Projects Revolving Loan Fund	- [j]	121,145	121,145
(F)IIJA - Sewage Projects Revolving Loan Fund	-	-	75,000
(F)Sewer Overflow and Stormwater Grants	-	2,380	4,800
(R)Revolving Loans - Conditional Funds	491	1,000	1,000
PENNVEST WATER POLLUTION CONTROL REVOLVING FUND TOTAL	**$ 381,177**	**$ 401,725**	**$ 521,945**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	195,922	-	3,700
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	775,967	819,118	1,132,944
TOTAL ALL FUNDS	**$ 971,889**	**$ 819,118**	**$ 1,136,644**

[a] Includes recommended supplemental executive authorization of $4,235,000.
[b] Includes $12,589,400 for Water Pollution Control Projects and $6,780,800 for Drinking Water Projects in 2020-21 Actual, $12,587,800 for Water Pollution Control Projects and $6,837,800 for Drinking Water Projects in 2021-22 Available, $7,108,100 for Water Pollution Control Projects and $5,528,700 for Drinking Water Projects in 2022-23 Budget.
[c] Not added to the total to avoid double counting: 2020-21 Actual is $8,384,122, 2021-22 Available is $20,460,000 and 2022-23 Budget is $21,226,000.
[d] Not added to the total to avoid double counting: 2020-21 Actual is $8,150,654, 2021-22 Available is $10,189,000 and 2022-23 Budget is $10,179,000.
[e] Not added to the total to avoid double counting: 2020-21 Actual is $47,200,000.
[f] Not added to the total to avoid double counting: 2020-21 Actual is $2,532,000.
[g] Not added to the total to avoid double counting: 2020-21 Actual is $1,750,000.
[h] Not added to the total to avoid double counting: 2020-21 Actual is $7,000,000.
[i] Not added to the total to avoid double counting: 2020-21 Actual is $8,500,000.
[j] Not added to the total to avoid double counting: 2020-21 Actual is $127,200,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
PENNVEST:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	195,922	-	3,700	3,700	3,700	3,700	3,700
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	775,967	819,118	1,132,944	1,161,007	1,175,936	1,189,864	1,190,858
SUBCATEGORY TOTAL	$ 971,889	$ 819,118	$ 1,136,644	$ 1,164,707	$ 1,179,636	$ 1,193,564	$ 1,194,558
ALL PROGRAMS:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	195,922	-	3,700	3,700	3,700	3,700	3,700
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	775,967	819,118	1,132,944	1,161,007	1,175,936	1,189,864	1,190,858
DEPARTMENT TOTAL	$ 971,889	$ 819,118	$ 1,136,644	$ 1,164,707	$ 1,179,636	$ 1,193,564	$ 1,194,558

Program: PENNVEST

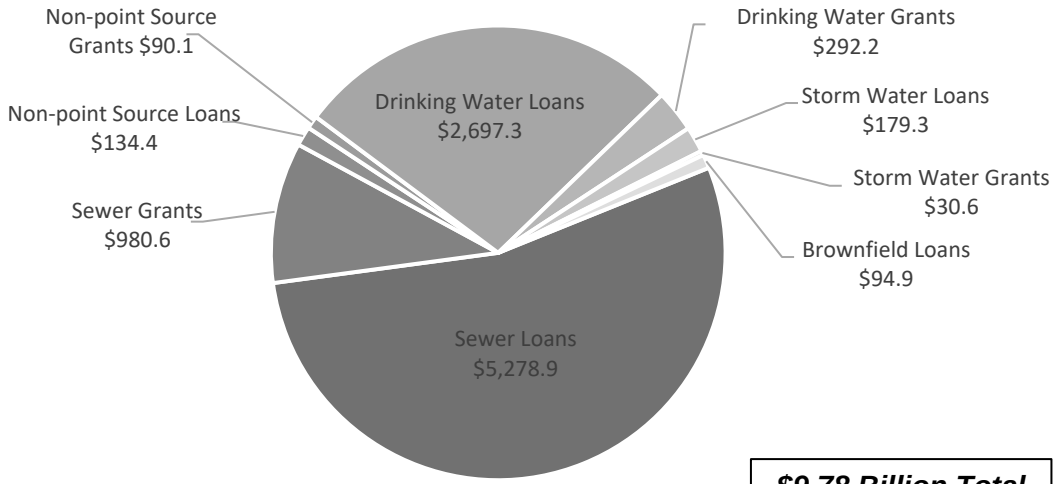
Goal: To promote public health and a clean environment and to further economic development in the commonwealth by providing a financing program, technical assistance, and administrative support for community drinking water systems, municipal sewage treatment facilities, storm water control projects, 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, non-point 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. Other areas require construction of new facilities to address water quality issues. In 2013, legislation was enacted that improves PENNVEST's ability, consistent with the state's Non-point 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 Clean Water State 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 State Revolving Fund (DWSRF) 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 DWSRF 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.

Total Loans and Grants Approved
1988 through June 2021 (dollar amounts in millions)



$9.78 Billion Total

Program: PENNVEST, continued

Program Recommendations:

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

PENNVEST Operations is recommended at the current year funding level.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
PENNVEST FUND:							
PENNVEST Operations (EA)....	$ 5,841	$ 5,934	$ 5,934	$ 5,934	$ 5,934	$ 5,934	$ 5,934

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	$ 93	$ 107	$ 188	$ 52	$ 80	$ 75	$ 75
Percentage of total project funding allocated to projects that would otherwise have higher financing rates	41%	41%	33%	27%	31%	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	202,872	74,403	187,974	2,007,627 *	1,511,876	500,000	500,000
Drinking water projects approved that will maintain or bring customers' water into compliance with commonwealth drinking water standards	14	15	14	14	26	25	25
Increase the number of sustainable jobs in Pennsylvania.							
Sustainable jobs created by PENNVEST-funded projects.	842	612	190	86	50	100	100

* 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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
Grants and Subsidies:			
USTIF Loan Repayment	**$ 86,479**	**$ -**	**$ -**
(F)Insurance Market Reform	5,000	5,000	5,000
Total - Grants and Subsidies	$ 91,479	$ 5,000	$ 5,000
GENERAL FUND TOTAL	**$ 91,479**	**$ 5,000**	**$ 5,000**
OTHER FUNDS:			
CATASTROPHIC LOSS BENEFITS CONTINUATION FUND:			
CAT Administration (EA)	$ 1,985	$ 1,885	$ 2,158
CAT Claims (EA)	6,050	6,050	6,050
CATASTROPHIC LOSS BENEFITS CONTINUATION FUND TOTAL	**$ 8,035**	**$ 7,935**	**$ 8,208**
INSURANCE REGULATION AND OVERSIGHT FUND:			
General Government Operations	$ 30,871	$ 31,649	$ 34,202
(F)SOR - MH SUD Parity Rights Outreach	83	$ -	$ -
INSURANCE REGULATION AND OVERSIGHT FUND TOTAL	**$ 30,954**	**$ 31,649**	**$ 34,202**
MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR FUND:			
General Operations (EA)	$ 14,911	$ 14,911	$ 15,449
Payment of Claims (EA)	195,020	195,020	175,020
MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR FUND TOTAL	**$ 209,931**	**$ 209,931**	**$ 190,469**
REINSURANCE FUND:			
Reinsurance Administration (EA)	$ 250	$ 275	$ 300
Reinsurance - Payments to Entities (EA)	$ -	$ -	$ 20,000
(F)Reinsurance Waiver Pass-Through (EA)	$ -	$ -	$ 120,231
REINSURANCE FUND TOTAL:	**$ 250**	**$ 275**	**$ 140,531**
UNDERGROUND STORAGE TANK INDEMNIFICATION FUND:			
Administration (EA)	$ 16,711	$ 16,711	$ 16,873
Claims (EA)	42,000	40,000	40,000
UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL	**$ 58,711**	**$ 56,711**	**$ 56,873**
WORKERS' COMPENSATION SECURITY FUND:			
WCS Administration (EA)	$ 5,763	$ 5,758	$ 5,899
WCS Claims (EA)	27,000	29,000	29,000
WORKERS' COMPENSATION SECURITY FUND TOTAL	**$ 32,763**	**$ 34,758**	**$ 34,899**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 86,479	$ -	$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	5,000	5,000	5,000
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	340,644	341,259	465,182
TOTAL ALL FUNDS	**$ 432,123**	**$ 346,259**	**$ 470,182**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
INSURANCE INDUSTRY REGULATION:							
GENERAL FUND	$ 86,479	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	5,000	5,000	5,000	5,000	5,000	5,000	5,000
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	340,644	341,259	465,182	465,182	465,182	465,182	465,182
SUBCATEGORY TOTAL	$ 432,123	$ 346,259	$ 470,182	$ 470,182	$ 470,182	$ 470,182	$ 470,182
ALL PROGRAMS:							
GENERAL FUND	$ 86,479	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	5,000	5,000	5,000	5,000	5,000	5,000	5,000
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	340,644	341,259	465,182	465,182	465,182	465,182	465,182
DEPARTMENT TOTAL	$ 432,123	$ 346,259	$ 470,182	$ 470,182	$ 470,182	$ 470,182	$ 470,182

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 Insurance Department oversees the operation of approximately 1,700 insurance companies and 330,000 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 11,000 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. The department has a consumer liaison to lead outreach and education efforts with communities 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 department regulates all lines of insurance; 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 Fund (Mcare), the Catastrophic Loss Benefits Continuation Fund (CAT), the Underground Storage Tank Indemnification Fund (USTIF), and the Reinsurance Fund; 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 transitioned to a state-based exchange in 2021. 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.

Mcare, 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.

CAT 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.

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.

The Reinsurance Fund moderates premiums in the commonwealth's individual health insurance market and maintains and protects coverage gain in the commonwealth.

The Workers' Compensation Security Fund provides administration and payment for compensation provided by the Workers' Compensation Act to individuals who are insured by an insolvent insurer.

Program: Insurance Industry Regulation continued

Program Recommendations:

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

INSURANCE REGULATION AND OVERSIGHT FUND:

General Government Operations

$ 620	—to replace nonrecurring benefits cost reduction.
1,933	—to continue current program.
$ 2,553	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
USTIF Loan Repayment	$ 86,479	$ -	$ -	$ -	$ -	$ -	$ -
INSURANCE REGULATION AND OVERSIGHT FUND:							
General Government Operations	$ 30,871	$ 31,649	$ 34,202	$ 34,202	$ 34,202	$ 34,202	$ 34,202

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	81.4%	78.9%	76.0%	76.0%	75.0%
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	216,409	643,324	728,820	801,702	714,375	600,696	650,000
Reduce Pennsylvania's uninsured population.							
Percentage of population without health insurance	5.6%	5.5%	5.5%	5.8%	5.4%	5.4%	5.2%

HEALTH INSURANCE EXCHANGE AUTHORITY

The mission of the Pennsylvania Health Insurance Exchange Authority 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 the Pennsylvania Health Insurance Exchange Authority.*

Health Insurance Exchange Authority

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
PA HEALTH INSURANCE EXCHANGE FUND:			
General Government Operations (EA)	$ 31,424	$ 49,106	$ 52,224
(F)Transitioning to State-Based Exchange (EA)	14,700	5,190	5,000
(F)COVID-State Exchange Modernization (EA)	-	1,108	-
Transfer to Reinsurance Fund (EA)	250	275	20,300
PA HEALTH INSURANCE EXCHANGE FUND TOTAL	$ 46,374	$ 55,679	$ 77,524

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
HEALTH INSURANCE EXCHANGE:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	14,700	6,298	5,000	5,000	5,000	5,000	5,000
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	31,674	49,381	72,524	92,524	92,524	92,524	92,524
SUBCATEGORY TOTAL	$ 46,374	$ 55,679	$ 77,524	$ 97,524	$ 97,524	$ 97,524	$ 97,524
ALL PROGRAMS:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	14,700	6,298	5,000	5,000	5,000	5,000	5,000
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	31,674	49,381	72,524	92,524	92,524	92,524	92,524
DEPARTMENT TOTAL	$ 46,374	$ 55,679	$ 77,524	$ 97,524	$ 97,524	$ 97,524	$ 97,524

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 the Pennsylvania Health Insurance Exchange Authority.

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. 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. 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)

General Government Operations (EA)

$ 3,118	—to continue current program.

Transfer to Reinsurance Fund (EA)

$ 25	—to continue current administrative functions.
20,000	—to provide for Reinsurance Program payments.
$ 20,025	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
PA HEALTH INSURANCE EXCHANGE FUND:							
General Government Operations (EA)	$ 31,424	$ 49,106	$ 52,224	$ 52,224	$ 52,224	$ 52,224	$ 52,224
Transfer to Reinsurance Fund (EA)	250	275	20,300	40,300	40,300	40,300	40,300
TOTAL PA HEALTH INSURANCE EXCHANGE FUND	$ 31,674	$ 49,381	$ 72,524	$ 92,524	$ 92,524	$ 92,524	$ 92,524

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 13,624**	**$ 13,844**	**$ 18,059**
(F)Disability Determination	154,039	155,439	155,439
(F)Community Service and Corps	13,235	13,415	14,381
(F)COVID-Community Service and Corps (EA)	-	8,262	-
(F)COVID-Commonwealth Civilian Coronavirus Corps (EA)	738	1,013	-
(F)Workforce Innovation and Opportunity Act - Administration	11,000	11,000	11,000
(F)New Hires	1,757	1,701	1,701
(F)DUA Administration Payments (EA)	-	86	-
(A)Interpreter Registry	65	56	56
(A)Voluntary Donations	5	250	-
Subtotal	$ 194,463	$ 205,066	$ 200,636
Occupational and Industrial Safety	**2,945**	**2,945**	**2,945**
(F)Lead Certification and Accreditation	494	494	494
(A)Inspection Fees	10,000	10,000	10,000
(R)Asbestos and Lead Certification (EA)	2,025	2,025	2,025
Subtotal	$ 15,464	$ 15,464	$ 15,464
(R)Vending Machine Proceeds	782	70	70
Subtotal - State Funds	$ 16,569	$ 16,789	$ 21,004
Subtotal - Federal Funds	181,263	191,410	183,015
Subtotal - Augmentations	10,070	10,306	10,056
Subtotal - Restricted Revenues	2,807	2,095	2,095
Total - General Government	$ 210,709	$ 220,600	$ 216,170
Grants and Subsidies:			
Occupational Disease Payments	**$ 213**	**$ 164**	**$ 147**
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	**384**	**278**	**278**
New Choices / New Options	**750**	**750**	**750**
Assistive Technology Financing	**475**	**500**	**500**
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	30,000	30,000
(F)COVID-WIOA - National Dislocated Worker (EA)	1,600	100	-
(F)Reed Act - Employment Services	72,000	72,000	5,000
(F)Reed Act - Unemployment Insurance	5,000	5,000	5,000

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(F)TANFBG - Youth Employment and Training	25,000	25,000	25,000
(F)Comprehensive Workforce Development (EA)	2,047	2,065	2,088
Subtotal	$ 341,647	$ 345,165	$ 278,088
Industry Partnerships	**2,813**	**2,813**	**2,813**
Apprenticeship Training	**7,000**	**7,000**	**7,000**
(F)COVID-SFR Pandemic Response	-	1,500	-
Subtotal - State Funds	$ 62,374	$ 62,244	$ 62,227
Subtotal - Federal Funds	341,647	346,665	278,088
Total - Grants and Subsidies	$ 404,021	$ 408,909	$ 340,315
STATE FUNDS	$ 78,943	$ 79,033	$ 83,231
FEDERAL FUNDS	522,910	538,075	461,103
AUGMENTATIONS	10,070	10,306	10,056
RESTRICTED REVENUES	2,807	2,095	2,095
GENERAL FUND TOTAL	**$ 614,730**	**$ 629,509**	**$ 556,485**
OTHER FUNDS:			
ADMINISTRATION FUND:			
Administration of Unemployment Compensation (EA)	$ 1,000	$ 1,000	$ 1,000
(F)Administration of Unemployment Compensation (EA)	241,000	241,000	241,000
(F)COVID-Administration of Unemployment Compensation (EA)	26,569	23,477	-
(F)COVID-Federal Pandemic Unemployment Compensation (EA)	234	12	-
(F)COVID-Pandemic Unemployment Assistance Admin (EA)	73,490	82,763	-
(F)COVID-Pandemic Emergency Unemployment Comp Admin (EA)	6,348	28,003	-
Workforce Development (EA)	2,000	640	640
(F)Workforce Development (EA)	93,219	93,219	93,219
(A)Reimbursements - DHS PACSES Interface	66	66	66
ADMINISTRATION FUND TOTAL	**$ 443,926**	**$ 470,180**	**$ 335,925**
SPECIAL ADMINISTRATION FUND:			
Administration of Unemployment (EA)	$ 11,000	$ 25,000	$ 11,000
EMPLOYMENT FUND FOR THE BLIND:			
General Operations	$ 428	$ 491	$ 500
(F)COVID-Business Enterprise Program (EA)	397	-	-
EMPLOYMENT FUND FOR THE BLIND TOTAL	**$ 825**	**$ 491**	**$ 500**
HAZARDOUS MATERIAL RESPONSE FUND:			
(R)Hazardous Material Response Administration	$ 6	$ 80	$ 80
REHABILITATION CENTER FUND:			
General Operations	$ 20,230	$ 20,410	$ 24,166
(F)COVID-Hiram G. Andrews Center (EA)	1,505	-	-
REHABILITATION CENTER FUND TOTAL	**$ 21,735**	**$ 20,410**	**$ 24,166**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
STATE WORKERS' INSURANCE FUND:			
State Workers' Insurance Fund	$ 165,131	$ 158,410	$ 150,535
UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND:			
(R)Reemployment Services (EA)	$ 9,718	$ 10,000	$ 10,000 [a]
(R)Service and Infrastructure Improvement (EA)	9,078	19,645	19,645
UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND TOTAL	**$ 18,796**	**$ 29,645**	**$ 29,645**
VOCATIONAL REHABILITATION FUND:			
General Operations (EA)	$ - [b]	$ - [b]	$ - [b]
(F)Vocational Rehabilitation Services (EA)	141,888	125,000	181,888
VOCATIONAL REHABILITATION FUND TOTAL	**$ 141,888**	**$ 125,000**	**$ 181,888**
WORKMEN'S COMPENSATION ADMINISTRATION FUND:			
Administration of Workers' Compensation	$ 75,802	$ 75,802	$ 75,802
(A)Conference Fees	41	300	300
WORKMEN'S COMPENSATION ADMINISTRATION FUND TOTAL	**$ 75,843**	**$ 76,102**	**$ 76,102**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 78,943	$ 79,033	$ 83,231
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	522,910	538,075	461,103
AUGMENTATIONS	10,070	10,306	10,056
RESTRICTED	2,807	2,095	2,095
OTHER FUNDS	879,150	905,318	809,841
TOTAL ALL FUNDS	**$ 1,493,880**	**$ 1,534,827**	**$ 1,366,326**

[a] This budget proposes to extend the sunset date of the five percent allowance for Reemployment Services until September 30, 2028.
[b] Transfer to Vocational Rehabilitation Fund not added to the total to avoid double counting. General Operations (EA) for 2020-21 Actual is $47,942,000, 2021-22 Available is $47,942,000, and 2022-23 Budget is $47,942,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
COMMUNITY AND OCCUPATIONAL SAFETY AND STABILITY:							
GENERAL FUND	$ 16,569	$ 16,789	$ 21,004	$ 21,004	$ 21,004	$ 21,004	$ 21,004
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	494	1,994	494	494	494	494	494
AUGMENTATIONS	10,070	10,306	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	6	80	80	80	80	80	80
SUBCATEGORY TOTAL	$ 29,164	$ 31,194	$ 33,659	$ 33,659	$ 33,659	$ 33,659	$ 33,659
WORKERS' COMPENSATION AND UNEMPLOYMENT ASSISTANCE:							
GENERAL FUND	$ 597	$ 442	$ 425	$ 425	$ 425	$ 425	$ 425
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	155,796	157,226	157,140	157,140	157,140	157,140	157,140
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	695,834	729,626	573,496	448,086	453,217	453,977	436,680
SUBCATEGORY TOTAL	$ 852,227	$ 887,294	$ 731,061	$ 605,651	$ 610,782	$ 611,542	$ 594,245
WORKFORCE INVESTMENT:							
GENERAL FUND	$ 10,563	$ 10,563	$ 10,563	$ 10,563	$ 10,563	$ 10,563	$ 10,563
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	366,620	378,855	303,469	303,469	303,469	303,469	303,469
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	9,144	19,711	19,711	19,711	7,527	66	10,988
SUBCATEGORY TOTAL	$ 386,327	$ 409,129	$ 333,743	$ 333,743	$ 321,559	$ 314,098	$ 325,020

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
VOCATIONAL REHABILITATION:							
GENERAL FUND	$ 51,214	$ 51,239	$ 51,239	$ 51,239	$ 51,239	$ 51,239	$ 51,239
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	782	70	70	70	70	70	70
OTHER FUNDS	174,166	155,901	216,554	194,218	174,268	174,168	174,168
SUBCATEGORY TOTAL	$ 226,162	$ 207,210	$ 267,863	$ 245,527	$ 225,577	$ 225,477	$ 225,477
ALL PROGRAMS:							
GENERAL FUND	$ 78,943	$ 79,033	$ 83,231	$ 83,231	$ 83,231	$ 83,231	$ 83,231
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	522,910	538,075	461,103	461,103	461,103	461,103	461,103
AUGMENTATIONS	10,070	10,306	10,056	10,056	10,056	10,056	10,056
RESTRICTED	2,807	2,095	2,095	2,095	2,095	2,095	2,095
OTHER FUNDS	879,150	905,318	809,841	662,095	635,092	628,291	621,916
DEPARTMENT TOTAL	$ 1,493,880	$ 1,534,827	$ 1,366,326	$ 1,218,580	$ 1,191,577	$ 1,184,776	$ 1,178,401

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 of Labor and Industry (L&I) 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 labor laws including the Minimum Wage Act, the Wage Payment and Collection Law, and the Prevailing Wage Act 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	2017-18	2018-19	2019-20	2020-21	2021-22*	2022-23*
Building inspections performed	29,730	28,492	20,295	21,188	22,000	22,500
Elevator inspections performed	13,253	16,123	13,265	16,074	16,000	16,500
Boiler inspections performed	30,808	24,829	20,373	28,007	22,000	22,000
Other inspections performed	4,963	4,500	3,837	3,728	4,600	4,600
Building approvals issued	3,392	2,952	3,026	3,045	3,100	3,100
New buildings certified and renovations of existing buildings certified	1,449	1,256	1,048	1,300	1,200	1,350
Municipalities choosing to provide their own enforcement under the Uniform Construction Code Act	2,418	2,423	2,430	2,429	2,430	2,430
Certifications, accreditations, and licensing (Asbestos/Lead/ Uniform Construction Code)	11,333	10,987	9,541	10,408	11,000	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

$	178	—to replace nonrecurring benefits cost reduction.
	837	—to continue current program.
	3,200	—Initiative—to develop a longitudinal data system, from early learning to employment, to analyze outcomes and inform data-driven, evidence-based education and workforce decisions.
$	4,215	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 13,624	$ 13,844	$ 18,059	$ 18,059	$ 18,059	$ 18,059	$ 18,059
Occupational and Industrial Safety	2,945	2,945	2,945	2,945	2,945	2,945	2,945
TOTAL GENERAL FUND	$ 16,569	$ 16,789	$ 21,004	$ 21,004	$ 21,004	$ 21,004	$ 21,004

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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)	$ 2.7	$ 4.2	$ 5.0	$ 5.1	$ 7.7	$ 5.1	$ 5.0
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)	$ 8.9	$ 12.8	$ 16.9	$ 14.8	$ 11.8	$ 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."

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:

Occupational Disease Payments

$ (17) —to continue current program based on payment requirements.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Occupational Disease Payments	$ 213	$ 164	$ 147	$ 147	$ 147	$ 147	$ 147
Workers' Compensation Payments	384	278	278	278	278	278	278
TOTAL GENERAL FUND	$ 597	$ 442	$ 425	$ 425	$ 425	$ 425	$ 425
WORKMEN'S COMPENSATION ADMINISTRATION FUND:							
Administration of Workers' Compensation	$ 75,802	$ 75,802	$ 75,802	$ 75,802	$ 75,802	$ 75,802	$ 75,802

Program: Workers' Compensation and Unemployment Assistance, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	87%	88%	88%	68%	68%	65%	75%
Percentage of eligibility determinations within three weeks of discovering that there was an issue to be investigated	70%	66%	69%	69%	12% *	25% *	50%
Reduce the number of Pennsylvania's workplace injury fatalities through increased safety and health training and outreach initiatives.							
Number of workplace injury fatalities	77	82	66	60	72	70	68
Number of free workplace safety and health training and outreach events	415	431	462	484	596	600	610
Number of attendees at workplace safety and health training and outreach events	33,605	35,951	36,030	44,991	48,663	50,000	51,500

* Decrease due to COVID-19 pandemic.

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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
New Choices / New Options	$ 750	$ 750	$ 750	$ 750	$ 750	$ 750	$ 750
Industry Partnerships	2,813	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	**$ 10,563**	**$ 10,563**	**$ 10,563**	**$ 10,563**	**$ 10,563**	**$ 10,563**	**$ 10,563**

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	69.0%	65.0%	69.0%	70.0%	64.0%	66.0%	68.0%
Employment rate for adult beneficiaries of Workforce Innovation and Opportunity Act	75.0%	77.0%	77.0%	77.0%	69.0%	71.0%	73.0%
Number of registered apprentices	14,110	15,209	17,409	18,359	17,647	17,900	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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 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	500	500	500	500	500	500
Assistive Technology Demonstration and Training	450	450	450	450	450	450	450
TOTAL GENERAL FUND	$ 51,214	$ 51,239	$ 51,239	$ 51,239	$ 51,239	$ 51,239	$ 51,239

Program: Vocational Rehabilitation, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Increase the employment potential and personal independence of persons with disabilities.							
Individuals receiving financial aid for training	3,629	3,460	3,334	2,692 *	3,608	4,000	4,400
Students receiving Pre-Employment Transition Services (PETS)	N/A	25,601	27,830	22,327	12,120 *	17,000	22,000
Number of eligible participants with active plans.	39,771	49,495	53,074	42,391	34,708	40,000	44,000
Number of participants successfully placed into competitive integrated employment.....	9,311	7,885	7,485	6,953	4,773	6,000	6,500
Number of persons successfully completing independent living/specialized services.....	1,332	1,235	1,114	1,277	1,200	1,200	1,200

* Decrease due to COVID-19 pandemic.

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 licensing fees and the sale of wines and spirits cover the cost of merchandise sold and all PLCB operating and administrative expenses, as well as funding for alcohol education, enforcement, and misuse programs. Remaining proceeds from operations are transferred annually to the commonwealth's General Fund.

Programs and Goals

Liquor Control: *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.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
STATE STORES FUND:			
General Operations (EA)	$ 624,440	$ 676,467	$ 722,865
(A)Sale of Automobiles	14	20	20
Purchase of Liquor (EA)	1,464,700	1,530,600	1,584,200
Comptroller Operations (EA)	6,123	6,130	6,333
Transfer to the General Fund (EA)	185,100	185,100	185,100
STATE STORES FUND TOTAL	**$ 2,280,377**	**$ 2,398,317**	**$ 2,498,518**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
LIQUOR CONTROL:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	2,280,377	2,398,317	2,498,518	2,549,953	2,628,053	2,708,653	2,791,953
SUBCATEGORY TOTAL	$ 2,280,377	$ 2,398,317	$ 2,498,518	$ 2,549,953	$ 2,628,053	$ 2,708,653	$ 2,791,953
ALL PROGRAMS:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	2,280,377	2,398,317	2,498,518	2,549,953	2,628,053	2,708,653	2,791,953
DEPARTMENT TOTAL	$ 2,280,377	$ 2,398,317	$ 2,498,518	$ 2,549,953	$ 2,628,053	$ 2,708,653	$ 2,791,953

Program: Liquor Control

Goal: 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.

Retail Sales of Alcohol

The Pennsylvania Liquor Control Board (PLCB) is the primary retailer of wines and spirits in Pennsylvania, operating approximately 586 Fine Wine & Good Spirits stores, including more than 100 Premium Collection stores, as well as 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, FWGS.com. The PLCB aims to provide a wide variety of quality wines and spirits at competitive prices that will appeal to a demographically diverse 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.

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 a trailer drop program and direct delivery to licensee locations from PLCB distribution centers.

The PLCB's Wholesale Operations division also actively manages product needs for 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 approximately 16,500 retail and wholesale licensees in the commonwealth, conducts thousands of investigations each year, and processes roughly 83,000 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 utilizes partnerships with the local community, law enforcement agencies, and government entities to build evidence when a licensee has abused license privileges for use during the license renewal process. 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 offers nearly $1.5 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)

General Operations (EA)

$ 9,939	—to replace nonrecurring benefits cost reduction.
36,459	—to continue current program.
$ 46,398	*Appropriation Increase*

Comptroller Operations (EA)

$ 203	—to continue current program.

Purchase of Liquor (EA)

$ 53,600	—for inventory costs.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
STATE STORES FUND:							
General Operations (EA) ...	$ 624,440	$ 676,467	$ 722,865	$ 726,800	$ 755,900	$ 786,100	$ 817,500
Purchase of Liquor (EA)	1,464,700	1,530,600	1,584,200	1,631,700	1,680,700	1,731,100	1,783,000
Comptroller Operations (EA).....	6,123	6,130	6,333	6,333	6,333	6,333	6,333
Transfer to the General Fund (EA)	185,100	185,100	185,100	185,100	185,100	185,100	185,100
TOTAL STATE STORES FUND.....	$2,280,363	$2,398,297	$2,498,498	$2,549,933	$2,628,033	$2,708,633	$2,791,933

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Increase revenue contributions to the General Fund by maximizing returns.							
Pennsylvania State Liquor Stores	607	605	603	598	594	599	599
Gross sales (in thousands, excluding liquor taxes and sales taxes).....	$2,031,304	$2,055,555	$2,133,811	$2,077,840	$2,344,659	$2,403,300	$2,487,400
Total contributions from State Stores Fund (in thousands, including liquor taxes, sales taxes, and General Fund transfer)	$ 729,503	$ 712,033	$ 726,851	$ 703,530	$ 774,460	$ 789,200	$ 810,300

Program: Liquor Control, continued

Program Measures, continued:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	63	66	66	50	82	82	87
Alcohol education grant money awarded (in thousands)	$ 1,120	$ 1,154	$ 1,135	$ 817	$ 1,400	$ 1,400	$ 1,500
Owners/managers receiving Responsible Alcohol Management Program (RAMP) training	5,761	5,902	6,720	5,933	5,577	5,856	6,149
Servers/sellers receiving RAMP training	67,135	78,656	85,391	80,025	70,833	74,375	78,093
Establishments that are RAMP certified	1,455	1,589	1,946	1,713	1,824	1,915	2,011

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 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, 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 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, guard members, and their dependents.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 32,590**	**$ 26,401**	**$ 29,444**
(F)Facilities Maintenance	84,000	84,000	89,000
(F)COVID-Facilities Maintenance (EA)	1,039	-	-
(F)Federal Construction Grants	25,000	40,000	79,000
(F)Spotted Lanternfly (EA)	100	100	-
(F)PA State Opioid Response (EA)	2,094	2,000	-
(A)Rental of Facilities	122	122	122
(A)Utility Reimbursements	120	146	146
(A)Housing Fees	78	86	91
(A)Miscellaneous	22	42	21
(R)Military Family Relief Assistance	14	100	100
(R)State Military Justice	-	1	1
Subtotal	$ 145,179	$ 152,998	$ 197,925
Keystone State ChalleNGe Academy	**1,493**	**1,400**	**1,675** [a]
Burial Detail Honor Guard	**99**	**99**	**99**
American Battle Monuments	**50**	**50**	**50**
Armory Maintenance and Repair	**1,145**	**1,645**	**2,645**
Special State Duty	**35**	**35**	**35**
Subtotal - State Funds	$ 35,412	$ 29,630	$ 33,948
Subtotal - Federal Funds	112,233	126,100	168,000
Subtotal - Augmentations	342	396	380
Subtotal - Restricted Revenues	14	101	101
Total - General Government	$ 148,001	$ 156,227	$ 202,429
Institutional:			
Veterans Homes	**$ 100,321**	**$ 110,260**	**$ 146,865**
(F)Operations and Maintenance	56,844	53,156	44,929
(F)COVID-Operations and Maintenance (EA)	11,149	5,482	-
(F)Medical Reimbursements	159	159	142
(F)Enhanced Veterans Reimbursement	36,660	34,791	34,346
(F)COVID-Enhanced Veterans Reimbursement (EA)	3,200	3,000	-
(F)COVID-Testing (EA)	13,538	-	-
(F)COVID-Direct Relief Providers (EA)	2,520	-	-
(A)Aid and Attendance Payments	6,006	6,960	6,705
(A)Residential Fees	11,223	13,220	13,245
(A)Estate Collections	3,398	2,220	2,320
(A)Insurance and Third-Party Reimbursements	20	46	41

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(A)Physical and Occupational Therapy Reimbursements	536	536	444
(A)Pharmaceutical Reimbursements	2,279	2,722	2,670
(A)Miscellaneous	30	65	75
Subtotal	$ 247,883	$ 232,617	$ 251,782
Subtotal - State Funds	$ 100,321	$ 110,260	$ 146,865
Subtotal - Federal Funds	124,070	96,588	79,417
Subtotal - Augmentations	23,492	25,769	25,500
Total - Institutional	$ 247,883	$ 232,617	$ 251,782
Grants and Subsidies:			
Education of Veterans Children	**$ 125**	**$ 135**	**$ 135**
Transfer to Educational Assistance Program Fund	**13,265**	**12,525**	**13,221**
Blind Veterans Pension	**222**	**222**	**222**
Amputee and Paralyzed Veterans Pension	**3,714**	**3,878**	**3,951**
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**	**3,279**	**3,756**
Total - Grants and Subsidies	$ 21,070	$ 20,644	$ 21,890
STATE FUNDS	$ 156,803	$ 160,534	$ 202,703
FEDERAL FUNDS	236,303	222,688	247,417
AUGMENTATIONS	23,834	26,165	25,880
RESTRICTED REVENUES	14	101	101
GENERAL FUND TOTAL	**$ 416,954**	**$ 409,488**	**$ 476,101**
OTHER FUNDS:			
EDUCATIONAL ASSISTANCE PROGRAM FUND:			
National Guard Education (EA)	$ 2,814 [b]	$ 3,285 [b]	$ 3,186 [b]
(R)Military Family Education (EA)	- [b]	- [b]	- [b]
EDUCATIONAL ASSISTANCE PROGRAM FUND TOTAL	**$ 2,814**	**$ 3,285**	**$ 3,186**
PENNSYLVANIA VETERANS MONUMENTS AND MEMORIAL TRUST FUND:			
Veterans Memorial (EA)	$ 93	$ 175	$ 95
STATE TREASURY ARMORY FUND:			
Armory Improvements	$ 470	$ 580	$ 198
VETERANS TRUST FUND:			
Grants and Assistance (EA)	$ 1,755	$ 1,755	$ 1,755

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 156,803	$ 160,534	$ 202,703
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	236,303	222,688	247,417
AUGMENTATIONS	23,834	26,165	25,880
RESTRICTED	14	101	101
OTHER FUNDS	5,132	5,795	5,234
TOTAL ALL FUNDS	**$ 422,086**	**$ 415,283**	**$ 481,335**

[a] Propose changing National Guard Youth Challenge Program to Keystone State Challenge Academy.
[b] The National Guard Education (EA) for 2020-21 is $12,971,000; 2021-22 Available is $11,231,000; and 2022-23 Budget is $11,661,000. The (R)Military Family Education (EA) for 2020-21 Actual is $3,108,000; 2021-22 Available is $4,579,000; and 2022-23 Budget is $4,746,000. 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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
STATE MILITARY READINESS:							
GENERAL FUND	$ 33,919	$ 28,230	$ 32,273	$ 32,606	$ 32,606	$ 32,606	$ 32,606
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	112,233	126,100	168,000	109,000	109,000	109,000	109,000
AUGMENTATIONS	342	396	380	380	380	380	380
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	563	755	293	293	293	253	209
SUBCATEGORY TOTAL	$ 147,057	$ 155,481	$ 200,946	$ 142,279	$ 142,279	$ 142,239	$ 142,195
VETERANS HOMES:							
GENERAL FUND	$ 100,321	$ 110,260	$ 146,865	$ 160,956	$ 160,956	$ 160,956	$ 160,956
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	124,070	96,588	79,417	79,417	79,417	79,417	79,417
AUGMENTATIONS	23,492	25,769	25,500	25,500	25,500	25,500	25,500
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 247,883	$ 232,617	$ 251,782	$ 265,873	$ 265,873	$ 265,873	$ 265,873
COMPENSATION AND ASSISTANCE:							
GENERAL FUND	$ 22,563	$ 22,044	$ 23,565	$ 31,501	$ 36,920	$ 40,773	$ 45,602
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	14	101	101	101	101	101	101
OTHER FUNDS	4,569	5,040	4,941	1,755	1,755	1,755	1,755
SUBCATEGORY TOTAL	$ 27,146	$ 27,185	$ 28,607	$ 33,357	$ 38,776	$ 42,629	$ 47,458

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
ALL PROGRAMS:							
GENERAL FUND	$ 156,803	$ 160,534	$ 202,703	$ 225,063	$ 230,482	$ 234,335	$ 239,164
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	236,303	222,688	247,417	188,417	188,417	188,417	188,417
AUGMENTATIONS	23,834	26,165	25,880	25,880	25,880	25,880	25,880
RESTRICTED	14	101	101	101	101	101	101
OTHER FUNDS	5,132	5,795	5,234	2,048	2,048	2,008	1,964
DEPARTMENT TOTAL	$ 422,086	$ 415,283	$ 481,335	$ 441,509	$ 446,928	$ 450,741	$ 455,526

Program: State Military Readiness

Goal: To achieve and maintain readiness capability in units of the Pennsylvania National Guard for quick and effective response to state or federal mobilization.

The Department of Military and Veterans Affairs (DMVA) runs the State Military Readiness program which 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

$ 562	—to replace nonrecurring benefits cost reduction.
947	—to continue current program.
380	—to increase resources to ensure adequate coverage of access control points at Fort Indiantown Gap.
209	—to increase resources to enhance veteran services.
445	—Initiative—to provide intervention services to prevent suicide among PA National Guard members.
500	—Initiative—to expand services provided to meet needs of Pennsylvania veterans.
$ 3,043	*Appropriation Increase*

Armory Maintenance and Repair

$ 1,000	—to continue current program while ensuring continued solvency in the State Treasury Armory Fund.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 32,590	$ 26,401	$ 29,444	$ 29,777	$ 29,777	$ 29,777	$ 29,777
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	1,145	1,645	2,645	2,645	2,645	2,645	2,645
Special State Duty	35	35	35	35	35	35	35
TOTAL GENERAL FUND	$ 33,919	$ 28,230	$ 32,273	$ 32,606	$ 32,606	$ 32,606	$ 32,606

Program: State Military Readiness, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Maintain the strength and readiness of the Pennsylvania Army National Guard.							
Pennsylvania Army National Guard End Strength Ceiling	15,546	14,800	14,204	13,800	14,655	14,221	14,290
Pennsylvania Army National Guard Assigned	15,513	14,890	14,204	13,863	13,670	14,008	14,149
Percentage of Pennsylvania Army National Guard Current Strength	100%	101%	100%	100%	93%	99%	100%
Department of Defense personnel receiving training at Fort Indiantown Gap	112,796	157,692	147,402	114,261	103,066	99,038	100,000
Non-Department of Defense personnel receiving training at Fort Indiantown Gap	7,412	5,802	4,314	7,719	4,058	3,160	3,160
Maintain the strength and readiness of the Pennsylvania Air National Guard.							
Pennsylvania Air National Guard End Strength Ceiling	4,102	4,119	4,133	4,126	4,184	4,140	4,140
Pennsylvania Air National Guard Assigned	3,922	4,007	4,115	4,096	4,021	4,124	4,124
Percentage of the Pennsylvania Air National Guard Current Strength	96%	97%	100%	99%	96%	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	39%	32%	49%	45%	50%	48%	48%

Program: Veterans Homes

Goal: To provide nursing and domiciliary care for veterans.

DMVA provides Pennsylvania veterans with various levels of care at six veterans homes located throughout the commonwealth. The Gino J. Merli Veterans Center in Scranton, the Southwestern Veterans Center in Pittsburgh, and the Delaware Valley Veterans Home in Philadelphia provide skilled nursing and dementia/memory care. The Pennsylvania Soldiers and Sailors Home in Erie, the Hollidaysburg Veterans Home in Duncansville, and the Southeastern Veterans Center in Spring City provide skilled nursing, dementia/memory care, and domiciliary and personal care.

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 Veterans Home: (Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget
Pennsylvania Soldiers and Sailors Home			
State Funds	$ 9,505	$ 12,759	$ 14,339
Federal Funds	12,916	9,559	9,436
Augmentations	3,282	3,537	3,676
TOTAL	$ 25,703	$ 25,855	$ 27,451
Southwestern Veterans Center			
State Funds	$ 10,294	$ 13,474	$ 19,427
Federal Funds	20,659	16,776	14,539
Augmentations	3,783	3,840	3,831
TOTAL	$ 34,736	$ 34,090	$ 37,797
Hollidaysburg Veterans Home			
State Funds	$ 24,585	$ 28,607	$ 41,509
Federal Funds	22,920	20,740	14,111
Augmentations	6,022	6,539	6,360
TOTAL	$ 53,527	$ 55,886	$ 61,980
Delaware Valley Veterans Home			
State Funds	$ 9,646	$ 12,751	$ 15,962
Federal Funds	11,384	10,645	12,285
Augmentations	2,702	3,441	3,620
TOTAL	$ 23,732	$ 26,837	$ 31,867
Southeastern Veterans Center			
State Funds	$ 17,890	$ 18,270	$ 23,128
Federal Funds	16,167	16,939	14,872
Augmentations	4,619	4,632	4,916
TOTAL	$ 38,676	$ 39,841	$ 42,916
Central Veterans Homes Services			
State Funds	$ 21,076	$ 15,713	$ 16,054
Federal Funds	21,634	4,632	-
Augmentations	-	-	-
TOTAL	$ 42,710	$ 20,345	$ 16,054
Gino J. Merli Veterans Center			
State Funds	$ 7,325	$ 8,686	$ 16,446
Federal Funds	18,390	17,297	14,174
Augmentations	3,084	3,780	3,097
TOTAL	$ 28,799	$ 29,763	$ 33,717

Program: Veterans Homes, continued

Veterans Home Populations

Veterans Home	Population July 2020	Population July 2021	Projected Population July 2022	Projected Bed Capacity July 2022	Projected Percent of Capacity July 2022
Pennsylvania Soldiers and Sailors Home…	161	134	160	207	77.3%
Hollidaysburg Veterans Home	307	228	250	424	59.0%
Southeastern Veterans Center	187	181	185	292	63.4%
Gino J. Merli Veterans Center	163	139	160	196	81.6%
Southwestern Veterans Center	195	163	168	236	71.2%
Delaware Valley Veterans Home	95	100	155	171	90.6%
Total	1,108	945	1,078	1,526	70.6%

Program Recommendations:

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

		Veterans Homes
$	3,599	—to replace nonrecurring benefits cost reduction.
	1,744	—to continue current program.
	14,091	—to increase resources to implement proposed regulatory changes.
	8,689	—to replace federal funding received in 2021-22 for COVID-19 response.
	8,482	—to reflect change in federal earnings.
$	36,605	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Veterans Homes	$ 100,321	$ 110,260	$ 146,865	$ 160,956	$ 160,956	$ 160,956	$ 160,956

Program: Compensation and Assistance

Goal: To provide advisory and financial assistance to eligible Pennsylvania veterans, guard members and their dependents.

DMVA administers several activities within this program to aid qualified veterans, guard members, 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.

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 guard members who are injured or disabled or to dependent family members of guard members 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 veteran service 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 and demonstrate financial need.

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.

Keystone State ChalleNGe Academy. The Keystone State ChalleNGe Academy serves young people who are experiencing difficulty in traditional high school through a quasi-military, five-month residential program. Among graduates, the vast majority leave the program with a recognized credential or with credits toward high school graduation.

Program Recommendations:

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

	Keystone State ChalleNGe Academy
$ 73	—to replace nonrecurring benefits cost reduction.
202	—to continue current program.
$ 275	*Appropriation Increase*
	Transfer to Educational Assistance Program Fund
$ 696	—to continue current program.

	Amputee and Paralyzed Veterans Pension
$ 73	—to continue current program.
	Veterans Outreach Services
$ 193	—to continue current program.
284	—Initiative—to increase outreach resources to assist veterans access available benefits.
$ 477	*Appropriation Increase*

Program: Compensation and Assistance, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

GENERAL FUND:	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Keystone State ChalleNGe Academy	$ 1,493	$ 1,400	$ 1,675	$ 1,675	$ 1,675	$ 1,675	$ 1,675
Education of Veterans Children	125	135	135	135	135	135	135
Transfer to Educational Assistance Program Fund	13,265	12,525	13,221	21,157	26,576	30,429	35,258
Blind Veterans Pension	222	222	222	222	222	222	222
Amputee and Paralyzed Veterans Pension	3,714	3,878	3,951	3,951	3,951	3,951	3,951
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	3,279	3,756	3,756	3,756	3,756	3,756
TOTAL GENERAL FUND	$ 22,563	$ 22,044	$ 23,565	$ 31,501	$ 36,920	$ 40,773	$ 45,602

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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	2,749	2,848	2,731	2,227	3,407	2,900	2,900
Number of veterans who received benefits in accordance with the Veterans Temporary Assistance (VTA) Program	522	587	568	488	338	338	500
Number of new federal claims for Pennsylvania veterans (compensation and pension claims)	8,065	6,970	7,195	6,726	5,168	6,500	6,500
Number of new claims filed by participants in the Veterans Service Officer Outreach Grant Program (Act 66 of 2007)	32,756	27,733	18,299	14,589	7,425	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	2,586	2,277	2,014	1,938	1,880	1,668	1,880
National Guard personnel receiving Medical and Health Officer incentives	45	38	36	35	42	40	40
Number of veterans assisted through Veterans Trust Fund grants	10,992	7,310	10,070	15,384	10,922	10,992	10,992
Number of new individuals registered through the Veterans Registry - service in Armed Forces	7,374	4,231	8,927	8,655	7,320	8,500	8,500
Number of new individuals registered through the Veterans Registry - no service in Armed Forces	358	138	266	290	309	300	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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
MILK MARKETING FUND:			
General Operations	$ 2,840	$ 2,840	$ 2,840

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 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 throughout the commonwealth, and establishes reasonable trade control and marketing practices. The board 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 by 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: (Dollar Amounts in Thousands)

General Operations is recommended at the current year funding level.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
MILK MARKETING FUND:							
General Operations	$ 2,840	$ 2,840	$ 2,840	$ 2,840	$ 2,840	$ 2,840	$ 2,840

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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.....	1,026	956	912	925	948	948	950
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	100%	100%	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 Public 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.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND:			
Administration	$ 45,560	$ 52,294	$ 55,467
Investment Related Expenses	30,567	34,800	35,606
(R)Health Insurance Account	1,404	2,004	1,415
(A)Health Options - Administration Reimbursement	1,237	1,354	-
PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND TOTAL	**$ 78,768**	**$ 90,452**	**$ 92,488**
PSERS - DEFINED CONTRIBUTION FUND:			
(R)Administration	$ 1,083	$ 955	$ 949
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	79,851	91,407	93,437
TOTAL ALL FUNDS	**$ 79,851**	**$ 91,407**	**$ 93,437**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
PUBLIC SCHOOL EMPLOYEES' RETIREMENT:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	79,851	91,407	93,437	95,555	96,555	97,555	98,555
SUBCATEGORY TOTAL	$ 79,851	$ 91,407	$ 93,437	$ 95,555	$ 96,555	$ 97,555	$ 98,555
ALL PROGRAMS:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	79,851	91,407	93,437	95,555	96,555	97,555	98,555
DEPARTMENT TOTAL	$ 79,851	$ 91,407	$ 93,437	$ 95,555	$ 96,555	$ 97,555	$ 98,555

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 Public 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 system aims to invest its assets to maximize returns based on the level of risk taken and strives 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' browser-based system ensures the viability of PSERS' core pension administration system and provides an enhanced baseline platform with built-in features that makes future business processes and member self-service enhancements 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, new members of PSERS are able to 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 Public School Retirees' Health Insurance Account that provides premium assistance benefits to retirees.

Program Recommendations:

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

PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND:

Administration

$ 784	—to replace nonrecurring benefits cost reduction.
2,389	—to continue current program.
$ 3,173	*Appropriation Increase*

Investment Related Expenses

$ 806	—to continue current program.

PSERS - DEFINED CONTRIBUTION FUND:

Administration

$ (6)	—to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND:							
Administration	$ 45,560	$ 52,294	$ 55,467	$ 57,585	$ 58,585	$ 59,585	$ 60,585
Investment Related Expenses	30,567	34,800	35,606	35,606	35,606	35,606	35,606
TOTAL PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND	$ 82,861	$ 87,094	$ 91,073	$ 93,191	$ 94,191	$ 95,191	$ 96,191

Program: Public School Employees' Retirement, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
PSERS - DEFINED CONTRIBUTION FUND:							
(R)Administration	$ 1,083	$ 955	$ 949	$ 949	$ 949	$ 949	$ 949

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Increase members' awareness of PSERS benefits.							
Percentage of retiring members attending counseling with PSERS	70%	70%	69%	70%	60%	60%	60%
Provide timely and accurate retirement benefit payments.							
Total number of retired employees (annuitants), beneficiaries, and survivor annuitants	230,014	233,288	237,339	239,614	242,839	250,124	257,628
Total Pension and Health Care Premium Assistance benefit payments (in billions)	$ 6.53	$ 6.64	$ 6.77	$ 6.99	$ 7.27*	$ 7.31	$ 7.42

*Actual year measure data has been corrected.

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
(R)General Government Operations	$ 78,061	$ 78,477	$ 80,091
(F)Natural Gas Pipeline Safety	3,892	3,995	3,995
(F)Motor Carrier Safety	1,130	1,133	1,188
Subtotal - Federal Funds	5,022	5,128	5,183
Subtotal - Restricted Revenues	78,061	78,477	80,091
Total - General Government	$ 83,083	$ 83,605	$ 85,274
FEDERAL FUNDS	5,022	5,128	5,183
RESTRICTED REVENUES	78,061	78,477	80,091
GENERAL FUND TOTAL	**$ 83,083**	**$ 83,605**	**$ 85,274**
OTHER FUNDS:			
MARCELLUS LEGACY FUND:			
Transfer to Highway Bridge Improvement (EA)	$ 12,758	$ 20,378	$ 20,357
Transfer to Environmental Stewardship Fund (EA)	5,103	8,151	8,143
Transfer to Hazardous Sites Cleanup Fund (EA)	17,552	19,076	19,071
County Rec Planning, Development, and Rehabilitation (EA)	7,655	12,227	12,214
Transfer to Commonwealth Financing Authority-H2O (EA)	6,379	10,189	10,179
Transfer to Commonwealth Financing Authority (EA)	10,206	16,303	16,286
MARCELLUS LEGACY FUND TOTAL	**$ 59,653**	**$ 86,324**	**$ 86,250**
UNCONVENTIONAL GAS WELL FUND:			
Gas Well Fee Administration (EA)	$ 1,000	$ 1,000	$ 1,000
Conservation District Grants (EA)	4,087	4,189	4,294
Transfer to Conservation District Fund (EA)	4,087	4,189	4,294
Transfer to Housing Afford & Rehab Enhancement Fund (EA)	5,060	5,000	5,000
Host Counties (EA)	25,758	42,217	42,171
Host Municipalities (EA)	26,414	43,389	43,343
Local Municipalities (EA)	19,317	31,663	31,629
Transfer to Marcellus Legacy Fund (EA)	51,032	81,513	81,429
UNCONVENTIONAL GAS WELL FUND TOTAL	**$ 136,755**	**$ 213,160**	**$ 213,160**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	5,022	5,128	5,183
AUGMENTATIONS	-	-	-
RESTRICTED	78,061	78,477	80,091
OTHER FUNDS	196,408	299,484	299,410
TOTAL ALL FUNDS	**$ 279,491**	**$ 383,089**	**$ 384,684**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
REGULATION OF PUBLIC UTILITIES:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	5,022	5,128	5,183	5,183	5,183	5,183	5,183
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	78,061	78,477	80,091	80,091	80,091	80,091	80,091
OTHER FUNDS	196,408	299,484	299,410	299,335	299,258	299,179	299,097
SUBCATEGORY TOTAL	$ 279,491	$ 383,089	$ 384,684	$ 384,609	$ 384,532	$ 384,453	$ 384,371
ALL PROGRAMS:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	5,022	5,128	5,183	5,183	5,183	5,183	5,183
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	78,061	78,477	80,091	80,091	80,091	80,091	80,091
OTHER FUNDS	196,408	299,484	299,410	299,335	299,258	299,179	299,097
DEPARTMENT TOTAL	$ 279,491	$ 383,089	$ 384,684	$ 384,609	$ 384,532	$ 384,453	$ 384,371

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 over 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.

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 to fund infrastructure upgrades; and
- provides oversight of transportation services under Act 164 of 2016, including services ranging from traditional taxis and limousines to ride-hailing transportation network companies.

	Regulated Utilities		
Utility Group	2020-21	2021-22*	2022-23*
Electric Distribution	15	15	15
Gas Distribution	22	22	22
Electric Suppliers	449	455	460
Gas Suppliers	336	343	350
Telephone	310	300	275
Water/Wastewater	124	120	115
Transportation	7,931	7,920	7,900
Rate Requests Received	35	30	28
Rate Cases Completed	26	24	22

* Estimated

Program Recommendations:

This budget recommends the following change from the restricted account: (Dollar Amounts in Thousands)

General Government Operations

$	1,451	—to replace nonrecurring benefits cost reduction.
	163	—to continue current program.
$	1,614	*Appropriation Increase*

Program: Regulation of Public Utilities, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
(R)General Government Operations	$ 78,061	$ 78,477	$ 80,091	$ 80,091	$ 80,091	$ 80,091	$ 80,091

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Maintain safe and reliable utility services at affordable rates for consumers.							
Fixed Utility Audits Conducted - Special.....	384	373	456	460	448	452	458
Fixed Utility Audits Conducted - Management	9	6	10	14	5	8	7
Enforcement/Investigations Audits Conducted - Gas safety.....	1,000	1,150	1,250	1,354	1,723	1,350	2,143
Transportation Audits Conducted - Rail safety.....	1,900	2,000	2,050	2,053	2,018	2,020	2,025
Transportation Audits Conducted - Motor safety.....	8,000	8,300	8,500	8,476	7,919	8,300	8,250

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 to 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 to 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 in maintaining their homes.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 142,954**	**$ 142,954**	**$ 149,177**
(A)Services to Special Funds	14,354	12,976	14,071
(A)EDP and Staff Support	7,163	7,584	5,750
(A)Reimbursed Costs from Other Agencies	433	780	400
(A)AOPC Intercept Administrative Costs	427	500	427
(A)Tax Information	4,523	686	1,503
(A)Local Sales Tax	6,745	6,600	6,600
(A)Cost of Collecting Philadelphia Cigarette Tax	519	605	500
(A)Cigarette Fines and Penalties	42	65	100
(A)Small Games of Chance	374	72	253
(A)RTT Local Collection	-	87	-
(A)Prepaid Wireless E-911	4	3	4
(A)Sale of Equipment	1	-	-
(R)Enhanced Revenue Collection Account	30,000	30,000	30,000
Technology and Process Modernization	**4,750**	**4,750**	**4,910**
Commissions - Inheritance and Realty Transfer Taxes (EA)	**13,651**	**12,791**	**12,311**
Subtotal - State Funds	$ 161,355	$ 160,495	$ 166,398
Subtotal - Augmentations	34,585	29,958	29,608
Subtotal - Restricted Revenues	30,000	30,000	30,000
Total - General Government	$ 225,940	$ 220,453	$ 226,006
Grants and Subsidies:			
Distribution of Public Utility Realty Tax	**$ 29,213**	**$ 32,209**	**$ 33,309**
STATE FUNDS	$ 190,568	$ 192,704	$ 199,707
AUGMENTATIONS	34,585	29,958	29,608
RESTRICTED REVENUES	30,000	30,000	30,000
GENERAL FUND TOTAL	**$ 255,153**	**$ 252,662**	**$ 259,315**
MOTOR LICENSE FUND:			
General Government:			
Collections - Liquid Fuels Taxes	**$ 23,136**	**$ 21,792**	**$ 23,125**
(F)Federal Fuel Tax Evasion Project (EA)	90	150	250
Subtotal - State Funds	$ 23,136	$ 21,792	$ 23,125
Subtotal - Federal Funds	90	150	250
Total - General Government	$ 23,226	$ 21,942	$ 23,375

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET	
Refunds:				
Refunding Liquid Fuels Taxes (EA)	**$ 32,200**	**$ 31,000**	**$ 35,497**	
STATE FUNDS	$ 55,336	$ 52,792	$ 58,622	
FEDERAL FUNDS	$ 90	$ 150	$ 250	
MOTOR LICENSE FUND TOTAL	**$ 55,426**	**$ 52,942**	**$ 58,872**	
LOTTERY FUND:				
General Government:				
General Operations (EA)	**$ 66,848**	**$ 70,308**	**$ 72,909**	
(A)License Fees	151	153	153	
(A)Annuity Assignment Fees	4	5	5	
(A)Lottery Assessment Fees	3	3	-	
(A)iLottery Assessment Fees	1	2	-	
Lottery Equipment Purchase (EA)	**-**	**-**	**24,500**	
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)	**21,024**	**18,952**	**20,344**	
On-Line Vendor Commissions (EA)	**71,200**	**73,692**	**68,233**	
Instant Vendor Commissions (EA)	**54,031**	**53,100**	**52,487**	
iLottery Vendor Commissions (EA)	**31,469**	**27,900**	**29,300**	
Payment of Prize Money (EA)	**493,713**	**490,293**	**493,376**	
Subtotal - State Funds	$ 789,285	785,245	812,149	
Subtotal - Augmentations	659	663	658	
Total - General Government	$ 789,944	$ 785,908	$ 812,807	
Grants and Subsidies:				
Property Tax & Rent Assistance for Older Pennsylvanians (EA)	**$ -**	**$ 234,600**	**$ 203,800**	
(F)COVID-SFR Property Tax Rent Rebate	-	-	203,800	[a]
Subtotal - State Funds	$ -	$ 234,600	$ 203,800	
Subtotal - Federal Funds	-	-	203,800	
Total - Grants and Subsidies	$ -	$ 234,600	$ 407,600	
STATE FUNDS	$ 789,285	$ 1,019,845	$ 1,015,949	
FEDERAL FUNDS	-	-	203,800	
AUGMENTATIONS	659	663	658	
LOTTERY FUND TOTAL	**$ 789,944**	**$ 1,020,508**	**$ 1,220,407**	

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
FANTASY CONTEST FUND:			
(R)Fantasy Contest Operations	$ 372	$ 418	$ 418
PA RACE HORSE DEVELOPMENT TRUST FUND:			
(R)Transfer to State Racing Fund - Drug Testing	$ 10,066	$ 10,066	$ 10,066
(R)Transfer to State Racing Fund - Promotion of Racing (EA)	1,711	1,840	2,261
PA RACE HORSE DEVELOPMENT TRUST FUND TOTAL	**$ 11,777**	**$ 11,906**	**$ 12,327**
PROPERTY TAX RELIEF FUND:			
Transfer to Lottery Fund - Property Tax Rent Rebate (EA)	$ - [b]	$ - [b]	$ - [b]
STATE RACING FUND:			
Collections - State Racing Fund	$ 261	$ 262	$ 266
STATE GAMING FUND:			
(R)General Operations	$ 5,490	$ 6,707	$ 6,848
VIDEO GAMING FUND:			
(R)Video Gaming Operations	$ 273	$ 683	$ 683
(R)Loan Repayment to General Fund	294	898 [c]	-
VIDEO GAMING FUND TOTAL	**$ 567**	**$ 1,581**	**$ 683**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 190,568	$ 192,704	$ 199,707
MOTOR LICENSE FUND	55,336	52,792	58,622
LOTTERY FUND	789,285	1,019,845	1,015,949
FEDERAL FUNDS	90	150	204,050
AUGMENTATIONS	35,244	30,621	30,266
RESTRICTED	30,000	30,000	30,000
OTHER FUNDS	18,467	20,874	20,542
TOTAL ALL FUNDS	**$ 1,118,990**	**$ 1,346,986**	**$ 1,559,136**

[a] Originally appropriated from the General Fund.
[b] Not added to avoid double counting with the Property Tax & Rent Assistance for Older Pennsylvanians in the Lottery Fund: 2020-21 Actual is $0, 2021-22 Available is $114,200.000, and 2022-23 Budget is $83,400,000.
[c] Includes recommended supplemental appropriation of $898,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
REVENUE COLLECTION AND ADMINISTRATION:							
GENERAL FUND	$ 161,355	$ 160,495	$ 166,398	$ 167,788	$ 164,508	$ 164,638	$ 164,728
MOTOR LICENSE FUND	55,336	52,792	58,622	58,622	58,622	58,622	58,622
LOTTERY FUND	789,285	785,245	812,149	847,565	871,728	894,838	916,358
FEDERAL FUNDS	90	150	250	250	250	250	250
AUGMENTATIONS	35,244	30,621	30,266	30,266	30,266	30,266	30,266
RESTRICTED	30,000	30,000	30,000	30,000	30,000	30,000	30,000
OTHER FUNDS	18,467	20,874	20,542	20,436	20,441	20,479	20,516
SUBCATEGORY TOTAL	$ 1,089,777	$ 1,080,177	$ 1,118,227	$ 1,154,927	$ 1,175,815	$ 1,199,093	$ 1,220,740
COMMUNITY DEVELOPMENT AND PRESERVATION:							
GENERAL FUND	$ 29,213	$ 32,209	$ 33,309	$ 34,142	$ 34,996	$ 35,871	$ 36,768
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 29,213	$ 32,209	$ 33,309	$ 34,142	$ 34,996	$ 35,871	$ 36,768
HOMEOWNERS AND RENTERS ASSISTANCE:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	234,600	203,800	198,600	193,600	188,700	183,900
FEDERAL FUNDS	-	-	203,800	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ -	$ 234,600	$ 407,600	$ 198,600	$ 193,600	$ 188,700	$ 183,900
ALL PROGRAMS:							
GENERAL FUND	$ 190,568	$ 192,704	$ 199,707	$ 201,930	$ 199,504	$ 200,509	$ 201,496
MOTOR LICENSE FUND	55,336	52,792	58,622	58,622	58,622	58,622	58,622
LOTTERY FUND	789,285	1,019,845	1,015,949	1,046,165	1,065,328	1,083,538	1,100,258
FEDERAL FUNDS	90	150	204,050	250	250	250	250
AUGMENTATIONS	35,244	30,621	30,266	30,266	30,266	30,266	30,266
RESTRICTED	30,000	30,000	30,000	30,000	30,000	30,000	30,000
OTHER FUNDS	18,467	20,874	20,542	20,436	20,441	20,479	20,516
DEPARTMENT TOTAL	$ 1,118,990	$ 1,346,986	$ 1,559,136	$ 1,387,669	$ 1,404,411	$ 1,423,664	$ 1,441,408

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.

The Department of Revenue 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, State 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, and corporation tax extensions and estimates. Another example is the Pennsylvania Tax Hub or myPaTH, a web portal system which enables users to file and pay personal income tax, liquid fuels tax, fuels tax, and apply 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:

General Government Operations

$ 3,306	—to replace nonrecurring benefits cost reduction.
2,917	—to continue current program.
$ 6,223	*Appropriation Increase*

Technology and Process Modernization

$ 160	—to continue current program.

Commissions - Inheritance and Realty Transfer Taxes (EA)

$ (480)	—based on current estimates.

MOTOR LICENSE FUND:

Collections - Liquid Fuels Taxes

$ 220	—to replace nonrecurring benefits cost reduction.
1,113	—to continue current program.
$ 1,333	*Appropriation Increase*

Refunding Liquid Fuels Taxes (EA)

$ 4,497	—based on current estimates.

LOTTERY FUND:

General Operations (EA)

$ 819	—to replace nonrecurring benefits cost reduction.
1,782	—to continue current program.
$ 2,601	*Executive Authorization Increase*

Lottery Equipment Purchase (EA)

$ 24,500	—to replace outdated equipment and increase points of distribution.

Property Tax Rent Rebate - General Operations (EA)

$ 209	—to replace nonrecurring benefits cost reduction.
1,183	—to continue current program.
$ 1,392	*Executive Authorization Increase*

On-Line Vendor Commissions (EA)

$ (5,459)	—based on the latest projection of program requirements.

Instant Vendor Commissions (EA)

$ (613)	—based on the latest projection of program requirements.

iLottery Vendor Commissions (EA)

$ 1,400	—based on the latest projection of program requirements.

Payment of Prize Money (EA)

$ 3,083	—based on the latest projection of program requirements.

Program: Revenue Collection and Administration, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$142,954	$142,954	$149,177	$149,177	$149,177	$149,177	$149,177
Technology and Process Modernization	4,750	4,750	4,910	6,300	3,020	3,150	3,240
Commissions - Inheritance and Realty Transfer Taxes (EA)	13,651	12,791	12,311	12,311	12,311	12,311	12,311
TOTAL GENERAL FUND	$161,355	$160,495	$166,398	$167,788	$164,508	$164,638	$164,728
MOTOR LICENSE FUND:							
Collections - Liquid Fuels Taxes	$ 23,136	$ 21,792	$ 23,125	$ 23,125	$ 23,125	$ 23,125	$ 23,125
Refunding Liquid Fuels Taxes (EA)	32,200	31,000	35,497	35,497	35,497	35,497	35,497
TOTAL MOTOR LICENSE FUND	$ 55,336	$ 52,792	$ 58,622	$ 58,622	$ 58,622	$ 58,622	$ 58,622
LOTTERY FUND:							
General Operations (EA)	$ 66,848	$ 70,308	$ 72,909	$ 72,909	$ 72,909	$ 72,909	$ 72,909
Lottery Equipment Purchase (EA)	-	-	24,500	36,700	36,700	36,700	36,700
Lottery Advertising (EA)	51,000	51,000	51,000	51,000	51,000	51,000	51,000
Property Tax Rent Rebate - General Operations (EA)	21,024	18,952	20,344	20,344	20,344	20,344	20,344
On-Line Vendor Commissions (EA)	71,200	73,692	68,233	70,646	73,164	75,554	77,945
Instant Vendor Commissions (EA)	54,031	53,100	52,487	54,343	56,280	58,118	59,958
iLottery Vendor Commissions (EA)	31,469	27,900	29,300	30,800	32,300	33,900	33,900
Payment of Prize Money (EA)	493,713	490,293	493,376	510,823	529,031	546,313	563,602
TOTAL LOTTERY FUND	$789,285	$785,245	$812,149	$847,565	$871,728	$894,838	$916,358

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Continually improve customer service.							
Average wait time of customer phone calls to the Customer Experience Center (in minutes)	10.23	11.48	18.04	9.08	8.35	18.00	15.00
Continually improve business processes and technology.							
Percentage of returns filed electronically	N/A	N/A	84.8%	87.0%	87.0%	88.0%	89.0%
Continually improve public confidence.							
Percentage of refunds paid by the required timeframe	96.0%	91.0%	95.0%	95.0%	89.0%	95.0%	95.0%
Continually improve lottery sales and net profits.							
Net lottery profits (in billions)	$ 1.036	$ 1.089	$ 1.160	$ 1.071	$ 1.238	$ 1.114	$ 1.226

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

$ 1,100 —reflects estimated tax assessments.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Distribution of Public Utility Realty Tax	$ 29,213	$ 32,209	$ 33,309	$ 34,142	$ 34,996	$ 35,871	$ 36,768

Program: Homeowners and Renters Assistance

Goal: To increase economic stability by assisting eligible Pennsylvania citizens in maintaining 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 2020-21, the average tax assistance payment was $438, and the average rent rebate was $548.

Program Recommendations:

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

	Property Tax & Rent Assistance for Older Pennsylvanians (EA)
$ (30,800)	—based on current estimates for participation.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
LOTTERY FUND:							
Property Tax & Rent Assistance for Older Pennsylvanians (EA).....	$ -	* $ 234,600	$ 203,800	$ 198,600	$ 193,600	$ 188,700	$ 183,900

*Act 20 of 2020 authorized a one-time early payment of 2020-21 claims in 2019-20 due to the COVID-19 pandemic.

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Continually improve business processes and technology.							
Property Tax/Rent Rebate claims sent to Treasury with a July 1st payment date*.....	92%	89%	90%	98%	71%	95%	95%

* In 2016-17 – 2019-20, this measure was reported as “Property Tax / Rent Rebate Claims Paid by July 1st (For Applications Received by June 1st)". The 2016-17 - 2019-20 measure amounts above correspond to this previous standard.

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.

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 4,239**	**$ 5,795**	**$ 14,967**
(F)Federal Election Reform	30,194	18,122	9,728
(F)Occupational Licensing Assessment (EA)	301	77	-
(A)Election Non-Federal Grant Awards	16,531	391	-
(A)Departmental Services	- [a]	- [a]	- [a]
(R)Professional and Occupational Affairs	56,700	55,325	63,953
(R)State Board of Medicine	9,248	8,849	9,398
(R)State Board of Osteopathic Medicine	2,532	2,490	2,651
(R)State Board of Podiatry	393	393	410
(R)State Athletic Commission	868	868	868
(R)Bureau of Corporations and Charitable Organizations (EA)	8,093	12,434	8,735
Subtotal	$ 129,099	$ 104,744	$ 110,710
Statewide Uniform Registry of Electors	**7,305**	**11,791**	**11,791**
Voter Registration and Education	**485**	**462**	**586**
Lobbying Disclosure	**283**	**285**	**825**
(R)Lobbying Disclosure	468	516	538
Subtotal	$ 751	$ 801	$ 1,363
Publishing Constitutional Amendments (EA)	**5,681**	**4,500**	**4,500**
Electoral College	**10**	**-**	**-**
Publishing Federal Reapportionment Maps	**-**	**400**	**-**
Publishing State Reapportionment Maps	**-**	**2,500**	**-**
Subtotal - State Funds	$ 18,003	$ 25,733	$ 32,669
Subtotal - Federal Funds	30,495	18,199	9,728
Subtotal - Augmentations	16,531	391	-
Subtotal - Restricted Revenues	78,302	80,875	86,553
Total - General Government	$ 143,331	$ 125,198	$ 128,950
Grants and Subsidies:			
Voting of Citizens in Military Service	**$ 20**	**$ 20**	**$ 20**
County Election Expenses (EA)	**400**	**1,400** [b]	**400**
Election Code Debt Service	**9,044**	**9,275**	**9,264**
Total - Grants and Subsidies	$ 9,464	$ 10,695	$ 9,684
STATE FUNDS	$ 27,467	$ 36,428	$ 42,353
FEDERAL FUNDS	30,495	18,199	9,728
AUGMENTATIONS	16,531	391	-
RESTRICTED REVENUES	78,302	80,875	86,553
GENERAL FUND TOTAL	**$ 152,795**	**$ 135,893**	**$ 138,634**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
REAL ESTATE RECOVERY FUND:			
Real Estate Recovery Payments (EA)	$ 150	$ 150	$ 150
COUNTY VOTING APPARATUS FUND:			
County Voting Apparatus (EA)	$ 90,000	$ -	$ -
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 27,467	$ 36,428	$ 42,353
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	30,495	18,199	9,728
AUGMENTATIONS	16,531	391	-
RESTRICTED	78,302	80,875	86,553
OTHER FUNDS	90,150	150	150
TOTAL ALL FUNDS	**$ 242,945**	**$ 136,043**	**$ 138,784**

[a] Not added to avoid double counting: 2020-21 Actual is $6,096,440, 2021-22 Available is $5,282,000, and 2022-23 Budget is $5,897,000.
[b] Includes recommended supplemental executive authorization of $1,000,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
CONSUMER PROTECTION:							
GENERAL FUND	$ 27,467	$ 36,428	$ 42,353	$ 40,656	$ 39,815	$ 39,755	$ 39,718
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	30,495	18,199	9,728	9,728	9,728	9,728	9,728
AUGMENTATIONS	16,531	391	-	-	-	-	-
RESTRICTED	78,302	80,875	86,553	86,553	86,553	86,553	86,553
OTHER FUNDS	90,150	150	150	150	150	150	150
SUBCATEGORY TOTAL	$ 242,945	$ 136,043	$ 138,784	$ 137,087	$ 136,246	$ 136,186	$ 136,149
ALL PROGRAMS:							
GENERAL FUND	$ 27,467	$ 36,428	$ 42,353	$ 40,656	$ 39,815	$ 39,755	$ 39,718
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	30,495	18,199	9,728	9,728	9,728	9,728	9,728
AUGMENTATIONS	16,531	391	-	-	-	-	-
RESTRICTED	78,302	80,875	86,553	86,553	86,553	86,553	86,553
OTHER FUNDS	90,150	150	150	150	150	150	150
DEPARTMENT TOTAL	$ 242,945	$ 136,043	$ 138,784	$ 137,087	$ 136,246	$ 136,186	$ 136,149

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 candidate nomination petitions for compliance with statutory standards and processes them 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 supports the efforts of hundreds of county election officials to process voter registrations and absentee and mail ballot requests. It includes online voter registration and online absentee applications that make applying easier and more convenient while enhancing the accuracy of the voter rolls by reducing the amount of manual data entry. In addition, the database also supports counties in 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 and enforce standards for both initial licensure and practice.

The Bureau of Professional and Occupational Affairs works with board and commission members, professional occupation stakeholders, and the licensing community to modernize operations and administer licensure in the commonwealth. The bureau utilizes 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

Program: Consumer Protection, continued

corporate documents. The bureau also administers the state's charitable solicitation law. It maintains registration and financial information on over 13,000 charities soliciting in the commonwealth, as well as more than 450 professional solicitors and fundraising counsels.

The State Athletic Commission monitors and regulates all professional and amateur boxing, kickboxing and mixed martial arts events, professional wrestling contests, and the licensing of all persons who participate in these events. The individual license categories include announcer, agent, boxer, judge, manager, matchmaker, physician, promoter (including those promoting professional wrestling), referee, second, timekeeper, trainer, and athletic agents. The commission is financially self-sufficient and supported solely from relevant license fees.

Program Recommendations:

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

	General Government Operations
$ 89	—to replace nonrecurring benefits cost reduction.
3,508	—to continue current program.
2,000	—for voter outreach campaign.
3,575	—Initiative—to increase resources for modernizing Pennsylvania's elections and notaries licensing.
$ 9,172	*Appropriation Increase*
	Voter Registration and Education
$ 13	—to replace nonrecurring benefits cost reduction.
70	—to continue current program.
41	—Initiative—to increase resources for voter registration efforts.
$ 124	*Appropriation Increase*
	Lobbying Disclosure
$ 540	—Initiative—to provide resources to improve lobbying disclosure system.
	Publishing Federal Reapportionment Maps
$ (400)	—nonrecurring decennial reapportionment costs.
	Publishing State Reapportionment Maps
$ (2,500)	—nonrecurring decennial reapportionment costs.
	County Election Expenses (EA)
$ (1,000)	—nonrecurring recount expenses.
	Election Code Debt Service
$ (11)	—the net effect on principal and interest requirements and other costs relating to debt service.

This budget also recommends the following changes in appropriations and executive authorizations from restricted accounts:

	Professional and Occupational Affairs
$ 3,628	—to continue current program.
5,000	—Initiative—to increase resources for enhancing professional licensing.
$ 8,628	*Appropriation Increase*
	State Board of Medicine
$ 549	—to continue current program.
	State Board of Osteopathic Medicine
$ 161	—to continue current program.
	State Board of Podiatry
$ 17	—to continue current program.
	Bureau of Corporations and Charitable Organizations (EA)
$ (260)	—to continue current program.
(3,439)	—nonrecurring system upgrade costs.
$ (3,699)	*Executive Authorization Decrease*

Program: Consumer Protection, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$ 4,239	$ 5,795	$ 14,967	$ 14,967	$ 14,967	$ 14,967	$ 14,967
Statewide Uniform Registry of Electors	7,305	11,791	11,791	10,502	9,660	9,615	9,584
Voter Registration and Education	485	462	586	586	586	586	586
Lobbying Disclosure	283	285	825	425	425	425	425
Publishing Constitutional Amendments (EA)	5,681	4,500	4,500	4,500	4,500	4,500	4,500
Electoral College	10	-	-	-	10	-	-
Publishing Federal Reapportionment Maps	-	400	-	-	-	-	-
Publishing State Reapportionment Maps	-	2,500	-	-	-	-	-
Voting of Citizens in Military Service	20	20	20	20	20	20	20
County Election Expenses (EA)	400	1,400	400	400	400	400	400
Election Code Debt Service	9,044	9,275	9,264	9,256	9,247	9,242	9,236
TOTAL GENERAL FUND	$ 27,467	$ 36,428	$ 42,353	$ 40,656	$ 39,815	$ 39,755	$ 39,718

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
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	49%	31%	56%	60%	72%	57%	60%
Percentage of absentee ballot applications submitted by calendar year through the online process versus paper submission	N/A	N/A	N/A	68%[a]	45%	70%	72%
Strengthen public safety by increasing compliance in inspections for licensed facilities.							
Number of inspections and investigations completed	29,214	28,270	28,968	22,948	29,650	30,000	31,000
Modernizing the Charities Registration System allows for an online presence to file transactions.							
Percentage of charities filings online	N/A	N/A	N/A	10%	26%	40%	50%
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, professional and amateur boxing, kickboxing, and mixed martial arts events	505	477	552[a]	560[a]	148[b]	300	400

[a] Actual year measure data has been corrected.
[b] Decrease due to COVID-19 pandemic.

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.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
STATE EMPLOYEES' RETIREMENT FUND:			
Administration	$ 30,696	$ 33,069	$ 34,048
Investment Related Expenses	7,289	11,613	11,630
STATE EMPLOYEES' RETIREMENT FUND TOTAL	**$ 37,985**	**$ 44,682**	**$ 45,678**
SERS - DEFINED CONTRIBUTION FUND:			
(R)Administration	$ 4,557	$ 4,398	$ 4,431
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	42,542	49,080	50,109
TOTAL ALL FUNDS	**$ 42,542**	**$ 49,080**	**$ 50,109**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
STATE EMPLOYEES' RETIREMENT:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	42,542	49,080	50,109	51,503	52,119	53,690	55,222
SUBCATEGORY TOTAL	$ 42,542	$ 49,080	$ 50,109	$ 51,503	$ 52,119	$ 53,690	$ 55,222
ALL PROGRAMS:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	42,542	49,080	50,109	51,503	52,119	53,690	55,222
DEPARTMENT TOTAL	$ 42,542	$ 49,080	$ 50,109	$ 51,503	$ 52,119	$ 53,690	$ 55,222

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:

Administration

$ 500	—to replace nonrecurring benefits cost reduction.
479	—to continue current program.
$ 979	*Appropriation Increase*

Investment Related Expenses

$ 17	—to continue current program.

SERS - DEFINED CONTRIBUTION FUND:

Administration

$ 33	—to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
STATE EMPLOYEES' RETIREMENT FUND:							
Administration	$ 30,696	$ 33,069	$ 34,048	$ 34,832	$ 35,001	$ 36,124	$ 37,207
Investment Related Expenses	7,289	11,613	11,630	11,665	11,699	11,732	11,764
TOTAL STATE EMPLOYEES' RETIREMENT FUND	$ 37,985	$ 44,682	$ 45,678	$ 46,497	$ 46,700	$ 47,856	$ 48,971
SERS - DEFINED CONTRIBUTION FUND:							
(R)Administration	$ 4,557	$ 4,398	$ 4,431	$ 5,006	$ 5,419	$ 5,834	$ 6,251

Program: State Employees' Retirement, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Provide adequate retirement counseling sessions to members as requested.							
Number of retirement counseling sessions	5,300	5,200	5,900	5,100	5,300	5,900	6,000
Number of members and participants attending Lunch and Learn programs	N/A	N/A	N/A	N/A	2,800	3,000	3,100
Maintain a record of the total number of retired employees.							
Total number of retired employees and beneficiaries	124,690	127,340	129,470	131,570	135,000	135,100	136,600
Maintain a record of total benefit payments.							
Total benefit payments (in billions)	$ 3.10	$ 3.25	$ 3.33	$ 3.47	$ 3.60	$ 3.70	$ 3.80

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, 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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	**$ 183,253**	**$ 441,366**	**$ 734,153**
(F)COVID-RF General Government Operations	225,970	-	-
(F)Area Computer Crime	10,555	12,095	11,415
(F)Homeland Security Grants (EA)	4,820	4,965	5,000
(F)Law Enforcement Preparedness (EA)	7,590	7,450	7,450
(F)Law Enforcement Projects (EA)	7,592	8,778	10,515
(F)PA State Opioid Response (EA)	1,446	1,250	1,250
(F)COVID-Emergency Supplemental Funding (EA)	823	-	-
(A)Turnpike Police Coverage	59,217	58,000	62,000
(A)Delaware River Toll Bridge Police Coverage	2,879	3,000	2,800
(A)Construction Zone Patrolling	4,382	4,500	4,200
(A)Criminal History Record Checks	29,940	33,000	31,000
(A)Fingerprint Record Checks	2,144	2,050	2,050
(A)Reimbursement for Services	2,683	2,600	2,500
(A)Superload Reimbursements	807	2,200	900
(A)Miscellaneous	2,647	2,981	2,500
(R)Federal Property Forfeiture	593	2,925	2,925
(R)State Drug Act Forfeiture	1,112	3,000	3,000
(R)State Criminal Enforcement Forfeiture	-	65	65
(R)Crime Lab User Fees	568	1,100	1,100
(R)Auto Theft and Insurance Fraud Investigation	1,808	2,650	2,650
(R)Vehicle Code Fines	-	1,300	1,100
Subtotal	$ 550,829	$ 595,275	$ 888,573
(F)Office of Homeland Security (EA)	2,021	2,021	2,311
Statewide Public Safety Radio System	**12,033**	**6,992**	**7,043**
(F)Broadband Network Planning	4,050	4,050	4,050
(R)Radio Systems Development Project	-	2,000	2,000
(R)Tower Management	944	800	800
(R)Broadband Middle Mile	13	5	5
Subtotal	$ 17,040	$ 13,847	$ 13,898
Law Enforcement Information Technology	**6,899**	**6,899**	**6,899**
Municipal Police Training	**1,708**	**1,708**	**1,708**
(A)Pre-Employment Testing	62	50	50
(A)Retired Law Enforcement Identification	52	5	5
Subtotal	$ 1,822	$ 1,763	$ 1,763

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Automated Fingerprint Identification System	**885**	**885**	**885**
Gun Checks	**4,400**	**4,400**	**5,970**
(R)Firearm Records Check	165	3,752	4,800
(R)Firearms License Validation System	28	500	500
Subtotal	$ 4,593	$ 8,652	$ 11,270
STATE FUNDS	$ 209,178	$ 462,250	$ 756,658
FEDERAL FUNDS	264,867	40,609	41,991
AUGMENTATIONS	104,813	108,386	108,005
RESTRICTED REVENUES	5,231	18,097	18,945
GENERAL FUND TOTAL	**$ 584,089**	**$ 629,342**	**$ 925,599**
MOTOR LICENSE FUND:			
General Government:			
General Government Operations	**$ 617,164**	**$ 599,652**	**$ 424,285**
Statewide Public Safety Radio System	**36,153**	**20,977**	**21,130**
Law Enforcement Information Technology	**20,697**	**20,697**	**20,697**
Municipal Police Training	**1,708**	**1,708**	**1,708**
Patrol Vehicles	**12,000**	**12,000**	**13,000**
(R)Vehicle Sales and Purchases	1,667	1,500	1,500
Subtotal	$ 689,389	$ 656,534	$ 482,320
Commercial Vehicle Inspections	**12,808**	**13,427**	**14,180**
(F)Motor Carrier Safety	8,954	8,335	8,243
(A)Sale of Vehicles	87	785	35
(A)Waste Transportation Safety Enforcement	-	-	750
Subtotal	$ 21,849	$ 22,547	$ 23,208
Subtotal - State Funds	$ 700,530	$ 668,461	$ 495,000
Subtotal - Federal Funds	8,954	8,335	8,243
Subtotal - Augmentations	87	785	785
Subtotal - Restricted Revenues	1,667	1,500	1,500
Total - General Government	$ 711,238	$ 679,081	$ 505,528
Grants and Subsidies:			
Municipal Police Training Grants	**$ 5,000**	**$ 5,000**	**$ 5,000**
STATE FUNDS	$ 705,530	$ 673,461	$ 500,000
FEDERAL FUNDS	8,954	8,335	8,243
AUGMENTATIONS	87	785	785
RESTRICTED REVENUES	1,667	1,500	1,500
MOTOR LICENSE FUND TOTAL	**$ 716,238**	**$ 684,081**	**$ 510,528**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
DNA DETECTION FUND:			
DNA Detection of Offenders (EA)	$ 5,152	$ 5,152	$ 5,152
STATE GAMING FUND:			
(R)Gaming Enforcement	$ 29,769	$ 30,033	$ 35,665
STATE STORES FUND:			
Liquor Control Enforcement	$ 33,167	$ 33,196	$ 35,398
(A)Enforcement Reimbursement	-	25	25
(A)Sale of Vehicles	7	50	50
STATE STORES FUND TOTAL	**$ 33,174**	**$ 33,271**	**$ 35,473**
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 209,178	$ 462,250	$ 756,658
MOTOR LICENSE FUND	705,530	673,461	500,000
LOTTERY FUND	-	-	-
FEDERAL FUNDS	273,821	48,944	50,234
AUGMENTATIONS	104,900	109,171	108,790
RESTRICTED	6,898	19,597	20,445
OTHER FUNDS	68,095	68,456	76,290
TOTAL ALL FUNDS	**$ 1,368,422**	**$ 1,381,879**	**$ 1,512,417**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
PUBLIC PROTECTION AND LAW ENFORCEMENT:							
GENERAL FUND	$ 209,178	$ 462,250	$ 756,658	$ 755,338	$ 755,338	$ 755,338	$ 755,338
MOTOR LICENSE FUND	705,530	673,461	500,000	500,000	500,000	500,000	500,000
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	273,821	48,944	50,234	50,234	50,234	50,234	50,234
AUGMENTATIONS	104,900	109,171	108,790	108,790	108,790	108,790	108,790
RESTRICTED	6,898	19,597	20,445	20,445	20,445	20,445	20,445
OTHER FUNDS	68,095	68,456	76,290	74,290	74,290	74,290	74,290
SUBCATEGORY TOTAL	$ 1,368,422	$ 1,381,879	$ 1,512,417	$ 1,509,097	$ 1,509,097	$ 1,509,097	$ 1,509,097
ALL PROGRAMS:							
GENERAL FUND	$ 209,178	$ 462,250	$ 756,658	$ 755,338	$ 755,338	$ 755,338	$ 755,338
MOTOR LICENSE FUND	705,530	673,461	500,000	500,000	500,000	500,000	500,000
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	273,821	48,944	50,234	50,234	50,234	50,234	50,234
AUGMENTATIONS	104,900	109,171	108,790	108,790	108,790	108,790	108,790
RESTRICTED	6,898	19,597	20,445	20,445	20,445	20,445	20,445
OTHER FUNDS	68,095	68,456	76,290	74,290	74,290	74,290	74,290
DEPARTMENT TOTAL	$ 1,368,422	$ 1,381,879	$ 1,512,417	$ 1,509,097	$ 1,509,097	$ 1,509,097	$ 1,509,097

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 Pennsylvania 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 investigations into organized crime, terrorism, white-collar crime, public corruption, arson, computer crime, technology crime, special drug and narcotics, 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 utilizes citizen involvement and educational crime prevention techniques. Initiatives such as Neighborhood Crime Watch, block parents, Crime Stoppers, and business tip programs encourage the reporting of suspicious activity.

The State Police ensures the timely exchange of relevant information pertaining to sexually violent predators and other sexual offenders between public agencies and officials, and 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 Western Pennsylvania All-Hazards Fusion Center, the Pennsylvania Criminal Intelligence Center, 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 conducting 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:

General Government Operations

$ 4,617	—to replace nonrecurring benefits cost reduction.
90,926	—to continue current program.
14,131	—for cadet class schedule, including two new classes beginning in 2022-23.
7,746	—Initiative—to provide for technology leading to increased public and law enforcement officer safety.
$ 117,420	*Appropriation Increase*

Statewide Public Safety Radio System

$ 72	—to replace nonrecurring benefits cost reduction.
132	—to continue current program.
$ 204	*Appropriation Increase*

Gun Checks

$ 1,570	—to supplement gun check fees to cover Pennsylvania Instant Check System (PICS) costs.

Patrol Vehicles

$ 1,000	—to continue current program.

Commercial Vehicle Inspections

$ 470	—to replace nonrecurring benefits cost reduction.
283	—to continue current program.
$ 753	*Appropriation Increase*

This budget proposes to decrease overall Pennsylvania State Police budget reliance on the Motor License Fund to $500,000,000 annually to assure state match requirements for federal transportation infrastructure funding.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
General Government Operations	$183,253	$441,366	$734,153	$730,533	$730,533	$730,533	$730,533
Statewide Public Safety Radio System	12,033	6,992	7,043	7,043	7,043	7,043	7,043
Law Enforcement Information Technology	6,899	6,899	6,899	6,899	6,899	6,899	6,899
Municipal Police Training	1,708	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	5,970	8,270	8,270	8,270	8,270
TOTAL GENERAL FUND	$209,178	$462,250	$756,658	$755,338	$755,338	$755,338	$755,338
MOTOR LICENSE FUND:							
General Government Operations	$617,164	$599,652	$424,285	$424,285	$424,285	$424,285	$424,285
Statewide Public Safety Radio System	36,153	20,977	21,130	21,130	21,130	21,130	21,130
Law Enforcement Information Technology	20,697	20,697	20,697	20,697	20,697	20,697	20,697
Municipal Police Training	1,708	1,708	1,708	1,708	1,708	1,708	1,708
Patrol Vehicles	12,000	12,000	13,000	13,000	13,000	13,000	13,000
Commercial Vehicle Inspections	12,808	13,427	14,180	14,180	14,180	14,180	14,180
Municipal Police Training Grants	5,000	5,000	5,000	5,000	5,000	5,000	5,000
TOTAL MOTOR LICENSE FUND	$705,530	$673,461	$500,000	$500,000	$500,000	$500,000	$500,000

Program: Public Protection and Law Enforcement, continued

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Reduce motor vehicle crashes.							
Number of motor vehicle crashes	80,232	83,722	82,617	70,457	71,164	70,000	68,800
Reduce fatal motor vehicle crashes.							
Number of fatal motor vehicle crashes	612	546	533	452	543	530	530
Reduce DUI-related crashes.							
DUI-related crashes	4,889	5,051	4,848	4,658	4,755	4,680	4,600
Reduce violent crime.							
Number of violent crimes per 100,000 population	128	122	129	128	126	124	121
Arrests for violent crimes per 100,000 population	94	101	89	90	92	93	95
Percentage of violent crimes cleared (i.e., cases solved and prosecuted or disposed of through other legal means)	74%	73%	71%	72%	75%	77%	80%
Reduce property crime.							
Number of property crimes per 100,000 population	842	773	709	646	635	620	610
Arrests for property crimes per 100,000 population	243	245	222	213	216	220	220
Percentage of property crimes cleared (i.e., cases solved and prosecuted or disposed of through other legal means)	31%	34%	35%	36%	37%	39%	40%
Achieve and maintain a clearance rate at or above the state and national averages for Crime Index offenses.							
Crime Index offenses per 100,000 population	970	895	838	773	761	750	740
Arrests for Crime Index offenses per 100,000 population	338	347	311	303	308	310	320
Percentage of Crime Index offenses cleared (i.e., cases solved and prosecuted or disposed of through other legal means)	37%	39%	41%	42%	44%	45%	47%
Increase drug enforcement efforts.							
Drug offenses per 100,000 population	331	366	425	427	420	410	410
Drug-related arrests per 100,000 population	293	317	381	393	400	410	410
Increase compliance with liquor laws at licensed establishments.							
Liquor law violations	10,282	11,043	14,438	11,248	14,085	13,900	13,600
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	1,098	1,156	1,206	1,156	1,207	1,230	1,250
Intelligence products disseminated by the Pennsylvania Criminal Intelligence Center and the Western Pennsylvania All-Hazards Fusion Center	57,709	57,563	57,102	56,743	68,084	69,200	70,400

Program: Public Protection and Law Enforcement, continued

Program Measures, continued:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Ensure the rapid collection and appropriate dissemination of accurate information on emergency situations throughout the commonwealth.							
State Police Watch Center immediate reports	1,838	2,341	2,637	3,422	2,637	2,680	2,730
Municipal public safety agencies receiving road closure reports from the State Police 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 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%	98.3%	98.4%	98.7%	98.9%
Increase the number of cadet applications, applicant retention rates, and applicants from traditionally underrepresented groups.							
Cadet applications	14,395	10,752	7,890	7,131	1,291	1,310	1,330
Cadet applications from traditionally underrepresented groups	5,177	4,192	3,038	2,858	595	610	620
Total number of individuals from traditionally underrepresented groups graduating from the State Police Academy	30	40	65	63	13 *	63	63
Total number of individuals graduating from the State Police Academy	253	279	393	398	51 *	246	288
Average length of time in months from application date until State Police Academy start date	21	25	33	21	25	24	24

* Reflects reduction in size and frequency of cadet classes due to COVID-19 pandemic.

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
Vehicle Sales Tax Collections	**$ 655**	**$ 520**	**$ 552**
Infrastructure Projects	**1,900**	**1,900**	**-**
Voter Registration	**573**	**550**	**577**
(R)Child Passenger Restraint Fund	-	300	300
(R)School Bus Safety Grant Program	-	25	25
Subtotal - State Funds	$ 3,128	$ 2,970	$ 1,129
Subtotal - Restricted Revenues	-	325	325
Total - General Government	$ 3,128	$ 3,295	$ 1,454
Grants and Subsidies:			
(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	40,000	40,000	40,000
(F)FTA - Safety Oversight	3,000	3,000	3,000
(F)FTA - Keystone Corridor Equipment and Purchases	60,000	70,000	70,000
(F)COVID-FTA - Keystone Corridor Equipment and Purchases (EA)	92,929	-	-
(F)FTA - Hybrid Mass Transit Vehicles	30,000	30,000	30,000
(F)Line and Track Improvement	3,000	-	-
(F)FRA - State of Good Repair	15,000	15,000	15,000
(F)COVID-FTA - Non-Urbanized Formula (EA)	5,426	-	-
(F)COVID-FTA - Enhanced Mobility (EA)	4,580	-	-
(R)Reimbursements to Municipalities - Vehicle Code Fines	5,654	7,000	7,000
Subtotal - Federal Funds	301,685	205,750	205,750
Subtotal - Restricted Revenues	5,654	7,000	7,000
Total - Grants and Subsidies	$ 307,339	$ 212,750	$ 212,750
STATE FUNDS	$ 3,128	$ 2,970	$ 1,129
FEDERAL FUNDS	301,685	205,750	205,750
RESTRICTED REVENUES	5,654	7,325	7,325
GENERAL FUND TOTAL	**$ 310,467**	**$ 216,045**	**$ 214,204**
MOTOR LICENSE FUND:			
General Government:			
General Government Operations	**$ 63,900**	**$ 68,600**	**$ 73,193**
(A)Reimbursements	1,003	1,414	1,414

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(A)Duplicating Services	177	300	300
(A)Administrative Hearings	2	40	40
Welcome Centers	**3,815**	**4,115**	**4,323**
Subtotal	$ 68,897	$ 74,469	$ 79,270
Highway and Safety Improvements	**170,000**	**190,000**	**450,000**
(F)Highway Research, Planning and Construction	1,354,866	1,275,000	1,275,000
(F)COVID-FHWA - Surface Transportation	-	407,151	-
(F)COVID-SFR Highway and Safety Capital Projects	-	279,000 [a]	-
(F)IIJA - Highway and Safety Capital Projects	-	704,563	748,039
(A)Highway Construction Contributions and Reimbursements	19,545	19,213	12,213
(A)Joint Use Leases	480	415	415
(A)Reimbursements	373	206	206
(A)Proceeds from Sale of Right-of-Way	1,025	85	85
(A)Licensing Fees - Engineering Software	163	81	81
Highway Capital Projects (EA)	**230,000**	**230,000**	**240,000**
(R)Highway Capital Projects - Excise Tax (EA)	312,647	379,200	393,902
(R)Bridges - Excise Tax (EA)	111,110	123,465	128,018
(R)Highway Bridge Projects (EA)	145,000	135,000	135,000
(F)Federal Aid - Highway Bridge Projects	285,234	500,000	500,000
(F)Federal Disaster Reimbursement - FHWA	483	-	-
(A)Bridge Construction Contributions	3,207	10,803	2,803
(A)Reimbursements from Local Governments	(300) [b]	200	200
Subtotal	$ 2,633,833	$ 4,254,382	$ 3,885,962
Highway Maintenance	**797,296**	**896,879**	**915,880**
(F)Highway Research, Planning and Construction	77,346	149,845	148,045
(F)Disaster Recovery - FHWA	1,198	12,500	20,000
(F)Disaster Recovery - FEMA	2,620	12,500	20,000
(F)COVID-Reimbursement FEMA	287	-	-
(F)Highway Safety - Maintenance (EA)	25,546	28,540	28,540
(A)Highway Maintenance Contributions	5,446	22,140	22,926
(A)Accident Damage Claims	10,659	8,957	8,000
(A)Sale of Equipment and Supplies	2,205	5,000	5,000
(A)Marcellus Shale Road Damage	504	700	700
(A)Heavy Hauling - Bonded Roads	323	536	500
(A)Miscellaneous	330	158	100
(R)Highway Maintenance - Excise Tax (EA)	162,507	178,795	187,103
(R)Highway Maintenance Enhancement (EA)	238,861	266,520	275,759
(R)Expanded Highway and Bridge Maintenance (EA)	295,233	320,624	330,911
(A)Expanded Maintenance Contributions	1,395	10,000	10,000
(R)Automated Work Zone Speed Enforcement (EA)	- [c]	- [c]	- [c]

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Highway Systems Technology and Innovation	**16,000**	**16,000**	**16,000**
(F)Intelligent Transportation System	2,425	2,080	2,080
Reinvestment in Facilities	**5,000**	**16,000**	**16,500**
(A)Proceeds from Bond Sales	5,422	10,000	-
(R)Delegated Facility Projects	147	-	-
Subtotal	$ 1,650,750	$ 1,957,774	$ 2,008,044
Driver and Vehicle Services	**195,403**	**225,834**	**242,258**
Homeland Security - REAL ID	**25,901**	**25,901**	**30,135**
(F)Motor Carrier Safety Improvement (EA)	4,000	4,000	4,000
(A)Photo ID Program	30,475	32,375	32,500
(A)Reimbursements	1,188	1,444	1,162
(A)Postage	593	540	564
(A)Miscellaneous	60	94	227
(R)Reimbursements to Other States - Apportioned Registration	11,966	15,000	15,000
(R)Motorcycle Safety Education	1,822	5,000	5,000
(R)CDL - Hazardous Material Fees	382	500	500
Subtotal	$ 271,790	$ 310,688	$ 331,346
(R)Aviation Operations	3,814	5,530	3,614
(F)Aviation Planning (EA)	772	600	810
(A)Reimbursement - Flight Operations	297	460	460
(A)Airport Inspections and Licensing	34	40	40
Subtotal	$ 4,917	$ 6,630	$ 4,924
Subtotal - State Funds	$ 1,507,315	$ 1,673,329	$ 1,988,289
Subtotal - Federal Funds	1,754,777	3,375,779	2,746,514
Subtotal - Augmentations	84,606	125,201	99,936
Subtotal - Restricted Revenues	1,283,489	1,429,634	1,474,807
Total - General Government	$ 4,630,187	$ 6,603,943	$ 6,309,546
Grants and Subsidies:			
Local Road Maintenance and Construction Payments	**$ 239,816**	**$ 229,361**	**$ 248,458**
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**	**40,000**	**40,000**
Payment to Turnpike Commission (EA)	**28,000**	**28,000**	**28,000**
(R)Local Road Payments - Excise Tax (EA)	104,810	112,397	118,172
(R)Payments to Municipalities (EA)	73,068	79,127	82,728
(R)Local Grants for Bridge Projects (EA)	25,000	25,000	25,000
(F)Federal Aid - Local Grants for Bridge Projects	17,636	12,551	12,551

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
(A)Bridge Reimbursements from Local Governments	363	175	100
(R)Local Bridge Projects (EA)	24,100	26,450	26,950
(R)County Bridges - Excise Tax (EA)	19,115	17,052	9,847
(F)Federal Aid - County Bridges	(71) [b]	200	-
(R)County Bridge Projects - Marcellus Shale (EA)	18,197	12,758	20,378
(R)Toll Roads - Excise Tax (EA)	131,993	135,782	137,247
(R)Annual Maintenance Payments - Highway Transfer (EA)	19,300	19,372	19,372
(R)Restoration Projects - Highway Transfer (EA)	11,000	11,000	11,000
(R)Airport Development	6,500	6,000	5,000
(F)Airport Development (EA)	40,000	40,000	40,000
(F)COVID-Airport Development (EA)	65,621	-	-
(F)COVID-Airport Operations (EA)	2,000	3,500	-
(R)Real Estate Tax Rebate	250	250	250
(R)Fee for Local Use	38,925	30,000	30,000
(R)Federal Reimbursements - Local Bridge Projects	61,619	75,000	75,000
(R)Red Light Photo Enforcement	4,254	5,000	5,000
(R)Federal Reimbursements - Political Subdivisions	107,217	140,000	140,000
Subtotal	$ 1,088,713	$ 1,088,975	$ 1,115,053
Subtotal - State Funds	$ 317,816	$ 337,361	$ 356,458
Subtotal - Federal Funds	125,186	56,251	52,551
Subtotal - Augmentations	363	175	100
Subtotal - Restricted Revenues	645,348	695,188	705,944
Total - Grants and Subsidies	$ 1,088,713	$ 1,088,975	$ 1,115,053
Refunds:			
Refunding Collected Monies (EA)	**$ 1,500**	**$ 2,500**	**$ 2,500**
Subtotal	$ 1,500	$ 2,500	$ 2,500
STATE FUNDS	$ 1,826,631	$ 2,013,190	$ 2,347,247
FEDERAL FUNDS	1,879,963	3,432,030	2,799,065
AUGMENTATIONS	84,969	125,376	100,036
RESTRICTED REVENUES	1,928,837	2,124,822	2,180,751
MOTOR LICENSE FUND TOTAL	**$ 5,720,400**	**$ 7,695,418**	**$ 7,427,099**
LOTTERY FUND:			
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**
Total - Grants and Subsidies	$ 170,907	$ 170,907	$ 170,907
LOTTERY FUND TOTAL	**$ 170,907**	**$ 170,907**	**$ 170,907**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
OTHER FUNDS:			
HIGHWAY BEAUTIFICATION FUND:			
Control of Outdoor Advertising (EA)	$ 350	$ 350	$ 350
LIQUID FUELS TAX FUND:			
Payments to Counties	$ 24,264	$ 29,206	$ 28,223
Auditor General's Audit Costs (EA)	700	700	700
LIQUID FUELS TAX FUND TOTAL	**$ 24,964**	**$ 29,906**	**$ 28,923**
MOTOR VEHICLE TRANSACTION RECOVERY FUND:			
Titling and Registration Fees	$ 13	$ 105	$ 4
Titling and Registration- Sales Tax	44	151	16
MOTOR VEHICLE TRANSACTION RECOVERY FUND TOTAL	**$ 57**	**$ 256**	**$ 20**
MULTIMODAL TRANSPORTATION FUND:			
Aviation Grants (EA)	$ 6,466	$ 6,720	$ 6,720
Rail Freight Grants (EA)	10,775	11,197	11,197
Passenger Rail Grants (EA)	8,621	8,959	8,959
Ports and Waterways Grants (EA)	10,775	11,197	11,197
Bicycle and Pedestrian Facilities Grants (EA)	2,155	2,239	2,239
Statewide Programs Grants (EA)	40,000	40,000	40,000
Multimodal Administration and Oversight (EA)	4,317	4,317	5,317
(A)Reimbursements	19	-	-
Transfer to Commonwealth Financing Authority (EA)	64,164	59,860	62,771
PennPORTS-Philadelphia Regional Port Authority Debt Service	4,608	-	-
MULTIMODAL TRANSPORTATION FUND TOTAL	**$ 151,900**	**$ 144,489**	**$ 148,400**
PENNSYLVANIA INFRASTRUCTURE BANK FUND:			
Infrastructure Bank Loans (EA)	$ 42,500	$ 42,000	$ 30,000
PUBLIC TRANSPORTATION ASSISTANCE FUND:			
Mass Transit (EA)	$ 241,741	$ 265,329 [d]	$ 270,489
Transfer to Public Transportation Trust Fund (EA)	- [e]	- [e]	- [e]
PUBLIC TRANSPORTATION ASSISTANCE FUND TOTAL	**$ 241,741**	**$ 265,329**	**$ 270,489**
GOV. CASEY ORGAN & TISSUE DONATION AWARENESS FUND:			
Reimbursement to Transportation (EA)	$ 100	$ 80	$ 80
PUBLIC TRANSPORTATION TRUST FUND:			
(R)Mass Transit Operating (EA)	$ 854,093 [f]	919,093 [f]	1,014,093 [f]
(R)Asset Improvement (EA)	880,000	900,000	440,000
(F)Keystone Corridor Equipment and Purchases	28,000	-	-
(R)Capital Improvement (EA)	67,465	57,852	25,000
(A)Capital Improvement - Reimbursements	1,381	2,000	1,000
(R)Programs of Statewide Significance (EA)	210,000	160,000	120,000
(A)CNG - Reimbursements	-	500	-
(A)Programs of Statewide Significance - CNG Capital	13	200	50
(R)Transit Administration and Oversight (EA)	4,488	4,488	4,854
PUBLIC TRANSPORTATION TRUST FUND TOTAL	**$ 2,045,440**	**$ 2,044,133**	**$ 1,604,997**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
UNCONVENTIONAL GAS WELL FUND:			
Rail Freight Assistance (EA)	$ 1,000	$ 1,000	$ 1,000
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 3,128	$ 2,970	$ 1,129
MOTOR LICENSE FUND	1,826,631	2,013,190	2,347,247
LOTTERY FUND	170,907	170,907	170,907
FEDERAL FUNDS	2,181,648	3,637,780	3,004,815
AUGMENTATIONS	84,969	125,376	100,036
RESTRICTED	1,934,491	2,132,147	2,188,076
OTHER FUNDS	2,508,052	2,527,543	2,084,259
TOTAL ALL FUNDS	**$ 8,709,826**	**$ 10,609,913**	**$ 9,896,469**

[a] Originally appropriated from the General Fund.
[b] Refund of prior year augmenting revenues.
[c] Not added to avoid double counting: 2020-21 Actual is $2,567,979, Available is $4,000,000, and Budget 2022-23 Budget is $4,000,000.
[d] Includes recommended supplemental executive authorization of $5,760,000.
[e] Not added to avoid double counting: 2020-21 Actual is $23,244,000, Available is $24,631,000, and 2022-23 Budget is $25,481,000.
[f] Lottery Fund Transfer to the Public Transportation Trust Fund not added to the total to avoid double counting. Mass Transit Operating (EA) for 2020-21 Actual is $950,000,000, 2021-22 Available is $1,015,000,000, and 2022-23 Budget is $1,110,000,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
TRANSPORTATION SUPPORT SERVICES:							
GENERAL FUND	$ 1,900	$ 1,900	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	65,400	71,100	75,693	75,693	75,693	75,693	75,693
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	160,550	3,500	-	-	-	-	-
AUGMENTATIONS	1,182	1,754	1,754	1,754	1,754	1,754	1,754
RESTRICTED	-	325	325	325	325	325	325
OTHER FUNDS	13	105	4	4	4	4	4
SUBCATEGORY TOTAL	$ 229,045	$ 78,684	$ 77,776	$ 77,776	$ 77,776	$ 77,776	$ 77,776
HIGHWAYS AND BRIDGES:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	1,250,111	1,380,994	1,670,703	1,610,083	1,657,748	1,680,373	1,697,979
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	1,750,005	3,371,179	2,741,704	2,771,049	2,816,282	2,862,419	1,978,665
AUGMENTATIONS	50,777	88,494	63,229	64,281	64,281	64,281	64,281
RESTRICTED	1,397,880	1,539,886	1,588,440	1,575,537	1,570,339	1,565,218	1,560,181
OTHER FUNDS	42,850	42,350	30,350	30,350	30,350	30,350	30,350
SUBCATEGORY TOTAL	$ 4,491,623	$ 6,422,903	$ 6,094,426	$ 6,051,300	$ 6,139,000	$ 6,202,641	$ 5,331,456
LOCAL HIGHWAY AND BRIDGE ASSISTANCE:							
GENERAL FUND	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND	289,816	309,361	328,458	331,062	330,095	329,153	328,231
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	17,565	12,751	12,551	12,500	12,500	12,500	12,500
AUGMENTATIONS	363	175	100	100	100	100	100
RESTRICTED	506,605	553,156	563,447	559,696	558,856	558,051	557,258
OTHER FUNDS	24,964	29,906	28,923	29,245	29,136	29,032	28,928
SUBCATEGORY TOTAL	$ 839,313	$ 905,349	$ 933,479	$ 932,603	$ 930,687	$ 928,836	$ 927,017

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 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	249,528	246,350	246,560	236,161	236,161	236,161	236,161
AUGMENTATIONS	331	500	500	540	540	540	540
RESTRICTED	16,218	18,780	15,864	15,864	15,364	15,364	15,364
OTHER FUNDS	2,440,181	2,455,031	2,024,966	2,063,776	2,101,185	2,143,253	2,178,103
SUBCATEGORY TOTAL	$ 2,877,165	$ 2,891,568	$ 2,458,797	$ 2,487,248	$ 2,524,157	$ 2,566,225	$ 2,601,075
DRIVER AND VEHICLE SERVICES:							
GENERAL FUND	$ 1,228	$ 1,070	$ 1,129	$ 1,129	$ 1,129	$ 1,129	$ 1,129
MOTOR LICENSE FUND	221,304	251,735	272,393	272,393	272,393	272,393	272,393
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	4,000	4,000	4,000	4,000	4,000	4,000	4,000
AUGMENTATIONS	32,316	34,453	34,453	34,453	34,453	34,453	34,453
RESTRICTED	13,788	20,000	20,000	20,000	20,000	20,000	20,000
OTHER FUNDS	44	151	16	16	16	16	16
SUBCATEGORY TOTAL	$ 272,680	$ 311,409	$ 331,991	$ 331,991	$ 331,991	$ 331,991	$ 331,991
ALL PROGRAMS:							
GENERAL FUND	$ 3,128	$ 2,970	$ 1,129	$ 1,129	$ 1,129	$ 1,129	$ 1,129
MOTOR LICENSE FUND	1,826,631	2,013,190	2,347,247	2,289,231	2,335,929	2,357,612	2,374,296
LOTTERY FUND	170,907	170,907	170,907	170,907	170,907	170,907	170,907
FEDERAL FUNDS	2,181,648	3,637,780	3,004,815	3,023,710	3,068,943	3,115,080	2,231,326
AUGMENTATIONS	84,969	125,376	100,036	101,128	101,128	101,128	101,128
RESTRICTED	1,934,491	2,132,147	2,188,076	2,171,422	2,164,884	2,158,958	2,153,128
OTHER FUNDS	2,508,052	2,527,543	2,084,259	2,123,391	2,160,691	2,202,655	2,237,401
DEPARTMENT TOTAL	$ 8,709,826	$10,609,913	$ 9,896,469	$ 9,880,918	$10,003,611	$10,107,469	$ 9,269,315

Program: Transportation Support Services

Goal: To provide an effective administrative system supporting both non-highway and highway transportation programs.

The Pennsylvania Department of Transportation 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.	$ 751	—to replace nonrecurring benefits cost reduction.
		3,842	—to continue current program.
		$ 4,593	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Infrastructure Projects.....	$ 1,900	$ 1,900	$ -	$ -	$ -	$ -	$ -
MOTOR LICENSE FUND:							
General Government Operations...	$ 63,900	$ 68,600	$ 73,193	$ 73,193	$ 73,193	$ 73,193	$ 73,193
Refunding Collected Monies (EA)..	1,500	2,500	2,500	2,500	2,500	2,500	2,500
TOTAL MOTOR LICENSE FUND .	$ 65,400	$ 71,100	$ 75,693	$ 75,693	$ 75,693	$ 75,693	$ 75,693

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.

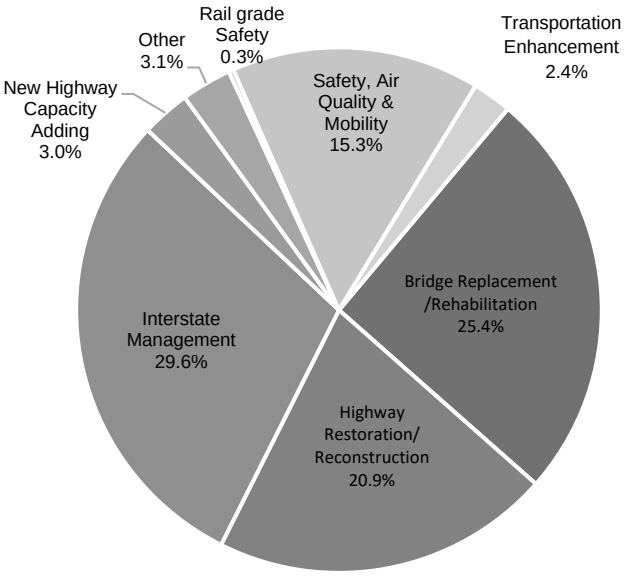
Staff are actively involved in planning, facilitating, and making improvements to the transportation system. These staff are liaisons for Metropolitan and Rural Planning Organizations, the State Transportation Commission, and the Transportation Advisory Committee, as well as transportation management associations, the public, and other stakeholders. The products of this collaboration, at a high level, are the state's Transportation Improvement Program and the 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.

Current Four-Year Project Distribution

(October 2018 – September 2022)



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, 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 the 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: Highways and Bridges, continued

Program Recommendations:

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

	Welcome Centers
$ 116	—to replace nonrecurring benefits cost reduction.
92	—to continue current program.
$ 208	*Appropriation Increase*
	Highway and Safety Improvements
$ 3,030	—to replace nonrecurring benefits cost reduction.
256,970	—to ensure state match requirements for federal transportation infrastructure funding based on current revenue estimates.
$ 260,000	*Appropriation Increase*
	Highway Capital Projects (EA)
$ 10,000	—based on estimated program requirements.
	Highway Maintenance
$ 10,005	—to replace nonrecurring benefits cost reduction.
8,996	—to continue current program.
$ 19,001	*Appropriation Increase*
	Reinvestment in Facilities
$ 500	—based on estimated program requirements.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
MOTOR LICENSE FUND:							
Welcome Centers	$ 3,815	$ 4,115	$ 4,323	$ 4,323	$ 4,323	$ 4,323	$ 4,323
Highway and Safety Improvements	170,000	190,000	450,000	370,000	400,000	400,000	400,000
Highway Capital Projects (EA)	230,000	230,000	240,000	240,000	240,000	245,000	245,000
Highway Maintenance	797,296	896,879	915,880	935,260	952,925	970,550	988,156
Highway Systems Technology and Innovation	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Reinvestment in Facilities	5,000	16,000	16,500	16,500	16,500	16,500	16,500
Payment to Turnpike Commission (EA)	28,000	28,000	28,000	28,000	28,000	28,000	28,000
TOTAL MOTOR LICENSE FUND	$1,250,111	$1,380,994	$1,670,703	$1,610,083	$1,657,748	$1,680,373	$1,697,979

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Increase the percentage of highway system in good or excellent condition.							
Miles of new highway construction	26	18	14	12	8	18 [a]	8 [a]
Miles of Interstate reconstruction or restoration	32	101	164	73	140	110 [a]	110 [a]

Program: Highways and Bridges, continued

Program Measures, continued:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Miles of Non-Interstate reconstruction or restoration	144	83	335	216	199	180	140
Percentage of Interstate Highway System in good condition	80.9%	67.2%	65.0%	67.1%	70.8%	72.2%	75.4%
Percentage of Interstate Highway System in fair condition	15.9%	32.4%	34.7%	32.5%	28.5%	27.1%	23.9%
Percentage of Interstate Highway System in poor condition	0.3%	0.4%	0.2%	0.4%	0.7%	0.7%	0.7%
Percentage of National Highway System Non-Interstate highways in good condition	65.4%	36.8%	33.1%	36.6%	34.5%	35.5%	36.3%
Percentage of National Highway System Non-Interstate highways in fair condition	22.2%	60.9%	65.7%	60.9%	62.4%	61.3%	60.4%
Percentage of National Highway System Non-Interstate highways in poor condition	12.4%	2.3%	1.2%	2.5%	3.1%	3.2%	3.3%
Percentage of bridges in good condition	30.2%	31.7%	32.8%	33.6%	30.0%	32.7%	35.0%
Percentage of bridges in fair condition	56.2%	56.2%	56.1%	56.0%	64.0%	61.9%	60.0%
Percentage of bridges in poor condition	13.6%	12.1%	11.1%	10.3%	6.0%	5.4%	5.0%
Poor bridges rehabilitated/replaced	556	402	171	181	119	192	204
Number of closed bridges	29	28	34	29	28	30	35
Number of posted bridges	653	553	488	456	437	450	475
Bridge Preservations	248	229	181	191	175	327	124
Continue to maintain miles of highways and bridges.							
Structural restoration	70	86	415	323	109	251	332
Resurfacing	1,769	2,754	1,780	2,449	258 [b]	844	917
Surface repairs	3,466	3,316	2,990	3,369	2,726 [b]	4,455	3,858
Total miles of state-maintained highways improved	5,305	6,156	5,185	6,141	3,093	5,550	5,107

[a] Does not include impact of federal transportation infrastructure funding.
[b] Reflects change in methodology for reporting resurfacing and surface repair mileage.

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 bridges greater than 20 feet long owned by these political subdivisions. Projects are selected by the Metropolitan and Rural Transportation 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)

Local Road Maintenance and Construction Payments

$ 19,097 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
MOTOR LICENSE FUND:							
Local Road Maintenance and Construction Payments	$ 239,816	$ 229,361	$ 248,458	$ 251,062	$ 250,095	$ 249,153	$ 248,231
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	40,000	40,000	40,000	40,000	40,000	40,000
TOTAL MOTOR LICENSE FUND	$ 289,816	$ 309,361	$ 328,458	$ 331,062	$ 330,095	$ 329,153	$ 328,231

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.

Asset Improvement provides public transportation capital funding to maintain and improve vehicles, communication equipment, technology, and transit facilities. Through the Programs of Statewide Significance, 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 benefit from greater mobility through the Free Transit and the Shared Ride programs. Both programs are funded from a portion of the revenues received from the Pennsylvania 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 Services 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 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

Program: Multimodal Transportation, continued

airports to meet safety, security, capacity, environmental, and planning needs. The Real Estate Tax Reimbursement Program allows for publicly operated airports to receive rebates on real estate taxes for land that is essential for airport public use. In addition, capital bond funds are available through the Aviation Transportation Assistance Program for airports that have a public sector sponsor.

Multimodal Transportation Fund Statewide Program Grants

Act 89 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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 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 *	$ 919,093 *	$ 1,014,093 *	$ 1,024,093 *	$ 1,034,093 *	$ 1,044,093 *	$ 1,054,093 *
Asset Improvement (EA)	880,000	900,000	440,000	450,000	460,000	470,000	480,000
Capital Improvement (EA)	67,465	57,852	25,000	25,000	25,000	25,000	25,000
Programs of Statewide Significance (EA)	210,000	160,000	120,000	130,000	140,000	150,000	155,000
Transit Administration and Oversight (EA)	4,488	4,488	4,854	4,954	5,004	5,100	5,200
TOTAL PUBLIC TRANSPORTATION TRUST FUND	$ 2,016,046	$ 2,041,433	$ 1,603,947	$ 1,634,047	$ 1,664,097	$ 1,694,193	$ 1,719,293

* 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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
MULTIMODAL TRANSPORTATION FUND:							
Aviation Grants (EA)	$ 6,466	$ 6,720	$ 6,720	$ 6,989	$ 6,989	$ 7,269	$ 7,269
Rail Freight Grants (EA)	10,775	11,197	11,197	11,645	11,645	12,111	12,111
Passenger Rail Grants (EA)	8,621	8,959	8,959	9,317	9,317	9,690	9,690
Ports and Waterways Grants (EA)	10,775	11,197	11,197	11,645	11,645	12,111	12,111
Bicycle and Pedestrian Facilities Grants (EA)	2,155	2,239	2,239	2,329	2,329	2,422	2,422
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	5,317	5,317	5,317	5,317	5,317
Transfer to Commonwealth Financing Authority (EA)	64,164	59,860	62,771	64,858	65,258	67,480	68,880
PennPORTS-Philadelphia Regional Port Authority Debt Service	4,608	-	-	-	-	-	-
TOTAL MULTIMODAL TRANSPORTATION FUND	$ 151,881	$ 144,489	$ 148,400	$ 152,100	$ 152,500	$ 156,400	$ 157,800

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 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.							
Mass Transportation							
Passengers carried by state-assisted operators (in millions)	403.8	397.4	387.4	299.1	142.6	145.4	148.3
Passengers per vehicle hour	36.4	35.4	34.4	28.9	14.5	14.7	15.0
Older Pennsylvanians Transit							
Number of free transit trips (in millions)	33.5	33.7	33.8	27.5	17.8	18.1	18.5
Trips on state-assisted shared ride vehicles (in millions)	3.7	3.5	3.3	3.1	1.6	1.7	1.7
Cost to the commonwealth per trip:							
Free transit	$ 2.87	$ 2.85	$ 2.83	$ 3.49	$ 5.40	$ 5.29	$ 5.19
State-assisted shared ride vehicles	$ 19.20	$ 19.65	$ 19.98	$ 23.87	$ 45.74	$ 44.41	$ 43.12

Program: Multimodal Transportation, continued

Program Measures, continued:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Intercity Transportation							
Intercity Bus:							
Passengers handled (in thousands)	226.3	211.8	204.6	163.7	61.6 *	150.3	151.8
Intercity Rail:							
Passengers handled (in thousands)	1,760.5	1,713.5	1,567.7	1,273.8	402.7 *	460.0	590.0
Subsidy per passenger mile	$ 0.10	$ 0.10	$ 0.10	$ 0.12	$ 0.30	$ 0.41	$ 0.35
Aviation							
Runways with a pavement condition index of fair or better	86%	84%	90%	92%	90%	90%	91%

* Decrease due to COVID-19 pandemic.

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's 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**
$	32	—to continue current program.	$	3,277	—to replace nonrecurring benefits cost reduction.
				13,147	—to continue current program.
		Voter Registration	$	16,424	*Appropriation Increase*
$	27	—to continue current program.			
					Homeland Security - REAL ID
			$	641	—to replace nonrecurring benefits cost reduction.
				3,593	—to continue current program.
			$	4,234	*Appropriation Increase*

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Vehicle Sales Tax Collections	$ 655	$ 520	$ 552	$ 552	$ 552	$ 552	$ 552
Voter Registration	573	550	577	577	577	577	577
TOTAL GENERAL FUND	$ 1,228	$ 1,070	$ 1,129	$ 1,129	$ 1,129	$ 1,129	$ 1,129

Program: Driver and Vehicle Services, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
MOTOR LICENSE FUND:							
Driver and Vehicle Services.....	$ 195,403	$ 225,834	$ 242,258	$ 242,258	$ 242,258	$ 242,258	$ 242,258
Homeland Security - REAL ID	25,901	25,901	30,135	30,135	30,135	30,135	30,135
TOTAL MOTOR LICENSE FUND .	$ 221,304	$ 251,735	$ 272,393	$ 272,393	$ 272,393	$ 272,393	$ 272,393

Program Measures:

	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated
Provide exceptional customer service through a customer-focused business approach.							
Number of online eGov transactions (in millions).....	8.9	10.0	10.6	12.5	10.6	11.9	11.9
Percentage of service center customers served within 30 minutes.....	79.9%	69.1%	65.0%	82.0%	82.0%	80.0%	80.0%
Access rate of driver and vehicle services call center	99.1%	99.1%	99.0%	99.3%	80.0% *	99.5%	99.5%

* Decrease due to COVID-19 pandemic.

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 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
Reapportionment Expenses - Senate	-	800	-
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)	-	-	3,015
Committee on Appropriations (R)	1,508	1,508	-
Committee on Appropriations (D)	1,507	1,507	-
Caucus Operations (R) and (D)	-	-	79,861
Caucus Operations (R)	43,125	46,939	-
Caucus Operations (D)	36,736	37,372	-
Subtotal	$ 121,857	$ 127,107	$ 121,857
House of Representatives:			
Members' Salaries, Speaker's Extra Compensation	$ 35,290	$ 35,290	$ 35,290
Reapportionment Expenses - House	-	800	-
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	1,756	1,756
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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 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	$ 231,682	$ 230,882
Total - General Government	$ 352,793	$ 358,789	$ 352,739
GENERAL FUND TOTAL	**$ 352,793**	**$ 358,789**	**$ 352,739**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
LEGISLATURE:							
GENERAL FUND	$ 352,793	$ 358,789	$ 352,739	$ 352,739	$ 352,739	$ 352,739	$ 352,739
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 352,793	$ 358,789	$ 352,739	$ 352,739	$ 352,739	$ 352,739	$ 352,739
ALL PROGRAMS:							
GENERAL FUND	$ 352,793	$ 358,789	$ 352,739	$ 352,739	$ 352,739	$ 352,739	$ 352,739
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	-	-	-	-	-	-
DEPARTMENT TOTAL	$ 352,793	$ 358,789	$ 352,739	$ 352,739	$ 352,739	$ 352,739	$ 352,739

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)

		Senate:			**House of Representatives:**
		Reapportionment Expenses - Senate			**Reapportionment Expenses - House**
$	(800)	—nonrecurring decennial reapportionment costs.	$	(800)	—nonrecurring decennial reapportionment costs.
		Caucus Operations (R) and (D)			
$	(4,450)	—to reflect appropriation level in Act 1-A of 2021.			

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Legislature	$ 352,793	$ 358,789	$ 352,739	$ 352,739	$ 352,739	$ 352,739	$ 352,739

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)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
Supreme Court:			
Supreme Court	**$ 17,150**	**$ 17,150**	**$ 18,649**
Justice Expenses	**118**	**118**	**118**
Judicial Center Operations	**814**	**814**	**1,105**
Judicial Council	**141**	**141**	**141**
District Court Administrators	**19,657**	**19,657**	**21,994**
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**	**12,290**
(F)Court Improvement Project	1,130	1,130	1,130
(F)Adult Drug Court Outcome Evaluation	225	175	-
(F)COVID-Emergency Supplemental Funding	1,904	-	-
(F)STOP Violence Against Women (EA)	268	237	237
(F)Veteran's Treatment Court Strategic Planning (EA)	100	200	196
Integrated Criminal Justice System	**2,372**	**2,372**	**2,372**
(F)JNET (EA)	52	-	-
(R)Judicial Computer System	50,093	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	$ 110,117	$ 103,713	$ 108,374
Superior Court:			
Superior Court	**$ 32,377**	**$ 32,377**	**$ 36,625**
Judges Expenses	**183**	**183**	**183**
Subtotal	$ 32,560	$ 32,560	$ 36,808
Commonwealth Court:			
Commonwealth Court	**$ 21,192**	**$ 21,192**	**$ 23,526**
Judges Expenses	**132**	**132**	**132**
Subtotal	$ 21,324	$ 21,324	$ 23,658
Courts of Common Pleas:			
Courts of Common Pleas	**$ 117,739**	**$ 117,739**	**$ 130,270**
Senior Judges	**4,004**	**4,004**	**4,291**
Judicial Education	**1,247**	**1,247**	**1,899**

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
Problem-Solving Courts	**1,103**	**1,103**	**1,103**
Subtotal	$ 124,093	$ 124,093	$ 137,563
Magisterial District Judges:			
Magisterial District Judges	**$ 82,802**	**$ 82,802**	**$ 92,186**
Magisterial District Judge Education	**744**	**744**	**1,020**
Subtotal	$ 83,546	$ 83,546	$ 93,206
Philadelphia Courts:			
Municipal Court	**$ 7,794**	**$ 7,794**	**$ 9,122**
Subtotal	$ 7,794	$ 7,794	$ 9,122
Judicial Conduct:			
Judicial Ethics Advisory Board	**$ 62**	**$ 62**	**$ 62**
Judicial Conduct Board	**2,468**	**2,505**	**2,555**
Court of Judicial Discipline	**518**	**606**	**618**
Subtotal	$ 3,048	$ 3,173	$ 3,235
Subtotal - State Funds	$ 328,710	$ 328,835	$ 364,777
Subtotal - Federal Funds	3,679	1,742	1,563
Subtotal - Restricted Revenues	50,093	45,626	45,626
Total - General Government	$ 382,482	$ 376,203	$ 411,966
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	$ 355,839	$ 355,964	$ 391,906
FEDERAL FUNDS	3,679	1,742	1,563
RESTRICTED REVENUES	50,093	45,626	45,626
GENERAL FUND TOTAL	**$ 409,611**	**$ 403,332**	**$ 439,095**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
STATE JUDICIAL SYSTEM:							
GENERAL FUND	$ 355,839	$ 355,964	$ 391,906	$ 407,056	$ 407,056	$ 407,056	$ 407,056
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	3,679	1,742	1,563	1,563	1,563	1,563	1,563
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	50,093	45,626	45,626	45,626	45,626	45,626	45,626
OTHER FUNDS	-	-	-	-	-	-	-
SUBCATEGORY TOTAL	$ 409,611	$ 403,332	$ 439,095	$ 454,245	$ 454,245	$ 454,245	$ 454,245
ALL PROGRAMS:							
GENERAL FUND	$ 355,839	$ 355,964	$ 391,906	$ 407,056	$ 407,056	$ 407,056	$ 407,056
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	3,679	1,742	1,563	1,563	1,563	1,563	1,563
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	50,093	45,626	45,626	45,626	45,626	45,626	45,626
OTHER FUNDS	-	-	-	-	-	-	-
DEPARTMENT TOTAL	$ 409,611	$ 403,332	$ 439,095	$ 454,245	$ 454,245	$ 454,245	$ 454,245

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. The 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. The 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 of 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. 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 can 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: State Judicial System, continued

Program Recommendations:

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

Supreme Court

$ 1,499 —to continue current program.

Judicial Center Operations

$ 291 —to continue current program.

District Court Administrators

$ 2,337 —to continue current program.

Court Administrator

$ 713 —to continue current program.

Superior Court

$ 4,248 —to continue current program.

Commonwealth Court

$ 2,334 —to continue current program.

Courts of Common Pleas

$ 12,531 —to continue current program.

Senior Judges

$ 287 —to continue current program.

Judicial Education

$ 652 —to continue current program.

Magisterial District Judges

$ 9,384 —to continue current program.

Magisterial District Judge Education

$ 276 —to continue current program.

Municipal Court

$ 1,328 —to continue current program.

Judicial Conduct Board

$ 50 —to continue current program.

Court of Judicial Discipline

$ 12 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Judiciary.....	$ 355,839	$ 355,964	$ 391,906	$ 407,056	$ 407,056	$ 407,056	$ 407,056

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.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2020-21 ACTUAL	2021-22 AVAILABLE	2022-23 BUDGET
GENERAL FUND:			
General Government:			
Legislative Reference Bureau:			
Legislative Reference Bureau - Salaries and Expenses	**$ 9,691**	**$ 9,985**	**$ 9,985**
Printing of PA Bulletin and PA Code	**886**	**886**	**886**
Contingent Expenses	**25**	**25**	**25**
Subtotal	$ 10,602	$ 10,896	$ 10,896
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**
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	$ 56,867	$ 56,867	$ 56,867
Total - General Government	$ 67,469	$ 67,763	$ 67,763
GENERAL FUND TOTAL	**$ 67,469**	**$ 67,763**	**$ 67,763**
OTHER FUNDS:			
JUSTICE REINVESTMENT FUND:			
Commission on Sentencing (EA)	$ -	$ 400	$ 400
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	$ 67,469	$ 67,763	$ 67,763
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	-	400	400
TOTAL ALL FUNDS	**$ 67,469**	**$ 68,163**	**$ 68,163**

Program Funding Summary

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GOVERNMENT SUPPORT AGENCIES:							
GENERAL FUND	$ 67,469	$ 67,763	$ 67,763	$ 67,763	$ 67,763	$ 67,763	$ 67,763
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	400	400	400	400	-	-
SUBCATEGORY TOTAL	$ 67,469	$ 68,163	$ 68,163	$ 68,163	$ 68,163	$ 67,763	$ 67,763
ALL PROGRAMS:							
GENERAL FUND	$ 67,469	$ 67,763	$ 67,763	$ 67,763	$ 67,763	$ 67,763	$ 67,763
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	-	400	400	400	400	-	-
DEPARTMENT TOTAL	$ 67,469	$ 68,163	$ 68,163	$ 68,163	$ 68,163	$ 67,763	$ 67,763

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 United States Census Bureau redistricting data in the year following the federal decennial census. It is used as a basis for apportioning seats in the United States House of Representatives. Census data is also used to redraw legislative districts for the Pennsylvania Senate and House of Representatives.

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)

	2020-21 Actual	2021-22 Available	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL FUND:							
Government Support Agencies....	$ 67,469	$ 67,763	$ 67,763	$ 67,763	$ 67,763	$ 67,763	$ 67,763

Commonwealth of Pennsylvania

Governor's Executive Budget

CAPITAL BUDGET

Program Summary

This section presents the 2022-23 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, new buildings, nonstructural improvements, and land acquisition. 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.

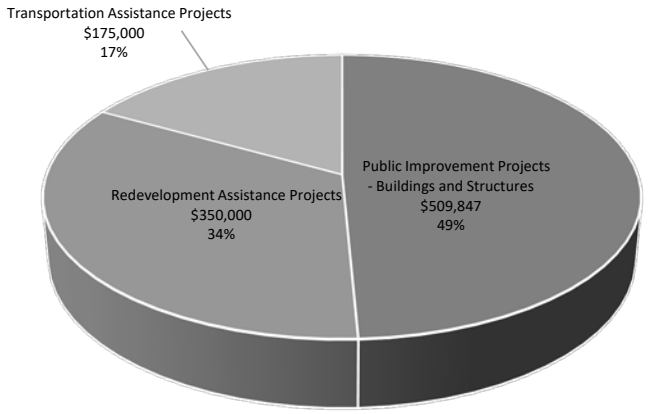
Transportation Assistance Projects — this category of projects includes: the purchase of rolling stock and construction or improvement of facilities operated by mass transportation agencies throughout the commonwealth; the acquisition, construction, and equipping of rural and intercity common carrier 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.

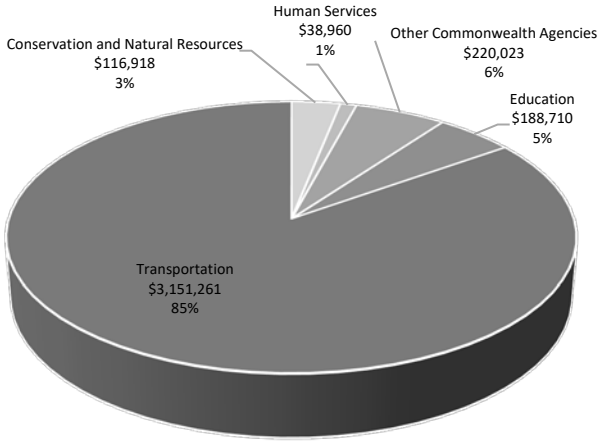
Flood Control Projects — this category provides the state's share of federal flood control works, and improvements to prevent floods and to preserve, control, and regulate the flow of rivers and streams in the commonwealth. These projects are administered by the Department of Environmental Protection.

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.

2022-23 Estimated Capital Expenditures
Capital Facilities Bond Fund
(Dollar Amounts in Thousands)



Recommended 2022-23 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 $3.0 billion in 2022-23 new project authorizations (mostly highway projects) is financed by current revenues.

Program Summary, continued

The Capital Budget section consists of the following three subsections.

2022-23 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 2022-23 through 2026-27. 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)

	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
GENERAL OBLIGATION BOND FUNDING					
Revenues					
Capital Facilities Bonds:					
Public Improvement Projects - Buildings and Structures	$ 600,000	$ 600,000	$ 600,000	$ 600,000	$ 600,000
Public Improvement Projects - Furniture and Equipment	10,000	10,000	10,000	10,000	10,000
Redevelopment Assistance Projects	350,000	350,000	350,000	350,000	350,000
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	1,000	1,000	1,000	1,000	1,000
Change in Available Cash	98,653	94,929	(2,769)	(21,156)	8,622
Total	$ 1,034,847	$ 1,038,571	$ 1,136,269	$ 1,154,656	$ 1,124,878
Expenditures					
Capital Facilities Fund:					
Public Improvement Projects - Buildings and Structures	$ 509,847	$ 513,571	$ 611,269	$ 629,656	$ 599,878
Public Improvement Projects - Furniture and Equipment	0	0	0	0	0
Redevelopment Assistance Projects	350,000	350,000	350,000	350,000	350,000
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	$ 1,034,847	$ 1,038,571	$ 1,136,269	$ 1,154,656	$ 1,124,878
FROM CURRENT REVENUES					
State Forestry Bridge – Parks and Forest Management	$ 2,045	$ 0	$ 0	$ 0	$ 0
Keystone Recreation, Park and Conservation Fund– Acquisition, Rehabilitation and Development Projects	91,240	20,000	20,000	20,000	20,000
Environmental Stewardship Fund – Acquisition, Rehabilitation and Development Projects	5,618	15,000	15,000	15,000	15,000
Forest Regeneration Funds – Parks and Forest Management	1268	0	0	0	0
Dirt and Gravel Funds – Acquisition, Improvements and Rehabilitation	2,750	0	0	0	0
Highway Projects - Motor License Fund	2,947,800	2,973,200	3,002,600	3,022,500	3,059,200
Total Current Revenues	$ 3,050,721	$ 3,008,200	$ 3,037,600	$ 3,057,500	$ 3,094,200
TOTAL - ALL FUNDS	$ 4,085,568	$ 4,046,771	$ 4,173,869	$ 4,212,156	$ 4,219,078

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)

	2022-23	2023-24	2024-25	2025-26	2026-27	Total
Agriculture	$ 29,895	$ 8,992	$ 18,770	$ 20,965	$ 21,053	$ 99,675
Conservation and Natural Resources	116,918	50,591	50,291	53,935	55,772	323,934
Corrections	40,015	39,741	39,926	36,711	37,526	193,919
Education	188,710	173,000	165,287	164,190	257,000	948,187
Environmental Protection	18,350	20,807	23,590	22,734	23,866	109,347
General Services	24,635	32,056	32,542	36,656	38,808	164,697
Historical and Museum Commission	14,470	6,956	14,093	14,786	15,404	65,709
Human Services	38,960	33,288	52,128	55,516	55,280	235,172
Military and Veterans Affairs	35,671	33,526	31,482	32,330	32,049	165,058
State Police	56,987	81,878	25,079	25,544	25,132	214,620
Transportation	3,151,261	3,173,553	3,208,436	3,227,880	3,264,635	16,025,765
TOTAL	$ 3,715,872	$ 3,654,388	$ 3,661,624	$ 3,691,247	$ 3,826,525	$ 18,546,083

RECOMMENDED 2022-23 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	$ 29,895	$ 0	$ 0	$ 0
Conservation and Natural Resources	13,997	0	0	0
Corrections	40,015	0	0	0
Education	188,710	0	0	0
Environmental Protection	18,350	0	0	0
General Services	24,635	0	0	0
Historical and Museum Commission	14,470	0	0	0
Human Services	38,960	0	0	0
Military and Veterans Affairs	35,671	0	0	0
State Police	56,987	0	0	0
Transportation	28,461	0	175,000	0
TOTAL	$ 490,151	$ 0	$ 175,000	$ 0

	Current Revenues		All Funds
	Highway Projects	Public Improvement Projects	
Agriculture	$ 0	$ 0	$ 29,895
Conservation and Natural Resources	0	102,921	116,918
Corrections	0	0	40,015
Education	0	0	188,710
Environmental Protection	0	0	18,350
General Services	0	0	24,635
Historical and Museum Commission	0	0	14,470
Human Services	0	0	38,960
Military and Veterans Affairs	0	0	35,671
State Police	0	0	56,987
Transportation	2,947,800	0	3,151,261
TOTAL	$ 2,947,800	$ 102,921	$ 3,715,872

DEPARTMENT OF AGRICULTURE

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost
2022-23 PUBLIC IMPROVEMENT PROJECTS	
Protection and Development of Agricultural Industries.....	$ 29,895
TOTAL	$ 29,895
SOURCE OF FUNDS	
General Obligation Bond Issues	
Capital Facilities Fund - Buildings and Structures.....	$ 29,895
TOTAL	$ 29,895

Department of Agriculture 2022-23 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)

	Total Project Cost
CHESTER COUNTY	
Diagnostic Laboratory	
Construct NEW PA EQUINE TOXICOLOGY & RESEARCH LABORATORY AT THE UNIVERSITY OF PENNSYLVANIA: Design & Construction funds.	$ 27,492
Dauphin County	
Farm Show Complex	
NORTHEAST HALL ROOF REPLACEMENT: Construction & Close-out funds.	1,840
Farm Show Complex	
REPAIRS TO EAST WALL: Design funds.	563
PROGRAM TOTAL	$ 29,895

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost
2022-23 PUBLIC IMPROVEMENT PROJECTS	
Parks and Forest Management	$ 116,918
TOTAL	$ 116,918

SOURCE OF FUNDS

General Obligation Bond Issues	
Capital Facilities Fund - Buildings and Structures	$ 13,997
Capital Facilities Fund - Furniture and Equipment	0
Subtotal General Obligation Bond Issues	$ 13,997
Current Revenues	
Keystone Recreation, Park and Conservation Fund – Improvements and Rehabilitation	$ 91,240
State Forestry Bridge - Parks and Forest Management	2,045
Environmental Stewardship Funds – Parks and Forest Management	5,618
Forest Regeneration Funds - Parks and Forest Management	1,268
Dirt and Gravel Funds – Acquisition, Improvements and Rehabilitation	2,750
Subtotal Current Revenues	$ 102,921
TOTAL	$ 116,918

Department of Conservation and Natural Resources 2022-23 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)	Total Project Cost
Adams/Cumberland Counties	
Michaux State Forest	
DESIGN: Construct resource management center and storage building.	$ 75
Allegheny County	
Point State Park	
DESIGN & CONSTRUCTION: Rehabilitate flag bastion, pedestrian access and parking lot.	4,254
Bucks County	
Washington Crossing Historic Park	
CLOSE-OUT: Upgrades to park.	35
Delaware Canal State Park	
DESIGN: Construct new resource center w/ Storage.	75
CONSTRUCTION & CLOSE-OUT: Phase 2, replacement of bridges along the Delaware Canal.	1,823
Carbon County	
Hickory Run State Park	
DESIGN: Replace pit latrines with modern comfort stations.	1,890
Lehigh Gorge State Park	
CONSTRUCTION & CLOSE-OUT: Rehabilitate White Haven public access area to include trail improvements, parking, comfort station and boat launch.	103
Crawford County	
Pymatuning State Park	
CONSTRUCTION & CLOSE OUT: Rehabilitate state park campground facilities.	119
Erie County	
Presque Isle State Park	
CONSTRUCTION: Beach nourishment.	1,500
Forest County	
Cornplanter State Forest	
CLOSE-OUT: Plug 100 orphan oil and gas wells.	1
Greene County	
Ryerson Station State Park	
CLOSE-OUT: Improvements to Ryerson Station State Park - dam removal.	29
CLOSE-OUT: Improvements to Ryerson Station State Park – stream corridor restoration.	132
CONSTRUCTION: Improvements to Ryerson Station State Park – park Improvements.	2,276
Lycoming County	
Tiadaghton & Tioga State Forest	
CLOSE-OUT: Pine Creek trail offices.	5
Mercer County	
MK Goddard State Park	
DESIGN & CONSTRUCTION: Replace existing marina facilities with new structure.	628
Northumberland County	
Shikellamy State Park	
CONSTRUCTION & CLOSE-OUT: Fish passageway.	794
Philadelphia County	
Benjamin Rush State Park	
CLOSE-OUT: Park development.	47
Pike County	
Delaware State Forest	
CONSTRUCTION & CLOSE-OUT: New resource center.	202
PROGRAM TOTAL	$ 13,997

Department of Conservation and Natural Resources 2022-23 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
Bucks County	
Delaware Canal State Park	
Emergency Stabilization of Lumberville Aqueduct	$ 200
Construct Access Bridge over Canal at New Hope River Intake	1,000
Repair/Restoration of Flood Damages to Canal Slope (Inlet to Coffeetown)	1,050
Beaver County	
Raccoon Creek State Park	
Extend Toe Drain at Raccoon Creek Lake Dam	400
Replace Bridge #1202	350
Bedford County	
State Parks Region #3	
Rehab Buildings at Region #3 Complex	250
Berks County	
French Creek State Park	
Office Roof Replacement and Gutter Install	190
Butler County	
Moraine State Park	
Sewage Line Rehabilitation	1,500
Cambria County	
Prince Gallitzin State Park	
Rehab Sandy Run Dam	8,600
Replace Pumps at Three Lift Stations	300
Replace Waterlines - Phase 2	1,000
Carbon County	
Lehigh Gorge State Park	
Repairs to Lehigh Gorge Trail Bridge over Buck Mountain Creek	190
Center County	
Bald Eagle State Park	
Modern Campground Showerhouse Rehab	2,000
Sewage Treatment Plant Rehabilitation	300
Black Moshannon State Park	
Environmental Learning Center	1,000
Chester County	
Marsh Creek State Park	
On Lot Sewage Disposal Systems - West Side of Park	360
Clarion County	
Cook Forest State Park	
Rehab Suspension Bridge	400
Clearfield County	
Moshannon State Forest	
Shaggers Inn Waterfowl Dam Repairs.	5,600
Parker Dam State Park	
Rehab and Dredge Dam	7,200
Rustic Cabin Restroom Replacement	1,500
Clinton County	
Sproul State Forest	
Various ATV Trail Projects	400
Cumberland County	
Michaux State Forest	
Ridge Road Improvement	160

Crawford County		
Pymatuning State Park		
UST Removal AST Install Espyville	$	240
Erie County		
Presque Isle State Park		
Building Rehab, Stull Center Rehabilitation Ph. 2		1,500
Paving - Multi Purpose Trail Rehab, Phase 2		1,000
Fayette County		
Ohiopyle State Park		
Rehab Bridges #0936 & #0931		400
Reline Brunner Run Culvert 0933		1,000
Fulton County		
Cowans Gap State Park		
Rehab Cowans Gap Dam		7,200
Huntingdon County		
Rothrock State Park		
Bank Stabilization Building & Pavement at Whipple Dam HQ		220
Lackawana County		
Pinchot State Forest		
Pool Liner Replacement		300
Lebanon County		
Memorial Lake State Park		
Rehab Dam		7,800
Northumberland County		
Shikellamy State Park		
Rehab Dam		12,000
Perry County		
Little Buffalo State Park		
Recreation Hall Accessibility Rehab		500
Rehab or Replace Pool Buildings		1,200
Tuscarora State Forest		
Roof Over ADA Access at Office		400
Construct New Beach Showerhouse		2,500
Pike County		
Promised Land State Park		
Rehab Promised Land Dam		4,000
Somerset County		
Kooser State Park		
Rehab Dam and Day Use Area, Dredge Lake		5,000
Laurel Hill State Park		
Penn Scenic View Dam		4,000
UST Removal and AST Install Maintenance Area		250
Sullivan County		
Loyalsock State Forest		
Emergency Backup Power Hillsgrove HQ		175
Tioga County		
Hills Creek State Park		
Construct New Park Office		4,000
Colton Point State Park		
ATV Parking and Connector		300
Tioga State Forest		
Various ATV Trail Projects		400
Venago County		
Oil Creek State Park		
Construct Trail Bridge, Columbia Farm Crossing		1,750
Lycoming and Clinton Counties		
Tiadaghton State Forest		
Multiple Maintenance Building Roof Replacements		155
Various Counties		
Various Forest Districts		
North Central ATV Projects		1,000
PROGRAM TOTAL	$	91,240

Department of Conservation and Natural Resources 2022-23 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)	Total Project Cost
Clearfield County	
Moshannon State Forest	
Hoover Nelson Road over UNT to Woods Run	$ 220
Huntingdon County	
Rothrock State Forest	
Bridge Maintenance Repair - F.D.#5	200
Luzerne County	
Pinchot State Forest	
Replacement of Bear Creek Blvd over Laurel Run	350
Mifflin County	
Bald Eagle State Forest	
Structure Replacement, Bridge No. 07-0005, Treaster Valley Road over Treaster Run	200
Tuscarora State Forest	
Wynn Gap Haul Rd. over Trib to Licking Creek	250
Perry County	
Tuscarora State Forest	
Structure Replacement, Bridge No. 03-0046, Kansas Valley Road over Unnamed Trib to Kansas Valley Run	275
Structure Replacements - Bridge No. 03-0050, Second Narrows Road & Bridge No. 03-0051, Laurel Run Road over Cold Spring Run	200
Bald Eagle State Forest	
Rehab/Repairs, Bridge No. 07-0059, White Mtn. Rd. over Penns Creek	350
PROGRAM TOTAL	$ 2,045

Department of Conservation and Natural Resources 2022-23 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)	Total Project Cost
Bucks County	
Washington Crossing State Park	
Paving - Valley of Concentration Circle	$ 350
Centre County	
Poe Valley State Forest	
Poe Valley - Day Use Road Paving	250
Crawford County	
Pymatuning State Park	
Resurface Roadway, Phase 3	1,500
Tioga County	
Hills Creek State Park	
Pave Campground Roads	200
York County	
Codorus State Park	
Park Paving Phase 1	450
PROGRAM TOTAL	$ 2,750

Department of Conservation and Natural Resources 2022-23 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)	Total Project Cost
Bucks County	
Delaware Canal State Park	
Renovate Interior of Odettes Building	$ 350
Spahrs Bridge Substructure Rehab	200
Nockamixon State Park	
Construct ADA Cabin (ADA)	200
Dam Repairs - Nockamixon Dam	500
Butler County	
Moraine State Park	
Dam Repairs - Moraine Dam	650
Carbon County	
Hickory Run State Park	
Sand Spring Run Dam Repairs	180
Centre County	
Penn Roosevelt State Park	
Rehabilitate Dam	200
Cumberland County	
Pine Grove Furnace State Park	
Laurel Lake Survey - Bathymetric Dredging - Stream Mitigation	1,500
Fayette County	
Ohiopyle State Park	
Great Allegheny Passage Re-surfacing Phase 2	277
Montgomery County	
Evansburg State Park	
Fern Avenue Bridge Repairs (BRKey 40363)	161
Potter County	
Lyman Run State Park	
Install Electric Dam Gate Operators and Generator	400
Various Counties	
Various Parks	
2021 Flood Mitigation	1,000
PROGRAM TOTAL	$ 5,618

Department of Conservation and Natural Resources 2022-23 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)	Total Project Cost
Potter County	
Susquehannock State Forest	
Indian Run ATV Connector	$ 500
Tioga County	
Tioga State Forest	
Construct Woven Wire Deer Fencing - Forest Districts #6 and #13	240
Various Counties	
Various Forest Districts	
Construct Woven Wire Deer Fencing - Forest District 19 & 20	528
PROGRAM TOTAL	$ 1,268

DEPARTMENT OF CORRECTIONS

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost
2022-23 PUBLIC IMPROVEMENT PROJECTS	
Institutionalization of Offenders	$ 40,015
TOTAL	$ 40,015

SOURCE OF FUNDS

General Obligation Bond Issues	
Capital Facilities Fund - Buildings and Structures	$ 40,015
Capital Facilities Fund - Furniture and Equipment	0
Subtotal General Obligation Bond Issues	$ 40,015
Other Revenues	
Buildings and Structures	0
TOTAL	$ 40,015

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)	Total Project Cost
Centre County	
State Correctional Institution at Brenner	
RENOVATE INSTITUTION: Bus/maintenance facility upgrades.	$ 3,150
RENOVATE INSTITUTION: Residence upgrades.	180
State Correctional Institution at Rockview	
RENOVATE INSTITUTION: Replace windows in treatment building.	148
RENOVATE INSTITUTION: Expand parking and re-pave roads & lots.	2,095
RENOVATE INSTITUTION: Renovate laundry building.	2,625
Clearfield County	
Quehanna Motivational Boot Camp	
RENOVATE INSTITUTION: Renovations to building D.	3,885
Crawford Coumty	
State Correctional Institution at Cambridge Springs	
RENOVATE INSTITUTION: Air condition program services and building 3 (medical).	1,125
Cumberland County	
State Correctional Institution at Camp Hill	
RENOVATE INSTITUTION: Renovate boiler plant.	1,720
RENOVATE INSTITUTION: Renovate kitchen number 2.	5,382
RENOVATE INSTITUTION: Renovate HVAC systems.	285
Erie County	
State Correctional Institution at Albion	
RENOVATE INSTITUTION: Renovate chilled water plant.	22
Forest County	
State Correctional Institution at Forest	
RENOVATE INSTITUTION: Renovation to water tower.	457
RENOVATE INSTITUTION: Upgrade/replace PLC.	175
RENOVATE INSTITUTION: Update IP cameras.	1,864
Greene County	
State Correctional Institution at Greene	
RENOVATE INSTITUTION: Wall repairs.	22
RENOVATE INSTITUTION: Renovate switchgear & generators and electrical upgrades.	574
RENOVATE INSTITUTION: Upgrade central utility plant.	80
Huntingdon County	
State Correctional Institution at Huntingdon	
RENOVATE INSTITUTION: Replace condensate.	1,687
RENOVATE INSTITUTION: Replacement of the high voltage lines & generators.	540
Indiana County	
State Correctional Institution at Pine Grove	
RENOVATE INSTITUTION: Replace control room and upgrade camera system.	706
Lancaster County	
Elizabethtown Training Academy	
RENOVATE INSTITUTION: Construction of boiler plant renovations.	25
RENOVATE INSTITUTION: Construction of HVAC renovations.	5
RENOVATE INSTITUTION: Construction of water line renovations.	6

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)	Total Project Cost
Lycoming County	
State Correctional Institution at Muncy	
RENOVATE INSTITUTION: Replace existing sewer lines.	$ 19
RENOVATE INSTITUTION: New treatment plant.	31
RENOVATE INSTITUTION: Construct new intake/admin area and renovate inmate dining.	1,432
RENOVATE INSTITUTION: Expand parking and re-pave roads & lots.	90
Montgomery County	
State Correctional Institution at Graterford	
RENOVATE INSTITUTION: Repairs to access road.	26
State Correctional Institution Phoenix	
RENOVATE INSTITUTION: PIDS upgrade to Micronet II.	2,250
RENOVATE INSTITUTION: Construct four residential single-story homes.	225
Northumberland County	
State Correctional Institution at Coal Township	
RENOVATE INSTITUTION: Expansion loops and support reinforcing for pipes.	168
Schuylkill County	
State Correctional Institution at Frackville	
RENOVATE INSTITUTION: Roof replacement.	8
RENOVATE INSTITUTION: Upgrade main electrical switchgear.	375
RENOVATE INSTITUTION: Air conditioning of housing units.	414
RENOVATE INSTITUTION: Camera system upgrade.	127
State Correctional Institution at Mahanoy	
RENOVATE INSTITUTION: Replacement of rubber roofs on various buildings.	2,801
RENOVATE INSTITUTION: Expansion of parking and repaving of roads and parking lots.	10
RENOVATE INSTITUTION: Electrical upgrades and repairs/renovations to switchgear & generators.	562
Somerset County	
State Correctional Institution at Somerset	
RENOVATE INSTITUTION: Renovate boiler plant.	118
RENOVATE INSTITUTION: Install new water pump.	18
RENOVATE INSTITUTION: Renovate distribution switchgear.	14
RENOVATE INSTITUTION: Replace roof-top units.	27
RENOVATE INSTITUTION: Replace door controls, proximity card system, & digital management system panels.	24
Wayne County	
State Correctional Institution at Waymart	
RENOVATE INSTITUTION: Storm and sewer line separation.	354
RENOVATE INSTITUTION: Replace steam lines and traps.	1,914
RENOVATE INSTITUTION: Air condition three housing units.	2,250
PROGRAM TOTAL	$ 40,015

DEPARTMENT OF EDUCATION

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost
2022-23 PUBLIC IMPROVEMENT PROJECTS	
Higher Education - State-Related Universities	$ 105,000
Higher Education - State System of Higher Education	83,710
Educational Support Services	0
TOTAL	$ 188,710
SOURCE OF FUNDS	
General Obligation Bond Issues	
Capital Facilities Fund - Buildings and Structures	$ 188,710
Capital Facilities Fund - Furniture and Equipment	0
Subtotal General Obligation Bond Issues	$ 188,710
TOTAL	$ 188,710

Department of Education 2022-23 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
Allegheny County	
University of Pittsburgh	
CONSTRUCTION FUNDING: Provide funding for renovations of One Bigelow.	$ 20,000
Centre County	
Pennsylvania State University	
CONSTRUCTION FUNDING: Provide funding for construction of capital renewal phase VIII, University Park.	10,000
CONSTRUCTION FUNDING: Provide funding for liberal arts research and teaching building, University Park.	30,000
Chester County	
Lincoln University	
CONSTRUCTION FUNDING: Provide funding for renovations to Vail Hall.	842
CONSTRUCTION FUNDING: Provide funding for renovations to Cresson Hall.	1,196
DESIGN & CONSTRUCTION FUNDING: Provide funding for renovations Manuel Rivero (Hall) gymnasium.	7,962
Lancaster County	
Thaddeus Stevens College of Technology	
CONSTRUCTION FUNDING: Provide funding for a community learning center.	850
CONSTRUCTION FUNDING: Provide funding for a Leonard/dormitory.	391
CONSTRUCTION FUNDING: Provide funding for a new multi-purpose dormitory building.	9,948
DESIGN, CONSTRUCTION & CLOSE-OUT FUNDING: Provide funding for roof replacements.	3,496
DESIGN FUNDING: Provide funding for dormitories (main campus)- renovations, infrastructure upgrades.	150
DESIGN FUNDING: Provide funding for Snyder Building- renovations, infrastructure upgrades, & site improvements.	165
Philadelphia County	
Temple University	
CONSTRUCTION FUNDING: Provide funding for new science, technology, engineering and mathematics (STEM) academic building.	20,000
PROGRAM TOTAL	$ 105,000

Department of Education 2022-23 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
Berks County	
Kutztown University	
CONSTRUCTION FUNDING: Provide funding for Poplar House renovation/addition.	$ 5,850
Butler County	
Slippery Rock University	
CONSTRUCTION & CLOSE-OUT FUNDING: Provide funding for the Student Success Center renovation.	453
DESIGN FUNDING: Provide funding for upgrades to electrical infrastructure.	1,260
Chester County	
West Chester University	
DESIGN & CONSTRUCTION FUNDING: Provide funding for the Sturzebecker Health Science Center addition.	7,230
Clarion County	
Clarion University	
CONSTRUCTION & CLOSE-OUT FUNDING: Provide funding for facility space renovation, consolidate and demolition.	2,719
Clinton County	
Lock Haven University	
CLOSE OUT FUNDING: Provide funding for demolition of underutilized and obsolete buildings.	37
DESIGN FUNDING: Provide funding for the Robinson Learning Center.	600
Columbia County	
CONSTRUCTION FUNDING: Provide funding for McCormick Center renovation.	2,241
Cumberland County	
Shippensburg University	
DESIGN & CONSTRUCTION FUNDING: Provide funding for Franklin Science Center renovation.	26,216
Delaware County	
Cheney University	
CONSTRUCTION & CLOSE-OUT FUNDING: Provide funding for completion of project 403-83 Phase 1, Browne Hall renovation.	176
CONSTRUCTION FUNDING: Provide funding for Cope Hall renovation/addition.	3,447
CONSTRUCTION FUNDING: Provide funding for project 403-85 phase2, deferred maintenance and repairs.	2,210
Erie County	
Edinboro University	
CONSTRUCTION & CLOSE-OUT FUNDING: Provide funding for BF library addition and renovation.	2,005
CLOSE-OUT Funding: Provide funding for 407-75 phase1, demolition of underutilized and obsolete buildings.	120
Indiana County	
Indiana University	
CLOSE-OUT FUNDING: Provide funding for project 407-73 Phase 1, Weyandt/Walsh Hall renovation or replacement.	203
CLOSE-OUT FUNDING: Provide funding for 407-75 phase1, demolition of underutilized and obsolete buildings.	1,459
CONSTRUCTION FUNDING: Provide funding for chilled water plant expansion.	4,441
DESIGN FUNDING: Provide funding for upgrades to campus utility infrastructure.	630
Lancaster County	
Millersville University	
DESIGN FUNDING: Provide funding for Brooks Hall Business School.	2,159
Monroe County	
East Stroudsburg University	
CONSTRUCTION FUNDING: Provide funding for project 405-58 Phase 1, information commons construction.	3,016
Tioga County	
Mansfield University	
DESIGN FUNDING: Provide funding for upgrades to campus utility infrastructure.	930
Washington County	
California University of Pennsylvania	
CLOSE-OUT FUNDING: Provide funding for 402-63 phase1, demolition of underutilized and obsolete buildings.	55
DESIGN & CONSTRUCTION FUNDING: Provide funding for science building.	16,073
DESIGN FUNDING: Provide funding for upgrades to boiler plant.	180
PROGRAM TOTAL	$ 83,710

DEPARTMENT OF ENVIRONMENTAL PROTECTION

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost
2022-23 PUBLIC IMPROVEMENT PROJECTS	
Environmental Protection and Management	$ 18,350
TOTAL	$ 18,350
SOURCE OF FUNDS	
General Obligation Bond Issues	
Capital Facilities Fund - Buildings and Structures	$ 18,350
TOTAL	$ 18,350

Department of Environmental Protection 2022-23 Projects

PUBLIC IMPROVEMENT PROJECTS

FROM CAPITAL FACILITIES BOND FUNDS

Program: Environmental Protection and Management

This section provides a brief description of each recommended project, its location, and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

(Dollar Amounts in Thousands)	Total Project Cost
Allegheny County	
Pitcairn Flood Control	
CONSTRUCTION & CLOSE-OUT FUNDING: Provide funding for project 184-33, concrete channel protection.	$ 203
Butler County	
Butler 1	
CLOSE-OUT FUNDING: Provide funds for project 183-21 Phase 1, Sullivan Run flood protection.	12
Cambria County	
N.B. Little Conemaugh River	
CONSTRUCTION FUNDING: Provide construction funds for project 183-23. Wilmore flood protection.	2,795
Little Conemaugh AMD Treatment Facility	
CONSTRUCTION FUNDING: Provide funding for construction of treatment plant.	7,177
Lackawanna County	
Blakely Flood Protection	
CONSTRUCTION FUNDING: Provide funding for project 181-27, rehabilitation for flood protection at Hull Creek.	857
Rushbrook Creek Weisner Hollow Slurry Dam Reclamation	
CONSTRUCTION FUNDING: Provide funding for project 181-21, flood control.	209
Luzerne County	
Ashley Borough	
CONSTRUCTION FUNDING: Provide funding for project 181-20, flood protection at Sulfur Run.	298
Duryea 2 – Lackawanna River	
CONSTRUCTION FUNDING: Provide funding for project 181-22 rehabilitation of flood protection.	60
Northumberland County	
Butternut Creek	
CONSTRUCTION FUNDING: Provide funding for project 182-19, flood control.	3,402
Warren County	
Glade Run	
CONSTRUCTION FUNDING: Provide construction funds for project 183-14 ph2, flood protection.	3,011
Westmoreland County	
Jeannette 2	
CONSTRUCTION FUNDING: Provide construction funds for project 182-07 Phase 2, Brush Creek flood control.	326
PROGRAM TOTAL	$ 18,350

DEPARTMENT OF GENERAL SERVICES

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost
2022-23 PUBLIC IMPROVEMENT PROJECTS	
Facility, Property and Commodity Management	$ 24,635
TOTAL	$ 24,635
SOURCE OF FUNDS	
General Obligation Bond Issues	
Capital Facilities Fund - Buildings and Structures	$ 24,635
Capital Facilities Fund - Furniture and Equipment	0
TOTAL	$ 24,635

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)	Total Project Cost
Dauphin County	
Arsenal Building	
DESIGN & CONSTRUCTION FUNDING: Provide funding for elevator upgrades.	$ 142
Capitol Complex – Central Plant	
PROJECT CLOSE-OUT FUNDING: Provide funding for steam tunnel repairs.	25
CONSTRUCTION FUNDING: Provide funding for renovations, chiller system replacement and electrical system upgrades.	7,114
Capitol Complex	
CONSTRUCTION FUNDING: Provide funding for automation system upgrades.	3,200
Capitol Complex - East Wing	
CONSTRUCTION FUNDING: Provide funding for escalator repair/replacement.	149
DESIGN AND CONSTRUCTION FUNDING: Provide funding for replacement of diffusers & cafeteria upgrades.	1,635
Capitol Complex - East Wing/Capital Core	
CONSTRUCTION FUNDING: Provide funding for water Infiltration project.	2,000
Forum Building	
PROJECT CLOSE-OUT FUNDING: Provide funding for project 948-82 Phase 1, elevators.	59
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 948-82, Phase 1, Improvements to the Forum Building.	834
Irvis Building	
PROJECT CLOSE-OUT FUNDING: Provide funding for renovations and elevators upgrades.	83
Finance Building	
DESIGN & CONSTRUCTION FUNDING: Provide funding for elevator renovations.	1,796
Health & Welfare	
CONSTRUCTION FUNDING: Provide funding for window replacement.	720
Keystone Building	
DESIGN FUNDING: Provide funding for updates to automation system.	682
L&I and H&W	
CONSTRUCTION FUNDING: Provide funding for caulking exteriors.	2,880
Museum	
DESIGN FUNDING: Provide funding for paver repair/replacement.	2,100
Rachel Carson State Office Building	
DESIGN FUNDING: Provide funding to replace diffusers.	625
State Street Bridge	
CONSTRUCTION FUNDING: Provide funding for upgrades.	591
PROGRAM TOTAL	$ 24,635

HISTORICAL AND MUSEUM COMMISSION

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost
2022-23 PUBLIC IMPROVEMENT PROJECTS	
State Historic Preservation.....	$ 14,470
TOTAL	$ 14,470
SOURCE OF FUNDS	
General Obligation Bond Issues	
Capital Facilities Fund - Buildings and Structures……	$ 14,470
TOTAL	$ 14,470

Historical and Museum Commission 2022-23 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)	Total Project Cost
Berks County	
Daniel Boone Homestead	
CONSTRUCTION FUNDING: infrastructure, building and site improvements.	$ 3,375
Conrad Weiser Homestead	
CLOSE-OUT FUNDING: Building and infrastructure renovations and demolition of non-historic structures.	30
Centre County	
Military Museum	
PROJECT CONSTRUCTION & CLOSE-OUT FUNDING: Provide funding for project 977-9 Phase 1, for upgrades to infrastructure, sewage system, HVAC, geothermal system, and energy saving equipment.	549
Dauphin County	
State Museum of PA	
CONSTRUCTION FUNDING: Infrastructure upgrades and renovations.	6,544
Lancaster County	
Landis Valley	
CONSTRUCTION FUNDING: Infrastructure upgrades.	2,332
Lackawana County	
Scranton Cultural Center	
DESIGN & CONSTRUCTION FUNDING: Renovations.	1,570
Somerset County	
Somerset Historical Center	
DESIGN FUNDING: Upgrade infrastructure - sewage, HVAC, geothermal, & energy saving equipment.	80
PROGRAM TOTAL	$ 14,470

DEPARTMENT OF HUMAN SERVICES

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost
2022-23 PUBLIC IMPROVEMENT PROJECTS	
Human Services.....	$ 38,960
TOTAL	$ 38,960
SOURCE OF FUNDS	
General Obligation Bond Issues	
Capital Facilities Fund – Buildings and Structures……..	$ 38,960
Capital Facilities Fund – Furniture and Equipment……	0
TOTAL	$ 38,960

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
Berks County	
Wernersville State Hospital	
CLOSE-OUT FUNDING: Provide funding for elevator upgrades.	$ 18
DESIGN & CONSTRUCTION FUNDING: Provide funding for electrical system upgrades.	1,749
Cambria County	
Ebensburg Center	
DESIGN FUNDING: Provide funding for HVAC, sprinkler, electrical, and misc. improvements.	545
Franklin County	
South Mountain Restoration Center & Secure Treatment Unit	
CONSTRUCTION & CLOSE-OUT FUNDING: Provide funding for electrical upgrades.	135
Montgomery County	
Norristown State Hospital	
DESIGN AND CONSTRUCTION FUNDING: Provide funding for New Forensic Building.	31,486
Montour County	
North Central Secure Treatment Unit	
DESIGN AND CONSTRUCTION FUNDING: Provide funding for HVAC upgrades at Reed & Green buildings.	4,716
Perry County	
Loysville Youth Development Center	
CONSTRUCTION FUNDING: Provide funding window replacement.	42
Warren County	
Warren State Hospital	
CONSTRUCTION & CLOSE-OUT FUNDING: Provide funding for boiler replacement.	212
CONSTRUCTION & CLOSE-OUT FUNDING: Provide funding for steam condensate and hot water line replacement.	30
Westmoreland County	
Torrance State Hospital	
CLOSE-OUT FUNDING: Provide funding for Wastewater Treatment Plant.	27
PROGRAM TOTAL	$ 38,960

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost	
2022-23 PUBLIC IMPROVEMENT PROJECTS		
State Military Readiness	$	31,765
Veterans Homes		9,884
TOTAL	$	41,649
SOURCE OF FUNDS		
General Obligation Bond Issues		
Capital Facilities Fund - Buildings and Structures	$	35,671
Other Revenues		
Federal Funds*		5,978
TOTAL	$	41,649

* VA Federal reimbursement $4.204 million will be reimbursed to the State once projects are completed

Department of Military and Veterans Affairs 2022-23 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
Adams County		
Gettysburg Readiness Center		
REHABILITATE READINESS CENTER: Design funds for rehabilitation for the readiness center.	State	$ 135
	Fed.	0
Chester County		
Spring City Readiness Center		
REHABILITATE READINESS CENTER: Construction funds for the rehabilitation of the readiness center.	State	77
	Fed.	500
Clearfield County		
Clearfield Readiness Center		
NEW CENTER: Construction funds for the construction of a new facility.	State	753
	Fed.	0
Cumberland County		
Carlisle Readiness Center		
REHABILITATE READINESS CENTER: Design funds for the rehabilitation of the readiness center.	State	1,000
	Fed.	0
Lebanon County		
FTIG Readiness Center		
NEW YOUTH CHALLENGE BUILDING: Close-out funds for multi-purpose building.	State	66
	Fed.	0
EAST APC AND SECURITY FENCING: Construction funds for perimeter security.	State	4,796
	Fed.	0
NEW AUDITORIUM: Construction funds for new auditorium.	State	4,585
	Fed.	0
LAND ACQUISITION: Funding for land purchases.	State	162
	Fed.	0
Luzerne County		
Wilkes-Barre Readiness Center		
REHABILITATE READINESS CENTER: Construction funds for the rehabilitation of the readiness center.	State	6,185
	Fed.	0
Montgomery County		
Plymouth Meeting Readiness Center		
REHABILITATE READINESS CENTER: Construction funds for the rehabilitation of the readiness center.	State	5,615
	Fed.	1,000
Horsham Readiness Center		
REHABILITATE READINESS CENTER: Construction funds for the rehabilitation of the readiness center.	State	2,491
	Fed.	0
Union County		
Danville Field Maintenance Building		
NEW FACILITY: Design & Construction funds for the construction of a new maintenance building.	State	3,000
	Fed.	1,400
TOTAL STATE		28,865
TOTAL FEDERAL		2,900
PROGRAM TOTAL		$ 31,765

Department of Military and Veterans Affairs 2022-23 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
Blair County		
Hollidaysburg Veterans Home		
VETERANS HOME: Construction funds for expansion of dietary department.	State	$ 1.581
	Fed.	0
VETERANS HOME: Construction funds for new community living center.	State	4,195
	Fed.	2,727
Erie County		
Pennsylvania Soldiers and Sailors Home		
VETERANS HOME: Construction funds for renovations and general repairs to the veterans home.	State	47
	Fed.	31
Lebanon County		
Fort Indiantown Gap		
PA VETERANS MEMORIAL: Design & Construction funds for the veterans memorial.	State	490
	Fed.	0
Delaware Valley Veterans Home		
VETERANS HOME: Design & Construction funds for renovations and chiller replacement.	State	493
	Fed.	320
TOTAL STATE		6,806
TOTAL FEDERAL		3,078
PROGRAM TOTAL		$ 9,884

STATE POLICE

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost
2022-23 PUBLIC IMPROVEMENT PROJECTS	
Public Protection and Law Enforcement	$ 56,987
TOTAL	$ 56,987
SOURCE OF FUNDS	
General Obligation Bond Issues	
Capital Facilities Fund – Buildings and Structures	$ 56,987
Capital Facilities Fund – Furniture and Equipment	0
TOTAL	$ 56,987

State Police 2022-23 Projects

PUBLIC IMPROVEMENT PROJECTS
FROM CAPITAL FACILITIES BOND FUNDS
Program: Public Protection and Law Enforcement

This section provides a brief description of each recommended project, its location, and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

(Dollar Amounts in Thousands)	Total Project Cost
Dauphin County	
BESO HQ	
Construction Funding: Provide funding, new Bureau of Emergency and Special Operations facility.	$ 5,946
Training Academy	
CONSTRUCTION FUNDING: Provide funding for 211-05, modernization of training academy.	50,880
Erie County	
Erie Headquarters	
CLOSE-OUT FUNDING: Provide funding for project 218-3 Phase 1, new headquarters building.	161
PROGRAM TOTAL	$ 56,987

DEPARTMENT OF TRANSPORTATION

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost	
2022-23 PUBLIC IMPROVEMENT PROJECTS		
State Highway, Bridge, & Administration Construction/Reconstruction	$	552,500
HIGHWAY AND BRIDGE PROJECTS		
State Highway and Bridge Maintenance		110,979
TRANSPORTATION ASSISTANCE PROJECTS		
Mass Transportation*		175,000
TOTAL	$	838,479

* Request is $1,039,000,000 but the annual allocation is capped at $175 million per year.

SOURCE OF FUNDS

General Obligation Bond Issues		
Capital Facilities Fund - Public Improvement Projects	$	28,461
Capital Facilities Fund - Furniture and Equipment		0
Capital Facilities Fund - Transportation Assistance		175,000
Subtotal	$	203,461
Current Revenues		
Motor License Fund	$	663,479
Federal Funds		0
Local Funds		0
Subtotal	$	663,479
TOTAL	$	866,940

Department of Transportation 2022-23 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
Allegheny County	
Maintenance Facility	
Salt Storage Building, High Capacity Construct New: This project will provide for the construction of one (1) high capacity salt storage buildings.	$ 2,500
This project will provide for the new construction of a maintenance office and garage, combining the Beaver County, Allegheny County, and the Allegheny County Fort Pitt Tunnel garage facilities into one (1) maintenance office and garage facility including auxiliary support buildings. The project may include: site acquisition and land development, design and construction of buildings, and utility work.	50,000
Fleet Management	
New construction, renovations, expansion & alterations to existing Western training facility, including site acquisition and development, design, construction, and utility work.	5,000
Clarion County	
Weigh Station	
Vehicle Weigh Station Renovation and Expansion: This project will provide for the renovation and expansion of the vehicle weigh station at the County Maintenance Garage.	5,000
Elk County	
Winter Material Storage Building	
General Storage Building Construct New, Upgrade or Replace: This project will provide for the construction or renovation of four (4) general storage buildings.	6,000
Montour County	
Maintenance Facility	
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.	16,000
Elk, Luzerne, Tioga, and Washington Counties	
Winter Material Storage Building	
Salt Storage Building, High Capacity Construct New: This project will provide for the construction of one (1) high capacity salt storage buildings. $2.5 million each.	10,000
All counties except: Adams, Allegheny, Armstrong, Beaver, Berks, Cambria, Cameron, Carbon, Centre, Chester, Crawford, Dauphin, Delaware, Elk, Erie, Fayette, Greene, Jefferson, Juniata, Lancaster, Luzerne, Montour, Philadelphia, Washington, and Westmoreland.	
Stockpile Development	
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.	294,000
ALL 67 COUNTIES	
County Maintenance Facility	
Salt Brine Manufacturing and Containment Building Structures to include new construction, renovations, expansion, and alterations to existing facility, including site acquisition & development, design, construction & utility work. $2 million each.	134,000
Welcome Center	
Renovate, Expand, Replace, Upgrade a Universal Family Assist ADA Restroom to include Adult Changing Stations and Sensory Perception amenities at 12 Welcome Centers Statewide.	10,000
Safety Roadside Rest Areas	
Renovate, Expand, Replace, Upgrade a Universal Family Assist ADA Restroom to include Adult Changing Stations and Sensory Perception amenities at 35 Safety Roadside Rest Areas.	20,000
PROGRAM TOTAL	$ 552,500

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
Armstrong County	
Highway Projects	
Slide repairs on SR 2029 (Logansport Road) in Bethel Township.	$ 1,095
Blair County	
Highway Projects	
Installation and replacement of recessed pavement markers on various state routes in Blair County.	400
Butler County	
Highway Projects	
This project will relocate and expand the existing park-and-ride facility at the intersection of State Route 356 (South Pike Road) and State Route 2017 (Silverville Road) in Buffalo Township. The facility will be relocated from the current location west of SR 2017 to an adjacent location east of SR 2017. The new location will approximately double the capacity of the existing facility (50 spaces to ~100 spaces) and will provide safer access to the State Route. The facility will also be designed to accommodate buses to allow for potential future transit service.	320
Clarion County	
Highway Projects	
Resurfacing of PA 66 from SR 4015 (Fryburg Road) to a point 0.44 miles north of SR 1013 (Sawmill Road) in Farmington and Knox Townships.	2,556
Resurfacing of SR 338 from SR 58 (Alum Rock Road) to east of SR 4005 (Tippecanoe Road) in Richland and Beaver Townships. Work to include binder overlay, minor drainage, guide rail, back up, and other miscellaneous construction.	547
Cumberland County	
Highway Projects	
Resurfacing of I-81 from PA 581 to the Wade Bridge in Hampden and East Pennsboro Townships.	2,285
Delaware County	
Highway Projects	
Roadway widening and reconstruction from Chelsea Parkway to Market S. Interchange in Upper Chichester Township.	16,000
Erie County	
Highway Projects	
Restoration of US 20 (Ridge Road/Main Street) from Chestnut Street to the Imperial Parkway in the Borough of Girard and Girard Township.	480
Fayette County	
Highway Projects	
District wide slide repairs.	4,404
Replacement/installation of reflective pavement markers throughout the district.	530
Fulton County	
Highway Projects	
Pavement resurfacing, including drainage and guiderail upgrades as necessary on Cito Road (SR 1001) from US 522 to Union Church Road (SR 1002) in Ayr Township, Fulton County.	2,003
Greene County	
Highway Projects	
Betterment improvements to US 19 (Greene Street) and PA 21 (High Street) in the city of Waynesburg. Proposed improvements include highway reconstruction, sidewalk improvements, pavement markings, drainage improvements. Project limits are from Roy E. Furman Highway to Morris Street WB, and from High Street to Roy E. Furman Highway EB.	12,500
Lackawanna County	
Highway Projects	
Roadway improvements on State Route 632 (Carbondale Road) between Wemberly Hills Road and Life Sciences Drive, Scott Township.	4,439
Northampton County	
Highway Projects	
I-78 -Engineering study for substructure conditions in Lower Saucon Township.	693

PUBLIC IMPROVEMENT PROJECTS

FROM MOTOR LICENSE FUNDS

Program: State Highway and Bridge Maintenance – Highway, continued

This section provides a brief description of each recommended project, its location, and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.

(Dollar Amounts in Thousands)	Total Project Cost
Philadelphia County	
Highway Projects	
Pavement preservation and guiderail upgrades on Schuylkill Expressway from Route 1 to I-676 (Vine St. Expressway).	$ 4,117
Pike County	
Highway Projects	
Resurfacing on SR 84 from the New York/Pennsylvania Border to SR 6 (G.A.R. Highway) and on SR 8010 (Ramp G/H Road) and SR 8012 (Ramp D Road) in Dingman, Milford and Westfall Townships, and Matamoras Borough.	1,590
Sullivan County	
Highway Projects	
Microsurfacing of SR 87 to Bradford County Line, Cherry Township and Dushore Borough.	350
TOTAL STATE FUNDS	$ 54,309
TOTAL FEDERAL FUNDS	0
TOTAL LOCAL FUNDS	0
PROGRAM TOTAL	$ 54,309

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
Berks County	
Bridge Project	
Repair and preservation of various bridges in various municipalities.	$ 3,300
Bucks County	
Bridge Project	
Replacement of four bridges in Richland, Haycock, and Upper Hanover Townships.	4,718
Cambria County	
Bridge Project	
SR 271 over Dalton Run, SR 271 over O'Connor Run - Box culvert joint repairs in Upper Yoder Township.	867
Elk County	
Bridge Project	
Sara Road over Trib to Iron Run - Box culvert bridge replacement; City of St. Marys.	600
Greene County	
Bridge Project	
Replacement of the structure carrying SR 4029 (W&W Railroad Road) over Dillie Run in Washington Township.	307
Luzerne County	
Bridge Project	
Bridge rehabilitation/replacement on Interstate 80 Eastbound, Westbound over State Route 93, in Sugarloaf Township.	2,166
Bridge replacement on State Route 2007 (East Northampton Street) over Branch Spring Creek in the City of Wilkes Barre.	429
Roadway improvements evaluation reconstruction/widening, realignment, bridge replacements/widening and interchange intersection reconfigurations on I-81 between Rice and Plains Twp, Hanover Township, Ashley Borough, and Wilkes Barre Township.	34,209
Replacement/Rehabilitation on I-81 (American Legion Memorial Highway) over West Foothills Road, Butler Township.	681
Montgomery County	
Bridge Project	
This project is the combined replacement of Montgomery County Bridge #0 and PA Turnpike Bridge DB-116. County Bridge #0 carries Ridge Pike over Norfolk Southern and is 200 feet east of PA Turnpike Bridge DB-116, which carries Ridge Pike over the I-276/Pa Turnpike. Both structures flank the Eastbound On and Eastbound Off Ramps of the future Lafayette Street Interchange, and are structurally deficient (SD).	8,336
Potter County	
Bridge Project	
Bridge improvements/restoration of SR 244 over Tyler Hollow Run in Oswayo Township.	702
Sullivan County	
Bridge Project	
Post flood survey of the intersection of SR 4010 (Hoppestown Road) and SR 87 in Hillsgrove Township.	355
TOTAL STATE FUNDS	$ 56,670
TOTAL FEDERAL FUNDS	0
TOTAL LOCAL FUNDS	0
PROGRAM TOTAL	$ 56,670

TRANSPORTATION ASSISTANCE PROJECTS

FROM CAPITAL FACILITIES BOND FUNDS

Program: Mass Transit

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
Allegheny County	
Port Authority of Allegheny County	
New Operating Facility - Based upon PAAC's NEXTransit plan - Before any of the overall NEXTransit projects can happen, Port Authority needs to expand its existing vehicle storage and maintenance capabilities. First, current facilities cannot accommodate further expansion of Port Authority's bus fleet, so adding significant service frequency to the existing network is not possible without garage capacity expansion, light rail equipment storage expansion, and non-revenue vehicle maintenance expansion. Next, light rail equipment storage and non-revenue vehicle maintenance expansion are general system needs that must be addressed before significant expansion can occur in the system.	$ 220,000
New Light Rail Vehicles - Purchase 75-80 Light Rail Vehicles	310,000
Transit Centers - Based upon PAAC's NEXTransit plan Port Authority is already preparing to begin a study of the Central Business District's bus network in partnership with the Pittsburgh Downtown Partnership - this study will include at least one network option which incorporates a larger transit hub into the Downtown core. While a location has not yet been selected, NEXTransit offers some basic criteria for discussion purposes that will help to advance public review and selection of alternatives (and the requirements that will be used to create the alternatives). Downtown is the center of Port Authority's transit network, and while NEXTransit presents several options for future connectivity that aim to create better neighborhood-to-neighborhood connections that don't require riders to pass through or connect Downtown if it's not on their way. The core rapid transit network currently terminates routes in or near Downtown, but in the future, through routing across the County from east to west or north to south Downtown as a central hub may be feasible. It is already possible based on where busways and light rail assets are located, but a transit hub that can provide flexible connections is necessary to not only make these connections comfortable and consistent, but also easy to understand.	66,000
McKnight Road Transit Upgrades - Based upon PAAC's NEXTransit plan - Throughout the McKnight Road corridor, enhanced bus service can streamline travel times and reduce delays. Improvements may include traffic signals that give buses priority, lanes that allow buses to jump the queue to or through stations, and upgraded stations. Street design upgrades to McKnight Road will increase safety and connectivity for visitors and employees of local businesses with continuous sidewalks, which also makes for a more inviting and walkable environment.	60,000
Bucks, Chester, Delaware, Montgomery, and Philadelphia	
Southeastern Pennsylvania Transportation Authority (SEPTA)	
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.	9,000
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.	45,000
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.	50,000
System Improvements Program	
To provide state funds to improve transit service in Southeastern Pennsylvania.	45,000
TOTAL STATE FUNDS	$ 1,039,000
PROGRAM TOTAL	$ 1,039,000

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) 2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Agriculture PUBLIC IMPROVEMENT PROJECTS: Provides for improvements at the Farm Show Complex and the laboratory.	$ 29,895	$ 8,992	$ 18,770	$ 20,965	$ 21,053
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.	13,997	15,591	15,291	18,935	20,772
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.	97,303	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.	5,618	15,000	15,000	15,000	15,000
Corrections PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of administrative, industrial, educational and housing facilities, and utilities at the state-owned correctional institutions. Also may include original furniture and equipment authorizations.	40,015	39,741	39,926	36,711	37,526
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.	188,710	173,000	165,287	164,190	257,000
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.	18,350	20,807	23,590	22,734	23,866
General Services PUBLIC IMPROVEMENT PROJECTS: Provides for the construction, renovation and improvements to state office buildings and facilities.	24,635	32,056	32,542	36,656	38,808
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.	14,470	6,956	14,093	14,786	15,404

FORECAST OF FUTURE PROJECTS

(Dollar Amounts in Thousands)

	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 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.	$ 38,960	$ 33,288	$ 52,128	$ 55,516	$ 55,280
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.	35,671	33,526	31,482	32,330	32,049
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.	56,987	81,878	25,079	25,544	25,132
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.	28,461	25,353	30,836	30,380	30,435
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.	2,947,800	2,973,200	3,002,600	3,022,500	3,059,200
CAPITAL FACILITIES BOND FUNDS					
Total — Public Improvement Program	$ 490,151	$ 471,188	$ 449,024	$ 458,747	$ 557,325
Total — Transportation Assistance Program	175,000	175,000	175,000	175,000	175,000
SUBTOTAL— CAPITAL FACILITIES BOND FUNDS	$ 665,151	$ 646,188	$ 624,024	$ 633,747	$ 732,325
FROM CURRENT REVENUES					
CURRENT REVENUES					
Total – Public Improvement Program	$ 102,921	$ 35,000	$ 35,000	$ 35,000	$ 35,000
Total – Highway Program	2,947,800	2,973,200	3,002,600	3,022,500	3,059,200
SUBTOTAL – CURRENT REVENUES	$ 3,050,721	$ 3,008,200	$ 3,037,600	$ 3,057,500	$ 3,094,200
TOTAL – ALL PROGRAMS	$ 3,715,872	$ 3,654,388	$ 3,661,624	$ 3,691,247	$ 3,826,525

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.

DEBT AUTHORIZED, ISSUED, AND OUTSTANDING

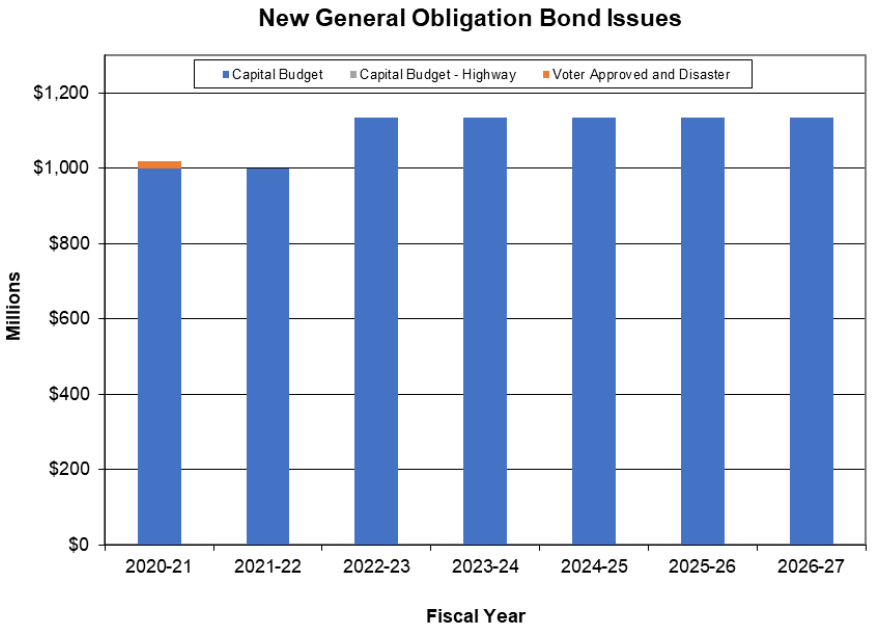
The following statement reflects the debt of the commonwealth as of December 31, 2021. Issues for which all authorized debt has been previously issued and for which said debt has been completely redeemed are not included. The constitution permits capital budget debt to be issued without voter approval but subject to a debt limit. Except for debt issued for disaster recovery purposes, all other debt requires voter approval.

(Dollar Amounts in Thousands)

Debt Subject to Constitutional Limit	Total Debt Authorized	Total Original Debt Issued	Debt Outstanding
Capital Budget	$ 182,354,974	$ 28,405,955	$ 6,242,964
Capital Budget Refunding Bonds Outstanding	N/A	N/A	3,407,285
Less: Capital Debt Fund Balance	N/A	N/A	(5)
Subtotal	$ 182,354,974	$ 28,405,955	$ 9,650,244
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	45,000
PENNVEST- 2008 Referendum	400,000	400,000	43,590
Local Criminal Justice	200,000	197,000	-
Nursing Home Loans	100,000	69,000	-
Water Supply and Wastewater Infrastructure	250,000	250,000	24,995
Growing Greener	625,000	625,000	113,022
Persian Gulf Conflict Veterans' Compensation	20,000	7,000	-
Refunding Bonds Outstanding	N/A	N/A	603,660
Less: Non-capital Sinking Fund Balances	N/A	N/A	(11,370)
Subtotal	$ 3,702,708	$ 3,455,000	$ 818,897
TOTAL	$ 186,057,682	$ 31,860,955	$ 10,469,141

GENERAL OBLIGATION BOND ISSUES 2020-21 THROUGH 2026-27

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.

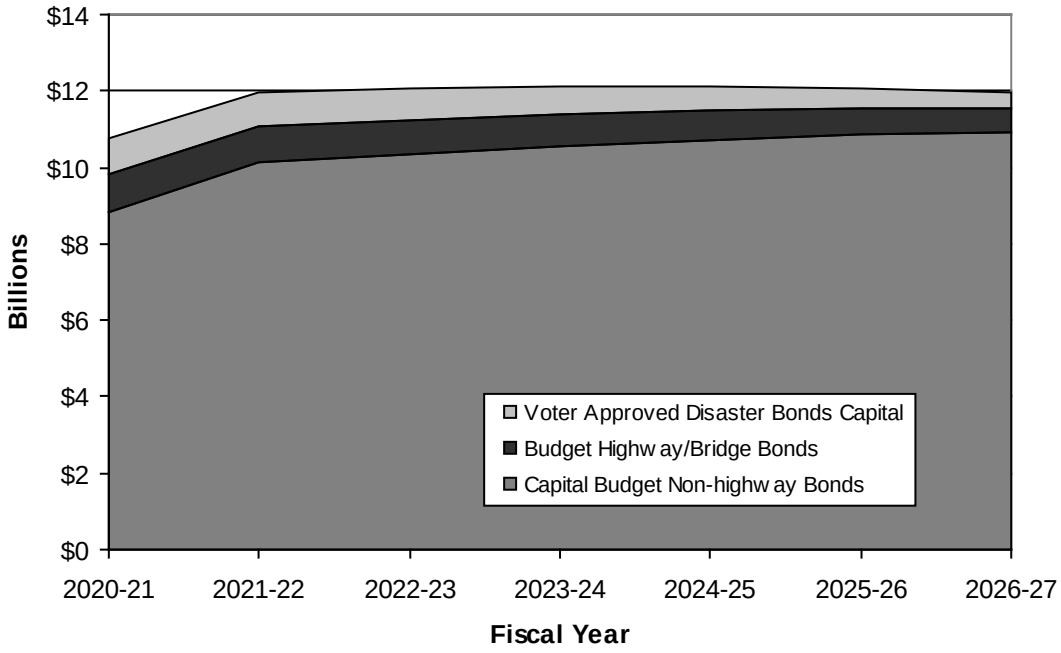


(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Estimated	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
General Obligation Bond Issues							
Capital Budget							
Buildings and Structures	$ 550,000	$ 550,000	$ 600,000	$ 600,000	$ 600,000	$ 600,000	$ 600,000
Flood Control	-	-	-	-	-	-	-
Furnishings and Equipment	-	-	10,000	10,000	10,000	10,000	10,000
Redevelopment Assistance	275,000	275,000	350,000	350,000	350,000	350,000	350,000
Transportation Assistance	175,000	175,000	175,000	175,000	175,000	175,000	175,000
Bridge Projects						-	-
Subtotal	$1,000,000	$1,000,000	$1,135,000	$1,135,000	$1,135,000	$1,135,000	$1,135,000
Voter Approved and Disaster							
PENNVEST -- 1988, 1992, & 2008 Ref	$ 19,600	$	$	$ -	$ -	$ -	$ -
Water and Wastewater Referendum	-	-	-	-	-	-	-
Growing Greener Referendum	-	-	-	-	-	-	-
Subtotal	$ 19,600	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$1,019,600	$1,000,000	$1,135,000	$1,135,000	$1,135,000	$1,135,000	$1,135,000

GENERAL OBLIGATION DEBT OUTSTANDING 2020-21 THROUGH 2026-27

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)].

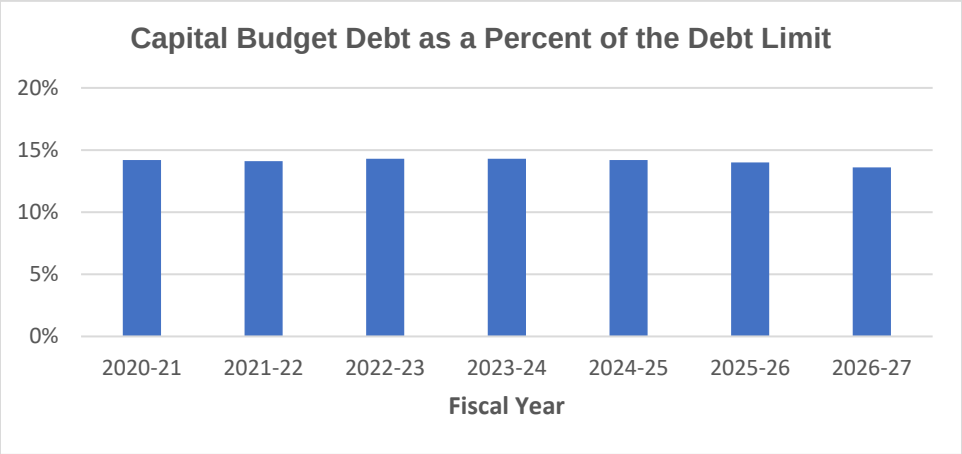


(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Estimated	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Debt Outstanding							
Capital Budget Non-Highway Bonds.....	$ 9,123,583	$ 9,392,684	$ 9,764,798	$ 10,077,579	$ 10,366,329	$ 10,562,245	$ 10,723,624
Capital Budget Highway/Bridge Bonds.....	967,564	905,195	837,782	766,112	690,105	611,238	525,150
Voter Approved and Disaster Bonds….....	883,718	804,967	718,991	627,449	533,357	433,663	337,577
TOTAL	$ 10,974,865	$ 11,102,846	$ 11,321,571	$ 11,471,140	$ 11,589,791	$ 11,607,146	$ 11,586,351

CONSTITUTIONAL DEBT LIMIT 2020-21 THROUGH 2026-27

The state 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. The table and chart below present actual data for one fiscal year and current projections for six fiscal years.



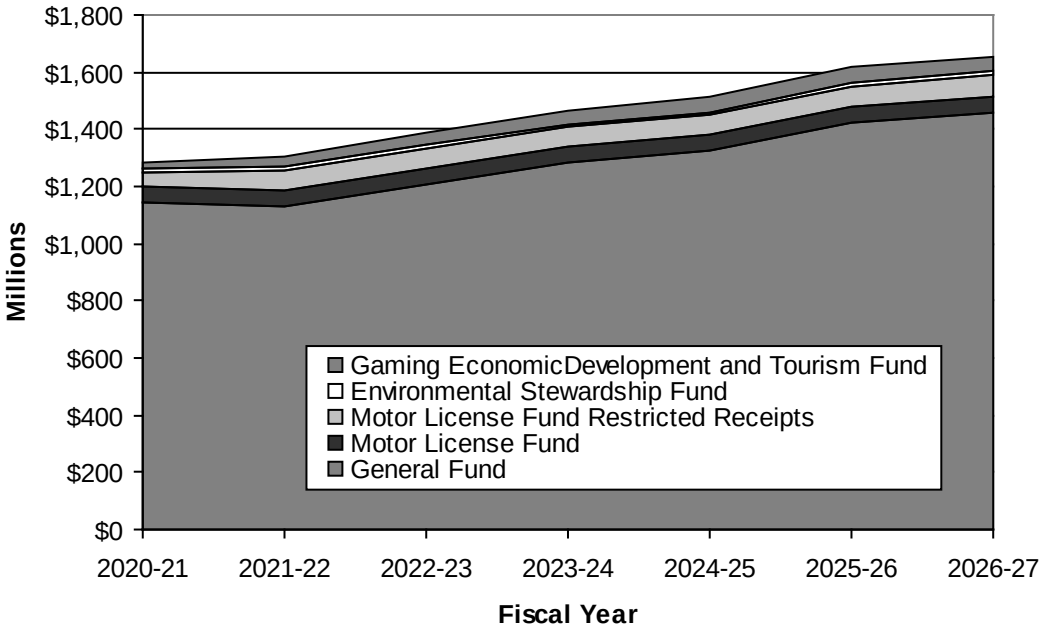
(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Estimated	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
Debt Limit Projection							
Outstanding Debt							
Beginning of Fiscal Year*.....	$ 9,821,858	$ 10,062,514	$ 10,269,245	$ 10,573,946	$ 10,815,057	$ 11,027,799	$ 11,144,848
Debt to be Issued**.....	982,390	1,000,000	1,135,000	1,135,000	1,135,000	1,135,000	1,135,000
Debt to be Retired	(741,734)	(793,269)	(830,299)	(893,889)	(922,258)	(1,017,951)	(1,059,709)
Outstanding Debt							
End of Fiscal Year*.....	$ 10,062,514	$ 10,269,245	$ 10,573,946	$ 10,815,057	$ 11,027,799	$ 11,144,848	$ 11,220,139
Debt Limit (from below)	$ 70,895,367	$ 72,649,803	$ 74,178,351	$ 75,731,129	$ 77,724,677	$ 79,728,023	$ 82,449,495
Capital Budget Debt as a percent of Debt Limit.....	14.2%	14.1%	14.3%	14.3%	14.2%	14.0%	13.6%
Calculation of Debt Limit:							
Average Tax Revenues							
Previous Five Years.....	$ 40,511,638	$ 41,514,173	$ 42,387,629	$ 43,274,931	$ 44,414,101	$ 45,558,870	$ 47,113,997
Debt Limit (1.75 times revenues) ...	$ 70,895,367	$ 72,649,803	$ 74,178,351	$ 75,731,129	$ 77,724,677	$ 79,728,023	$ 82,449,495

* Actual year amount is net of June 30 Capital Debt Fund balance.
** Fiscal year 2020-21 includes $450 million of bonds already issued.

DEBT SERVICE ON GENERAL OBLIGATION DEBT 2020-21 THROUGH 2026-27

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.



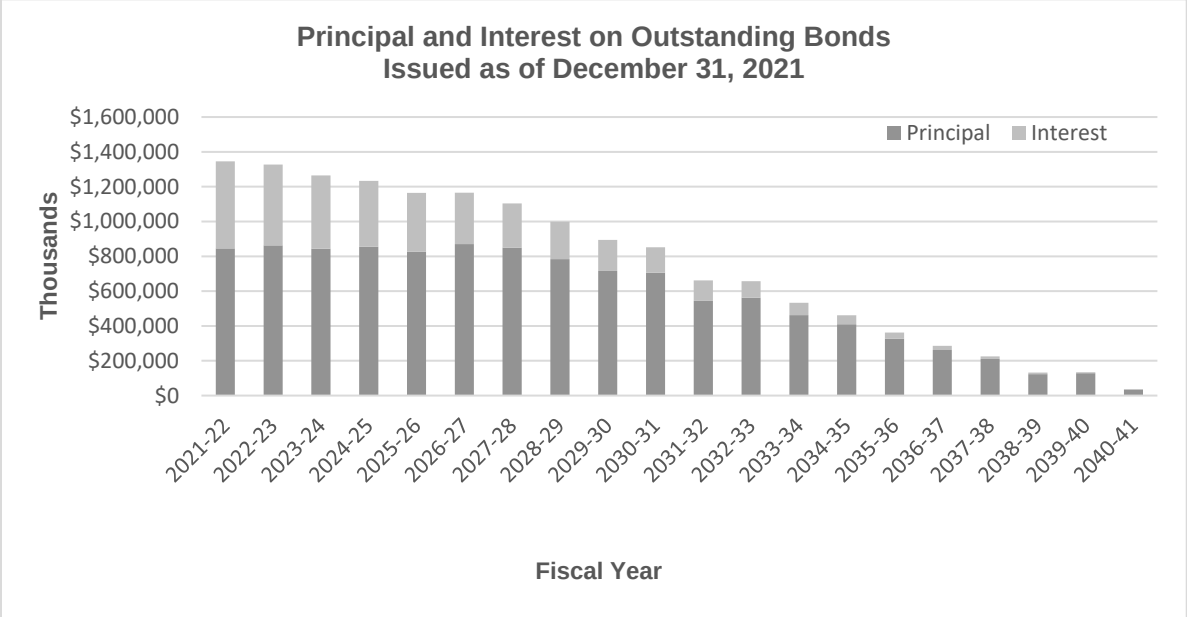
(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Estimated	2022-23 Budget	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated
General Fund							
Capital Budget Non-Highway	$ 1,129,739	$ 1,115,002	$ 1,199,553	$ 1,277,816	$ 1,318,815	$ 1,418,881	$ 1,451,899
Voter Approved and Disaster	13,694	11,998	6,447	5,543	5,543	3,992	5,159
Subtotal	$ 1,143,433	$ 1,127,000	$ 1,206,000	$ 1,283,359	$ 1,324,358	$ 1,422,873	$ 1,457,058
Environmental Stewardship Fund							
Growing Greener II	$ 13,609	$ 12,284	$ 12,317	$ 10,538	$ 10,586	$ 10,643	$ 13,629
Gaming Economic Development and Tourism Fund							
Pennsylvania Convention Center	$ 18,000	$ 36,540	$ 38,000	$ 48,000	$ 50,000	$ 58,000	$ 53,968
Motor License Fund*							
Capital Budget -- Highways	$ 35,735	$ 35,779	$ 35,826	$ 35,873	$ 35,920	$ 35,942	$ 37,706
Capital Budget	18,459	23,187	21,807	17,545	18,219	19,525	20,053
Subtotal	$ 54,194	$ 58,966	$ 57,633	$ 53,418	$ 54,139	$ 55,467	$ 57,759
Motor License Fund Restricted Rec.							
Highway Bridge Improvement -- Cap. Bdgt	$ 54,988	$ 69,297	$ 71,610	$ 72,458	$ 72,847	$ 71,875	$ 73,760
Subtotal	54,988	69,297	71,610	72,458	72,847	71,875	73,760
TOTAL	$ 1,284,224	$ 1,304,087	$ 1,385,560	$ 1,467,773	$ 1,511,930	$ 1,618,858	$ 1,656,174

* 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, 2021

Fiscal year principal and interest payments on general obligation bonds issued as of the end of calendar year 2021 are shown in the table below. Debt service on projected bond issues is excluded from this data.



General Obligation Bond Annual Debt Service

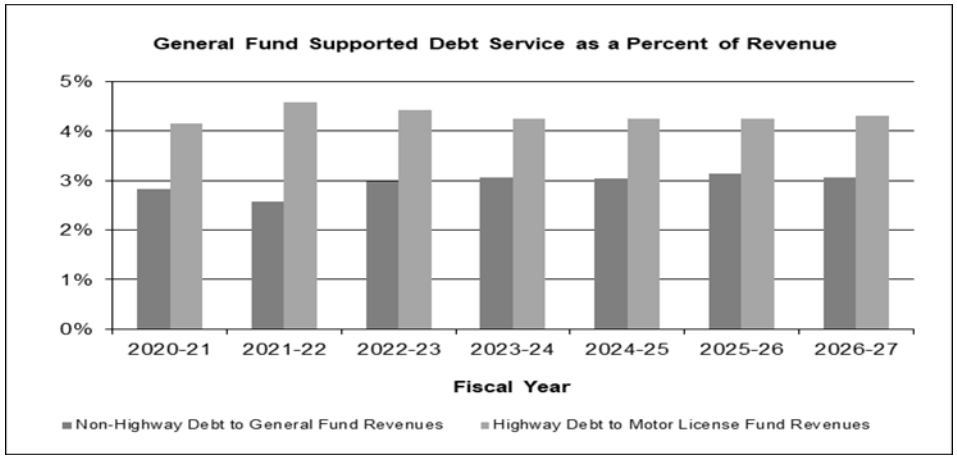
(Dollar Amounts in Thousands)

	Capital Budget (Non-highway)			Capital Budget (Highway)			Voter Approved and Disaster			
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Grand Total
2021-22	$ 730,899	$ 389,037	$ 1,119,936	$ 62,370	$ 42,705	$ 105,074	$ 78,752	$ 38,539	$ 117,291	$ 1,342,301
2022-23	712,886	356,064	1,068,950	67,413	40,021	107,434	85,976	34,965	120,941	1,297,325
2023-24	714,969	320,955	1,035,924	71,670	36,660	108,330	91,542	30,602	122,143	1,266,397
2024-25	681,750	286,946	968,696	76,008	32,759	108,766	94,093	26,077	120,169	1,197,631
2025-26	717,334	252,078	969,412	78,867	28,949	107,816	99,694	21,206	120,900	1,198,128
2026-27	694,621	218,425	913,046	86,088	25,377	111,465	96,086	16,523	112,609	1,137,120
2027-28	644,731	186,734	831,465	90,506	21,229	111,735	78,829	12,429	91,258	1,034,457
2028-29	595,297	157,218	752,515	87,716	16,667	104,383	63,982	9,203	73,185	930,083
2029-30	586,531	132,600	719,131	85,513	12,610	98,123	63,741	6,746	70,487	887,741
2030-31	484,625	110,019	594,644	53,010	9,480	62,490	36,385	4,500	40,885	698,020
2031-32	504,571	90,323	594,894	50,633	7,536	58,169	36,471	3,175	39,646	692,708
2032-33	426,910	70,907	497,817	43,253	5,661	48,913	20,358	2,175	22,532	569,263
2033-34	392,704	52,922	445,626	38,427	3,854	42,281	9,024	1,349	10,373	498,280
2034-35	313,469	38,447	351,916	37,109	2,322	39,431	7,053	964	8,017	399,364
2035-36	248,681	26,821	275,502	38,984	1,079	40,063	7,410	694	8,104	323,669
2036-37	239,750	18,703	258,453	-	-	-	4,955	469	5,424	263,877
2037-38	154,525	12,410	166,935	-	-	-	4,485	301	4,786	171,721
2038-39	163,550	7,261	170,811	-	-	-	3,415	135	3,550	174,361
2039-40	73,775	2,358	76,133	-	-	-	1,470	31	1,501	77,634
2040-41	42,005	840	42,845	-	-	-	-	-	-	42,845

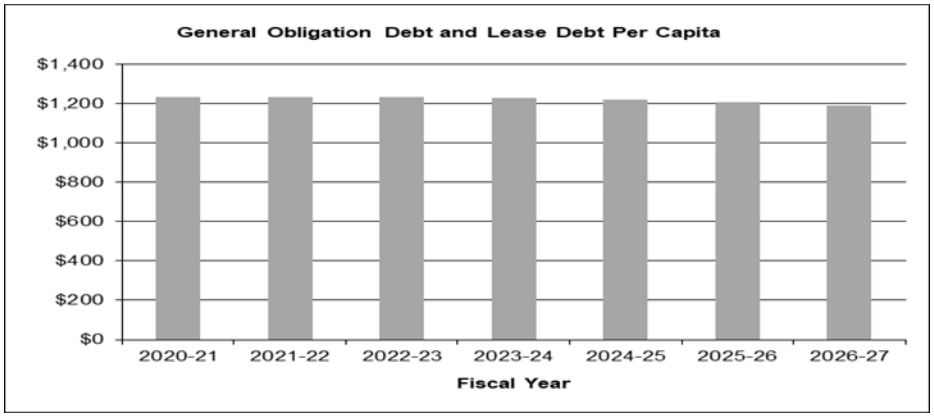
TRENDS IN DEBT SERVICE AND DEBT RATIOS 2020-21 THROUGH 2026-27

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.

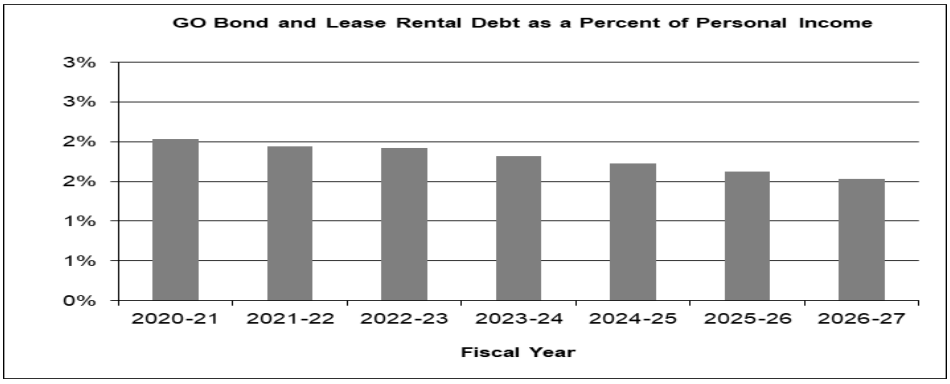
General Fund debt service as a percent of revenues remains below Standard & Poor's criteria of 5% for issuers considered to have a "low debt burden."



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 12/31/21 (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.	$ 4,494.5
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.	676.3
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.	1,223.3
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.	6,159.9
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.	2,838.8
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.	5,447.6
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.	3,261.6
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.	45.4
Pennsylvania Infrastructure Investment Authority	
Provides low interest rate loans and grants for constructing new and 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.	88.9
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.	15,507.5
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.	2,350.7
TOTAL	$ 42,094.4

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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.

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
Administration Fund
Agricultural College Land Scrip Fund
Agricultural Conservation Easement Purchase Fund
Anthracite Emergency Bond Fund
Automobile Theft Prevention Trust Fund
Banking Trust Fund
Ben Franklin Technology Development Authority Fund
Boat Fund
Budget Stabilization Reserve Fund
Capitol Restoration Trust Fund
Catastrophic Loss Benefits Continuation Fund
Children's Trust Fund
Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund
Clean Air Fund
Coal Lands Improvement Fund
Community College Capital Fund
Compulsive and Problem Gambling Treatment Fund
Conrad Weiser Memorial Park Trust Fund
Conservation District Fund
County Voting Apparatus Fund
DNA Detection Fund
Educational Assistance Program Fund
Emergency Medical Services Operating Fund
Energy Development Fund
Environmental Education Fund
Environmental Stewardship Fund
Fantasy Contest Fund
Farm Products Show Fund
Fire Insurance Tax Fund
Fish Fund
Game Fund
Gov Robert P. Casey Memorial Organ and Tissue Donation Awareness Trust Fund
Growing Greener Bond Fund
Hazardous Material Response Fund
Hazardous Sites Cleanup Fund
Higher Education Assistance Fund
Highway Beautification Fund
HOME Investment Trust Fund
Homeowners Assistance Settlement Fund
Housing Affordability and Rehabilitation Enhancement Fund
Industrial Sites Cleanup Fund
Insurance Fraud Prevention Trust Fund
Insurance Regulation and Oversight Fund
Job Training Fund
Justice Reinvestment Fund
Marcellus Legacy Fund
Medical Care Availability and Reduction of Error Fund
Medical Marijuana Program Fund
Milk Marketing Fund
Mine Safety Fund
Monetary Penalty Endowments Trust Fund
Motor Vehicle Transaction Recovery Fund
Multimodal Transportation Fund
Municipalities Financial Recovery Revolving Aid Fund
Non-Coal Surface Mining Conservation and Reclamation Fund
Nutrient Management Fund
Oil and Gas Lease Fund
Patient Safety Trust Fund
Pennsylvania Gaming Economic Development and Tourism Fund
Pennsylvania Health Insurance Exchange Fund
Pennsylvania Historical and Museum Commission Trust Fund
Pennsylvania Race Horse Development Trust Fund
Pennsylvania Rural Health Redesign Center Fund
Pennsylvania Veterans Monuments and Memorial Trust Fund
PENNVEST Bond Authorization Fund
PENNVEST Drinking Water Revolving Fund
PENNVEST Fund
PENNVEST Water Pollution Control Revolving Fund
Persian Gulf Conflict Veterans' Comp Bond Fund
Pharmaceutical Assistance Fund
Philadelphia Regional Port Authority Fund
PlanCon Bond Projects Fund
Port of Pittsburgh Commission Fund
Property Tax Relief Fund
Public Transportation Assistance Fund
Public Transportation Trust Fund
Real Estate Recovery Fund
Recycling Fund
Remining Financial Assurance Fund
School Safety and Security Fund
Self-Insurance Guaranty Fund
Special Administration Fund
State Gaming Fund
State Insurance Fund
State Racing Fund
State Treasury Armory Fund
Storage Tank Fund
Substance Abuse Education and Demand Reduction
Surface Mining Conservation and Reclamation Fund
Tobacco Settlement Fund
Treasury Initiative Support Fund
UC-FEMA ONA Lost Wages Fund
Unconventional Gas Well Fund
Underground Storage Tank Indemnification Fund
Uninsured Employers Guaranty Fund
Video Gaming Fund
Vocational Rehabilitation Fund
Water and Sewer Systems Assistance Bond Fund
Water Supply and Wastewater Treatment Fund
Wild Resources Conservation Fund
Workers' Compensation Security Fund
Workmen's Compensation Administration Fund
Workmen's Compensation Supersedeas Fund
911 Fund

SPECIAL FUND CATEGORIES

Governmental Funds – Capital Project Funds

Capital Facilities Fund
Keystone Recreation, Park and Conservation Fund

Governmental Funds – Debt Service Funds

Capital Debt Fund
Growing Greener Bond Sinking Fund
PENNVEST Redemption Fund
Water 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
Public School Employees' Retirement Fund
Rightful Owners' Claims Payment 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 999**	**$ 1,010**	**$ 605**
Receipts:			
Account Deposits	$ 61	$ 70	$ 70
Transfer from General Fund	900	900	900
Interest	3	1	1
Total Receipts	964	971	971
Total Funds Available	**$ 1,963**	**$ 1,981**	**$ 1,576**
Disbursements:			
Treasury	$ 953	$ 1,376	$ 1,130
Total Disbursements	(953)	(1,376)	(1,130)
Cash Balance, Ending	**$ 1,010**	**$ 605**	**$ 446**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 74,660**	**$ 63,484**	**$ 39,583**
Receipts:			
Federal Receipts	$ 28	$ 3,000	$ 2,000
Interest	1,842	1,841	1,109
Investment Income	784	-	-
Total Receipts	2,654	4,841	3,109
Total Funds Available	**$ 77,314**	**$ 68,325**	**$ 42,692**
Disbursements:			
Environmental Protection	$ 13,830	$ 28,742	$ 17,742
Total Disbursements	(13,830)	(28,742)	(17,742)
Cash Balance, Ending	**$ 63,484**	**$ 39,583**	**$ 24,950**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 700**	**$ 14,405**	**$ 36,248**
Receipts:			
Federal Funds - Unemployment	$ 203,718	$ 237,638	$ 241,000
Federal Funds - COVID - Unemployment	47,847	210,296	-
Federal Funds - Workforce	56,944	132,683	93,219
Interest	14	8	8
Legal Settlements	-	21,835	-
Other	390	1,911	1,706
Total Receipts	308,913	604,371	335,933
Total Funds Available	**$ 309,613**	**$ 618,776**	**$ 372,181**
Disbursements:			
Labor and Industry	$ 295,208	$ 582,528	$ 335,925
Total Disbursements	(295,208)	(582,528)	(335,925)
Cash Balance, Ending	**$ 14,405**	**$ 36,248**	**$ 36,256**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 661**	**$ 661**	**$ 664**
Receipts:			
Transfer from General Fund	$ 54,960	$ 54,960	$ 57,708
Interest	10	3	3
Total Receipts	54,970	54,963	57,711
Total Funds Available	**$ 55,631**	**$ 55,624**	**$ 58,375**
Disbursements:			
Agriculture	$ 54,960	$ 54,960	$ 57,708
Treasury	10	-	-
Total Disbursements	(54,970)	(54,960)	(57,708)
Cash Balance, Ending	**$ 661**	**$ 664**	**$ 667**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 41,042**	**$ 39,199**	**$ 33,947**
Receipts:			
Transfer of Cigarette Tax	$ 25,485	$ 25,485	$ 25,485
Transfer from Environmental Stewardship Fund	11,121	12,813	12,923
Act 24 of 2020 Return of COVID Transfer	5,000	-	-
Interest	103	26	25
Total Receipts	41,709	38,324	38,433
Total Funds Available	**$ 82,751**	**$ 77,523**	**$ 72,380**
Disbursements:			
Agriculture	$ 38,552	$ 43,576	$ 40,000
Transfer to General Fund	5,000	-	-
Total Disbursements	(43,552)	(43,576)	(40,000)
Cash Balance, Ending	**$ 39,199**	**$ 33,947**	**$ 32,380**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 716**	**$ 720**	**$ 446**
Receipts:			
Operator Payments	$ 3	$ (1)	$ (1)
Interest	1	-	-
Total Receipts	4	(1)	(1)
Total Funds Available	**$ 720**	**$ 719**	**$ 445**
Disbursements:			
Environmental Protection	$ -	$ 273	$ 273
Total Disbursements	-	(273)	(273)
Cash Balance, Ending	**$ 720**	**$ 446**	**$ 172**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 6,153**	**$ 24**	**$ -**
Receipts:			
Assessments	$ 1,469	$ 8,000	$ 8,240
Interest	2	-	-
Total Receipts	1,471	8,000	8,240
Total Funds Available	**$ 7,624**	**$ 8,024**	**$ 8,240**
Disbursements:			
Automobile Theft Prevention Authority	$ 7,600	$ 8,024	$ 8,240
Total Disbursements	(7,600)	(8,024)	(8,240)
Cash Balance, Ending	**$ 24**	**$ -**	**$ -**

Banking Trust Fund

The Banking Trust Fund is a special revenue fund comprised of monies received from fees, assessments, licenses, fines, and penalties collected or recovered from financial entities 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 any unexpected trust solvency issues. Act 39 of 2021 amended the Department of Banking and Securities Code to convert the Banking Fund into a trust fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Restricted Cash Balance, Beginning	**$ 16,500**	**$ 19,500**	**$ 22,500**
Institution Resolution:			
Receipts	3,000	3,000	3,000
Disbursements - Banking	-	-	-
Restricted Cash Balance, Ending	**$ 19,500**	**$ 22,500**	**$ 25,500**
Unrestricted Cash Balance, Beginning	**$ 9,913**	**$ 19,883**	**$ 23,974**
Receipts:			
Licenses and Fees	$ 31,944	$ 30,243	$ 30,126
Fines and Penalties	957	801	400
Interest	434	400	400
Total Receipts	33,335	31,444	30,926
Total Funds Available	**$ 43,248**	**$ 51,327**	**$ 54,900**
Disbursements:			
Banking and Securities	$ 20,365	$ 24,353	$ 23,413
Transfer to Institution Resolution Account	3,000	3,000	3,000
Total Disbursements	(23,365)	(27,353)	(26,413)
Unrestricted Cash Balance, Ending	**$ 19,883**	**$ 23,974**	**$ 28,487**
Total Cash Balance, Beginning	**26,413**	**39,383**	**46,474**
Receipts	36,335	34,444	33,926
Disbursements	(23,365)	(27,353)	(26,413)
Total Cash Balance, Ending	**$ 39,383**	**$ 46,474**	**$ 53,987**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Restricted Cash Balance, Beginning	**$ 22,689**	**$ 15,714**	**$ 9,114**
Receipts	1,107	1,190	1,190
Disbursements - Community and Economic Development	(8,082)	(7,790)	(7,500)
Restricted Cash Balance, Ending	**$ 15,714**	**$ 9,114**	**$ 2,804**
Unrestricted Cash Balance, Beginning	**$ 381**	**$ 1,027**	**$ 2,787**
Receipts:			
Transfer from General Fund	$ 14,500	$ 14,500	$ 32,500
Interest on Loans	738	2,300	2,300
Interest	49	15	15
Other	71	52	52
Total Receipts	15,358	16,867	34,867
Total Funds Available	**$ 15,739**	**$ 17,894**	**$ 37,654**
Disbursements:			
Community and Economic Development	$ 14,712	$ 15,107	$ 35,000
Total Disbursements	(14,712)	(15,107)	(35,000)
Unrestricted Cash Balance, Ending	**$ 1,027**	**$ 2,787**	**$ 2,654**
Total Cash Balance, Beginning	**$ 23,070**	**$ 16,741**	**$ 11,901**
Receipts	16,465	18,057	36,057
Disbursements	(22,794)	(22,897)	(42,500)
Total Cash Balance, Ending	**$ 16,741**	**$ 11,901**	**$ 5,458**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 1,131**	**$ 3,766**	**$ 4,673**
Receipts:			
Employer Contributions	$ 4,212	$ 3,350	$ 3,410
Interest	6	2	3
Total Receipts	4,218	3,352	3,413
Total Funds Available	**$ 5,349**	**$ 7,118**	**$ 8,086**
Disbursements:			
State Employees' Retirement System	$ 1,583	$ 2,445	$ 2,464
Total Disbursements	(1,583)	(2,445)	(2,464)
Cash Balance, Ending	**$ 3,766**	**$ 4,673**	**$ 5,622**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 66,042**	**$ 70,343**	**$ 62,223**
Receipts:			
Licenses and Fees	$ 10,881	$ 8,557	$ 8,494
Fines and Penalties	238	200	250
Transfer from Motor License Fund	12,878	12,290	12,790
Transfer from Liquid Fuels Tax Fund	110	110	110
Federal Receipts	3,973	5,684	5,840
Interest	870	876	739
Other	513	20	40
Total Receipts	29,463	27,737	28,263
Total Funds Available	**$ 95,505**	**$ 98,080**	**$ 90,486**
Disbursements:			
Fish and Boat Commission	$ 25,162	$ 35,857	$ 37,233
Total Disbursements	(25,162)	(35,857)	(37,233)
Cash Balance, Ending	**$ 70,343**	**$ 62,223**	**$ 53,253**

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. Act 24 of 2021 transferred 100 percent of the 2020-21 General Fund surplus. This budget proposes no transfer from the General Fund for fiscal year 2021-22.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 342,957**	**$ 243,562**	**$ 2,866,210**
Receipts:			
Transfer from General Fund	$ -	$ 2,621,516	$ -
Interest	605	1,132	1,140
Total Receipts	605	2,622,648	1,140
Total Funds Available	**$ 343,562**	**$ 2,866,210**	**$ 2,867,350**
Disbursements:			
Transfer to General Fund	$ 100,000	$ -	$ -
Total Disbursements	(100,000)	-	-
Cash Balance, Ending	**$ 243,562**	**$ 2,866,210**	**$ 2,867,350**

Capital Debt Fund

Principal and interest payments on bonds issued for purposes of capital budget projects are paid from this fund. Annual appropriations from various funds for payment of interest and principal due on general obligation bonds are the primary sources of revenue. Funds in excess of interest and principal falling due in any one particular fiscal year may be used by the Board of Finance and Revenue to retire any other general obligation bonds issued to provide revenue to the Capital Facilities Fund.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 3,647**	**$ 28,633**	**$ 4,315**
Receipts:			
Transfer from Other Funds	$ 1,302,423	$ 1,279,805	$ 1,366,796
Refunding Bond Maturing Escrow Funds	1,013,423	1,085,101	215,993
Build America Bond Federal Subsidies	2,978	6,173	5,606
Interest on Securities	12	14	13
Total Receipts	2,318,836	2,371,093	1,588,408
Total Funds Available	**$ 2,322,483**	**$ 2,399,726**	**$ 1,592,723**
Disbursements:			
Treasury	$ 1,280,427	$ 1,310,310	$ 1,373,058
Refunding Bond Maturing Escrow Funds	1,013,423	1,085,101	215,993
Total Disbursements	(2,293,850)	(2,395,411)	(1,589,051)
Cash Balance, Ending	**$ 28,633**	**$ 4,315**	**$ 3,672**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 135,619**	**$ 677,890**	**$ 798,590**
Receipts:			
Sale of Bonds	$ 1,000,000	$ 1,000,000	$ 1,135,000
Premium on Sale of Bonds	140,183	-	-
Interest on Securities	516	700	700
Other	19,456	20,000	20,000
Total Receipts	1,160,155	1,020,700	1,155,700
Total Funds Available	**$ 1,295,774**	**$ 1,698,590**	**$ 1,954,290**
Disbursements:			
Community and Economic Development	$ 101,015	$ 250,000	$ 250,000
Environmental Protection	5,600	-	-
General Services	359,026	450,000	550,000
Transportation	134,203	175,000	175,000
Treasury	965	1,000	1,000
Other	17,075	24,000	29,000
Total Disbursements	(617,884)	(900,000)	(1,005,000)
Cash Balance, Ending	**$ 677,890**	**$ 798,590**	**$ 949,290**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 479**	**$ 480**	**$ 451**
Receipts:			
Contribution and Sales	$ -	$ 1	$ 1
Interest	1	-	-
Total Receipts	1	1	1
Total Funds Available	**$ 480**	**$ 481**	**$ 452**
Disbursements:			
Capitol Preservation Committee	$ -	$ 30	$ 5
Total Disbursements	-	(30)	(5)
Cash Balance, Ending	**$ 480**	**$ 451**	**$ 447**

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 2096.

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 77,768**	**$ 76,436**	**$ 70,855**
Receipts:			
Interest	$ 2,359	$ 1,161	$ 1,000
Other	1,273	1,202	1,202
Total Receipts	3,632	2,363	2,202
Total Funds Available	**$ 81,400**	**$ 78,799**	**$ 73,057**
Disbursements:			
Insurance	$ 4,964	$ 7,944	$ 8,208
Total Disbursements	(4,964)	(7,944)	(8,208)
Cash Balance, Ending	**$ 76,436**	**$ 70,855**	**$ 64,849**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 1,208**	**$ 960**	**$ 442**
Receipts:			
Marriage/Divorce Surcharge	$ 1,062	$ 979	$ 1,016
Children's Trust Fund Donations	9	35	10
Interest	3	1	1
Total Receipts	1,074	1,015	1,027
Total Funds Available	**$ 2,282**	**$ 1,975**	**$ 1,469**
Disbursements:			
Human Services	$ 1,322	$ 1,533	$ 1,400
Total Disbursements	(1,322)	(1,533)	(1,400)
Cash Balance, Ending	**$ 960**	**$ 442**	**$ 69**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 352**	**$ 254**	**$ 179**
Receipts:			
Fees	$ 114	$ 19	$ 19
Interest	1	-	-
Total Receipts	115	19	19
Total Funds Available	**$ 467**	**$ 273**	**$ 198**
Disbursements:			
Attorney General	$ 63	$ 94	$ 50
Transfer to General Fund	150	-	-
Total Disbursements	(213)	(94)	(50)
Cash Balance, Ending	**$ 254**	**$ 179**	**$ 148**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ -**	**$ -**	**$ -**
Receipts:			
State Tax Share	$ 9,487	$ 8,667	$ 9,000
Local Tax Share	414	318	-
Total Receipts	9,901	8,985	9,000
Total Funds Available	**$ 9,901**	**$ 8,985**	**$ 9,000**
Disbursements:			
Treasury	$ 9,901	$ 8,985	$ 9,000
Total Disbursements	(9,901)	(8,985)	(9,000)
Cash Balance, Ending	**$ -**	**$ -**	**$ -**

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.

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. This budget proposes using the proceeds to invest in greenhouse gas abatement, energy efficiency, and clean and renewable energy programs.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 34,409**	**$ 35,636**	**$ 36,281**
Receipts:			
Fines and Penalties	$ 1,213	$ 1,892	$ 1,900
Fees	22,166	28,285	28,273
CO2 Budget Trading	-	-	410,617
Interest	1,007	1,073	1,110
Other	780	1,242	1,242
Total Receipts	25,166	32,492	443,142
Total Funds Available	**$ 59,575**	**$ 68,128**	**$ 479,423**
Disbursements:			
Environmental Protection	$ 23,939	$ 31,847	$ 440,785
Total Disbursements	(23,939)	(31,847)	(440,785)
Cash Balance, Ending	**$ 35,636**	**$ 36,281**	**$ 38,638**

Coal and Clay Mine Subsidence Insurance Fund

This fund was created by Act 484 of 1961 to provide insurance to homeowners 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 128,112**	**$ 133,222**	**$ 132,800**
Receipts:			
Premiums Collected	$ 6,744	$ 3,300	$ 4,000
Interest	3,122	3,314	3,270
Total Receipts	9,866	6,614	7,270
Total Funds Available	**$ 137,978**	**$ 139,836**	**$ 140,070**
Disbursements:			
Environmental Protection	$ 4,756	$ 7,036	$ 5,752
Total Disbursements	(4,756)	(7,036)	(5,752)
Cash Balance, Ending	**$ 133,222** [a]	**$ 132,800** [a]	**$ 134,318** [a]

[a] Includes the following reserves for reinsurance and catastrophies: 2020-21 Actual is $128,646,000, 2021-22 Available is $118,000,000, and 2022-23 Estimated is $118,000,000.

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 1,726**	**$ 1,722**	**$ 523**
Receipts:			
Interest	$ 4	$ 1	$ -
Total Receipts	4	1	-
Total Funds Available	**$ 1,730**	**$ 1,723**	**$ 523**
Disbursements:			
Environmental Protection	$ 8	$ 1,200	$ 325
Total Disbursements	(8)	(1,200)	(325)
Cash Balance, Ending	**$ 1,722**	**$ 523**	**$ 198**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 3,362**	**$ 1,576**	**$ 156**
Receipts:			
Transfer from General Fund	$ 48,869	$ 52,078	$ 54,682
Interest	37	17	18
Total Receipts	48,906	52,095	54,700
Total Funds Available	**$ 52,268**	**$ 53,671**	**$ 54,856**
Disbursements:			
Education	$ 50,692	$ 53,515	$ 51,937
Total Disbursements	(50,692)	(53,515)	(51,937)
Cash Balance, Ending	**$ 1,576**	**$ 156**	**$ 2,919**

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 substance use disorder treatment services, including 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, for either compulsive and problem gambling related programs or for substance use disorder treatment services.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Restricted Cash Balance, Beginning	**$ 6,739**	**$ 5,796**	**$ 6,881**
Compulsive and Problem Gambling Treatment Programs:			
Receipts:			
Transfer from State Gaming Fund	$ 2,645	$ 5,996	$ 5,828
Transfer of iGaming Tax	174	576	679
Transfer of Sports Wagering Tax	227	589	756
Transfer from Video Gaming Fund	61	91	112
Total Receipts	3,107	7,252	7,375
Total Funds Available	**$ 9,846**	**$ 13,048**	**$ 14,256**
Disbursements:			
Compulsive and Problem Gambling Treatment	$ 4,050	$ 6,167	$ 6,800
Total Disbursements	(4,050)	(6,167)	(6,800)
Restricted Cash Balance, Ending	**$ 5,796**	**$ 6,881**	**$ 7,456**
Unrestricted Cash Balance, Beginning	**$ 1,193**	**$ 1,902**	**$ 1,338**
Drug and Alcohol Programs:			
Receipts:			
Transfer from State Gaming Fund - Drug and Alcohol	$ 3,459	$ 4,494	$ 4,524
Transfer of iGaming Tax	174	576	679
Transfer of Sports Wagering Tax	227	589	756
Transfer of Fantasy Contest Tax	42	53	61
Interest	18	8	9
Total Receipts	3,920	5,720	6,029
Total Funds Available	**$ 5,113**	**$ 7,622**	**$ 7,367**
Disbursements:			
Drug and Alcohol Programs	$ 3,211	$ 6,284	$ 6,020
Total Disbursements	(3,211)	(6,284)	(6,020)
Unrestricted Cash Balance, Ending	**$ 1,902**	**$ 1,338**	**$ 1,347**
Total Cash Balance, Beginning	**$ 7,932**	**$ 7,698**	**$ 8,219**
Receipts	7,027	12,972	13,404
Disbursements	(7,261)	(12,451)	(12,820)
Total Cash Balance, Ending	**$ 7,698**	**$ 8,219**	**$ 8,803**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 79**	**$ 79**	**$ 79**
Receipts:			
Interest	$ -	$ -	$ -
Total Receipts	-	-	-
Total Funds Available	**$ 79**	**$ 79**	**$ 79**
Disbursements:			
Historical and Museum Commission	$ -	$ -	$ -
Total Disbursements	-	-	-
Cash Balance, Ending	**$ 79**	**$ 79**	**$ 79**

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.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 6,534**	**$ 6,706**	**$ 5,576**
Receipts:			
Transfer from General Fund	$ 3,375	$ 3,375	$ 3,375
Transfer from Unconventional Gas Well Fund	4,087	4,189	4,294
Interest	12	4	4
Total Receipts	7,474	7,568	7,673
Total Funds Available	**$ 14,008**	**$ 14,274**	**$ 13,249**
Disbursements:			
Environmental Protection	$ 4,482	$ 5,108	$ 4,653
Agriculture	2,820	3,590	3,373
Total Disbursements	(7,302)	(8,698)	(8,026)
Cash Balance, Ending	**$ 6,706**	**$ 5,576**	**$ 5,223**

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. While county applications for grant funds have expired, eligible reimbursement payments of up to 60% of the costs incurred in securing voting systems will continue be made to counties throughout the grant award period.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ -**	**$ 39,519**	**$ 37,544**
Receipts:			
Sale of Bonds	$ 75,195	$ -	$ -
Premium on Sale of Bonds	7,056	5	-
Interest	50	20	20
Total Receipts	82,301	25	20
Total Funds Available	**$ 82,301**	**$ 39,544**	**$ 37,564**
Disbursements:			
State:			
County Voting Apparatus Reimbursements	$ 42,782	$ 2,000	$ 5,000
Total Disbursements	(42,782)	(2,000)	(5,000)
Cash Balance, Ending	**$ 39,519**	**$ 37,544**	**$ 32,564**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 66,889**	**$ 38,002**	**$ 35,312**
Receipts:			
Employee Contributions	$ 253,011	$ 223,981	$ 229,581
Sale or Purchase of Securities	2,408	26,633	27,299
Interest	127 [a]	21 [a]	21 [a]
Total Receipts	255,546	250,635	256,901
Total Funds Available	**$ 322,435**	**$ 288,637**	**$ 292,213**
Disbursements:			
Benefits and Rollovers	$ 276,730	$ 247,904	$ 254,102
Fees and Expenses	7,703	5,421	5,557
Total Disbursements	(284,433)	(253,325)	(259,659)
Cash Balance, Ending	**$ 38,002**	**$ 35,312**	**$ 32,554**

[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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 79,596**	**$ 89,606**	**$ 99,758**
Receipts:			
Transfers from Deferred Compensation Fund	$ 30,555	$ 31,319	$ 32,102
Interest	156	52	57
Total Receipts	30,711	31,371	32,159
Total Funds Available	**$ 110,307**	**$ 120,977**	**$ 131,917**
Disbursements:			
State Employees' Retirement System	$ 20,701	$ 21,219	$ 21,749
Total Disbursements	(20,701)	(21,219)	(21,749)
Cash Balance, Ending	**$ 89,606**	**$ 99,758**	**$ 110,168**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 5,770**	**$ 6,274**	**$ 3,766**
Receipts:			
Assessments	$ 3,396	$ 2,700	$ 2,700
Interest	12	4	2
Total Receipts	3,408	2,704	2,702
Total Funds Available	**$ 9,178**	**$ 8,978**	**$ 6,468**
Disbursements:			
State Police	$ 2,904	$ 5,212	$ 5,152
Total Disbursements	(2,904)	(5,212)	(5,152)
Cash Balance, Ending	**$ 6,274**	**$ 3,766**	**$ 1,316**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 5,813**	**$ 6,480**	**$ 3,181**
Receipts:			
Transfer from General Fund	$ 13,265	$ 12,525	$ 13,221
Interest	18	8	5
Total Receipts	13,283	12,533	13,226
Total Funds Available	**$ 19,096**	**$ 19,013**	**$ 16,407**
Disbursements:			
Military and Veterans Affairs:			
National Guard Education	$ 11,242	$ 11,242	$ 11,661
Military Family Education	1,374	4,590	4,746
Total Disbursements	(12,616)	(15,832)	(16,407)
Cash Balance, Ending	**$ 6,480**	**$ 3,181**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 9,105**	**$ 8,556**	**$ 9,509**
Receipts:			
Fines	$ 8,898	$ 11,918	$ 13,585
COVID-SFR Transfer	-	5,000	-
Interest	246	266	250
Other	573	-	-
Total Receipts	9,717	17,184	13,835
Total Funds Available	**$ 18,822**	**$ 25,740**	**$ 23,344**
Disbursements:			
Health	$ 10,266	$ 16,231	$ 14,400
Total Disbursements	(10,266)	(16,231)	(14,400)
Cash Balance, Ending	**$ 8,556**	**$ 9,509**	**$ 8,944**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,611**	**$ 2,535**	**$ 2,279**
Receipts:			
Vending Stand Equipment Rentals	$ 87	$ 90	$ 90
Vending Machine Receipts	185	100	190
Federal Funds - COVID	-	361	-
Interest	5	1	1
Other	75	80	84
Total Receipts	352	632	365
Total Funds Available	**$ 2,963**	**$ 3,167**	**$ 2,644**
Disbursements:			
Labor and Industry	$ 428	$ 888	$ 500
Total Disbursements	(428)	(888)	(500)
Cash Balance, Ending	**$ 2,535**	**$ 2,279**	**$ 2,144**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 3,476**	**$ 2,788**	**$ 2,731**
Receipts:			
Interest	$ 89	$ 85	$ 10
Investment Income	271	-	-
Total Receipts	360	85	10
Total Funds Available	**$ 3,836**	**$ 2,873**	**$ 2,741**
Disbursements:			
Environmental Protection	$ 48	$ 142	$ 2,405
Transfer to General Fund	1,000	-	-
Total Disbursements	(1,048)	(142)	(2,405)
Cash Balance, Ending	**$ 2,788**	**$ 2,731**	**$ 336**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,287**	**$ 3,332**	**$ 3,911**
Receipts:			
Transfers from Other Funds	$ 2,332	$ 2,332	$ 550
Interest	7	2	1
Total Receipts	2,339	2,334	551
Total Funds Available	**$ 4,626**	**$ 5,666**	**$ 4,462**
Disbursements:			
Conservation and Natural Resources	$ 231	$ 590	$ 150
Environmental Protection	563	1,165	1,382
Transfer to General Fund	500	-	-
Total Disbursements	(1,294)	(1,755)	(1,532)
Cash Balance, Ending	**$ 3,332**	**$ 3,911**	**$ 2,930**

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 cents per ton, or 25 cents 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 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. The fund is also used to fund debt service for the Growing Greener program. Act 13 of 2012 authorized an annual transfer from the Marcellus Legacy Fund into the Environmental Stewardship Fund, and Act 24 of 2021 modified this transfer. The Governor's Budget proposal for 2022-23 proposes to permanently eliminate the portion of the transfer that originates in the Oil and Gas Lease Fund. This budget also proposes to permanently establish the Personal Income Tax transfer to pay for the Growing Greener Program debt service. The dollars and interest generated by this fund are specifically designated for implementing the programs found in 27 Pa. Code Chapter 61.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 154,896**	**$ 161,085**	**$ -**
Receipts:			
Licenses and Fees	$ 71,339	$ 74,906	$ 78,651
Transfer from Marcellus Legacy Fund	5,103	8,151	8,143
Personal Income Tax	13,782	12,289	12,317
Interest	2,514	2,575	2,764
Total Receipts	92,738	97,921	101,875
Total Funds Available	**$ 247,634**	**$ 259,006**	**$ 101,875**
Disbursements:			
Treasury:			
Debt Service for Growing Greener	$ 13,609	$ 12,284	$ 12,317
Agriculture:			
Agricultural Conservation Easement Program	11,406	12,776	13,254
Conservation and Natural Resources:			
Parks and Forest Facility Rehabilitation	11,372	54,979	15,858
Community Conservation Grants	7,641	18,542	5,400
Natural Diversity Conservation Grants	147	1,132	325
Environmental Protection:			
Watershed Protection and Restoration	24,110	138,246	33,495
Infrastructure Investment Authority:			
Storm Water, Water and Sewer Grants	18,264	21,047	21,226
Total Disbursements	(86,549)	(259,006)	(101,875)
Cash Balance, Ending	**$ 161,085**	**$ -**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 659**	**$ 845**	**$ 778**
Receipts:			
Licensee Deposit Accts	$ 256	$ 452	$ 500
Fantasy Contest Application Fees	34	20	20
Interest	1	1	1
Other	149	-	-
Total Receipts	440	473	521
Total Funds Available	**$ 1,099**	**$ 1,318**	**$ 1,299**
Disbursements:			
Gaming Control Board:			
Application and Licensure	$ 100	$ 20	$ 20
Administrative Appropriations:			
Gaming Control Board	114	100	100
Revenue	40	420	418
Total Disbursements	(254)	(540)	(538)
Cash Balance, Ending	**$ 845**	**$ 778**	**$ 761**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 3,080**	**$ 4,229**	**$ 4,979**
Receipts:			
Transfer from PA Race Horse Development Trust Fund	$ 5,000	$ 5,000	$ 5,000
Rentals	2,527	3,400	3,450
Parking	42	2,150	2,175
Exhibit Fees	7	400	405
Service Charges	819	950	960
Concession	11	1,250	1,275
Interest	8	3	2
Other	1,616	1,000	350
Total Receipts	10,030	14,153	13,617
Total Funds Available	**$ 13,110**	**$ 18,382**	**$ 18,596**
Disbursements:			
Agriculture	$ 8,881	$ 13,403	$ 14,582
Total Disbursements	(8,881)	(13,403)	(14,582)
Cash Balance, Ending	**$ 4,229**	**$ 4,979**	**$ 4,014**

Fire and Emergency Medical Services 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 91 of 2020 changed the name of the Volunteer Fire Company, Ambulance Service and Rescue Squad Assistance program to the Fire and Emergency Medical Services Loan Program and the name of the Volunteer Companies Loan Fund to the Fire and Emergency Services Loan Fund.

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 41,611**	**$ 46,563**	**$ 40,471**
Receipts:			
Loan Principal and Interest Repayments	$ 11,643	$ 13,000	$ 13,000
Act 24 of 2020 Return of COVID Transfer	6,000	-	-
Interest	944	908	751
Penalty Charges	5	-	-
Total Receipts	18,592	13,908	13,751
Total Funds Available	**$ 60,203**	**$ 60,471**	**$ 54,222**
Disbursements:			
Office of State Fire Commissioner	$ 7,640	$ 20,000	$ 20,000
Transfer to General Fund	6,000	-	-
Total Disbursements	(13,640)	(20,000)	(20,000)
Cash Balance, Ending	**$ 46,563**	**$ 40,471**	**$ 34,222**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 76,394**	**$ 68,545**	**$ 69,229**
Receipts:			
Foreign Fire Insurance Premiums Tax	$ 68,413	$ 69,097	$ 69,788
Total Receipts	68,413	69,097	69,788
Total Funds Available	**$ 144,807**	**$ 137,642**	**$ 139,017**
Disbursements:			
Auditor General:			
Transfer to Municipal Pension Aid Fund	$ 15,848	$ 14,045	$ 13,819
Aid to Local Jurisdictions	60,414	54,368	55,278
Total Disbursements	(76,262)	(68,413)	(69,097)
Cash Balance, Ending	**$ 68,545**	**$ 69,229**	**$ 69,920**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 79,587**	**$ 83,341**	**$ 71,875**
Receipts:			
Licenses and Fees	$ 30,416	$ 24,644	$ 25,400
Fines and Penalties	358	260	325
Restricted Funds	2,342	2,473	2,473
Federal Receipts	8,312	11,246	11,458
Interest	1,729	1,828	1,618
Sale of Goods	182	129	124
Sale of Publications	6	5	5
Other	1,239	1,075	1,160
Total Receipts	44,584	41,660	42,563
Total Funds Available	**$ 124,171**	**$ 125,001**	**$ 114,438**
Disbursements:			
Fish and Boat Commission	$ 40,830	$ 53,126	$ 49,203
Total Disbursements	(40,830)	(53,126)	(49,203)
Cash Balance, Ending	**$ 83,341**	**$ 71,875**	**$ 65,235**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 100,990**	**$ 134,706**	**$ 105,636**
Receipts:			
Licenses and Fees	$ 48,629	$ 49,166	$ 49,783
Resident License Fee - Transfer for Wildlife Propagation	(9,000)	(9,000)	(9,000)
Fines and Penalties	1,750	1,680	1,780
Gas and Oil Leases	60,236	58,000	57,900
Federal Receipts	26,121	27,818	26,165
Habitat License Fee Transfer	9,000	9,000	9,000
Interest	2,072	2,602	1,827
Sale of Goods	1,595	399	879
Sale of Wood Products	8,894	8,100	9,400
Sale of Publications	595	450	610
Agency Construction Projects	22,788	7,774	-
Cost Sharing Escrow Funds	5,393	18	-
Other	1,221	1,543	1,430
Total Receipts	179,294	157,550	149,774
Total Funds Available	**$ 280,284**	**$ 292,256**	**$ 255,410**
Disbursements:			
Game Commission	$ 145,578	$ 183,635	$ 151,819
General Services	-	2,985	27,577
Total Disbursements	(145,578)	(186,620)	(179,396)
Cash Balance, Ending	**$ 134,706**	**$ 105,636**	**$ 76,014**

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 the 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 for support services to organ donors, 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 1,228**	**$ 1,709**	**$ 1,576**
Receipts:			
Donations - State Income Tax Forms	$ 4	$ 8	$ 6
Donations - Driver's License Applicants	346	320	320
Donations - Motor Vehicle Registrations	643	622	622
Donations - Private	3	1	1
Interest	3	1	1
Total Receipts	999	952	950
Total Funds Available	**$ 2,227**	**$ 2,661**	**$ 2,526**
Disbursements:			
Education	$ 96	$ 234	$ 165
Health	422	771	648
Transportation	-	80	80
Total Disbursements	(518)	(1,085)	(893)
Cash Balance, Ending	**$ 1,709**	**$ 1,576**	**$ 1,633**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 5,558**	**$ 915**	**$ -**
Receipts:			
Accumulated Interest Transfer for Debt Service	$ -	$ (170)	$ -
Interest	10	-	-
Total Receipts	10	(170)	-
Total Funds Available	**$ 5,568**	**$ 745**	**$ -**
Disbursements:			
Agriculture:			
Purchase of County Easements	$ 257	$ -	$ -
Community and Economic Development:			
Main Street Downtown Development	195	662	-
Conservation and Natural Resources:			
State Parks/Forest Projects	1,488	-	-
Environmental Protection:			
Authority Projects	1,766	-	-
Environmental Improvement Projects	379	-	-
Acid Mine Drainage Abatement	557	-	-
Fish and Boat Commission:			
Capital Improvement Projects	-	83	-
Game Commission:			
Capital Improvement Projects	11	-	-
Total Disbursements	(4,653)	(745)	-
Cash Balance, Ending	**$ 915**	**$ -**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 5**	**$ 5**	**$ -**
Receipts:			
Transfer from Environmental Stewardship Fund	$ 13,609	$ 12,284	$ 12,317
Interest	-	-	-
Total Receipts	13,609	12,284	12,317
Total Funds Available	**$ 13,614**	**$ 12,289**	**$ 12,317**
Disbursements:			
Treasury	$ 13,609	$ 12,289	$ 12,317
Total Disbursements	(13,609)	(12,289)	(12,317)
Cash Balance, Ending	**$ 5**	**$ -**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 1,095**	**$ 918**	**$ 359**
Receipts:			
Toxic Chemical Release Form Fee	$ 1,032	$ 803	$ 900
Chemical Inventory Fee	362	362	375
Interest	20	13	4
Other	73	133	100
Total Receipts	1,487	1,311	1,379
Total Funds Available	**$ 2,582**	**$ 2,229**	**$ 1,738**
Disbursements:			
Emergency Management	$ 1,658	$ 1,790	$ 1,600
Labor and Industry	6	80	80
Total Disbursements	(1,664)	(1,870)	(1,680)
Cash Balance, Ending	**$ 918**	**$ 359**	**$ 58**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 75,762**	**$ 81,494**	**$ 52,882**
Receipts:			
Transfer of Capital Stock and Franchise Tax	$ 18,368	$ 4,400	$ 3,600
Transfer from Marcellus Legacy Fund	17,552	19,076	19,071
Hazardous Waste Fee	2,413	2,037	1,970
Cost Recovery	862	1,020	1,020
Interest	1,184	1,226	619
Other	7	-	-
Total Receipts	40,386	27,759	26,280
Total Funds Available	**$ 116,148**	**$ 109,253**	**$ 79,162**
Disbursements:			
Environmental Protection	$ 30,654	$ 52,371	$ 47,862
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	(34,654)	(56,371)	(51,862)
Cash Balance, Ending	**$ 81,494**	**$ 52,882**	**$ 27,300**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 40,041**	**$ 58,182**	**$ 59,482**
Receipts:			
Transfer from General Fund	$ 369,382	$ 369,382	$ 424,747
Investment Earnings	1,377	1,300	1,300
Federal Revenue	43,488	22,501	36,677
Other	490	15,500	15,000
Total Receipts	414,737	408,683	477,724
Total Funds Available	**$ 454,778**	**$ 466,865**	**$ 537,206**
Disbursements:			
Higher Education Assistance Agency	$ 396,596	$ 407,383	$ 476,424
Total Disbursements	(396,596)	(407,383)	(476,424)
Cash Balance, Ending	**$ 58,182**	**$ 59,482**	**$ 60,782**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 396**	**$ 268**	**$ 232**
Receipts:			
Licenses and Fees	$ 331	$ 332	$ 332
Interest	1	-	-
Total Receipts	332	332	332
Total Funds Available	**$ 728**	**$ 600**	**$ 564**
Disbursements:			
Transportation	$ 310	$ 368	$ 350
Transfer to General Fund	150	-	-
Total Disbursements	(460)	(368)	(350)
Cash Balance, Ending	**$ 268**	**$ 232**	**$ 214**

Historical Preservation Fund

This fund was created for expenditure by the Historical and Museum Commission for the preservation, care, and maintenance of state historical properties, museums, and records and for the financing of historical research and publication programs. Money in the fund can also be used to purchase publications and souvenirs of a historical nature for sale at commission administered properties. This fund is made up of monies from the sale of publications by the Pennsylvania Historical and Museum Commission and all monies received from admission fees or other sales by the commission at the state historical properties and/or museums. Act 173 of 2002 enables the commission to sell most commonwealth publications to the public and provides that net proceeds from the publication sales and from the sale of historical properties administered by the commission shall be deposited into the fund. The Historical Preservation Fund is designated for projects of the Historical and Museum Commission for which they have agreements to complete over a period of several fiscal years.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 6,583**	**$ 5,963**	**$ 4,781**
Receipts:			
Admission Fees	$ 73	$ 750	$ 812
Mitigation and Special Projects	6	5	6
Interest	12	3	2
Other	245	230	230
Total Receipts	336	988	1,050
Total Funds Available	**$ 6,919**	**$ 6,951**	**$ 5,831**
Disbursements:			
Historical and Museum Commission			
General Operations	$ 287	$ 1,281	$ 1,167
Mitigation and Special Projects	669	889	888
Total Disbursements	(956)	(2,170)	(2,055)
Cash Balance, Ending	**$ 5,963** [a]	**$ 4,781** [a]	**$ 3,776** [a]

[a] Includes the following amounts restricted for mitigation and special projects: 2020-21 Actual is $3,784,000, 2021-22 Available is $2,900,000, and 2022-23 Estimated is $2,018,000.

HOME Investment Trust Fund

This fund was established by Act 172 of 1992 in order to administer Pennsylvania's program under the National Affordable Housing Act of 1990. Funding is provided by the Federal Department of Housing and Urban Development on an annual basis. Expenditures are for 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 11**	**$ (10)**	**$ -**
Receipts:			
Federal Revenue	$ 607	$ 4,244	$ 3,700
HOME Program Income	369	300	300
Interest	2	-	-
Total Receipts	978	4,544	4,000
Total Funds Available	**$ 989**	**$ 4,534**	**$ 4,000**
Disbursements:			
Community and Economic Development	$ 999	$ 4,534	$ 4,000
Total Disbursements	(999)	(4,534)	(4,000)
Cash Balance, Ending	**$ (10)**	**$ -**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 10**	**$ 10**	**$ -**
Receipts:			
Interest	$ -	$ -	$ -
Accumulated Interest Transfer	-	(10)	-
Total Receipts	-	(10)	-
Total Funds Available	**$ 10**	**$ -**	**$ -**
Disbursements:			
Pennsylvania Housing Finance Agency	$ -	$ -	$ -
Total Disbursements	-	-	-
Cash Balance, Ending	**$ 10**	**$ -**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 6,698**	**$ 5,846**	**$ 5,798**
Receipts:			
Transfer from Unconventional Gas Well Fund	$ 5,060	$ 5,000	$ 5,000
Transfer of Realty Transfer Tax	36,162	40,000	40,000
Interest	30	12	12
Total Receipts	41,252	45,012	45,012
Total Funds Available	**$ 47,950**	**$ 50,858**	**$ 50,810**
Disbursements:			
Pennsylvania Housing Finance Agency			
Housing Affordability and Rehabilitation Program	$ 5,942	$ 5,060	$ 5,000
Housing Programs-RTT	36,162	40,000	40,000
Total Disbursements	(42,104)	(45,060)	(45,000)
Cash Balance, Ending	**$ 5,846**	**$ 5,798**	**$ 5,810**

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.

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 15,669**	**$ 9,587**	**$ 1,999**
Receipts:			
Loan Principal and Interest Repayments	$ 166	$ 1,027	$ 770
Transfer from Hazardous Sites Cleanup Fund	3,000	3,000	3,000
Interest	284	191	48
Investment Income	2,707	-	-
Total Receipts	6,157	4,218	3,818
Total Funds Available	**$ 21,826**	**$ 13,805**	**$ 5,817**
Disbursements:			
Community and Economic Development	$ 2,239	$ 11,806	$ 5,814
Transfer to General Fund	10,000	-	-
Total Disbursements	(12,239)	(11,806)	(5,814)
Cash Balance, Ending	**$ 9,587**	**$ 1,999**	**$ 3**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 7,447**	**$ 8,985**	**$ 6,796**
Receipts:			
Assessments, Fines and Penalties	$ 15,086	$ 14,930	$ 16,131
Interest	17	4	3
Total Receipts	15,103	14,934	16,134
Total Funds Available	**$ 22,550**	**$ 23,919**	**$ 22,930**
Disbursements:			
Insurance Fraud Prevention Authority	$ 13,565	$ 17,123	$ 17,332
Total Disbursements	(13,565)	(17,123)	(17,332)
Cash Balance, Ending	**$ 8,985**	**$ 6,796**	**$ 5,598**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 94,805**	**$ 41,341**	**$ 2,117**
Receipts:			
Interest	$ 129	$ 14	$ 14
Total Receipts	129	14	14
Total Funds Available	**$ 94,934**	**$ 41,355**	**$ 2,131**
Disbursements:			
Insurance	$ 53,593	$ 39,238	$ -
Total Disbursements	(53,593)	(39,238)	-
Cash Balance, Ending	**$ 41,341**	**$ 2,117**	**$ 2,131**

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 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 33,362**	**$ 43,520**	**$ 36,571**
Receipts:			
Licenses and Fees	$ 39,688	$ 38,725	$ 38,975
Examination Reimbursements	6,757	5,700	6,000
Federal Receipts	10	65	-
Interest	55	16	18
Other	861	800	800
Return To General Fund	-	(13,545)	(5,700)
Total Receipts	47,371	31,761	40,093
Total Funds Available	**$ 80,733**	**$ 75,281**	**$ 76,664**
Disbursements:			
Insurance	$ 27,213	$ 38,710	$ 34,202
Transfer to General Fund	10,000	-	-
Total Disbursements	(37,213)	(38,710)	(34,202)
Cash Balance, Ending	**$ 43,520**	**$ 36,571**	**$ 42,462**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 380**	**$ 5**	**$ 5**
Receipts:			
Interest	$ -	$ -	$ -
Total Receipts	-	-	-
Total Funds Available	**$ 380**	**$ 5**	**$ 5**
Disbursements:			
Labor and Industry	$ -	$ -	$ -
Transfer to General Fund	375	-	-
Total Disbursements	(375)	-	-
Cash Balance, Ending	**$ 5**	**$ 5**	**$ 5**

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 for the first phase of the Justice Reimbursement Initiative was derived from savings to the State Correctional Institutions through implementation of Act 122 of 2012. 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 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 provide 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 began 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 741**	**$ 549**	**$ 5**
Receipts:			
Transfer from General Fund	$ -	$ 1,220	$ 8,463
Interest	1	-	-
Total Receipts	1	1,220	8,463
Total Funds Available	**$ 742**	**$ 1,769**	**$ 8,468**
Disbursements:			
Commission on Crime and Delinquency	$ 193	$ 1,364	$ 8,063
Commission on Sentencing	-	400	400
Total Disbursements	(193)	(1,764)	(8,463)
Cash Balance, Ending	**$ 549**	**$ 5**	**$ 5**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 173,298**	**$ 191,613**	**$ -**
Receipts:			
Realty Transfer Tax	$ 112,972	$ 141,500	$ 142,400
Interest	3,794	4,002	4,082
Total Receipts	116,766	145,502	146,482
Total Funds Available	**$ 290,064**	**$ 337,115**	**$ 146,482**
Disbursements:			
Conservation and Natural Resources	70,666	238,252	95,213
Education	17,705	50,705	32,226
Historical and Museum Commission	10,080	48,158	19,043
Total Disbursements	(98,451)	(337,115)	(146,482)
Cash Balance, Ending	**$ 191,613**	**$ -**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 3,538**	**$ 4,943**	**$ 4,081**
Receipts:			
Tax on Gasoline	$ 19,816	$ 22,723	$ 23,054
Tax on Diesel Fuel	6,294	6,431	6,410
Total Receipts	26,110	29,154	29,464
Total Funds Available	**$ 29,648**	**$ 34,097**	**$ 33,545**
Disbursements:			
Transfer to Boat Fund	$ 110	$ 110	$ 110
Transportation	24,595	29,906	28,923
Total Disbursements	(24,705)	(30,016)	(29,033)
Cash Balance, Ending	**$ 4,943**	**$ 4,081**	**$ 4,512**

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.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 1,930**	**$ 403**	**$ 2,297**
Receipts:			
License Fees	$ 1,961	$ 2,491	$ 4,420
Total Receipts	1,961	2,491	4,420
Total Funds Available	**$ 3,891**	**$ 2,894**	**$ 6,717**
Disbursements:			
Liquor Control Board	$ 3,488	$ 597	$ 4,514
Total Disbursements	(3,488)	(597)	(4,514)
Cash Balance, Ending	**$ 403**	**$ 2,297**	**$ 2,203**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,730**	**$ 2,799**	**$ -**
Receipts:			
Philadelphia Cigarette Tax Collections	$ 30,266	$ 27,700	$ 24,200
Act 84 of 2016 Collection Adjustment	23,722	28,253	30,900
Interest	11	4	-
Offset Department of Revenue Collection Costs	(519)	(600)	(600)
Total Receipts	53,480	55,357	54,500
Total Funds Available	**$ 56,210**	**$ 58,156**	**$ 54,500**
Disbursements:			
Distribution to the Philadelphia School District	$ 53,411	$ 58,156	$ 54,500
Total Disbursements	(53,411)	(58,156)	(54,500)
Cash Balance, Ending	**$ 2,799**	**$ -**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 3,691**	**$ 1,869**	**$ 1,045**
Receipts:			
Loan Principal and Interest Repayments	$ 171	$ 175	$ 175
Interest	7	1	-
Total Receipts	178	176	175
Total Funds Available	**$ 3,869**	**$ 2,045**	**$ 1,220**
Disbursements:			
Community and Economic Development	$ -	$ 1,000	$ 1,000
Transfer to General Fund	2,000	-	-
Total Disbursements	(2,000)	(1,000)	(1,000)
Cash Balance, Ending	**$ 1,869**	**$ 1,045**	**$ 220**

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 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 36,734**	**$ 25,230**	**$ 18,422**
Receipts:			
Loan Principal and Interest Repayments	$ 5,774	$ 8,000	$ 7,000
Loan Service Fees	21	50	50
Interest	497	506	376
Other	1	-	-
Total Receipts	6,293	8,556	7,426
Total Funds Available	**$ 43,027**	**$ 33,786**	**$ 25,848**
Disbursements:			
Community and Economic Development	$ 12,797	$ 15,364	$ 11,778
Transfer to General Fund	5,000	-	-
Total Disbursements	(17,797)	(15,364)	(11,778)
Cash Balance, Ending	**$ 25,230**	**$ 18,422**	**$ 14,070**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 28,949**	**$ 33,210**	**$ 19,290**
Receipts:			
Sale of Products	$ 86,135	$ 92,746	$ 95,741
Interest	537	483	437
Investment Income	1,884	-	-
Total Receipts	88,556	93,229	96,178
Total Funds Available	**$ 117,505**	**$ 126,439**	**$ 115,468**
Disbursements:			
Corrections	$ 84,295	$ 107,149	$ 97,586
Total Disbursements	(84,295)	(107,149)	(97,586)
Cash Balance, Ending	**$ 33,210**	**$ 19,290**	**$ 17,882**

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. 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 6,778**	**$ 6,787**	**$ 790**
Receipts:			
Transfer from Unconventional Gas Well Fund	$ 51,032	$ 81,513	$ 81,429
Transfer from Oil and Gas Lease Fund	15,000	15,000	15,000
Interest	21	4	4
Total Receipts	66,053	96,517	96,433
Total Funds Available	**$ 72,831**	**$ 103,304**	**$ 97,223**
Disbursements:			
Public Utility Commission:			
County Grants	$ 7,655	$ 12,227	$ 12,214
Transfer to Commonwealth Financing Authority	10,206	16,303	16,286
Transfer to Commonwealth Financing Authority-H2O	6,379	10,189	10,179
Environmental Protection	-	6,001	-
Infrastructure Investment Authority	6,379	10,189	10,179
Community and Economic Development	12	-	-
Transfer to Highway Bridge Improvement	12,758	20,378	20,357
Transfer to Environmental Stewardship Fund	5,103	8,151	8,143
Transfer to Hazardous Sites Cleanup Fund	17,552	19,076	19,071
Total Disbursements	(66,044)	(102,514)	(96,429)
Cash Balance, Ending	**$ 6,787**	**$ 790**	**$ 794**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 87,245**	**$ 103,988**	**$ 83,757**
Receipts:			
Assessments	$ 191,906	$ 190,480	$ 190,480
Interest	217	102	102
Total Receipts	192,123	190,582	190,582
Total Funds Available	**$ 279,368**	**$ 294,570**	**$ 274,339**
Disbursements:			
Insurance	$ 175,380	$ 210,813	$ 190,469
Total Disbursements	(175,380)	(210,813)	(190,469)
Cash Balance, Ending	**$ 103,988** [a]	**$ 83,757** [a]	**$ 83,870** [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. This budget reflects transfer of the undistributed fund balance to the General Fund for Department of Health operations per statute.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 25,271**	**$ 39,126**	**$ 36,554**
Receipts:			
Grower/Processor Application and Permit Fees	$ 520	$ 250	$ 250
Dispensary Application and Permit Fees	2,160	250	250
Clinical Registrant Application and Permit Fees	-	610	135
Patient Identification Card Fees	16,019	20,023	22,598
Gross Receipts Tax	26,780	33,475	41,844
Interest	-	1	-
Other	277	250	250
Total Receipts	45,756	54,859	65,327
Total Funds Available	**$ 71,027**	**$ 93,985**	**$ 101,881**
Disbursements:			
Loan Repayment to the General Fund	$ -	$ 3,000	$ -
Health	11,901	46,652	55,528
Drug and Alcohol Programs	-	5,186	6,533
Commission on Crime and Delinquency	-	2,593	3,266
Transfer to General Fund	20,000	-	36,554
Total Disbursements	(31,901)	(57,431)	(101,881)
Cash Balance, Ending	**$ 39,126**	**$ 36,554**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ -**	**$ -**	**$ -**
Receipts:			
State Tax Share	$ 15,474	$ 15,803	$ 16,800
Total Receipts	15,474	15,803	16,800
Total Funds Available	**$ 15,474**	**$ 15,803**	**$ 16,800**
Disbursements:			
Treasury	$ 15,474	$ 15,803	$ 16,800
Total Disbursements	(15,474)	(15,803)	(16,800)
Cash Balance, Ending	**$ -**	**$ -**	**$ -**

Milk Marketing Fund

The Milk Marketing Fund is a special revenue fund composed of monies received from license fees, fines, penalties and permits relating to the milk industry. The purpose of this fund is to provide for the operation of the Milk Marketing Board and to serve as a depository for money due dairy farmers from underpayments by milk dealers.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 3,067**	**$ 4,240**	**$ 3,230**
Receipts:			
License and Fees	$ 3,608	$ 2,761	$ 2,761
Fines and Penalties	1	40	5
Interest	7	2	2
Total Receipts	3,616	2,803	2,768
Total Funds Available	**$ 6,683**	**$ 7,043**	**$ 5,998**
Disbursements:			
Milk Marketing Board	$ 2,443	$ 3,813	$ 2,840
Total Disbursements	(2,443)	(3,813)	(2,840)
Cash Balance, Ending	**$ 4,240**	**$ 3,230**	**$ 3,158**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 150**	**$ 127**	**$ 120**
Receipts:			
Fines and Penalties	$ 6	$ 10	$ 16
Total Receipts	6	10	16
Total Funds Available	**$ 156**	**$ 137**	**$ 136**
Disbursements:			
Environmental Protection	$ 29	$ 17	$ 49
Total Disbursements	(29)	(17)	(49)
Cash Balance, Ending	**$ 127**	**$ 120**	**$ 87**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 1,928**	**$ 1,653**	**$ 1,303**
Receipts:			
Loan Principal and Interest Repayments	$ 732	$ 1,000	$ 900
Interest	4	1	1
Other	7	2	-
Total Receipts	743	1,003	901
Total Funds Available	**$ 2,671**	**$ 2,656**	**$ 2,204**
Disbursements:			
Community and Economic Development	$ 1,018	$ 1,353	$ 1,340
Total Disbursements	(1,018)	(1,353)	(1,340)
Cash Balance, Ending	**$ 1,653**	**$ 1,303**	**$ 864**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 43,647**	**$ 43,705**	**$ 39,503**
Receipts:			
Interest	$ 1,148	$ 1,029	$ 904
Investment Income	1,158	-	-
Total Receipts	2,306	1,029	904
Total Funds Available	**$ 45,953**	**$ 44,734**	**$ 40,407**
Disbursements:			
Commission on Crime and Delinquency	$ 2,248	$ 5,231	$ 4,800
Total Disbursements	(2,248)	(5,231)	(4,800)
Cash Balance, Ending	**$ 43,705**	**$ 39,503**	**$ 35,607**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,474**	**$ 2,451**	**$ 2,226**
Receipts:			
Title and Registration Fees	$ 29	$ 30	$ 30
Interest	6	1	1
Total Receipts	35	31	31
Total Funds Available	**$ 2,509**	**$ 2,482**	**$ 2,257**
Disbursements:			
Transportation	$ 58	$ 256	$ 20
Total Disbursements	(58)	(256)	(20)
Cash Balance, Ending	**$ 2,451**	**$ 2,226**	**$ 2,237**

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.

Effective in 2022, Act 89 replaces deposits from the Pennsylvania Turnpike Commission with a Transfer of Sales and Use Tax.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 196,304**	**$ 291,816**	**$ -**
Receipts:			
Pennsylvania Turnpike Commission	$ 30,000	$ 30,000	$ -
Motor Vehicle Fees	86,315	79,300	83,300
Transfer of Sales and Use Tax	-	-	30,000
Transfer of Oil Company Franchise Tax	35,000	35,000	35,000
Interest	534	189	100
Other	19	-	-
Total Receipts	151,868	144,489	148,400
Total Funds Available	**$ 348,172**	**$ 436,305**	**$ 148,400**
Disbursements:			
Transportation	$ (7,808)	$ 376,445	$ 85,629
Transfer to Commonwealth Finance Authority	64,164	59,860	62,771
Total Disbursements	(56,356)	(436,305)	(148,400)
Cash Balance, Ending	**$ 291,816**	**$ -**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 319,478**	**$ 306,560**	**$ 307,306**
Receipts:			
Foreign Casualty Insurance Premiums Tax	$ 297,776	$ 300,754	$ 303,761
Transfer from Fire Insurance Tax Fund	15,848	14,045	13,819
Interest	569	141	142
Total Receipts	314,193	314,940	317,722
Total Funds Available	**$ 633,671**	**$ 621,500**	**$ 625,028**
Disbursements:			
Municipal Pension Aid	$ 326,059	$ 313,271	$ 314,218
Post-Retirement	1,052	923	821
Total Disbursements	(327,111)	(314,194)	(315,039)
Cash Balance, Ending	**$ 306,560**	**$ 307,306**	**$ 309,989**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 10,001**	**$ 11,188**	**$ 1,163**
Receipts:			
Transfer from the General Fund	$ 4,500	$ 4,500	$ 4,500
Loan Principal and Interest Repayments	1,057	500	5,500
Interest	21	8	21
Total Receipts	5,578	5,008	10,021
Total Funds Available	**$ 15,579**	**$ 16,196**	**$ 11,184**
Disbursements:			
Community and Economic Development	$ 4,391	$ 15,033	$ 5,000
Total Disbursements	(4,391)	(15,033)	(5,000)
Cash Balance, Ending	**$ 11,188**	**$ 1,163**	**$ 6,184**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 14**	**$ 2**	**$ -**
Receipts:			
State Tax Share	$ 74,591	$ 83,000	$ 86,300
State Tax Share Return	(31,624)	(25,000)	(25,000)
Local Tax Share	3,675	2,407	2,503
Interest	3	-	-
Total Receipts	46,645	60,407	63,803
Total Funds Available	**$ 46,659**	**$ 60,409**	**$ 63,803**
Disbursements:			
Treasury	$ 46,657	$ 60,409	$ 63,803
Total Disbursements	(46,657)	(60,409)	(63,803)
Cash Balance, Ending	**$ 2**	**$ -**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 6,170**	**$ 6,117**	**$ 4,267**
Receipts:			
Licenses and Fees	$ 1,988	$ 1,760	$ 1,760
Penalties	197	94	95
Interest	175	173	178
Collateral	(173)	81	85
Forfeiture	268	72	77
Payment in Lieu of Bonds	64	100	100
Other	356	-	-
Total Receipts	2,875	2,280	2,295
Total Funds Available	**$ 9,045**	**$ 8,397**	**$ 6,562**
Disbursements:			
Environmental Protection	$ 2,928	$ 4,130	$ 1,997
Total Disbursements	(2,928)	(4,130)	(1,997)
Cash Balance, Ending	**$ 6,117**	**$ 4,267**	**$ 4,565**

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, 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,999**	**$ 4,670**	**$ 1,045**
Receipts:			
Transfer from General Fund	$ 6,200	$ 6,200	$ 6,200
Interest	8	4	2
Fees	36	40	40
Fines	8	27	27
Total Receipts	6,252	6,271	6,269
Total Funds Available	**$ 9,251**	**$ 10,941**	**$ 7,314**
Disbursements:			
Agriculture	$ 2,612	$ 7,114	$ 4,661
Environmental Protection	1,969	2,782	2,100
Total Disbursements	(4,581)	(9,896)	(6,761)
Cash Balance, Ending	**$ 4,670**	**$ 1,045**	**$ 553**

Oil and Gas Lease Fund

Created in 1955, this fund is used to finance conservation, recreation, dams or flood control projects, and 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 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 2022-23 proposes to permanently eliminate the transfer to the Environmental Stewardship Fund (via the Marcellus Legacy Fund) established in Act 24 of 2021. The General Fund expenses replaced by the Oil and Gas Lease Fund include additional support for the Department of Conservation and Natural Resources operations, as reflected on the financial statement below.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 7,800**	**$ 13,593**	**$ 16,153**
Receipts:			
Rents and Royalties	$ 65,906	$ 74,149	$ 67,150
Interest	130	127	123
Other	401	167	167
Total Receipts	66,437	74,443	67,440
Total Funds Available	**$ 74,237**	**$ 88,036**	**$ 83,593**
Disbursements:			
Conservation and Natural Resources:			
General Government Operations	$ 11,644	$ 23,883	$ 14,790
State Parks Operations	17,000	16,500	19,000
State Forests Operations	17,000	16,500	19,000
Transfer to Marcellus Legacy Fund	15,000	15,000	15,000
Total Disbursements	(60,644)	(71,883)	(67,790)
Cash Balance, Ending	**$ 13,593**	**$ 16,153**	**$ 15,803**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 6,769**	**$ 10,187**	**$ 10,040**
Receipts:			
Surcharges	$ 9,991	$ 9,719	$ 7,500
Interest	14	6	5
Total Receipts	10,005	9,725	7,505
Total Funds Available	**$ 16,774**	**$ 19,912**	**$ 17,545**
Disbursements:			
Patient Safety Authority	$ 6,587	$ 9,872	$ 9,400
Total Disbursements	(6,587)	(9,872)	(9,400)
Cash Balance, Ending	**$ 10,187**	**$ 10,040**	**$ 8,145**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated	
Cash Balance, Beginning	**$ 26,073**	**$ 4,792**	**$ 19,094**	
Receipts:				
Gross Terminal Revenue Assessments	$ 103,063	$ 133,500	$ 130,200	
Build America Bonds Federal Interest Subsidy	9,370	11,342	7,859	
Interest	55	22	25	
Total Receipts	112,488	144,864	138,084	
Total Funds Available	**$ 138,561**	**$ 149,656**	**$ 157,178**	
Disbursements:				
Community and Economic Development	$ 78,300	$ 61,228	$ 86,900	
General Services	783	263	320	[a]
Loan Repayment to Pennvest	-	15,000	-	
Transfer to Commonwealth Financing Authority	54,686	54,071	54,347	
Total Disbursements	(133,769)	(130,562)	(141,567)	
Cash Balance, Ending	**$ 4,792**	**$ 19,094**	**$ 15,611**	

[a] Excludes a $3.645M remaining pledge installment owed by a casino operator that is due on April 1, 2022. 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 $3.965M.

Pennsylvania Health Insurance Exchange Fund

The Pennsylvania 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 (3.0% of premiums as of January 1, 2021) on the health and dental plans purchased through the exchange. In calendar year 2021, Pennsylvania transitioned from a State-Based Exchange on the Federal Platform (SBE-FP) to a fully operational State-Based Exchange (SBE).

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,063**	**$ 18,420**	**$ 43,119**
Receipts:			
Exchange User Fees on Insurers	$ 38,680	$ 66,898	$ 75,100
Federal Receipts/Subgrant	12,674	15,802	5,000
COVID - Exchange Modernization	-	1,108	-
Interest	6	16	20
Total Receipts	51,360	83,824	80,120
Total Funds Available	**$ 53,423**	**$ 102,244**	**$ 123,239**
Disbursements:			
Health Insurance Exchange Authority	$ 34,836	$ 58,850	$ 57,224
Transfer to Reinsurance	167	275	20,300
Total Disbursements	(35,003)	(59,125)	(77,524)
Cash Balance, Ending	**$ 18,420**	**$ 43,119**	**$ 45,715**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 197**	**$ 197**	**$ 197**
Receipts:			
Interest	$ -	$ -	$ -
Total Receipts	-	-	-
Total Funds Available	**$ 197**	**$ 197**	**$ 197**
Disbursements:			
Historical and Museum Commission	$ -	$ -	$ -
Total Disbursements	-	-	-
Cash Balance, Ending	**$ 197**	**$ 197**	**$ 197**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 35,316**	**$ 40,851**	**$ 29,758**
Receipts:			
Loan Principal and Interest Repayments	$ 33,803	$ 34,347	$ 34,347
Act 24 of 2020 Return of COVID Transfer	5,000	-	-
Interest	693	611	611
Other	3,611	-	-
Total Receipts	43,107	34,958	34,958
Total Funds Available	**$ 78,423**	**$ 75,809**	**$ 64,716**
Disbursements:			
Transportation	$ 32,572	$ 46,051	$ 30,000
Transfer to General Fund	5,000	-	-
Total Disbursements	(37,572)	(46,051)	(30,000)
Cash Balance, Ending	**$ 40,851**	**$ 29,758**	**$ 34,716**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,647,592**	**$ 3,127,195**	**$ 3,426,018**
Receipts:			
Contributions	$ 116,153	$ 92,254	$ 97,670
Interest	28,393	30,236	27,691
Premium / Discount on Sale of Securities	134,270	113,132	100,986
Net Investment Adjustment	338,252	216,606	174,111
Total Receipts	617,068	452,228	400,458
Total Funds Available	**$ 3,264,660**	**$ 3,579,423**	**$ 3,826,476**
Disbursements:			
Municipal Retirement Board	$ 137,465	$ 153,405	$ 170,231
Total Disbursements	(137,465)	(153,405)	(170,231)
Cash Balance, Ending	**$ 3,127,195**	**$ 3,426,018**	**$ 3,656,245**

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 proposes the reauthorization of the Act 114 drug testing transfer provision. In addition, this budget proposes to redirect a portion of 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 6,320**	**$ 8,029**	**$ 6,736**
Receipts:			
Assessments	$ 184,003	$ 226,100	$ 215,500
Interest	17	6	6
Total Receipts	184,020	226,106	215,506
Total Funds Available	**$ 190,340**	**$ 234,135**	**$ 222,242**
Disbursements:			
Revenue:			
Purse Account	$ 120,936	$ 155,628	$ 73,405
Restricted Racing Programs	24,187	31,126	14,681
Horsemen's Health and Pension Benefits	6,047	7,781	7,341
Agriculture	14,364	15,958	14,659
Education - Nellie Bly Tuition Program	-	-	88,087
Transfer to Farm Products Show Fund	5,000	5,000	5,000
Transfer to State Racing Fund - Drug Testing	10,066	10,066	10,066
Transfer to State Racing Fund - Promotion of Racing	1,711	1,840	2,261
Total Disbursements	(182,311)	(227,399)	(215,500)
Cash Balance, Ending	**$ 8,029**	**$ 6,736**	**$ 6,742**

Pennsylvania 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,000**	**$ 244**	**$ 700**
Receipts:			
Private Grant Funds	$ 87	$ 1,500	$ 2,000
Federal Receipts	729	3,177	500
Interest	2	3	-
Total Receipts	818	4,680	2,500
Total Funds Available	**$ 2,818**	**$ 4,924**	**$ 3,200**
Disbursements:			
PA Rural Health Redesign Center Authority	$ 2,374	$ 3,824	$ 2,000
Loan Repayment	200	400	600
Total Disbursements	(2,574)	(4,224)	(2,600)
Cash Balance, Ending	**$ 244**	**$ 700**	**$ 600**

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 monuments license plate.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 121**	**$ 463**	**$ 296**
Receipts:			
Public and Private Donations	$ 410	$ 13	$ 10
Refunds	2	-	-
PA Monuments License Plates	1	1	1
Total Receipts	413	14	11
Total Funds Available	**$ 534**	**$ 477**	**$ 307**
Disbursements:			
Military and Veterans Affairs	$ 71	$ 181	$ 95
Total Disbursements	(71)	(181)	(95)
Cash Balance, Ending	**$ 463**	**$ 296**	**$ 212**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 6,179**	**$ 6,191**	**$ -**
Receipts:			
Interest	$ 12	$ 3	$ -
Total Receipts	12	3	-
Total Funds Available	**$ 6,191**	**$ 6,194**	**$ -**
Disbursements:			
Infrastructure Investment Authority	$ -	$ 6,194	$ -
Total Disbursements	-	(6,194)	-
Cash Balance, Ending	**$ 6,191**	**$ -**	**$ -**

PENNVEST Drinking Water Revolving Fund

This fund was created under the authority of Act 16 of 1988 to receive funds from the federal government to establish a revolving loan program for drinking water projects. Required matching state funds are transferred from the PENNVEST Bond Authorization Fund and the PENNVEST Fund. Because of the lag in receiving federal funds, cash is borrowed from other PENNVEST funds.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 238,719**	**$ 298,645**	**$ 272,713**
Receipts:			
Federal Funds	$ 35,474	$ 63,848	$ 202,828
Transfer from PENNVEST Water Pollution Control Revolving Fund	103,981	20,000	60,000
Loan Principal and Interest Repayments	2,180	12,000	14,700
Interest	5,090	5,307	5,165
Total Receipts	146,725	101,155	282,693
Total Funds Available	**$ 385,444**	**$ 399,800**	**$ 555,406**
Disbursements:			
Infrastructure Investment Authority	$ 86,799 [a]	$ 127,087 [a]	$ 282,828 [a]
Total Disbursements	(86,799)	(127,087)	(282,828)
Cash Balance, Ending	**$ 298,645**	**$ 272,713**	**$ 272,578**

[a] Additional Drinking Water Projects Revolving Loans authorizations were $210,686,000 for FY 2020-21, $200,000,000 for FY 2021-22, and $200,000,000 for FY 2022-23 to account for loan commitments to be disbursed by the PENNVEST Trustee.

PENNVEST Fund

This fund was created under the authority of Act 16 of 1988 to receive funds from sources other than the sale of general obligation bonds. These sources include appropriations from the General Fund, payments of revolving loans, interest received from revolving and non-revolving loans, investment income, and the sale of assets. In addition to grants and loans for water and sewer projects, these funds can be used for administrative costs and matching funds for federal grants.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 275,102**	**$ 260,496**	**$ 236,449**
Receipts:			
Revolving Loan Payments	$ 7,606	$ 29,000	$ 30,000
Transfer from Environmental Stewardship Fund	18,264	21,047	21,226
Transfer from Marcellus Legacy Fund	6,379	10,189	10,179
Interest	7,045	7,329	6,023
Other	3,786	2,051	2,000
Total Receipts	43,080	69,616	69,428
Total Funds Available	**$ 318,182**	**$ 330,112**	**$ 305,877**
Disbursements:			
Infrastructure Investment Authority:			
Grants	$ -	$ 35,000	$ 35,000
PENNVEST Operations	2,482	5,934	5,934
Growing Greener Grants	8,384	10,151	21,226
Revenue Bond Loan Pool	-	10	10
Marcellus Grants	8,151	9,376	10,179
Revolving Loans and Administration	35,646 [a]	31,262 [a]	32,200 [a]
State Conditional Fund	3,023	1,930	1,000
Total Disbursements	(57,686)	(93,663)	(105,549)
Cash Balance, Ending	**$ 260,496**	**$ 236,449**	**$ 200,328**

[a] Revolving Loans and Administration authorizations were $120,000,000 for FY 2020-21, $60,000,000 for FY 2021-22 and $80,000,000 for FY 2022-23 to account for loan commitments to be disbursed by the PENNVEST Trustee.

PENNVEST Redemption Fund

This fund, created under the authority of Act 16 of 1988, receives repayments of non-revolving loans and investment interest along with the annual appropriation from the General Fund for general obligation debt service. Revenues are used to pay debt service on general obligation bonds issued for PENNVEST.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 1,061**	**$ 6,847**	**$ 13,327**
Receipts:			
Interest	$ 7	$ 6	$ 11
Repayment of Non-Revolving Funds	13,853	14,181	14,181
Total Receipts	13,860	14,187	14,192
Total Funds Available	**$ 14,921**	**$ 21,034**	**$ 27,519**
Disbursements:			
Treasury	$ 8,074	$ 7,707	$ 5,509
Total Disbursements	(8,074)	(7,707)	(5,509)
Cash Balance, Ending	**$ 6,847**	**$ 13,327**	**$ 22,010**

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.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 582,147**	**$ 654,354**	**$ 685,229**
Receipts:			
Federal Funds	$ 62,947	$ 121,797	$ 140,380
HELP Investment Repayment	191,221	-	-
Loan Principal and Interest Repayments	8,448	14,000	14,387
Interest	9,014	9,279	8,558
Investment Income	-	20,000	20,000
Total Receipts	271,630	165,076	183,325
Total Funds Available	**$ 853,777**	**$ 819,430**	**$ 868,554**
Disbursements:			
Infrastructure Investment Authority	$ 199,423 [a]	$ 134,201 [a]	$ 270,380 [a]
Total Disbursements	(199,423)	(134,201)	(270,380)
Cash Balance, Ending	**$ 654,354**	**$ 685,229**	**$ 598,174**

[a] Additional Sewage Projects Revolving Loans authorizations were $270,000,000 for FY 2020-21, $257,200,000 for FY 2021-22, and $260,000,000 for FY 2022-23 to account for loan commitments to be disbursed by the PENNVEST Trustee.

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 was 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2**	**$ -**	**$ -**
Receipts:			
Balance Transfer to General Fund	$ (2)	$ -	$ -
Total Receipts	(2)	-	-
Total Funds Available	**$ -**	**$ -**	**$ -**
Disbursements:			
Military and Veterans Affairs	$ -	$ -	$ -
Total Disbursements	-	-	-
Cash Balance, Ending	**$ -**	**$ -**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 5,288**	**$ 55,297**	**$ 12,805**
Receipts:			
Transfer from Lottery Fund	$ 140,000	$ 130,000	$ 135,000
Interest	98	61	65
Disease Specific Programs	2,554	2,140	2,140
Special Pharmaceutical Services	90,986	71,200	71,071
Federal Funds	100	60	60
Other	1,501	1,500	1,500
Total Receipts	235,239	204,961	209,836
Total Funds Available	**$ 240,527**	**$ 260,258**	**$ 222,641**
Disbursements:			
Aging:			
Contracted Services	$ 125,519	$ 152,968	$ 135,440
Administration	1,224	1,224	1,286
Health Services	58,487	93,261	73,471
Total Disbursements	(185,230)	(247,453)	(210,197)
Cash Balance, Ending	**$ 55,297**	**$ 12,805**	**$ 12,444**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 311**	**$ 398**	**$ 389**
Receipts:			
Transfer from Philadelphia Regional Port Authority	$ 6,550	$ 6,425	$ 6,500
Interest	2	-	-
Total Receipts	6,552	6,425	6,500
Total Funds Available	**$ 6,863**	**$ 6,823**	**$ 6,889**
Disbursements:			
Philadelphia Regional Port Operations	$ 6,465	$ 6,434	$ 6,450
Total Disbursements	(6,465)	(6,434)	(6,450)
Cash Balance, Ending	**$ 398**	**$ 389**	**$ 439**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 31**	**$ 31**	**$ 31**
Receipts:			
Assessments	$ 2,148	$ 3,059	$ 2,679
Total Receipts	2,148	3,059	2,679
Total Funds Available	**$ 2,179**	**$ 3,090**	**$ 2,710**
Disbursements:			
Philadelphia Parking Authority	$ 2,148	$ 3,059	$ 2,679
Total Disbursements	(2,148)	(3,059)	(2,679)
Cash Balance, Ending	**$ 31**	**$ 31**	**$ 31**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 7**	**$ 7**	**$ 7**
Receipts:			
Sale of Medallions	$ -	$ 100	$ 200
Total Receipts	-	100	200
Total Funds Available	**$ 7**	**$ 107**	**$ 207**
Disbursements:			
Philadelphia Parking Authority	$ -	$ 100	$ 200
Total Disbursements	-	(100)	(200)
Cash Balance, Ending	**$ 7**	**$ 7**	**$ 7**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 200,150**	**$ 282,652**	**$ 311,187**
Receipts:			
School Construction Bond Proceeds	$ 341,258	$ 97,999	$ -
Interest	287	141	121
Total Receipts	341,545	98,140	121
Total Funds Available	**$ 541,695**	**$ 380,792**	**$ 311,308**
Disbursements:			
Education	$ 259,043	$ 69,605	$ 43,813
Total Disbursements	(259,043)	(69,605)	(43,813)
Cash Balance, Ending	**$ 282,652**	**$ 311,187**	**$ 267,495**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,393**	**$ 2,780**	**$ 3,166**
Receipts:			
State Grants	$ 999	$ 950	$ 1,100
Federal Grants	3,040	3,194	2,000
Interest	4	1	1
Total Receipts	4,043	4,145	3,101
Total Funds Available	**$ 6,436**	**$ 6,925**	**$ 6,267**
Disbursements:			
Port of Pittsburgh Commission	$ 3,656	$ 3,759	$ 3,101
Total Disbursements	(3,656)	(3,759)	(3,101)
Cash Balance, Ending	**$ 2,780**	**$ 3,166**	**$ 3,166**

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 Tax to the fund and shall be combined with other funds available for property tax relief payments. Due to the early payment of property tax/rent relief claims authorized by Act 20 of 2020, no costs are shown in 2021-22 for property tax relief payments by the Department of Revenue. This budget proposes that Table Game Taxes remain in the General Fund in 2022-23 and future years.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 123,378**	**$ 494,427**	**$ 801,679**
Receipts:			
Transfer from State Gaming Fund	$ 790,620	$ 1,044,680	$ 1,008,733
Property Tax Relief Reserve Fund Loan Repayment	6,178	2,832	-
Transfer of Personal Income Tax	200,000	-	-
Interest	251	240	240
Total Receipts	997,049	1,047,752	1,008,973
Total Funds Available	**$ 1,120,427**	**$ 1,542,179**	**$ 1,810,652**
Disbursements:			
Property Tax Relief Payments:			
Education:			
General Property Tax Relief	$ 595,000	$ 595,000	$ 595,000
Sterling Act	26,000	26,300	26,300
Subtotal: Education Property Tax Relief Payments	621,000	621,300	621,300
Revenue:			
Expanded Prop Tax/Rent Rebate/Senior Tax Reductions	-	89,800	61,000
Cities and High-Burden	-	24,400	22,400
Subtotal: Revenue Property Tax Relief Payments	-	114,200	83,400
Total Property Tax Relief Disbursements	621,000	735,500	704,700
Emergency Management:			
Volunteer Company Grants	5,000	5,000	5,000
Total Disbursements	(626,000)	(740,500)	(709,700)
Cash Balance, Ending	**$ 494,427** [a]	**$ 801,679** [b]	**$ 1,100,952** [b]

[a] Ending cash balance includes $6,192,265 in the Property Tax Relief Reserve Account.
[b] Ending cash balance includes $150,000,000 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 21,786**	**$ 63,651**	**$ 118,599**
Receipts:			
Contributions	$ 33,188	$ 52,209	$ 70,328
Net Investment Adjustment	9,314	3,737	7,036
Total Receipts	42,502	55,946	77,364
Total Funds Available	**$ 64,288**	**$ 119,597**	**$ 195,963**
Disbursements:			
Public School Employees' Retirement System:			
Administrative Expenses	$ 637	$ 998	$ 949
Total Disbursements	(637)	(998)	(949)
Cash Balance, Ending	**$ 63,651**	**$ 118,599**	**$ 195,014**

Public 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 57,036,751**	**$ 68,824,336**	**$ 71,468,461**
Receipts:			
Transfer from General Fund:			
Employer Contribution (non-school entities)	$ 28,426	$ 29,000	$ 30,000
Transfers from State Employees' Retirement System	6,605	8,000	10,000
Contributions of School Employees	1,094,599	1,087,000	1,093,000
Contributions of Employers	4,808,833	4,912,125	5,022,256
Net Investment Adjustment	13,196,937	4,012,000	4,395,000
Total Receipts	19,135,400	10,048,125	10,550,256
Total Funds Available	**$ 76,172,151**	**$ 78,872,461**	**$ 82,018,717**
Disbursements:			
Public School Employees' Retirement System:			
Administrative and Investment Related Expenses	$ 78,768	$ 95,750	$ 92,488
Benefits	7,269,047	7,308,250	7,417,512
Total Disbursements	(7,347,815)	(7,404,000)	(7,510,000)
Cash Balance, Ending	**$ 68,824,336**	**$ 71,468,461**	**$ 74,508,717**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 7,075**	**$ 11,729**	**$ 11,686**
Receipts:			
Tire Fee, Rental Fee and Lease Tax	$ 141,158	$ 150,200	$ 152,100
Transfer of Sales and Use Tax	127,419	139,700	143,800
Interest	30	17	17
Total Receipts	268,607	289,917	295,917
Total Funds Available	**$ 275,682**	**$ 301,646**	**$ 307,603**
Disbursements:			
Transportation:			
Grants	$ 240,784	$ 265,329	$ 270,489
Transfer to Public Transportation Trust Fund	23,169	24,631	25,481
Total Disbursements	(263,953)	(289,960)	(295,970)
Cash Balance, Ending	**$ 11,729**	**$ 11,686**	**$ 11,633**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 921,644**	**$ 1,199,797**	**$ 557,759**
Receipts:			
Transfer of Sales and Use Tax	$ 592,019	$ 649,200	$ 1,122,400
Pennsylvania Turnpike Commission	420,000	420,000	50,000
Transfer from the Lottery Fund	191,814	95,907	95,907
Transfer from the Public Transportation Assistance Fund	23,169	24,631	25,481
Motor Vehicle Fees	273,068	265,400	278,700
Vehicle Code Fines	21,845	30,842	30,842
Federal Funds	18,187	-	-
Interest	9,323	9,322	9,322
Other	1,394	2,700	1,050
Total Receipts	1,550,819	1,498,002	1,613,702
Total Funds Available	**$ 2,472,463**	**$ 2,697,799**	**$ 2,171,461**
Disbursements:			
Transportation	$ 1,272,666	$ 2,140,040	$ 1,700,904
Total Disbursements	(1,272,666)	(2,140,040)	(1,700,904)
Cash Balance, Ending	**$ 1,199,797**	**$ 557,759**	**$ 470,557**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 3,129**	**$ 11,186**	**$ 14,691**
Receipts:			
Reimbursements to General Services	$ 378,259	$ 378,000	$ 382,591
Reimbursements to Executive Offices	22,877	51,000	50,000
Interest	10	5	3
Total Receipts	401,146	429,005	432,594
Total Funds Available	**$ 404,275**	**$ 440,191**	**$ 447,285**
Disbursements:			
General Services	$ 372,513	$ 376,000	$ 387,591
Executive Offices	20,576	49,500	51,000
Total Disbursements	(393,089)	(425,500)	(438,591)
Cash Balance, Ending	**$ 11,186**	**$ 14,691**	**$ 8,694**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 428**	**$ 774**	**$ 693**
Receipts:			
Additional License Fees	$ 364	$ 68	$ 68
Interest	2	1	1
Total Receipts	366	69	69
Total Funds Available	**$ 794**	**$ 843**	**$ 762**
Disbursements:			
State	$ 20	$ 150	$ 150
Total Disbursements	(20)	(150)	(150)
Cash Balance, Ending	**$ 774**	**$ 693**	**$ 612**

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 in landfills or processed by resource recovery facilities. Expenditures are for recycling and planning grants, market and waste minimization studies, and public information and education activities throughout the commonwealth. Act 125 of 1998 allowed for up to $1.5 million annually for five years of Recycling Fund money to finance the cleanup of illegally deposited waste on state forest and state park lands. The fund balance does not reflect commitments directly impacting local governments as well as the Pennsylvania Recycling Markets Center at Pennsylvania State University.

Act 114 of 2020 authorized transfers to the General Fund from various special fund balances.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 95,957**	**$ 51,989**	**$ 5,752**
Receipts:			
Recycling Fees	$ 39,616	$ 44,469	$ 44,469
Interest	1,692	1,332	81
Transfer from Hazardous Sites Cleanup Fund	1,000	1,000	1,000
Transfer from General Fund	-	-	10,000
Other	9,973	50	50
Total Receipts	52,281	46,851	55,600
Total Funds Available	**$ 148,238**	**$ 98,840**	**$ 61,352**
Disbursements:			
Environmental Protection	$ 46,249	$ 93,088	$ 60,921
Transfer to General Fund	50,000	-	-
Total Disbursements	(96,249)	(93,088)	(60,921)
Cash Balance, Ending	**$ 51,989**	**$ 5,752**	**$ 431**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,147**	**$ 4,199**	**$ 5,474**
Receipts:			
Client Fees	$ 20,495	$ 20,470	$ 20,900
Interest	5	2	1
Perkins Grant	31	42	42
PHEAA Grants	135	85	57
Federal Funds	1,196	1,303	1,100
Assistive Technology	104	-	-
Other	586	545	550
Total Receipts	22,552	22,447	22,650
Total Funds Available	**$ 24,699**	**$ 26,646**	**$ 28,124**
Disbursements:			
Labor and Industry	$ 20,500	$ 21,172	$ 24,166
Total Disbursements	(20,500)	(21,172)	(24,166)
Cash Balance, Ending	**$ 4,199**	**$ 5,474**	**$ 3,958**

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 Insurance Department to fund the Reinsurance Program. Receipts into the Reinsurance Fund 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ -**	**$ 36**	**$ 36**
Receipts:			
Transfer from PA Health Insurance Exchange Fund	$ 167	$ 275	$ 20,300
Federal Pass-Through	-	-	120,231
Interest	-	-	1
Total Receipts	167	275	140,532
Total Funds Available	**$ 167**	**$ 311**	**$ 140,568**
Disbursements:			
Insurance:			
Administration	$ 131	$ 275	$ 300
Payment to Insurers	-	-	140,231
Total Disbursements	(131)	(275)	(140,531)
Cash Balance, Ending	**$ 36**	**$ 36**	**$ 37**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 4,609**	**$ 4,636**	**$ 4,299**
Receipts:			
Operator Annual Fee	$ 66	$ 60	$ 60
Interest	9	3	3
Total Receipts	75	63	63
Total Funds Available	**$ 4,684**	**$ 4,699**	**$ 4,362**
Disbursements:			
Environmental Protection	$ 48	$ 400	$ 400
Total Disbursements	(48)	(400)	(400)
Cash Balance, Ending	**$ 4,636**	**$ 4,299**	**$ 3,962**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 20**	**$ 54**	**$ 44**
Receipts:			
Transfers from Unclaimed Property Accounts	$ 245	$ 194	$ 196
Total Receipts	245	194	196
Total Funds Available	**$ 265**	**$ 248**	**$ 240**
Disbursements:			
Treasury Payments to Claimants	$ 211	$ 204	$ 206
Total Disbursements	(211)	(204)	(206)
Cash Balance, Ending	**$ 54**	**$ 44**	**$ 34**

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 for the administration of the School Safety and Security Grant Program. Each fiscal year, the first $15 million of all excess fines, fees, and costs collected by any division of the Unified Judicial System (UJS) shall be deposited into the School Safety and Security Fund. Act 24 of 2021 eliminated the UJS deposit for fiscal year 2021-22. This budget proposes replacing the fiscal year 2022-23 UJS deposit with a transfer from the Personal Income Tax. 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 67,091**	**$ 36,305**	**$ 10**
Receipts:			
Personal Income Tax	$ -	$ -	$ 45,000
Excess Unified Judicial System Fines	12,800	-	-
Federal Funds - COVID	163,180	35,677	-
Interest	162	20	20
Total Receipts	176,142	35,697	45,020
Total Funds Available	**$ 243,233**	**$ 72,002**	**$ 45,030**
Disbursements:			
Commission on Crime and Delinquency	$ 39,238	$ 40,825	$ 45,000
COVID Relief Fund	149,095	-	-
Elementary and Secondary School Emergency Relief (ESSER)	18,595	31,167	-
Total Disbursements	(206,928)	(71,992)	(45,000)
Cash Balance, Ending	**$ 36,305**	**$ 10**	**$ 30**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 64,891**	**$ 53,117**	**$ 51,283**
Receipts:			
Recoveries and Interest Transfers	$ (8,179)	$ 560	$ 550
Assessments and Interest Transfers	1,091	1,500	1,000
Interest	1,608	1,686	1,566
Internal Interest Transfers	(1,605)	(2,200)	(1,350)
Investment Income	-	820	-
Total Receipts	(7,085)	2,366	1,766
Total Funds Available	**$ 57,806**	**$ 55,483**	**$ 53,049**
Disbursements:			
Labor and Industry	$ 4,689	$ 4,200	$ 3,838
Total Disbursements	(4,689)	(4,200)	(3,838)
Cash Balance, Ending	**$ 53,117**	**$ 51,283**	**$ 49,211**

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. 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 20,808**	**$ 58,371**	**$ 94,045**
Receipts:			
Contributions	$ 27,238	$ 27,918	$ 28,616
Fees Collected from Employers	4,556	4,398	4,431
Interest	7	2	4
Net Investment Adjustment	11,518	11,806	12,101
Total Receipts	43,319	44,124	45,152
Total Funds Available	**$ 64,127**	**$ 102,495**	**$ 139,197**
Disbursements:			
State Employees' Retirement System:			
Administrative Expenses	$ 3,337	$ 4,821	$ 4,431
Benefits and Other Expenses	2,419	3,629	5,080
Total Disbursements	(5,756)	(8,450)	(9,511)
Cash Balance, Ending	**$ 58,371**	**$ 94,045**	**$ 129,686**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 6,673**	**$ 21,680**	**$ 24,282**
Receipts:			
Loan Principal and Interest Repayments	$ 10,641	$ 15,000	$ 14,000
Transfer from Machinery and Equipment Loan Fund	10,000	-	-
Interest	24	13	15
Other	3	5	5
Total Receipts	20,668	15,018	14,020
Total Funds Available	**$ 27,341**	**$ 36,698**	**$ 38,302**
Disbursements:			
Community and Economic Development	$ 5,661	$ 12,416	$ 10,000
Total Disbursements	(5,661)	(12,416)	(10,000)
Cash Balance, Ending	**$ 21,680**	**$ 24,282**	**$ 28,302**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 12,658**	**$ 23,193**	**$ 200**
Receipts:			
Penalty and Interest Collections	$ 16,528	$ 14,000	$ 10,986
Transfer to Unemployment Compensation Contribution Fund	-	(6,079)	-
Interest	28	14	14
Total Receipts	16,556	7,935	11,000
Total Funds Available	**$ 29,214**	**$ 31,128**	**$ 11,200**
Disbursements:			
Labor and Industry	$ 6,021	$ 30,928	$ 11,000
Total Disbursements	(6,021)	(30,928)	(11,000)
Cash Balance, Ending	**$ 23,193**	**$ 200**	**$ 200**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 29,896,836**	**$ 37,964,337**	**$ 39,556,467**
Receipts:			
Contributions of Employees	$ 409,079	$ 416,000	$ 422,000
Contributions of Employers	2,997,745	2,264,367	2,324,807
Transfer to Annuity Reserve Account	13,783	13,783	13,783
Directed Commissions	102	102	102
Net Investment Adjustment	8,273,108	2,657,942	2,769,391
Other	2,533	2,532	2,532
Total Receipts	11,696,350	5,354,726	5,532,615
Total Funds Available	**$ 41,593,186**	**$ 43,319,063**	**$ 45,089,082**
Disbursements:			
Treasury	$ -	$ 25	$ 25
State Employees' Retirement System:			
Administration and Investment Related Expenses	35,726	44,682	45,678
Benefits	3,593,123	3,717,889	3,842,375
Total Disbursements	(3,628,849)	(3,762,596)	(3,888,078)
Cash Balance, Ending	**$ 37,964,337**	**$ 39,556,467**	**$ 41,201,004**

State Gaming Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the State Gaming Fund to receive gaming license fees and 34 percent of the gross terminal revenue (GTR) generated by licensed gaming facilities. Act 42 of 2017, expanded gaming in the commonwealth to include a new category of slot machine licenses, interactive gaming, and airport gaming. The fund receives 52 percent of gross interactive gaming revenue (GIGR) generated through simulated slot machines and 14 percent of GIGR generated through simulated table games. Fund revenues are annually distributed to various programs and the remainder is transferred to the Property Tax Relief Fund. Also, licensed gaming facilities deposit an additional 4 percent of GTR for slot machines, 2 percent of gross table game revenue, and 2 percent of GIGR into the fund for local share distributions where gaming facilities are located.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 190,945**	**$ 341,052**	**$ 140,943**
Receipts:			
State Tax Revenue	$ 837,709	$ 1,073,800	$ 1,056,200
Licensee Deposit Accts	78,412	98,793	98,627
Local Share Assessment	285,025	320,000	326,400
Interest	371	190	190
Other	4,989	7,700	7,700
Total Receipts	1,206,506	1,500,483	1,489,117
Total Funds Available	**$ 1,397,451**	**$ 1,841,535**	**$ 1,630,060**
Disbursements:			
Revenue:			
Transfer to Compulsive and Problem Gambling Treatment Fund	$ 2,644	$ 5,996	$ 5,828
Transfer to Compulsive and Problem Gambling Treatment Fund - Drug and Alcohol	3,459	4,494	4,524
Payments in Lieu of Taxes:			
Conservation and Natural Resources	5,228	5,340	5,373
Fish and Boat Commission	17	40	40
Game Commission	3,628	3,686	3,686
Emergency Management:			
Volunteer Company Grants	25,000	25,000	25,000
Community and Economic Development:			
Transfer to Commonwealth Financing Authority	19,726	217,633	124,200
Gaming Control Board:			
Local Law Enforcement Grants	1,089	2,000	2,000
Local Share Assessment Distribution:			
Revenue	118,281	238,151	184,388
Community and Economic Development	10,599	64,236	16,523
Education	827	1,273	1,289
Administrative Appropriations:			
Gaming Control Board	40,417	47,977	48,189
Revenue	4,876	7,080	6,848
State Police	28,824	31,539	35,665
Attorney General	1,164	1,467	1,405
Transfer to Property Tax Relief Fund	790,620	1,044,680	1,008,733
Total Disbursements	(1,056,399)	(1,700,592)	(1,473,691)
Cash Balance, Ending	**$ 341,052** [a]	**$ 140,943** [a]	**$ 156,369** [a]

[a] Ending cash balance includes the following restricted balances: 2020-21 Actual is $305,095,000, 2021-22 Available is $122,231,000 and 2022-23 Estimated is $136,451,000.

State Insurance Fund

Act 227 of 1915 created this fund which finances expenditures related to the rebuilding, restoring, or replacing of buildings, structures, equipment, or other property owned by the commonwealth that have been damaged or destroyed by fire or other casualty. This includes natural or man-made disasters. Revenue is derived from interest earned by the fund, interest received from the Fire Insurance Tax Fund, and from reimbursements by insurance companies. If needed, money may also be directly appropriated to this fund. Receipts of the fund include reimbursement from the commonwealth's excess insurance policy, which is responsible for damages for any occurrence in excess of $1 million. This fund satisfies the requirements of the federal government for the Disaster Insurance Program.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 3,004**	**$ 1,475**	**$ 527**
Receipts:			
Recovered Damages	$ -	$ 220	$ -
Transfer from General Fund	-	1,500	1,500
Interest	14	32	26
Other	521	500	400
Total Receipts	535	2,252	1,926
Total Funds Available	**$ 3,539**	**$ 3,727**	**$ 2,453**
Disbursements:			
General Services	$ 2,064	$ 3,200	$ 2,000
Total Disbursements	(2,064)	(3,200)	(2,000)
Cash Balance, Ending	**$ 1,475**	**$ 527**	**$ 453**

State Racing Fund

The State Racing Fund is a special revenue fund composed of monies received from taxes and license fees collected by the State 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 proposes the re-authorization of the Act 114 of 2016 drug testing transfer provision from the Pennsylvania Race Horse Development Trust Fund on July 1, 2022 to cover the cost of the drug testing program and proposes reduced funding from the Pennsylvania Race Horse Development Trust Fund for restricted racing programs.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Restricted Cash Balance, Beginning	**$ 21,378**	**$ 24,388**	**$ 32,484**
Racing Programs:			
Receipts	28,123	37,287	18,015
Disbursements - Agriculture	(25,113)	(29,191)	(32,139)
Restricted Cash Balance, Ending	**$ 24,388**	**$ 32,484**	**$ 18,360**
Unrestricted Cash Balance, Beginning	**$ 8,710**	**$ 10,126**	**$ 4,468**
Receipts:			
Admission and Wagering	$ 4,875	$ 3,600	$ 6,167
Licenses and Fees	927	862	802
Fines and Penalties	164	153	142
Transfer from Race Horse Development Fund - Promotion	1,711	1,840	2,261
Transfer from Race Horse Development Fund - Drug Testing	10,066	10,066	10,066
Other	1,441	1,350	1,260
Interest	381	375	211
Total Receipts	19,565	18,246	20,909
Total Funds Available	**$ 28,275**	**$ 28,372**	**$ 25,377**
Disbursements:			
Agriculture	$ 17,961	$ 23,639	$ 23,356
Revenue	188	265	266
Total Disbursements	(18,149)	(23,904)	(23,622)
Unrestricted Cash Balance, Ending	**$ 10,126**	**$ 4,468**	**$ 1,755**
Total Cash Balance, Beginning	**$ 30,088**	**$ 34,514**	**$ 36,952**
Receipts	47,688	55,533	38,924
Disbursements	(43,262)	(53,095)	(55,761)
Total Cash Balance, Ending	**$ 34,514**	**$ 36,952**	**$ 20,115**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 646**	**$ 538**	**$ 493**
Receipts:			
Commission / Profit Sharing	$ 6	$ 70	$ 73
Interest	1	-	-
Total Receipts	7	70	73
Total Funds Available	**$ 653**	**$ 608**	**$ 566**
Disbursements:			
General Services	$ 115	$ 115	$ 110
Total Disbursements	(115)	(115)	(110)
Cash Balance, Ending	**$ 538**	**$ 493**	**$ 456**

State Stores Fund

The State Stores Fund serves as the general operating fund for the Liquor Control Board. The State Police receives funds for the enforcement of the Liquor Code. The Department of Drug and Alcohol Programs also receives funds for alcohol misuse programs.

This fund receives revenues primarily from the retail and wholesale of goods. Revenues are also received from license and permit fees not credited to the Liquor License Fund, fines and penalties, lottery sales commission, 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 expand wine sales to licensed retailers, Sunday store openings and hours, and incorporated lottery sales, pricing flexibility, special liquor order changes, customer relationship management enhancements, and numerous licensing changes.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 177,024**	**$ 318,348**	**$ 310,424**
Receipts:			
Fees, Fines and Penalties	$ 22,518	$ 22,800	$ 32,800
Expired License Auction Proceeds	2,287	1,000	1,000
Sale of Goods	2,327,109	2,403,300	2,487,400
Liquor Sales Taxes	589,360	604,100	625,200
Lottery Commissions	1,442	1,500	1,550
Recovered Losses and Damages	3,068	2,480	2,480
Interest	507	184	176
Other	24	20	20
Total Receipts	2,946,315	3,035,384	3,150,626
Total Funds Available	**$ 3,123,339**	**$ 3,353,732**	**$ 3,461,050**
Disbursements:			
Drug and Alcohol Programs	$ 4,174	$ 5,297	$ 5,297
Liquor Control Board	1,997,019	2,213,217	2,313,418
State Police	29,338	35,594	35,398
Transfer of Liquor Sales Taxes to General Fund	589,360	604,100	625,200
Transfer to General Fund	185,100	185,100	185,100
Total Disbursements	(2,804,991)	(3,043,308)	(3,164,413)
Cash Balance, Ending	**$ 318,348**	**$ 310,424**	**$ 296,637**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 1,272**	**$ 1,010**	**$ 211**
Receipts:			
Armory Rentals	$ 202	$ 168	$ 200
Sale of Armories and Land	(4)	-	30
Interest	1	1	1
Other	9	24	10
Total Receipts	208	193	241
Total Funds Available	**$ 1,480**	**$ 1,203**	**$ 452**
Disbursements:			
Military and Veterans Affairs	$ 470	$ 992	$ 198
Total Disbursements	(470)	(992)	(198)
Cash Balance, Ending	**$ 1,010**	**$ 211**	**$ 254**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 1,439,590**	**$ 1,421,950**	**$ 1,407,342**
Receipts:			
Premiums	$ 94,371	$ 90,000	$ 90,000
Interest	34,860	35,000	35,000
Net Investment Adjustment	15,267	16,226	16,000
Other	2,993	2,576	2,576
Total Receipts	147,491	143,802	143,576
Total Funds Available	**$ 1,587,081**	**$ 1,565,752**	**$ 1,550,918**
Disbursements:			
Labor and Industry	$ 163,055	$ 156,550	$ 148,675
Premium Tax Payment to General Fund	2,076	1,860	1,860
Total Disbursements	(165,131)	(158,410)	(150,535)
Cash Balance, Ending	**$ 1,421,950**	**$ 1,407,342**	**$ 1,400,383**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 4,952**	**$ 5,667**	**$ 4,439**
Receipts:			
Registration Fees	$ 3,079	$ 2,922	$ 2,897
Federal Funds - EPA	2,012	4,420	4,740
Fines and Penalties	736	570	570
Interest	9	3	2
Reimbursement from USTIF	6,517	7,000	7,000
Cost Recovery Reimbursements/Settlements	591	10	10
Other	41	-	-
Total Receipts	12,985	14,925	15,219
Total Funds Available	**$ 17,937**	**$ 20,592**	**$ 19,658**
Disbursements:			
Environmental Protection	$ 12,270	$ 16,153	$ 16,144
Total Disbursements	(12,270)	(16,153)	(16,144)
Cash Balance, Ending	**$ 5,667**	**$ 4,439**	**$ 3,514**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 7,695**	**$ 9,600**	**$ 6,840**
Receipts:			
Assessments	$ 3,194	$ 2,900	$ 3,200
Interest	217	213	132
Total Receipts	3,411	3,113	3,332
Total Funds Available	**$ 11,106**	**$ 12,713**	**$ 10,172**
Disbursements:			
Commission on Crime and Delinquency	$ 1,506	$ 5,873	$ 5,800
Total Disbursements	(1,506)	(5,873)	(5,800)
Cash Balance, Ending	**$ 9,600**	**$ 6,840**	**$ 4,372**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 66,141**	**$ 67,885**	**$ 64,631**
Receipts:			
Licenses and Fees	$ 219	$ 225	$ 220
Fines and Penalties	381	180	180
Transfer to Environmental Education Fund	(10)	(10)	(9)
Reclamation Fee O & M Trust Account	(182)	(209)	(171)
Act 24 of 2020 Return of COVID Transfer	4,000	-	-
Interest	2,023	2,158	2,051
Forfeiture of Bonds	170	385	385
Other	1,826	667	371
Total Receipts	8,427	3,396	3,027
Total Funds Available	**$ 74,568**	**$ 71,281**	**$ 67,658**
Disbursements:			
Environmental Protection	$ 2,683	$ 6,650	$ 4,173
Transfer to General Fund	4,000	-	-
Total Disbursements	(6,683)	(6,650)	(4,173)
Cash Balance, Ending	**$ 67,885**	**$ 64,631**	**$ 63,485**

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 2021-22 allocations for the Master Settlement Agreement (MSA) funds anticipated to be received in April 2022 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 106,600**	**$ 151,678**	**$ 20,928**
Receipts:			
Gross Settlements	$ 362,416	$ 355,574	$ 345,533
Tobacco Revenue Bond Debt Service	(115,337)	(115,338)	(115,338)
Cigarette Tax Transfer	115,337	115,338	115,338
Federal Receipts	175,920	233,813	143,687
Interest	253	73	75
Other	44	100	100
Total Receipts	538,633	589,560	489,395
Total Funds Available	**$ 645,233**	**$ 741,238**	**$ 510,323**
Disbursements:			
Community and Economic Development:			
Life Sciences Greenhouses	$ 2,390	$ 3,610	$ 3,000
Health:			
Tobacco Use Prevention and Cessation (EA)	13,426	23,982	15,549
Health Research - Health Priorities (EA)	43,505	90,102	43,537
Health Research - National Cancer Institute (EA)	3,454	7,182	3,455
Human Services:			
Medical Care for Workers with Disabilities (EA)	100,538	118,403	103,660
(F)Medical Assistance - Workers with Disabilities (EA)	109,871	166,463	113,066
(F)COVID-Medical Assistance - Workers with Disabilities (EA)	17,035	8,019	-
Uncompensated Care (EA)	26,939	58,732	28,265
(F)Medical Assistance - Uncompensated Care (EA)	29,421	70,362	30,621
(F)COVID-Medical Assistance - Uncompensated Care (EA)	3,467	5,101	-
Medical Assistance - Community HealthChoices	143,509	168,354	148,067
Total Disbursements	(493,555)	(720,310)	(489,220)
Cash Balance, Ending	**$ 151,678**	**$ 20,928**	**$ 21,103**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 9,308**	**$ 9,927**	**$ 10,470**
Receipts:			
Program Funding	$ 1,801	$ 1,765	$ 1,730
Interest	36	20	21
Total Receipts	1,837	1,785	1,751
Total Funds Available	**$ 11,145**	**$ 11,712**	**$ 12,221**
Disbursements:			
Treasury	$ 1,218	$ 1,242	$ 1,267
Total Disbursements	(1,218)	(1,242)	(1,267)
Cash Balance, Ending	**$ 9,927**	**$ 10,470**	**$ 10,954**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,118,454**	**$ 2,389,166**	**$ 2,341,861**
Receipts:			
Application Fees	$ 2,020	$ 1,919	$ 1,823
Tuition Unit Purchases	208,065	197,662	187,779
Investment Earnings	136	150	165
Net Investment Adjustment	300,332	-	-
Total Receipts	510,553	199,731	189,767
Total Funds Available	**$ 2,629,007**	**$ 2,588,897**	**$ 2,531,628**
Disbursements:			
Treasury:			
Administration	$ 4,127	$ 6,031	$ 5,162
Tuition Payments	235,714	241,005	248,458
Total Disbursements	(239,841)	(247,036)	(253,620)
Cash Balance, Ending	**$ 2,389,166**	**$ 2,341,861**	**$ 2,278,008**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 3,397,468**	**$ 4,390,465**	**$ 4,608,223**
Receipts:			
Tuition Investment Purchases	$ 510,562	$ 485,034	$ 460,782
Net Investment Adjustment	741,926	-	-
Total Receipts	1,252,488	485,034	460,782
Total Funds Available	**$ 4,649,956**	**$ 4,875,499**	**$ 5,069,005**
Disbursements:			
Treasury	$ 259,491	$ 267,276	$ 275,294
Total Disbursements	(259,491)	(267,276)	(275,294)
Cash Balance, Ending	**$ 4,390,465**	**$ 4,608,223**	**$ 4,793,711**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ -**	**$ (4)**	**$ -**
Receipts:			
Federal Receipts	$ 1,889,346	$ 3,218	$ -
Federal Receipts - Refund	-	(505)	-
Interest	53	-	-
Interest Transfer to General Fund	-	(53)	-
Total Receipts	1,889,399	2,660	-
Total Funds Available	**$ 1,889,399**	**$ 2,656**	**$ -**
Disbursements:			
Labor and Industry:			
Claims	$ 1,888,924	$ 1,550	$ -
Administration	479	1,106	-
Total Disbursements	(1,889,403)	(2,656)	-
Cash Balance, Ending	**$ (4)**	**$ -**	**$ -**

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.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 18,902**	**$ 20,620**	**$ 6,307**
Receipts:			
Impact Fee Revenues	$ 148,056	$ 222,660	$ 222,660
Interest	101	22	22
Total Receipts	148,157	222,682	222,682
Total Funds Available	**$ 167,059**	**$ 243,302**	**$ 228,989**
Disbursements:			
Public Utility Commission	$ 77,260	$ 126,986	$ 122,437
Emergency Management	1,582	6,453	1,500
Fish and Boat Commission	878	2,481	1,000
Transportation	540	4,373	1,000
Transfer to Conservation District Fund	4,087	4,189	4,294
Transfer to Well Plugging Account	6,000	6,000	6,000
Transfer to Marcellus Legacy Fund	51,032	81,513	81,429
Transfer to Housing Affordability and Rehabilitation Enhancement Fund	5,060	5,000	5,000
Total Disbursements	(146,439)	(236,995)	(222,660)
Cash Balance, Ending	**$ 20,620**	**$ 6,307**	**$ 6,329**

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. While Act 72 of 2013 changed the repayment of the $100 million loan to the General Fund to before July 1, 2029, the $67.5 million principal balance, as well as the accrued interest of $19.0 million, was paid in full on June 30, 2021. 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 287,023**	**$ 417,248**	**$ 405,893**
Receipts:			
Gallon Fee	$ 45,317	$ 45,317	$ 45,317
Tank Capacity Fee	5,770	5,770	5,770
Act 24 of 2020 Return of COVID Transfer	30,000	-	-
Interest	19,216	15	15
Investment Income	5,503	-	-
Net Investment Adjustment	33,380	-	-
Loan Repayments from General Fund	67,500	-	-
Other	337	350	350
Total Receipts	207,023	51,452	51,452
Total Funds Available	**$ 494,046**	**$ 468,700**	**$ 457,345**
Disbursements:			
Environmental Protection	$ 2,343	$ 3,769	$ 2,659
Insurance	44,455	59,038	56,873
Transfer to General Fund	30,000	-	-
Total Disbursements	(76,798)	(62,807)	(59,532)
Cash Balance, Ending	**$ 417,248**	**$ 405,893**	**$ 397,813**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,069**	**$ 1,315**	**$ -**
Receipts:			
Regular Unemployment Compensation Program	$ 4,523,693	$ 1,978,000	$ 1,927,000
COVID Unemployment Compensation Benefits	23,042,253	4,570,000	-
Extended / Other Benefits	471,864	25,000	25,000
Total Receipts	28,037,810	6,573,000	1,952,000
Total Funds Available	**$ 28,039,879**	**$ 6,574,315**	**$ 1,952,000**
Disbursements:			
Labor and Industry	$ 28,038,564	$ 6,574,315	$ 1,952,000
Total Disbursements	(28,038,564)	(6,574,315)	(1,952,000)
Cash Balance, Ending	**$ 1,315**	**$ -**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 85,378**	**$ 57,137**	**$ -**
Receipts:			
Contributions of Employers and Employees	$ 2,183,008	$ 2,179,128	$ 2,204,000
COVID-FUA Reimbursements	253,099	-	-
Transfer from Special Administration Fund	-	6,079	-
Other	18,825	37,330	29,645
Total Receipts	2,454,932	2,222,537	2,233,645
Total Funds Available	**$ 2,540,310**	**$ 2,279,674**	**$ 2,233,645**
Disbursements:			
Labor and Industry:			
UC Contributions	$ 2,473,729	$ 2,236,151	$ 2,204,000
Reemployment Services	2,228	17,685	10,000
Service and Infrastructure Improvement	7,216	25,838	19,645
Total Disbursements	(2,483,173)	(2,279,674)	(2,233,645)
Cash Balance, Ending	**$ 57,137**	**$ -**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 157,996**	**$ 160,569**	**$ 161,832**
Receipts:			
Contributions from Employers	$ 2,573	$ 2,400	$ -
Total Receipts	2,573	2,400	-
Total Funds Available	**$ 160,569**	**$ 162,969**	**$ 161,832**
Disbursements:			
Labor and Industry	$ -	$ 1,137	$ 18,131
Total Disbursements	-	(1,137)	(18,131)
Cash Balance, Ending	**$ 160,569**	**$ 161,832**	**$ 143,701**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 1,896**	**$ 2,504**	**$ 1,901**
Receipts:			
Assessments/Self-Insurer's Security	$ 6,991	$ 6,685	$ 6,600
Interest	7	2	1
Other	519	710	715
Total Receipts	7,517	7,397	7,316
Total Funds Available	**$ 9,413**	**$ 9,901**	**$ 9,217**
Disbursements:			
Labor and Industry	$ 6,909	$ 8,000	$ 8,175
Total Disbursements	(6,909)	(8,000)	(8,175)
Cash Balance, Ending	**$ 2,504**	**$ 1,901**	**$ 1,042**

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 checkoffs 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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,323**	**$ 2,343**	**$ 1,839**
Receipts:			
Contributions - Plates, Driver's License, and Registration	$ 1,280	$ 1,209	$ 1,300
Interest	5	1	1
Other	9	41	10
Total Receipts	1,294	1,251	1,311
Total Funds Available	**$ 3,617**	**$ 3,594**	**$ 3,150**
Disbursements:			
Military and Veterans Affairs:			
Grants and Assistance	$ 1,274	$ 1,755	$ 1,755
Total Disbursements	(1,274)	(1,755)	(1,755)
Cash Balance, Ending	**$ 2,343**	**$ 1,839**	**$ 1,395**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 1,095**	**$ 4,398**	**$ 291**
Receipts:			
State Tax Revenue	$ 12,810	$ 19,100	$ 23,500
Transfer to Compulsive and Problem Gambling Treatment Fund	(61)	(91)	(112)
Licensee Deposit Accts	1,098	1,639	1,120
Local Share Assessment	3,050	4,550	5,600
Testing and Certification Fees	10	50	50
Interest	11	6	6
Total Receipts	16,918	25,254	30,164
Total Funds Available	**$ 18,013**	**$ 29,652**	**$ 30,455**
Disbursements:			
Local Share Assessment Distribution:			
Revenue	$ -	$ 8,198	$ 5,600
Testing and Certification:			
Gaming Control Board	21	50	50
Administrative Appropriations:			
Gaming Control Board	350	497	475
Revenue	190	689	683
LDA - General Fund Loan Repayment	294	898	-
Transfer to General Fund	12,760	19,029	23,418
Total Disbursements	(13,615)	(29,361)	(30,226)
Cash Balance, Ending	**$ 4,398** [a]	**$ 291** [a]	**$ 229** [a]

[a] Balance reflects restricted funds for regulation, administration, or local distribution.

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 11,566**	**$ 28,945**	**$ 12,101**
Receipts:			
Transfer from General Fund	$ 47,942	$ 47,942	$ 47,942
Federal Vocational Rehabilitation Funds	106,549	129,148	181,888
Interest	46	14	14
Total Receipts	154,537	177,104	229,844
Total Funds Available	**$ 166,103**	**$ 206,049**	**$ 241,945**
Disbursements:			
Labor and Industry	$ 137,158	$ 193,948	$ 229,830
Total Disbursements	(137,158)	(193,948)	(229,830)
Cash Balance, Ending	**$ 28,945**	**$ 12,101**	**$ 12,115**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2,732**	**$ 18,803**	**$ 10,535**
Receipts:			
Referendum Bonds	$ 19,600	$ -	$ -
Premium or Discount on Sale of Bonds	2,940	-	-
Transfer to Water and Sewer Systems Assistance Sinking Fund	-	(527)	-
Interest	23	9	2
Total Receipts	22,563	(518)	2
Total Funds Available	**$ 25,295**	**$ 18,285**	**$ 10,537**
Disbursements:			
Infrastructure Investment Authority	$ 6,492	$ 7,750	$ 7,750
Total Disbursements	(6,492)	(7,750)	(7,750)
Cash Balance, Ending	**$ 18,803**	**$ 10,535**	**$ 2,787**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 2**	**$ 2**	**$ -**
Receipts:			
Transfer from General Fund	$ 11,548	$ 8,719	$ 3,765
Total Receipts	11,548	8,719	3,765
Total Funds Available	**$ 11,550**	**$ 8,721**	**$ 3,765**
Disbursements:			
Treasury	$ 11,548	$ 8,721	$ 3,765
Total Disbursements	(11,548)	(8,721)	(3,765)
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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 22,110**	**$ 19,377**	**$ 9,988**
Receipts:			
Accumulated Interest Transfer for Debt Service	$ -	$ -	$ (9,988)
Interest	42	11	-
Total Receipts	42	11	(9,988)
Total Funds Available	**$ 22,152**	**$ 19,388**	**$ -**
Disbursements:			
Community and Economic Development	$ 2,775	$ 9,400	$ -
Total Disbursements	(2,775)	(9,400)	-
Cash Balance, Ending	**$ 19,377**	**$ 9,988**	**$ -**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ -**	**$ -**	**$ -**
Receipts:			
Transfer from General Fund	$ 2,146	$ 3,279	$ 2,682
Total Receipts	2,146	3,279	2,682
Total Funds Available	**$ 2,146**	**$ 3,279**	**$ 2,682**
Disbursements:			
Treasury	$ 2,146	$ 3,279	$ 2,682
Total Disbursements	(2,146)	(3,279)	(2,682)
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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 293**	**$ 329**	**$ 217**
Receipts:			
Tax Check-Offs	$ 24	$ 30	$ 30
License Plate Sales	19	10	10
Interest	1	-	-
Other	1	2	2
Total Receipts	45	42	42
Total Funds Available	**$ 338**	**$ 371**	**$ 259**
Disbursements:			
Conservation and Natural Resources	$ 9	$ 154	$ 132
Total Disbursements	(9)	(154)	(132)
Cash Balance, Ending	**$ 329**	**$ 217**	**$ 127**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 853,014**	**$ 824,438**	**$ 837,687**
Receipts:			
Assessments and Receipts	$ 74,580	$ 47,812	$ 47,812
General Fund Loan Repayment	145,000	-	-
Net Investment Adjustment	102,632	-	-
Interest	67	28	28
Other	419	304	304
Total Receipts	322,698	48,144	48,144
Total Funds Available	**$ 1,175,712**	**$ 872,582**	**$ 885,831**
Disbursements:			
Insurance	$ 21,274	$ 34,895	$ 34,899
Transfer to COVID-Hospitality Industry Recovery CBG Program	145,000	-	-
Transfer to General Fund	185,000	-	-
Total Disbursements	(351,274)	(34,895)	(34,899)
Cash Balance, Ending	**$ 824,438**	**$ 837,687**	**$ 850,932**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 74,628**	**$ 79,387**	**$ 72,023**
Receipts:			
Assessments	$ 67,789	$ 75,800	$ 66,500
Fines and Penalties	6	5	5
Other	429	650	640
Total Receipts	68,224	76,455	67,145
Total Funds Available	**$ 142,852**	**$ 155,842**	**$ 139,168**
Disbursements:			
Community and Economic Development	$ 245	$ 287	$ 350
Labor and Industry	63,220	83,532	76,102
Total Disbursements	(63,465)	(83,819)	(76,452)
Cash Balance, Ending	**$ 79,387**	**$ 72,023**	**$ 62,716**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 543**	**$ 1,787**	**$ 503**
Receipts:			
Assessments	$ 36,464	$ 22,214	$ 27,250
Interest	19	2	2
Total Receipts	36,483	22,216	27,252
Total Funds Available	**$ 37,026**	**$ 24,003**	**$ 27,755**
Disbursements:			
Labor and Industry	$ 35,239	$ 23,500	$ 27,250
Total Disbursements	(35,239)	(23,500)	(27,250)
Cash Balance, Ending	**$ 1,787**	**$ 503**	**$ 505**

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)

	2020-21 Actual	2021-22 Available	2022-23 Estimated
Cash Balance, Beginning	**$ 108,605**	**$ 99,671**	**$ 41,217**
Receipts:			
Assessments	$ 318,929	$ 314,000	$ 314,000
Interest	223	58	19
Other	11	-	-
Total Receipts	319,163	314,058	314,019
Total Funds Available	**$ 427,768**	**$ 413,729**	**$ 355,236**
Disbursements:			
Emergency Management:			
Administration	$ 5,844	$ 6,660	$ 6,300
Grants	322,253	365,852	335,700
Total Disbursements	(328,097)	(372,512)	(342,000)
Cash Balance, Ending	**$ 99,671**	**$ 41,217**	**$ 13,236**

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.

Department	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Available	2022-23 Budget
Governor's Office	69	72	72	72	72
Lieutenant Governor	15	18	18	18	8
Executive Offices *	3,313	3,269	3,262	3,276	3,280
Commission on Crime and Delinquency *	108	114	118	125	125
Aging	84	90	90	90	98
Agriculture	589	599	600	603	604
Banking and Securities	218	218	218	218	218
Civil Service Commission	19	18	18	14	14
Community and Economic Development	294	303	303	306	325
Conservation and Natural Resources	1,264	1,299	1,324	1,327	1,358
Corrections	16,606	16,909	16,907	16,907	16,919
Drug and Alcohol Programs	82	91	93	95	95
Education	503	514	513	526	526
Emergency Management Agency	191	198	198	212	212
Environmental Hearing Board	12	12	12	12	12
Environmental Protection	2,506	2,514	2,513	2,516	2,557
Fish and Boat Commission	401	404	411	411	411
Game Commission	686	704	724	724	724
General Services	896	904	904	939	979
Health	1,208	1,248	1,244	1,478	1,534
Historical and Museum Commission	184	206	207	214	214
Human Services	16,077	16,073	16,079	16,080	16,115
Infrastructure Investment Authority	32	33	33	33	33
Insurance	252	252	258	266	266
Labor and Industry	4,265	4,471	4,570	4,670	4,670
Liquor Control Board	3,219	3,219	3,219	3,517	3,517
Military and Veterans Affairs	2,465	2,506	2,506	2,597	2,900
Milk Marketing Board	22	22	22	22	22
Municipal Employees' Retirement	32	32	42	42	42
Public School Employees' Retirement System	347	361	361	365	372
Public Utility Commission	516	522	526	526	526
Revenue	1,763	1,774	1,774	1,789	1,789
State	495	524	529	530	552
State Employees' Retirement System	202	211	215	236	236
State Police	6,446	6,448	6,460	6,472	6,504
Transportation	11,522	11,561	11,564	11,579	11,580
TOTAL ALL DEPARTMENTS	76,903	77,713	77,907	78,807	79,409

* The Executive Offices - Commission on Crime and Delinquency is shown as a separate agency for budget presentation purposes only.

Summary of 2022-23 Complement Changes

The following is a detailed listing, by department, of the recommended authorized salaried complement changes (on a full-time equivalent basis) for 2022-23. It reflects proposed transfers, eliminations, and new positions.

Department / Fund / Appropriation	Increase/ Decrease	Comment on Complement Change
EXECUTIVE OFFICES		
General Fund:		
Office of State Inspector General	1	NEW: For background investigations.
Juvenile Court Judges Commission	3	NEW: For juvenile probation consulting services.
DEPARTMENT TOTAL	4	
LIEUTENANT GOVERNOR		
General Fund:		
Board of Pardons	(10)	TRANSFERRED: To Corrections to align complement with funding per Act 59 of 2021.
AGING		
Lottery Fund:		
General Government Operations	8	NEW: For protective services.
AGRICULTURE		
General Fund:		
General Government Operations	1	NEW: For Livestock Evaluation Center.
COMMUNITY AND ECONOMIC DEVELOPMENT		
General Fund:		
General Government Operations	17	NEW: For broadband office (9) and for program support (8).
Office of Open Records	2	NEW: For Right-to-Know Law appeals.
DEPARTMENT TOTAL	19	
CONSERVATION AND NATURAL RESOURCES		
General Fund:		
General Government Operations	6	NEW: For management of outdoor recreation and safety.
State Parks Operations	10	NEW: For parks operations (4) and for public safety (6).
State Forests Operations	15	NEW: For forest operations (10) and for public safety (5).
DEPARTMENT TOTAL	31	
CORRECTIONS		
General Fund:		
Board of Pardons	12	TRANSFERRED: From Lieutenant Governor to align complement with funding per Act 59 of 2021 (10). NEW: For increased clemency application activity (2).

Summary of 2022-23 Complement Changes

Department / Fund / Appropriation	Increase/ Decrease	Comment on Complement Change
EDUCATION		
General Fund:		
State Library	1	TRANSFERRED: From LSTA - Library Development (F).
Federal Fund:		
LSTA - Library Development (F)	(1)	TRANSFERRED: To State Library.
DEPARTMENT TOTAL	-	
ENVIRONMENTAL PROTECTION		
General Fund:		
Environmental Program Management	41	NEW: For clean water, waterways, and wetlands.
GENERAL SERVICES		
General Fund:		
General Government Operations	36	NEW: For property and asset management (25), for administration (7), and for statewide procurement (4).
Purchasing Fund:		
Purchasing Fund	4	NEW: For vehicle management.
DEPARTMENT TOTAL	40	
HEALTH		
General Fund:		
General Government Operations	16	NEW: To enhance public health infrastructure.
Quality Assurance	6	NEW: For licensing regulations (5) and for enhancement of public health infrastructure (1).
State Laboratory	27	NEW: To enhance public health infrastructure.
General Fund Total	49	
Restricted:		
Vital Statistics Improvement Administration (R)	6	NEW: To enhance public health infrastructure.
Federal Fund:		
Epidemiology & Laboratory Surveillance & Response (F)	1	NEW: For program coordination.
DEPARTMENT TOTAL	56	
HUMAN SERVICES		
General Fund:		
General Government Operations	19	NEW: For licensing, budgeting, and program support (15) and for Crisis Response Team (4).
County Administration - Statewide	15	NEW: For licensing and program support.
General Fund Total	34	
Federal Fund:		
Developmental Disabilities - Basic Support (F)	1	NEW: For developmental disabilities.
DEPARTMENT TOTAL	35	

Summary of 2022-23 Complement Changes

Department / Fund / Appropriation	Increase/ Decrease	Comment on Complement Change
MILITARY AND VETERANS AFFAIRS		
General Fund:		
General Government Operations	11	NEW: For PA VETConnect (5) and for Fort Indiantown Gap access control points (6).
Veterans Homes	292	NEW: For regulatory changes.
DEPARTMENT TOTAL	303	
PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM		
Public School Employees' Retirement Fund:		
Administration	7	NEW: For internal audit (2) and information technology needs (5).
STATE		
General Fund:		
General Government Operations	24	TRANSFER: From Professional and Occupational Affairs (R) (2) and from Federal Election Reform (F) (1). NEW: For election modernization and improvements (21).
Lobbying Disclosure	1	NEW: For election modernization and improvements.
General Fund Total	25	
Restricted:		
Professional and Occupational Affairs (R)	(2)	TRANSFER: To General Government Operations.
Federal Fund:		
Federal Election Reform (F)	(1)	TRANSFER: To General Government Operations.
DEPARTMENT TOTAL	22	
STATE POLICE		
General Fund:		
General Government Operations	32	NEW: For firearm purchase instant background checks.
TRANSPORTATION		
Motor License Fund Restricted:		
Aviation Operations (R)	(3)	TRANSFERRED: To Multimodal Administration and Oversight.
Multimodal Transportation Fund:		
Multimodal Administration and Oversight (R) (EA)	3	TRANSFERRED: From Aviation Operations.
Public Transportation Trust Fund:		
Transit Administration and Oversight (EA)	1	NEW: For federal reporting.
DEPARTMENT TOTAL	1	
GRAND TOTAL	**602**	

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.

Department	January 2019	January 2020	January 2021	January 2022	Difference Current - Jan. 2019
Governor's Office	66	66	69	68	2
Lieutenant Governor	12	17	16	16	4
Executive Offices *	2,877	3,077	2,972	2,946	69
Commission on Crime and Delinquency *	87	98	103	109	22
Aging	76	80	77	78	2
Agriculture	536	552	551	549	13
Banking and Securities	182	191	176	172	(10)
Civil Service Commission	17	16	15	13	(4)
Community and Economic Development	278	285	274	280	2
Conservation and Natural Resources	1,199	1,251	1,214	1,263	64
Corrections	16,611	16,324	16,008	15,728	(883)
Drug and Alcohol Programs	66	76	79	84	18
Education	413	443	442	438	25
Emergency Management Agency	159	163	170	168	9
Environmental Hearing Board	10	10	9	9	(1)
Environmental Protection	2,310	2,355	2,295	2,315	5
Fish and Boat Commission	356	363	376	366	10
Game Commission	618	642	632	659	41
General Services	827	832	826	795	(32)
Health	1,019	1,051	1,088	1,174	155
Historical and Museum Commission	178	197	187	185	7
Human Services	15,178	15,285	14,976	14,216	(962)
Infrastructure Investment Authority	28	30	33	32	4
Insurance	223	232	236	238	15
Labor and Industry	3,761	3,850	3,961	3,934	173
Liquor Control Board	3,164	3,201	3,182	3,206	42
Military and Veterans Affairs	2,354	2,338	2,436	2,355	1
Milk Marketing Board	20	18	17	17	(3)
Municipal Employees' Retirement	24	26	32	35	11
Public School Employees' Retirement System	310	318	344	328	18
Public Utility Commission	473	477	462	465	(8)
Revenue	1,598	1,631	1,601	1,554	(44)
State	458	471	476	463	5
State Employees' Retirement System	178	178	192	198	20
State Police	5,959	6,149	6,220	6,160	201
Transportation	11,112	11,164	11,118	11,050	(62)
TOTAL ALL DEPARTMENTS	72,737	73,457	72,865	71,666	(1,071)

* The Executive Offices - Commission on Crime and Delinquency is shown as a separate agency for budget presentation purposes only.

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 https://pasdc.hbg.psu.edu.

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.

However, development of natural gas continues to be one of the biggest factors in Pennsylvania's economic outlook. Although direct employment in natural resources and mining is a small part of total jobs in the state, its rapidly rising location quotient helps to illustrate the growth seen in the last few years. More important to the economy at all levels are the related jobs created in other sectors, such as construction, transportation, and professional services. State manufacturers have already benefitted from demand for steel and equipment being used to drill the wells and get them connected to demand centers via pipelines. Pennsylvania's competitiveness in manufacturing should be enhanced by the decreased costs of energy and petrochemical feedstocks coming from beneath the state.

The state's manufacturing sector may not be what it was during the heydays of Pittsburgh's dominance in the steel industry and Philadelphia's claim to be the "Workshop of the World," but the state's share of manufacturing employment remains above the national average. Output of pharmaceuticals remains an engine of growth, while the rapid increase in the state's production of natural gas liquids provides the basis for gains in production of chemicals and plastics. Employment in the state's manufacturing sector will gradually increase over the next two years but remain below the pre-pandemic level.

Professional, scientific, and technical services will continue to be a bright spot for the state in terms of job growth and economic output gains. High-tech fields such as artificial intelligence, industrial automation, and bio-sciences will see the most growth, while more traditional fields such as legal services will see more moderate gains. The state's healthcare and social service sector will continue to be a reliable source of job gains, but overall growth may be slower than in years past. Gains will be focused in the large metro areas, while smaller towns and rural areas feel the effects of low (or negative) population growth and fewer available services.

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, 12.7 million people estimated in 2020, 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 2016 to 2020 and the age distribution of the population for 2020.

Population Trends
Pennsylvania, Middle Atlantic Region and the United States
2016-2020*

	Total Population (In Thousands)			Total Population as a % of 2016 base		
As of July 1	PA	Middle Atlantic Region[a]	United States	PA	Middle Atlantic Region[a]	United States
2016	12,782	41,287	322,941	100.0%	100.0%	100.0%
2017	12,788	41,263	324,986	100.0%	99.9%	100.6%
2018	12,801	41,217	326,688	100.1%	99.8%	101.2%
2019	12,802	41,138	328,240	100.2%	99.6%	101.6%
2020	12,783	41,002	329,484	100.0%	99.3%	102.0%

* 2020 Estimated data
[a] Middle Atlantic Region: Pennsylvania, New York and New Jersey. Source: U.S. Department of Commerce, Bureau of the Census

Population by Age Group - 2020*
Pennsylvania, Middle Atlantic Region and the United States

Age	PA	Middle Atlantic Region[a]	United States
Under 5 Years	5.4%	5.6%	5.9%
5 -24 Years	23.9%	23.9%	25.4%
25-44 Years	25.3%	26.3%	26.8%
45-64 years	26.2%	26.2%	25.1%
65 years and over	19.1%	17.9%	16.9%

* 2020 Estimated data
[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 increased from 2016 through 2019 before decreasing in 2020. Non-agricultural employment also decreased in 2020 throughout the Middle Atlantic Region, and the entire United States. The following table shows employment trends from 2016 through 2020 in these areas.

Non-Agricultural Establishment Employment Trends
Pennsylvania, Middle Atlantic Region and the United States
2016-2020

	Total Establishment Employment (thousands)			Total Establishment Employment as a % of 2015 base		
Calendar Year	PA	Middle Atlantic Region [a]	U.S.	PA	Middle Atlantic Region [a]	U.S.
2016	5,883	19,382	144,333	100%	100%	100%
2017	5,941	19,623	146,595	101%	101%	102%
2018	6,010	19,855	148,893	102%	102%	103%
2019	6,065	20,058	150,900	103%	103%	105%
2020	5,619	18,287	142,252	96%	94%	99%

[a] Middle Atlantic Region: Pennsylvania, New York and New Jersey

Non-manufacturing employment in Pennsylvania has decreased in 2020 but still reached 90 percent of total non-agricultural employment. Consequently, manufacturing employment constitutes a diminished share of total employment within the commonwealth. Manufacturing, contributing 10 percent of 2020 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 2020, the services sector accounted for 49 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 2016 through 2020.

Non-Agricultural Establishment Employment by Sector
Pennsylvania
2016-2020

(In Thousands)

	Calendar Year									
	2016		2017		2018		2019		2020	
	Employees	%	Employees	%	Employees	%	Employees	%	Employees	%
Manufacturing:										
Durable	336.2	6%	335.8	6%	343.0	6%	345.4	6%	319.0	6%
Non-Durable	224.6	4%	227.0	4%	227.9	4%	229.3	4%	218.6	4%
Total Manufacturing	560.8	10%	562.9	9%	570.9	9%	574.7	9%	537.6	10%
Non-Manufacturing										
Trade[a]	846.6	14%	838.8	14%	836.2	14%	826.7	14%	769.1	14%
Finance[b]	317.3	5%	321.1	5%	325.9	5%	330.8	5%	325.3	6%
Services[c]	2,916.4	50%	2,958.0	50%	2,998.8	50%	3,037.2	50%	2,728.3	49%
Government	702.9	12%	703.5	12%	703.1	12%	706.7	12%	685.0	12%
Utilities	274.6	5%	281.9	5%	290.7	5%	300.1	5%	294.9	5%
Construction	239.2	4%	249.0	4%	255.8	4%	261.1	4%	241.1	4%
Mining	25.0	0%	26.7	0%	28.7	0%	28.9	0%	23.0	0%
Total Non-Manufacturing	5,322.0	90%	5,379.0	91%	5,439.2	91%	5,491.5	91%	5,066.7	90%
Total Employees[de]	5,882.8	100%	5,941.9	100%	6,010.1	100%	6,066.2	100%	5,604.3	100%

[a] Wholesale Trade
[b] Finance, insurance, and real estate
[c] Includes transportation, communications, electric, gas, and sanitary services
[d] Discrepancies due to rounding

The following table presents the percentages of non-agricultural employment in various sectors in Pennsylvania and the United States in 2020.

Non-Agricultural Establishment Employment by Sector
Pennsylvania and the United States

	2020 Calendar Year	
	Pennsylvania	United States
Manufacturing	9.6%	8.6%
Trade[a]	13.7	14.4
Finance[b]	5.8	6.1
Services	48.7	45.7
Government	12.2	15.4
Utilities[c]	5.3	4.0
Construction	4.3	5.1
Mining	0.4	0.4
Total	100.0%	100.0%

[a] Wholesale and retail trade.
[b] Finance, insurance and real estate.
[c] Includes transportation, communications, electric, gas and sanitary services.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

Within the manufacturing sector of Pennsylvania's economy, which now accounts for about one-tenth of total non-agricultural employment in Pennsylvania, the fabricated metals industries employed the largest number of workers. Employment in the fabricated metals industries is 14 percent of Pennsylvania manufacturing employment but only 1.4 percent of total Pennsylvania non-agricultural employment in 2020. The following table shows trends in manufacturing employment by industry for Pennsylvania from 2016 through 2020.

Manufacturing Establishment Employment by Industry
Pennsylvania
2016-2020

(In Thousands)

	Calendar Year									
	2016	**%**	**2017**	**%**	**2018**	**%**	**2019**	**%**	**2020**	**%**
Durable Goods:										
Primary Metals	35.3	6.3	35.0	6.2	35.7	6.3	35.9	6.2	32.0	6.0
Fabricated Metals	79.5	14.2	80.2	14.3	82.4	14.4	82.9	14.4	76.6	14.2
Machinery (excluding electrical)	44.1	7.9	43.7	7.8	45.7	8.0	46.2	8.0	42.8	8.0
Electrical Equipment	26.2	4.7	26.3	4.7	26.9	4.7	27.2	4.7	25.7	4.8
Transportation Equipment	36.8	6.6	36.6	6.5	37.5	6.6	38.7	6.7	34.6	6.4
Furniture Related Products	16.2	2.9	16.4	2.9	16.3	2.9	15.8	2.7	14.2	2.6
Other Durable Goods	98.2	17.5	97.7	17.4	98.5	17.3	98.7	17.2	93.2	17.3
Total Durable Goods	336.2	60.0	335.8	59.7	343.0	60.1	345.4	60.1	319.0	59.3
Non-Durable Goods:										
Pharmaceutical/ Medicine	18.6	3.3	18.6	3.3	18.3	3.2	19.0	3.3	19.6	3.6
Food Products	70.2	12.5	71.7	12.7	73.0	12.8	73.5	12.8	71.3	13.3
Chemical Products	41.1	7.3	41.3	7.3	41.1	7.2	42.4	7.4	42.4	7.9
Printing and Publishing	23.9	4.3	23.7	4.2	23.1	4.0	22.4	3.9	19.5	3.6
Plastics/Rubber Products	38.8	6.9	40.0	7.1	40.2	7.0	40.5	7.0	38.8	7.2
Other Non-Durable Goods	32.0	5.7	31.8	5.7	32.4	5.7	31.6	5.5	27.1	5.0
Total Non-Durable Goods	224.6	40.0	227.0	40.3	227.9	39.9	229.3	39.9	218.6	40.7
Total Manufacturing Employees[a]	560.8	100.0	562.8	100.0	570.9	100.0	574.7	100.0	537.6	100.0

[a] Discrepancies due to rounding. Source: U.S. Department of Labor, Bureau of Labor Statistics

Unemployment

During 2020, Pennsylvania had an annual unemployment rate of 9.1 percent. This represents a significant increase since 2016 when the unemployment rate was 5.4 percent. The following table represents the annual unemployment rate in Pennsylvania, the Middle Atlantic Region, and the United States from 2016 through 2020.

Annual Average Unemployment Rate
Pennsylvania, Middle Atlantic Region, and the United States
2016-2020

Calendar Year	PA	Middle Atlantic Region[a]	United States
2016	5.4%	5.0%	4.9%
2017	4.9	4.7	4.4
2018	4.2	4.2	3.9
2019	4.4	4.0	3.7
2020	9.1	9.7	8.1

[a] Middle 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
1st Quarter, 2021

Company	Rank	Company	Rank
Wal-Mart Associates Inc	1	Comcast Cablevision Corp (PA)	16
Trustees of the University of PA	2	Merck Sharp & Dohme Corporation	17
Giant Food Stores LLC	3	Vanguard Group Inc	18
Pennsylvania State University	4	Saint Luke's Hospital	19
United Parcel Service Inc	5	Wawa Inc	20
UPMC Presbyterian Shadyside	6	Universal Protection Service LLC	21
Amazon.com DEDC LLC	7	Milton S Hershey Medical Center	22
PNC Bank NA	8	Sheetz Inc	23
University of Pittsburgh	9	Lehigh Valley Hospital	24
Lowe's Home Centers LLC	10	Western Penn Allegheny Health	25
Home Depot USA Inc	11	FedEx Ground Package System Inc	26
Weis Markets Inc	12	Wegmans Food Markets Inc	27
The Children's Hospital of Pennsylvania	13	Temple University	28
Giant Eagle Inc	14	East Penn Manufacturing Company	29
Target Corporation	15	Thomas Jefferson University Hospital	30

Source: Pennsylvania Department of Labor & Industry

Personal Income

Personal income in the commonwealth for 2020 was $788.7 billion, an increase of 6.9 percent over the previous year. During the same period, national personal income increased by 6.5 percent. Based on the 2020 personal income statistics, per capita income was at $61,700 in the commonwealth compared to per capita income in the United States of $59,510. The following tables represent annual personal income data and per capita income from 2016 through 2020.

Personal Income
Pennsylvania, Mideast Region, and the United States
2016-2020

	Total Personal Income Dollars in Millions			Total Personal Income As a % of 2015 Base		
Year	PA	Mideast Region [a]	U.S. [b]	PA	Mideast Region [a]	U.S. [b]
2016	659,803	2,872,497	16,111,636	100%	100%	100%
2017	679,731	3,010,538	16,870,106	103%	105%	105%
2018	717,255	3,147,619	17,839,255	109%	110%	111%
2019	737,161	3,208,874	18,402,004	112%	112%	114%
2020	788,725	3,402,858	19,607,447	120%	118%	122%

* 2019 Data preliminary
[a] Mideast Region: Pennsylvania, New York, New Jersey, Maryland, District of Columbia, and Delaware
[b] Sum of States
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Per Capita Income
Pennsylvania, Mideast Region and the United States
2016-2020

	Per Capita Income			As a % of U.S.	
Calendar Year	PA	Mideast Region [a]	U.S.	PA	Mideast Region [a]
2016	51,619.0	56,684.0	49,890.0	103%	114%
2017	53,155.0	59,410.0	51,910.0	102%	114%
2018	51,500.0	65,341.0	54,606.0	94%	120%
2019	58,032.0	67,622.2	56,490.0	103%	120%
2020	61,700.0	70,459.2	59,510.0	104%	118%

[a] Mideast Region: Pennsylvania, New York, New Jersey, Maryland, District of Columbia, and Delaware. Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The commonwealth's average hourly wage rate of $27.65 for manufacturing and production workers is below the national average of $28.77 for 2020. The following table presents the average hourly wage rates for 2016 through 2020.

Average Hourly Wages
Production Workers on Manufacturing Payrolls
Pennsylvania and the United States
2016-2020

Calendar Year	PA	U.S.
2016	$ 24.51	$ 25.99
2017	$ 25.52	$ 26.59
2018	$ 25.74	$ 27.05
2019	$ 26.23	$ 27.70
2020	$ 27.65	$ 28.77

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 2016-2020. 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
2016-2020

Year	Market Value[a]	Assessed Valuation	Rate of Assessed Valuation to Market Value[a]
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	922,018,498,396	677,415,063,122	73.5%
2020	966,037,072,558	696,790,394,130	72.1%

[a] Market Value difference between Regular Assessment and Preferential Assessment under Act 319 of 1974.
Source: Annual Certifications by the State Tax Equalization Board.

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