

**GOVERNOR
JOSH SHAPIRO
EXECUTIVE BUDGET
2025-2026**

BUDGET.PA.GOV



Commonwealth of Pennsylvania
Office of the Governor
Harrisburg

February 4, 2025

To the People of the Commonwealth of Pennsylvania:

When you elected me two years ago, you came together behind a common vision for Pennsylvania's future. Since then, I've traveled all across our Commonwealth and I've stayed focused on a few commonsense Pennsylvania principles: creating good schools for our kids, building safer communities, opening up the doors of economic opportunity, and protecting Pennsylvanians' fundamental rights and freedoms. Every day, my Administration pursues those goals with three letters in mind – G-S-D – we get stuff done and deliver results for the people of Pennsylvania.

In my first two budgets, we've brought Democrats and Republicans together to secure critical investments in commonsense initiatives that benefit all Pennsylvanians – from historic investments in K-12 education to ensure students, teachers, and staff have the resources and the safe, healthy learning spaces they need to succeed; to expanding and increasing property tax relief for seniors; to implementing targeted strategies that make Pennsylvania more competitive and help businesses thrive; to investing in law enforcement and making our communities safer.

As a result of those investments – which were approved by Democratic and Republican leaders in the General Assembly – older adults in Pennsylvania received the largest targeted tax cut in two decades, more entrepreneurs are starting new businesses and more major companies are moving their operations here, more kids are eating breakfast before school, more bridges are being repaired and more roads are being paved, and Pennsylvania is now one of the best states in the nation to raise a family. Thanks to our hard work, Pennsylvania is on the rise.

But I know our collective work is far from over. That's why my proposed budget for fiscal year 2025-26 directly builds on the work we've done over the last two years. It continues the bipartisan, agreed-to schedule of investments in our public schools. It helps create safer, healthier schools through continued investments in physical upgrades and mental health supports. It also provides for increased rates in pre-k and early intervention programs to ensure our children have the supports they need at the most critical stages of development.

This budget builds on the progress made during last year's budget in support of the Blueprint for Higher Education, making competitive funding available to our State-Related Universities to incentivize them to return results that benefit all Pennsylvanians. It provides funding to our public universities and community colleges and directs new investments into workforce development to create more paths to opportunity.

My proposal doubles down on the Commonwealth's first economic development strategy in nearly 20 years, with a key focus on innovation in a variety of sectors, including agriculture, life sciences, and our prospective entrepreneurs. This budget continues to cut taxes streamlining, simplifying, and modernizing our corporate tax structure to reduce the burden and level the playing field. It injects nearly \$300 million per year to our public transportation agencies, to ensure people can get to and from where they need to go safely and efficiently. And it ensures that our childcare facilities have the staff they need to operate, allowing more individuals to enter – and stay in – the workforce with assurances their children are in good hands throughout the day.

My budget invests in public safety and our first responders, providing critical resources to the paid and volunteer firefighters that risk their lives to keep our communities safe. This budget provides funds to recruit more troopers to protect our communities, expands resources to data-driven gun violence and crime reduction programs that have proven effective, and ensures efficient operations and safety of our corrections staff and inmates at correctional institutions.

The 2025-26 budget focuses on supporting our hospitals, protecting access to Medical Assistance even as costs of care are increasing, providing for initiatives to assist in recruiting and retaining critical health care staff, investing in medical support services for those re-entering society, and increasing supports to our elderly population so that they can remain in their homes. And this proposal provides investments into behavioral and mental health services to always be there when someone most desperately needs a resource.

Finally, this budget tackles one of the biggest challenges I hear about from hardworking Pennsylvanians: the high costs of childcare, housing, and energy. In my first two years, we've passed historic tax cuts to help families afford childcare and seniors stay in their homes. This budget prepares for the recommendations anticipated from the forthcoming Housing Action Plan, making Pennsylvania more affordable and more attractive for homeowners and renters alike. It would provide funds to help folks restore and stay in their homes, while also providing critical resources to assist first time homebuyers to make that life changing purchase, implement reforms related to eviction record sealing, and provide assistance to municipalities in enforcing codes and local zoning best practices. This budget includes meaningful investments in our childcare workforce to expand opportunities for children and families – and it is paired with a significant energy plan focused on expanding affordable, reliable, and clean power all across Pennsylvania.

As part of this commonsense vision, this budget proposes two new revenue sources, from the legalization of adult use cannabis and the regulation of games of skill, both of which will help Pennsylvania remain competitive with our neighbors while providing regulated markets that increase certainty and accountability across the Commonwealth.

We've made real progress over my first two years as your Governor – and that work is showing real results. We need to continue that progress by working together in support of commonsense Pennsylvania principles. We can do all of this and maintain fiscal stability, planning for the future and retaining \$6.4 billion in the Rainy Day Fund by the end of June 2026. Recognizing that the only way we move forward and progress as a Commonwealth is together, I am calling on the General Assembly to work with me in enacting these commonsense initiatives laid out in this Executive Budget proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "Josh Shapiro", written in a cursive style.

Governor Josh Shapiro



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Commonwealth of Pennsylvania

For the Fiscal Year Beginning

July 01, 2024

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the Commonwealth of Pennsylvania for its annual budget for the fiscal year beginning July 1, 2024. 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.

The Commonwealth has received this award for 27 consecutive years.

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

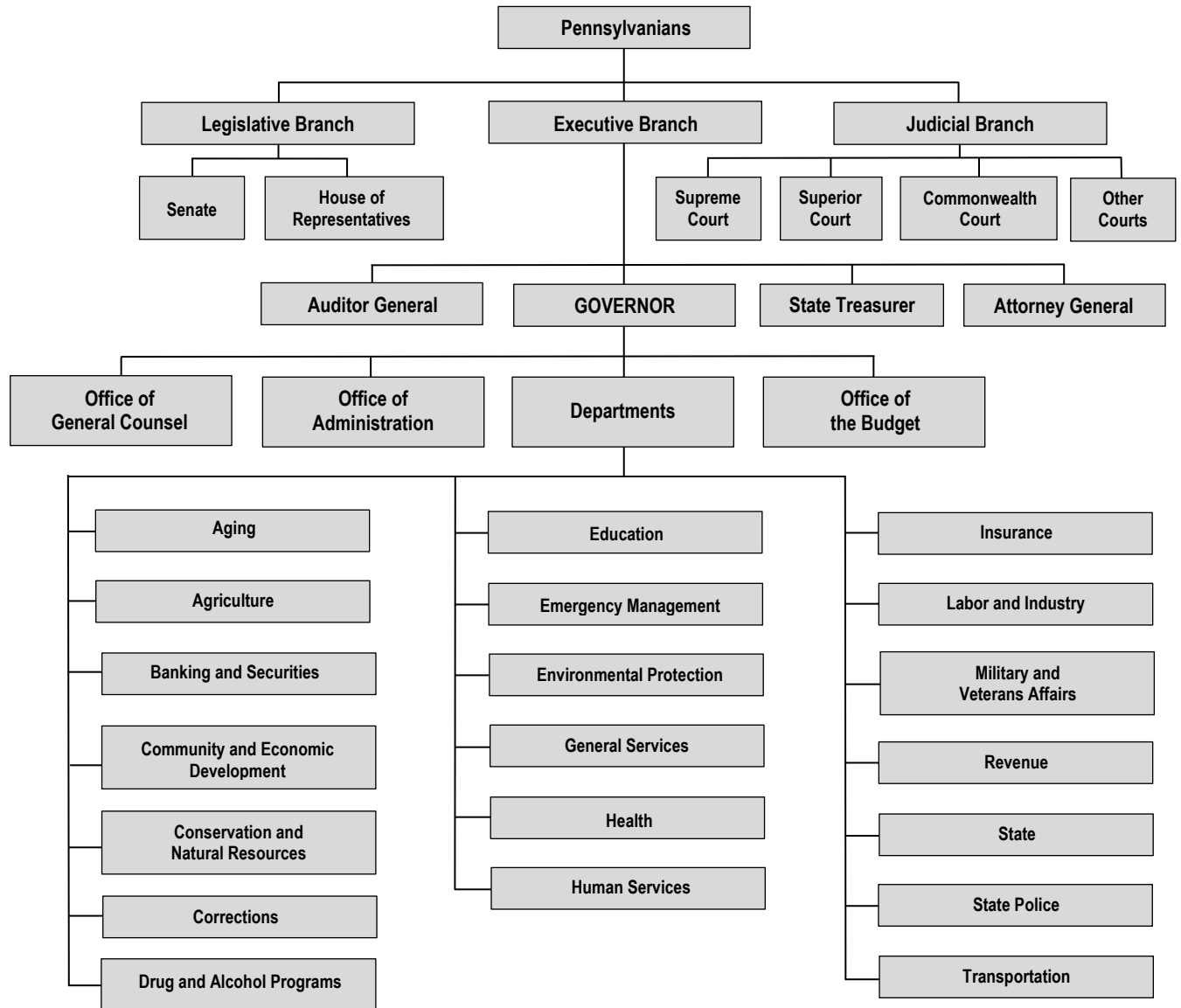
This section of the budget is intended to assist readers with interpreting and understanding the content of the Governor's recommended budget.

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.pa.gov/agencies/budget.html. 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
Broadband Development
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
Rural Health Redesign Center

BOARDS

Claims
Environmental Hearing
Finance and Revenue
Gaming Control
Liquor Control
Milk
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 chamber 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 Office of the Budget 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.

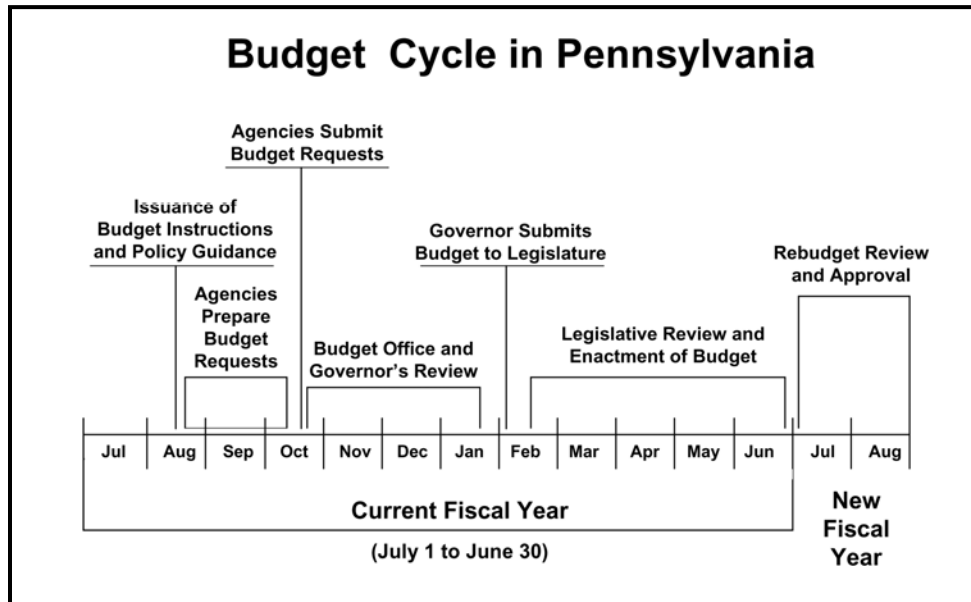
Agency budget requests are submitted to the Office of the Budget beginning in early October. Agencies prepare and submit their requests electronically. The Agency Program Plan, the programmatic presentation of agency budget requests, and the appropriation-level information are prepared and submitted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

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 Office of the Budget staff review agency budget requests for accuracy and adherence to the policy guidance. The Agency Program Plan and appropriation data are used by the Office of the Budget 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. In some instances, the data tables presented in the Governor's Executive Budget may not add to totals due to rounding.

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 chamber 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 chamber 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 adjusted 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 Office of the Budget 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 Office of the Budget 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 Office of the Budget 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 Office of the Budget 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 chambers 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 chamber 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 Office of the Budget for consistency with the Governor's priorities and policies. Projects approved by the Office of the Budget 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. Most capital projects are funded through general obligation bonds, however, highway capital projects are funded from current revenues of the Motor License Fund or through highway bonds. Agencies request either bond funding, current revenue funding, or a combination of both when they submit capital project requests. The statements in Section F summarize proposed new project itemizations by capital program category, department, and funding sources. The capital projects for each department are listed for both bond-funded and current revenue projects.

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. Section B: Program Budget Summary provides a summary presentation by Commonwealth program and shows program costs according to eight major Commonwealth program classifications. These eight Commonwealth Programs are each defined in terms of broadly stated goals of state government.

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

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

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

Department Presentations

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

Mission Statement

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

Summary by Fund and Appropriation

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

State funds included in the SFA presentation are the: General Fund, Motor License Fund, 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 SFA example pages immediately following this section explain the layout of the SFA and provide more detail on the items discussed here.

Program Funding Summary

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

Program Presentation

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

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

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

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

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, restricted accounts, and other funds which supplement the activities within the respective state appropriation.

- (1) **Commonwealth Fund** — The fund into which revenues are deposited and from which monies are appropriated or executively authorized to pay expenses.
- (2) **Character of Expenditure** — A classification of an expenditure symbol according to its general purpose. Characters of expenditure include general government, institutional, grants and subsidies, capital improvements, and debt service.
- (3) **Expenditure Symbol Title** — Identifies an appropriation by the General Assembly or an executive authorization (EA) by the Governor to spend state monies.
- (4) **"(F)"** Identifies a federal appropriation by the General Assembly or an executive authorization by the Governor to spend federal monies.
- (5) **"(A)"** Identifies other monies which augment a state appropriation.
- (6) **"(R)"** Identifies funds which are in a restricted account and may only be spent for limited purposes related to the state appropriation.
- (7) 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.
- (8) Identifies one of a group of special funds which are presented on a limited basis in Section H: Other Special Funds.

Environmental Protection

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 20XX-XX ACTUAL | 20XX-XX AVAILABLE | 20XX-XX BUDGET |
|--|--------------------------|-------------------------|-------------------------|
| (1) GENERAL FUND: | | | |
| (2) General Government: | | | |
| (3) General Government Operations | \$ 15,095 | \$ 16,759 | \$ 19,929 |
| (4) (F)COVID-SFR Transfer to Clean Streams Fund | 220,000 | - | - |
| (5) (A)Water Pollution Control Administration..... | 292 | 653 | 703 |
| (6) (R)Electronics Material Recycling Account | 460 | 330 | 509 |
| Subtotal..... | <u>\$ 235,847</u> | <u>\$ 17,742</u> | <u>\$ 21,141</u> |
| Vector Borne Disease Management..... | 5,609 | 5,880 | 5,880 |
| (F)Zika Vector Control Response (EA) | 37 | 100 | 100 |
| (A)Tick and Lyme Testing | 603 | 740 | 700 |
| Subtotal..... | <u>\$ 6,249</u> | <u>\$ 6,720</u> | <u>\$ 6,680</u> |
| Environmental Hearing Board | 2,554 | 2,593 | 2,728 |
| STATE FUNDS..... | \$ 23,258 | \$ 25,232 | \$ 28,537 |
| FEDERAL FUNDS..... | 220,037 | 100 | 100 |
| AUGMENTATIONS | 895 | 1,393 | 1,403 |
| RESTRICTED..... | 460 | 330 | 509 |
| GENERAL FUND TOTAL | <u>\$ 244,650</u> | <u>\$ 27,055</u> | <u>\$ 30,549</u> |
| (7) 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..... | <u>\$ 33,817</u> | <u>\$ 33,817</u> | <u>\$ 33,817</u> |
| (8) OTHER FUNDS: | | | |
| 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)..... | \$ 3,479 | \$ 4,244 | \$ 4,306 |
| Pollution Prevention Program (EA) | 100 | 100 | 100 |
| UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL | <u>\$ 3,579</u> | <u>\$ 4,344</u> | <u>\$ 4,406</u> |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 23,258 | \$ 25,232 | \$ 28,537 |
| MOTOR LICENSE FUND | 33,817 | 33,817 | 33,817 |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS..... | 220,037 | 100 | 100 |
| AUGMENTATIONS | 895 | 1,393 | 1,403 |
| RESTRICTED | 460 | 330 | 509 |
| OTHER FUNDS | 9,579 | 10,344 | 10,406 |
| TOTAL ALL FUNDS | <u>\$ 288,046</u> | <u>\$ 71,216</u> | <u>\$ 74,772</u> |

GOVERNOR'S EXECUTIVE BUDGET 20XX-20XX

Program Presentation

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

- (1) Identifies the agency being presented.
- (2) **Program** — Focuses upon objectives which can be measured in terms of quantifiable impact.
- (3) **Narrative** — Describes program services and activities.
- (4) Underlined text indicates a hyperlink 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.pa.gov/agencies/budget.html.
- (5) **Program Element** — Used within a program narrative to identify sub-program components.
- (6) **Program Recommendations** — Identifies the increases or decreases over the available year funds as presented in the Summary by Fund and Appropriation.
- (7) **Expenditure Symbol Title** — Identifies a specific appropriation.
- (8) **Initiative** — Identifies a major program change and is explained in more depth in a presentation following the program.
- (9) **Appropriations within this Program** — Identifies all state appropriations which support the activities within the program. Each appropriation appears in only one agency program.
- (10) **Program Measures** — Indicates the expected impact of the proposed budget on services, costs, etc., involved in all programs within the entire agency.

Environmental Protection

(1)

(2) Program: Environmental Support Services

Goal: To provide administrative and technical support for the Commonwealth's environmental protection programs.

(3) 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, and the [Citizens Advisory Council](#).

(5) 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, and hazardous waste. The department also protects land resources by regulating above-ground and underground tanks that store petroleum and other hazardous substances.

(6) Program Recommendations:

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

| | | | |
|-----------|---|--------|---|
| (7) | General Government Operations | | Environmental Hearing Board |
| \$ 213 | —to continue current program. | \$ 36 | —to replace nonrecurring benefits cost reduction. |
| 621 | —to meet federal infrastructure matching requirements. | 99 | —to continue current program. |
| (8) 2,336 | —Initiative—to provide state match requirements for federal infrastructure funding. | \$ 135 | <i>Appropriation Increase</i> |
| \$ 3,170 | <i>Appropriation Increase</i> | | |

(9) Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 20XX-XX | 20XX-XX | 20XX-XX | 20XX-XX | 20XX-XX | 20XX-XX | 20XX-XX |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations..... | \$ 15,095 | \$ 16,759 | \$ 19,929 | \$ 19,929 | \$ 19,929 | \$ 19,929 | \$ 19,929 |
| Vector Borne Disease Management | 5,609 | 5,880 | 5,880 | 5,880 | 5,880 | 5,880 | 5,880 |
| Environmental Hearing Board | 2,554 | 2,593 | 2,728 | 2,728 | 2,728 | 2,728 | 2,728 |
| TOTAL GENERAL FUND..... | \$ 23,258 | \$ 25,232 | \$ 28,537 | \$ 28,537 | \$ 28,537 | \$ 28,537 | \$ 28,537 |

(10) Program Measures:

| | 20XX-XX | 20XX-XX | 20XX-XX | 20XX-XX | 20XX-XX | 20XX-XX | 20XX-XX |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Meet or exceed Permit Decision Guarantee timeframes. Close 100% of new permit applications within their designed time frames by December 31, 20XX. | | | | | | | |
| Percentage of permits processed on time (active in Permit Decision Guarantee) | % | 90 | 90 | 94 | 94 | 94 | 96 |
| Total Authorizations Received..... | | 43,576 | 43,786 | 41,676 | 38,920 | 39,800 | 40,596 |

GOVERNOR'S EXECUTIVE BUDGET 20XX-20XX

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 other select special revenue funds. 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.

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. If, at the end of any fiscal year, the ending balance of the Budget Stabilization Reserve Fund equals or exceeds 6 percent of the actual General Fund revenues received for the fiscal year in which the surplus occurs, 10 percent of the surplus shall be deposited into the fund.

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 Pennsylvania 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.

Additional detail on these financial policies can be found in other sections of this document including 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.

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 jointly audited by the Auditor General and independent auditors using GASB requirements.

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 Office of the Budget 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 other existing 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 executive authorization and issued in approved Expenditure Symbol Notification letters.
- **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 subsequent 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 of not less than ten years and an estimated cost in excess of \$100,000 or more if bond funds are used. Funding for minor capital projects costing between \$100,000 and \$600,000 can be included in the agency's general operating budget. 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 an expenditure symbol according to its 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 Office of the Budget 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 Office of the Budget 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.

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: 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.

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

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

Fiscal Year: A twelve-month period beginning July 1 and ending June 30 of the following calendar year which is used as the state's accounting and appropriation period. In the accounting system, the fiscal year is referred to by the year in which the fiscal year begins.

- **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 appropriations 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 ensuing 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 changes 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 or rental costs 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 comprised 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 comprised 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 driver and vehicle services. 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 chamber of the General Assembly.

Official Revenue Estimate: The estimate of revenues for the ensuing 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 State 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: 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 Office of the Budget 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 |
| COPS | Community Oriented Policing Services |
| COVID-ESSER | COVID Elementary and Secondary School Emergency Relief |
| COVID-RF | COVID Relief Fund |
| COVID-SFR | COVID State Fiscal Relief |
| 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 |
| EPSDT | Early Periodic Screening Diagnosis and Treatment |
| ESEA | Elementary and Secondary Education Act |
| ESG | Emergency Solutions Grant |
| FEMA | Federal Emergency Management Agency |
| FHWA | Federal Highway Administration |
| FMAP | Federal Medical Assistance Percentage |
| FQHC | Federally Qualified Health Center |
| FTA | Federal Transit Administration |
| HUD | Department of Housing and Urban Development |
| IJA | Infrastructure Investments and Jobs Act |
| IRA | Inflation Reduction 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 |
| 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 |
| SUPTRSBG | Substance Use Prevention, Treatment, and Recovery Services 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 21 st Century |
| VA | Veterans Administration |
| VOCA | Victims of Crime Act |
| WIC | Women, Infants, and Children Program |
| WIOA | Workforce Innovation and Opportunity Act |



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

A Commonsense Budget That Delivers for Pennsylvanians

Since he took office two years ago, Governor Josh Shapiro has brought a G-S-D attitude to government, moving quickly and aggressively to get stuff done and deliver results for the people of Pennsylvania. In his first two years and throughout his travels across the Commonwealth, Governor Shapiro has focused on commonsense Pennsylvania principles: investing in good schools for our kids, building safer communities, creating economic opportunity for all, and protecting Pennsylvanians' fundamental rights and freedoms.

In his first two budgets, Governor Shapiro secured critical investments in commonsense initiatives that benefit all Pennsylvanians. These include historic investments in K-12 education to ensure students, teachers, and staff have the resources and safe, healthy learning spaces needed to succeed; creating a new State Board of Higher Education to coordinate efforts across all higher education sectors, with a focus on access and affordability and an eye towards workforce development and economic growth; expanding and increasing property tax relief for seniors; implementing targeted strategies to make Pennsylvania more competitive and help businesses thrive; and investing in law enforcement with the resources they need to make our communities safer. Each of these commonsense initiatives – and so many more – has helped move our Commonwealth forward as the Shapiro Administration works to ensure all Pennsylvanians have the freedom to chart their own course and the opportunity to succeed.

As a result of those investments – which were approved by Democratic and Republican leaders in the General Assembly – Pennsylvania seniors received the largest targeted tax cut in two decades, more entrepreneurs are starting new businesses and more major companies are moving their operations here, more kids are eating breakfast before school, more bridges are being repaired and more roads are being paved, and Pennsylvania is now one of the best states in the nation to raise a family. Pennsylvania is on the rise.

But Governor Shapiro knows that our collective work is far from over. Together, we must continue to invest in Pennsylvanians – to build on our progress, make the Commonwealth more competitive, and create more opportunity. The 2025-26 budget builds on the foundation established over the last two years, focusing on a continued strategy of making key investments to solve problems and move Pennsylvania forward.

At the same time, Governor Shapiro and his Administration are committed to a careful stewardship of public monies. To that end, this fiscal year, the Office of the Budget (OB) and the Governor's Policy Office (GPO) launched the Resource Evaluation and Mission Alignment Project (REMAP). REMAP is a data-driven initiative designed to evaluate programs for effectiveness and alignment with statutory mandates, strategic goals, and the department's mission. The project seeks to ensure state resources are directed to programs that deliver measurable results and advance the Commonwealth's objectives. OB and GPO partnered with three agencies to pilot the initiative in its first year – the Department of Community and Economic Development (DCED), the Department of Corrections (DOC), and the Pennsylvania Commission on Crime and Delinquency (PCCD). Through REMAP, agencies identified inefficiencies, program misalignments, and areas where cost savings could be realized. REMAP helps ensure taxpayer dollars are being used as effectively as possible and the resulting recommendations are incorporated in budgets for DCED, DOC, and PCCD in order to realign resources, improve efficiency, and enhance the Commonwealth's ability to achieve impactful long-term outcomes.

Thanks in part to the resulting cost savings and efficiencies, this budget proposes more commonsense investments in the people of Pennsylvania.

This budget continues the commonsense, bipartisan agreement in the 2024-25 budget to adequately fund all of Pennsylvania's public schools, putting resources directly into the classroom and ensuring safety and security for students and teachers. The 2025-26 budget proposes to grow investments for the school facilities program that was created under this Administration and has already provided funding for critical repairs in hundreds of schools. In addition, the budget continues to fund the mental health and physical safety programs that schools can use to provide safe learning environments while proposing real reforms to the way public schools pay for cyber charter schools.

In line with Governor Shapiro's vision, the 2025-26 budget also ensures more Pennsylvanians will have the freedom to chart their own course and the opportunity to succeed. Graduating high school students deserve the opportunity for future success in whatever path they choose. The budget reflects this priority by building a pipeline of workers and entrepreneurs, through internships, upskilling, reskilling; providing second chances to previously incarcerated individuals; and reforming the professional licensure system to remove barriers to entry. This focus allows Pennsylvanians to take control of their future, with options for a variety of careers. The budget makes the Commonwealth more competitive for workers and expands labor market participation by increasing the minimum wage in Pennsylvania, providing critical funding to public transportation agencies, and investing in teachers, health care professionals, and those who provide care for children.

This budget also continues the work of making Pennsylvania more competitive and attractive to businesses, which in turn will create jobs and attract more people to our Commonwealth. The 2024-25 budget provided significant permitting reform and doubled down on the government's commitment to moving at the speed of business. This budget continues to focus on Pennsylvania's first Economic Development Strategy in two decades, providing the opportunity for businesses and entrepreneurs to innovate and get ahead. This budget directly invests in Pennsylvania's innovation economy and develops several key industries outlined in the Economic Development Strategy, including agriculture, life sciences, and entrepreneurship. The budget also supports veteran-owned businesses and makes key investments in the celebration of the birth of the United States 250 years ago, right here in the Keystone State.

To further make Pennsylvania's economy competitive, this budget proposes to accelerate the current Corporate Net Income Tax rate cuts by two years and level the playing field for all Pennsylvania corporations by closing tax loopholes. The 2025-26 budget streamlines, simplifies, and modernizes our tax structure, including eliminating three separate business taxes for financial institutions. For the first time in Pennsylvania's history, this budget pushes the amount of general property tax relief to homeowners to over **\$1 billion**.

While investing in education, workforce development, and economic growth, this budget also cuts costs for Pennsylvanians. The budget proposes offering support to help Pennsylvanians buy their first home, restore a current home, and for developers and communities to build new homes. Those proposals are in addition to Governor Shapiro's work to lower energy costs and ensure Pennsylvania remains a leader in reliable, affordable, and clean energy for years to come. To help with healthcare costs, the budget provides for a transparency portal for medical expenses so that individuals can finally see what it costs for services and have better visibility into choosing the most cost-effective care in Pennsylvania.

This budget prioritizes increased access to care, whether it is for assistive services for older Pennsylvanians so they can continue living in their own home, or quality improvement programs at our skilled nursing facilities. The budget provides necessary funding to Pennsylvania's hospital systems to ensure continued access to care, as well as investments in several key areas of behavioral and mental health care. Finally, the budget provides resources to ensure those re-entering the community from incarceration have continuous access to medical care and support services.

Additionally, the 2025-26 budget will improve public safety by continuing our investments in law enforcement and first responders, adding four more cadet classes for the Pennsylvania State Police and creating new resources to support firefighters. This budget further improves public safety by proposing the closure of two State Correctional Institutions and two community corrections facilities in order to better support Corrections Officers and expunging the records of thousands of individuals who have non-violent, marijuana-related documents. The 2025-26 budget proposes to more effectively and efficiently use current resources sent to counties for probation and reentry services by pooling them together to increase flexibility for counties while also increasing support for violence intervention and after-school programs that are proven to reduce crime.

The 2025-26 budget reflects Governor Shapiro's commitment to commonsense Pennsylvania priorities and getting stuff done for the people of this Commonwealth. The Shapiro Administration is more effective and efficient than ever before, and through strategic investments in education, workforce development, public safety, and economic growth, this plan lays the foundation for a stronger, more competitive, more successful Pennsylvania – one that commits to a shared vision of prosperity and prioritizes initiatives that benefit all Pennsylvanians. This is a budget that recognizes the opportunity our Commonwealth has in this moment to empower innovation, modernize our systems, and ensure Pennsylvania remains a beacon of freedom for generations to come.

Creating Opportunity for Our Children and Our Students to Succeed

Investing in Basic Education and Special Education

This budget builds on the bipartisan adequacy formula and tax equity supplements created by Act 55 of 2024 by directing an additional **\$526 million** to ensure students' success, in line with the Basic Education Funding Commission report. This funding provides greater academic and student support, and increased accountability, in schools that have been found to lack the necessary resources by driving more dollars to the schools that need them most.

Adequacy supplement funds can be specifically used to establish, maintain, or expand after-school tutoring assistance, full-day pre-kindergarten or kindergarten programs, social and health services, continuing professional development, evidence-based reading instruction, science and applied-knowledge skills, school libraries, and other programs that support students' academic performance targets. The tax equity supplement can be used by schools to supplement homestead exemptions, property tax and rent rebates, mitigate tax increases, and relieve debt.

This budget increases basic education funding by **\$75 million**, proposing more than \$8.2 billion in total to support public schools across Pennsylvania. The increase will be distributed through a student-weighted funding formula that directs money to school districts based on factors such as the number of students enrolled and the poverty level of those students. The formula also considers factors that reflect student and community differences such as population density, household income of families in the district, number of students attending charter schools, and the district's ability to raise money through local taxes. This flexible funding enables school districts to invest the resources they need to provide a high-quality education for Pennsylvania students.

School districts are legally required to provide special education programs, supports, and services for all eligible students, all while the cost to meet these needs continues to increase. This budget increases special education funding by **\$40 million**, proposing over \$1.5 billion in total funding to districts to ensure that school districts have the basic resources necessary to provide high-quality special education services to students with disabilities and special needs.

Cyber Charter Reform That Makes Sense

For the first time, the 2024-25 enacted budget made changes to the antiquated system of funding cyber charter schools in the Commonwealth. These changes moved away from an arbitrary ratio established in law decades ago to utilizing actual counts of special education students to calculate tuition rates. While those improvements will result in a more aligned tuition rate for special education students, cyber charter schools in Pennsylvania will continue to charge school districts an inconsistent amount – between \$7,659 and \$28,960 per student per year, and between \$18,628 and \$63,019 per special education student per year. School districts and Intermediate Units have tremendous experience delivering curriculum to students virtually, and the current cyber charter funding model, whereby tuition rates vary widely depending on what school district students come from, no longer makes sense. The 2025-26 budget recommends establishing a statewide base cyber tuition rate of \$8,000 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 **\$378 million** annually.

Ensuring Safe and Healthy School Facilities

To allow for continued, dedicated funding for the newly created Solar for Schools program, this budget would invest an additional **\$25 million** a year, for a total of \$125 million annually, in school facilities through the Public School Facilities Improvement Grant program administered by the Commonwealth Financing Authority in collaboration with the Department of Education (PDE). This budget builds on the \$275 million across more than 208 projects already invested under this Administration in school districts for school repairs and upgrades. A broad range of projects have already been approved including the repair, replacement, and improvement of roofing, HVAC, plumbing, building infrastructure, flood recovery, accessibility, energy efficiency, and safety. These projects have provided improvements at more than 60 elementary schools, 40 middle schools, and 65 high schools across the Commonwealth. This budget continues to recognize that students must have safe school facilities.

Furthermore, this budget continues to fully fund the universal free breakfast program, making sure all Pennsylvania students have access to healthy meals to start their day on the right foot. Since the start of this program, participation in free breakfast has continued to grow, and more meals than ever are being served in schools. Last school year, 91.4 million breakfast meals were served in schools – nearly 10 million more meals than were served the previous school year - more than 7 million of which were served to students most at-risk for hunger or from low-income families.

This budget also continues last year's landmark funding to provide menstrual hygiene products at no cost to students in schools. Through the first year of this program, schools are purchasing product dispensation devices and procuring hygiene products on an ongoing basis to ensure no student has to miss school because they're unable to afford necessary menstrual hygiene products.

Since the 2022-23 school year, the Commonwealth has invested almost \$300 million in supporting student mental health and well-being and improving the safety of our schools through grants from PDE and PCCD. This budget continues **\$111 million** in critical investments in student mental health and school safety.

Supporting Pennsylvania's Youngest Learners

Research overwhelmingly demonstrates the meaningful and substantial return on investment in early childhood education: children who start their educational careers in high-quality pre-K programs do better in school, have higher graduation rates, and earn more income throughout their lives. The difficulty for providers to recruit, retain, and support early childhood educators is a key obstacle to ensuring that every child in Pennsylvania has access to high-quality, affordable, and available pre-K programs. Wages for pre-K educators are too low to sustain employment levels in a field so critical to the current and future workforce. This budget proposes an additional **\$15 million** for the Pre-K Counts program to help providers raise wages and stabilize the early educator workforce.

Every child in Pennsylvania deserves the support and resources needed to succeed, from infancy through early adulthood. The Early Intervention (EI) program provides supports and services to eligible children from birth to age three with developmental delays or other needs in order to be ready for kindergarten. EI provides children with developmental and social-emotional services, including speech, language, and physical therapies as well as social work services. Families also receive the coaching and assistance they need to continue to care for and support their children. The 2025-26 budget calls for an additional investment of **\$10 million** to increase EI provider rates to ensure that children in Pennsylvania, regardless of family income, receive the high-quality support and resources they need to be healthy, succeed in school, and improve their overall well-being.

Recruiting and Retaining Top Talent in Education

Building on the Administration's work across agencies to speed up government and cut through red tape, PDE recently announced that aspiring educators can now receive an Intern Certificate for free, enabling them to enter the classroom and teach for up to three years while taking education classes on the path to earning their full teaching certification. The Intern Certificate opens up an alternative path into teaching careers for Pennsylvanians who have already earned a bachelor's degree in another field and want to use their knowledge and skills to educate future generations.

To further strengthen the educator pipeline, the 2025-26 budget increases funding for student teacher stipends by **\$20 million**, doubling the program and bringing the total to \$40 million annually. Administered through the Pennsylvania Higher Education Assistance Agency (PHEAA), this program helps to address the teacher shortage in Pennsylvania and fill staffing gaps for critical education positions. The program provides financial support to students enrolled in a PDE-approved teacher preparation program and who have completed student teaching requirements. By offering financial support, the program makes it more feasible for aspiring educators to complete their training and pursue careers in public service.

In addition to supporting recruitment, this budget proposal also supports retention in the educator workforce. An additional **\$2.5 million** in teacher professional development illustrates a commitment to ensuring that educators have the tools and training they need to tackle difficult topics impacting students and communities.

Empowering Student Success in Higher Education

Last year, the Administration and the General Assembly came together to make the first significant progress on higher education in more than 30 years. That included the creation of the newly established State Board of Higher Education, which has been charged with developing a strategic path forward to meet the needs of our students, workforce, and businesses. This budget supports that collaborative work with increased higher education investments to improve access, affordability, opportunity, and accountability across the Commonwealth.

This budget proposes **\$60 million** in funding for the Pennsylvania State University, Temple University, and University of Pittsburgh to be distributed based on the recommendations of the Performance-Based Funding Council, as established in the 2024-25 budget, which are anticipated by April 30, 2025. Additionally, under this proposal, the State System of Higher Education (PASSHE) and the encompassing universities would receive a **\$40.4 million** increase to keep tuition flat for the

eighth consecutive year, and funding for the Commonwealth's community colleges would increase by **\$13 million**. Additional investments in higher education include **\$1 million** for Lincoln University, **\$1.7 million** for the Pennsylvania College of Technology, **\$1.1 million** for Thaddeus Stevens College of Technology, and **\$2.9 million** for agriculture research and the county agricultural extension offices through Pennsylvania State University.

PHEAA operates the Pennsylvania State Grants program 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. Grants to students for financial aid is proposed to increase by **\$655,000** to maintain the maximum grant award amount. The proposed budget also recommends continued funding for the newly created Grow PA scholarships to assist students in pursuing affordable post-secondary education programs and filling critical in-demand occupations after graduation.

Ensuring All Pennsylvanians Have the Freedom to Chart their own Course

Investing in Pennsylvania's Families and Supporting the Childcare Workforce

The Commonwealth is committed to assisting parents, grandparents, caregivers, and families in accessing the supports they need to live and work in Pennsylvania, chart their own course, and succeed – including providing safe and supportive childcare. According to the Office of Child Development and Early Learning (OCDEL), nearly 2,200 childcare programs have closed since 2019, resulting in childcare employment levels falling by 40 percent. The majority of those providers cited teacher shortages and ongoing staff vacancies as main factors in their closing. Access to quality childcare remains an issue for many Pennsylvania families but staffing shortages and low wages continue to plague an already vulnerable system. The lack of access to affordable, quality childcare is also one of the primary reasons working-age parents are forced to leave the labor force – by addressing this issue, the Commonwealth can expand our workforce and grow our economy while making life better for young families. The budget proposal includes an investment of **\$55 million** to support childcare workforce recruitment and retention grants, which would provide roughly \$1,000 more annually per employee to licensed childcare centers with collaborative agreements in the Child Care Works program.

Supporting Workforce Investments and Innovations

While the strains on Pennsylvania's health care workforce predate the pandemic, these challenges have come to a point of crisis in recent years. In response to increased needs for behavioral health services and an infrastructure ill-prepared to support the demand, Governor Shapiro issued an Executive Order in October 2023 establishing the Pennsylvania Behavioral Health Council. The council has spent over a year working through dozens of recommendations to improve, broaden, and strengthen the behavioral health system. A key focus of the recommendations is boosting workforce in the health care sector. Therefore, this budget includes **\$10 million** to expand the Primary Care Loan Repayment program at the Department of Health (DOH). The current program is limited geographically, providing loan repayment opportunities as an incentive to recruit and retain primary care practitioners willing to serve underserved Pennsylvania residents in federally designated Health Professional Shortage Areas (HPSAs). As part of the budget, these proposed funds will be used to broaden program eligibility and remove restrictions to expand the behavioral health care workforce everywhere in Pennsylvania. The current program already includes key behavioral health professionals – psychologists, psychiatrists, nurses, certified registered nurse practitioners, and physician assistants – all specifically trained to work in the behavioral health field, but this expansion will help Pennsylvania tackle the critical shortage of these professionals.

In rural Pennsylvania, maintaining access to quality health care is made worse by population shifts that favor more densely populated areas. Young people are choosing to live in more populated areas where hospitals, pharmacies, and doctor's offices are much more accessible. While rural Pennsylvanians age, it's critical they do so independently and in their homes, with health care services readily available. That's why the 2025-26 budget includes an additional **\$5 million** to incentivize health care providers to serve rural communities. Building on previous budget proposals to support the demand for reliable health care services in rural counties and throughout the state, this budget includes **\$5 million** to support workforce initiatives to educate, train, and recruit nursing professionals. By leveraging innovative approaches like public-private partnerships or education-based incentives, the Shapiro Administration is committed to exploring and supporting initiatives focused on educating and retaining more nurses for the Commonwealth's health care system.

Additionally, last year marked the twenty-fifth anniversary of the Workforce and Economic Development Network of Pennsylvania (WEDnetPA). Since 1999, more than 23,000 companies have received WEDnetPA workforce training funds, and 1.3 million workers were trained to better contribute to their companies and the overall economy of Pennsylvania. The goal of WEDnetPA is to strengthen the business environment of the Commonwealth by helping companies improve the

skills and productivity of Pennsylvania workers. Eligible in-state businesses and out-of-state companies relocating to Pennsylvania apply to WEDnetPA to access training funds through a network of community colleges, state system universities, and other partners. The 2025-26 budget creates a dedicated **\$12.5 million** Workforce and Economic Development Network appropriation, leveraging \$10 million from the existing program in Pennsylvania First and \$2.5 million in new state funds to train additional workers.

This budget also includes **\$2 million** for the creation of Career Connect, a statewide program to build internships at Pennsylvania companies. This will increase the availability of Pennsylvania internships and assist employers with talent recruitment and development efforts.

Tapping the potential of all workers is critical to empowering and strengthening a diverse workforce, including under-skilled adult learners. This budget proposes an additional **\$6 million** for Adult and Family Literacy programs across the Commonwealth that allow providers to receive additional federal Title II funding through the Workforce Innovation and Opportunities Act (WIOA). This program increases the number of skilled Pennsylvania workers by providing education to adults so they can successfully find and keep good jobs. Services include college and career readiness, adult basic education, and family, health, and digital literacy.

Additionally, this budget proposes **\$5 million** to the Office of Vocational Rehabilitation (OVR) to assist individuals with disabilities in finding employment, through personalized services, vocational guidance, goal setting, job placement, and counseling. This funding will allow OVR counselors to provide hands-on, individualized services to those seeking gainful employment throughout the Commonwealth. Finally, this budget provides an additional **\$1 million** to the Centers for Independent Living (CIL) to recruit and hire staff, provide services to individuals with more diverse or significant disabilities, and ensure that individuals can reside in their chosen homes and participate in their communities.

Raising the Minimum Wage

At \$7.25 per hour, Pennsylvania's minimum wage is lower than all neighboring states, most economic competitor states, and has remained stagnant for more than 15 years. At a time when Pennsylvania's workforce is aging, young Pennsylvanians are increasingly considering other places to build their economic futures. Pennsylvania must be a place that families, workers, and students see as a place to work, grow, and thrive. The budget calls to raise the minimum wage to **\$15 per hour**, which will generate economic activity, increase the purchasing power of Pennsylvania residents, and add roughly **\$100 million** annually in increased revenue to the Commonwealth once fully implemented.

Making Pennsylvania a Leader in Economic Development, Job Creation, and Innovation

Implementing an Aggressive Economic Development Strategy

Over the last two years, the Shapiro Administration has successfully competed for business, made strategic investments in key sectors of the Commonwealth's economy, and implemented transformative changes to the permitting, licensing, and certification processes to ensure Pennsylvania moves at the speed of business. As a result, the Shapiro Administration has attracted over \$3 billion in private sector investments to Pennsylvania and created nearly 5,000 new jobs.

In 2024, Pennsylvania launched the first comprehensive economic development strategic plan of its kind in 20 years to guide the Commonwealth's economic growth. The 10 year strategy is designed to capitalize on the Commonwealth's strengths and reignite the economy. It sets forth five ambitious goals:

- Invest in economic growth to compete and prioritize economic development investments that capitalize on Pennsylvania's strengths and result in real opportunities for businesses, communities, and residents.
- Continue to make government work at the speed of business and ensure all companies find an attractive business environment where they can innovate, thrive, and get responses from government on a reasonable timeline.
- Open doors of opportunity for all Pennsylvanians and increase pathways to the workforce that enable every Pennsylvanian to secure a family-sustaining job and have a meaningful career.
- Prioritize innovation to incentivize innovators to become successful entrepreneurs.
- Build vibrant and resilient regions, where every community flourishes, focusing on each region's diverse strengths.

The 2024-25 enacted budget made significant investments aligned with the overall 10 year economic strategy. Key investments included a \$500 million investment to significantly expand the PA SITES program to develop shovel-ready sites and bring more commercial and industrial sites to Pennsylvania, the creation of a new program tailored to make critical

upgrades and investments in Main Street communities, and a rebranding of Pennsylvania's tourism and marketing campaign. To continue to capitalize on our strengths and reignite our economy the Commonwealth must continue to be on the offensive. This budget goes further to implement the Economic Development Strategy, positioning Pennsylvania as a national leader in innovation, job creation, and economic development.

Creating a Commonwealth That Is Open for Business: Business Attraction and Expansion through BusinessPA

DCED was one of three agencies to participate in a new pilot project coordinated by the Office of the Budget and the Governor's Policy Office, known as the Resource Evaluation and Mission Alignment Project, or REMAP.

Specifically, for DCED, the REMAP process revealed that some programs are not flexible enough to meet the needs of all businesses that want to grow and thrive in Pennsylvania, with many being too targeted to one specific niche industry or too small to make a real impact in the development of those industries. As such, this budget proposes to streamline DCED's programs by eliminating redundant or ineffective initiatives while investing in programs that have broader impact and reach a wide variety of industries. Specifically, this budget proposes to eliminate three tax credit programs that are duplicative of other programs and replaces them with one tax credit program aimed specifically at creating jobs within the Commonwealth. The 2025-26 budget repeals the Waterfront Development Tax Credit, the Video Game Development Tax Credit, and the Manufacturing Tax Credit and creates the **AdvancePA** tax credit, a new **\$10 million** tax credit to provide more flexibility for securing important deals and incentivizing high-paying job creation within the Commonwealth.

Additionally, the REMAP process identified several duplicative programs that could be combined in the future and found that some existing programs may be more appropriate within other Commonwealth agencies.

To that end, the 2025-26 budget includes a major reorganization within DCED, consolidating agency resources to form the BusinessPA Team. **BusinessPA** focuses and strategically promotes business success, expansion, and attraction in Pennsylvania. Reallocating 45 current positions and nearly \$9 million in current funding from several existing appropriations into a single BusinessPA appropriation will provide a more effective use of existing resources and sharpen the department's focus on those programs and services that best serve the Commonwealth's business community.

By promoting Pennsylvania as an ideal place to do business, the BusinessPA team will boost the overall perception of Pennsylvania, capitalizing on recent successes to maximize state investments by ensuring businesses are aware of the advantages of doing business in Pennsylvania. In 2024, Site Selection Magazine ranked Pennsylvania's business climate ahead of New York, making the Commonwealth the top state in the Northeast region for economic competitiveness. An effective marketing program is also critical for promoting the Commonwealth and attracting businesses, employers, and economic growth. This budget includes an increase of **\$3 million** to the Marketing to Attract Business program to enhance site selection, business attraction marketing, and business retention. More specifically, this program provides funding for projects that demonstrate the importance of marketing the Commonwealth as the best choice for investment and promoting the attributes and assets of individual regions.

Successful business attraction requires not only the availability of funds to incentivize worthwhile projects but also the ability to close deals. To help match and surpass the project completion rates of our neighbors, this budget includes an increased allocation of **\$5 million** in programmatic funding for the proven Pennsylvania First program. This investment will enhance Pennsylvania's competitiveness and fund additional projects by inviting more companies to expand or relocate to the Commonwealth and stimulating economic growth.

Strengthening Pennsylvania's Energy Leadership and Ensuring Reliable, Affordable Power for the Long-Term

Pennsylvania has a long legacy as a national energy leader – for hundreds of years, the Commonwealth has been one of the nation's top energy producers, embracing innovation to create jobs, lower costs, and drive progress. However, Pennsylvania is falling behind other states in the race to diversify our energy sources and create clean, reliable, and affordable energy. As Pennsylvania fails to take action, other states are putting in place plans that protect and create energy jobs, spur innovation and attract investment, and protect public health.

That's why Governor Shapiro has brought together labor leaders, environmental advocates, consumer advocates, and industry to develop an energy policy that will spur the development of generation, incentivize innovation, and help Pennsylvania maintain its position as an energy leader. A key tool in that effort is the Pennsylvania Economic Development for a Growing Economy (PA EDGE) initiative – a collection of tax credit programs designed to attract new investments from businesses in critical manufacturing sectors, including semiconductors, biomedical, milk processing, and petrochemicals and fertilizers produced from natural gas. Since it was first passed into law in 2022, the EDGE credit has not been used by

a single business – leaving billions of dollars on the table. The 2025-26 budget proposes several tax credit modifications to ensure businesses can actually take advantage of the credit to create jobs, innovate, and grow our economy, including:

- **Converting the Local Resource Manufacturing Tax Credit Program to a Reliable Energy Investment Tax Credit** – Utilize up to \$100 million per year tax credit per facility for 3 years, focusing especially on bringing new, reliable energy sources onto the grid.
- **Semiconductor Manufacturing, Biomedical Manufacturing and Research Tax Credit Program** – Reduce investment requirement from \$200 million to \$150 million and lower the permanent jobs requirement from 800 to 100.
- **Pennsylvania Milk Processing Tax Credit Program** – Provide credits to projects that invest \$50 million or create 100 jobs in the production of Class I, II, III, or IV dairy products using Pennsylvania milk, with an extra incentive to those projects using organic milk.
- **Regional Clean Hydrogen Tax Credit Program** - Allow up to 7 regionally dispersed qualified taxpayers to claim up to \$7 million per year and lower thresholds to qualify.
- **Sustainable Aviation Fuel** – Utilize up to \$15 million per year for a taxpayer who makes a \$250 million capital investment and create 400 jobs at a facility to produce sustainable aviation fuel (SAF).

These updates to PA EDGE supplement the rest of the Governor’s energy plan, including efforts to create thousands of energy jobs, lower utility bills for Pennsylvania households, and take real action to address climate change pollution.

Fostering the PA Innovation Economy

Some of the fiercest competition between states to attract new businesses and jobs takes place within the life sciences sectors. Two regions have dominated the nation’s life sciences industry – Boston and San Francisco. However, Pennsylvania, specifically in the Southeastern region, has the capacity to become the next big life sciences hub. To further incentivize development in this vital industry, the 2025-26 budget includes a total of **\$50 million** for the new PA Innovation program. This includes a one-time \$30 million initiative to spur life sciences job growth and innovation, through coordination among research universities to assist businesses in bringing cutting edge technology to market and fulfilling critical testing needs. The remaining \$20 million will provide annual funding to support large-scale innovation, match federal awards to mitigate risks for start-ups, and leverage Pennsylvania’s best-in-class research and development assets. This proposed funding will be used to match additional private venture capital investments, positioning Pennsylvania as a national center for innovation while proactively making investments in entrepreneurs who have historically lacked access to venture capital funding.

While this budget makes significant investments to attract businesses from outside Pennsylvania, it also doubles down on the state’s commitment to build home-grown talent and entrepreneurs. The 2025-26 budget allocates **\$3.5 million** to create and launch the Pennsylvania Regional Economic Competitiveness Challenge to provide different geographic regions with the resources they need to plan and implement localized economic development strategies. By backing well-planned regional strategies, this budget ensures that state funding is used wisely by combining local vision and regional expertise with state resources to provide a bottom-up approach to statewide economic development. Taking this approach meets the individual needs of each of the state’s diverse regions.

But innovation is not just for life sciences or start-up companies – there’s real innovation happening all across our Commonwealth, especially on our farms. The Commonwealth has over 53,000 farms, including the second largest number of dairy farms nationally, producing more than 10 billion pounds of milk each year. Pennsylvania is also a leader in growing hardwoods, fruits, tree nuts, berries, floriculture, and more. The Commonwealth is committed to building and supporting the future success of our farmers who fuel the agriculture industry – that’s why the 2024-25 budget created a new grant program, specifically designed to help Pennsylvania farmers advance their productions and efficiencies by embracing the latest technologies and farming techniques.

The 2025-26 budget builds on the work this new program began by investing an additional **\$13 million** in agriculture innovation, important funding that will help support and attract new agricultural businesses – including energy and conservation endeavors – and build the future of American agriculture right here in Pennsylvania. This funding will provide grants, loans, and technical and logistical assistance for innovative farming practices in Pennsylvania to empower our farmers to adopt cutting-edge agricultural practices that will help position our ag industry as a model for the nation.

Growing Pennsylvania's Ag Industry by Addressing the Challenges Our Farmers Face

The innovations developing on our farms aren't just helping our farmers increase their output and succeed – they are addressing the unique challenges farmers face day-to-day, especially when it comes to finding sustainable ways to farm in localities where there is no dedicated place to dispose of organic food waste. Some farmers in Pennsylvania are taking steps to power their farming operations through adaptive reuse and byproducts of the very food products that agriculture provides to the food industry. Pennsylvania could be a leader in creating energy from food waste, and this budget proposes **\$2 million** to explore a pilot program for a county-based digester facility and set the groundwork for county-operated digesters throughout the Commonwealth, assisting farmers and generating electricity.

Animal testing remains important, especially with the recent outbreaks of the Highly Pathogenic Avian Influenza (HPAI). The 2024-25 budget provided resources to start a fourth animal testing laboratory in the western part of the state. This budget proposes **\$2 million** in funding to keep this new laboratory operational, providing critical testing services for farmers to ensure their livestock remain healthy and viable for continued farming operations. The last three budgets have reserved \$75 million for farmers who experience losses due to HPAI. Due to proactive management and quick response, \$61.5 of that funding remains for use in 2025-26. With these dollars, we are prepared to respond to future outbreaks. While HPAI cases continue to be monitored, we can invest funds into our agricultural industry to diversify and spur growth. This budget makes those investments and calls on the General Assembly to provide flexibility in the event future resources are needed to assist farmers with losses due to HPAI.

This budget also supports farmers in the vital and noble role they play in feeding others and invests in efforts to connect that work to community initiatives working to combat hunger in Pennsylvania. The Pennsylvania Agricultural Surplus System program provides an efficient mechanism for Pennsylvania's agricultural industry to donate safe, wholesome food products while being reimbursed for the costs involved in harvesting, processing, packaging, and transporting these foods. An additional **\$4 million** investment in this program will help to utilize these food products that would likely otherwise go to waste.

Pennsylvania also provides food assistance for families under the State Food Purchase Program, which is the largest state program of its kind. The program provides cash grants to counties for the purchase and distribution of food to low-income individuals. It is intended to supplement the efforts of food pantries, soup kitchens, food banks, feeding programs, shelters for the homeless, and other similar organizations to reduce hunger. The program reflects the Commonwealth's determination to address problems related to nutrition and hunger. The 2025-26 budget increases funding for the State Food Purchase Program by **\$4 million**.

Legalizing Adult Use Cannabis

This budget recognizes that the time has come for Pennsylvania to legalize adult use cannabis. This policy provides a real opportunity for Pennsylvania farmers to cultivate a new, legal industry and establish a thriving market for the state. Every one of Pennsylvania's neighbors, except West Virginia, has legalized adult use cannabis. Pennsylvania is currently at a competitive disadvantage, losing out on critical tax revenue and new businesses to neighboring states. Executives from cannabis companies have reported that up to 60 percent of their customers at stores along our Commonwealth's border are Pennsylvanians. We must stop losing out on that revenue and business. Additionally, police and courts are unnecessarily overburdened with cannabis-related arrests and adjudications. The prohibition of cannabis has also fostered an illicit market that fuels violence perpetrated by drug traffickers and gangs seeking to control the illicit and harmful forms of synthetic marijuana in our communities.

The 2025-26 budget proposes the legalization of adult use cannabis effective July 1, 2025, with regulated sales within Pennsylvania beginning January 1, 2026. With the funds generated by the legalization of adult use cannabis, Pennsylvania can right some of the wrongs done to individuals impacted by archaic laws. In addition to the immediate expungement of the records of those incarcerated for only a possession-related offense attributed to cannabis, the budget proposes to invest **\$10 million** in restorative justice initiatives from adult use cannabis proceeds. The proposal also includes **\$25 million** to assist new small and small diverse businesses attempting to enter the new marketplace.

Supporting Small and Small Diverse Businesses

In September 2023, Governor Shapiro signed an Executive Order to make the Commonwealth procurement process more accessible, and take actionable steps to help small businesses and small diverse businesses grow, succeed, and create good-paying jobs. Since then, the Commonwealth has increased prime contracting opportunities for small businesses, reduced the time it takes to certify a small business with DGS, and implemented a prompt pay policy to ensure non-construction prime contractors pay subcontractors within 10 days of receiving payment from the Commonwealth. Building

on that work, this budget invests **\$369,000** in the Bureau of Diversity, Inclusion, and Small Business Opportunities (BDISBO) at DGS to continue to increase the overall small business vendor pool for participation in the Commonwealth contracting opportunities, with a specific emphasis on diverse and veteran businesses.

Our veterans defended our country and upheld our freedoms, and they deserve real opportunity to thrive here in Pennsylvania. Since 2017, veterans and reservists starting a small business in the Commonwealth have been exempt from the payment of business fees, including any fees required to be paid to the Commonwealth or a political subdivision for starting or opening a business. In addition to the investment in BDISBO, this budget includes a new **\$1 million** appropriation for Veterans Small Business Assistance, to continue to support Pennsylvania's nearly 800,000 veterans – the fifth largest veteran population in the nation.

Celebrating America's 250th Birthday

On July 4, 2026, America will celebrate the 250th anniversary of the signing of the Declaration of Independence in Philadelphia, the birthplace of the nation. Just as Pennsylvania played a critical role in 1776, the Commonwealth is primed to once again be in the spotlight in 2026 with major events throughout the Commonwealth. The Semiquincentennial Commemoration will include elaborate, exciting celebrations the week of Independence Day, world-class sporting events throughout the year, and major milestone anniversaries in Pennsylvania's cities, towns, museums, and monuments.

The City of Philadelphia will host the NCAA's March Madness men's basketball tournament, the FIFA World Cup, the MLB All-Star Game, and other high-profile events in 2026. The City of Pittsburgh, home to the six-time Super Bowl champion Steelers, will be the host city for the 2026 NFL Draft. These events will be huge tourism and economic development opportunities for the Commonwealth, as millions of people will visit Pennsylvania.

With the eyes of the world focused on the Commonwealth in 2026 and in order to take advantage of this unique opportunity, this budget continues **\$2.5 million** for America250PA and provides **\$15 million** in new funding for Regional Event Security. In addition, a **\$10 million** increase to promote the celebration and **\$36.5 million** to plan and execute these internationally recognized events in the Tourism Promotion Fund are proposed as a part of this budget.

Supporting All Modes of Transportation

Transportation is a vital component of economic development. In addition to shovel-ready sites, businesses make decisions based on the availability of workers, including the reliability of those workers to get from their residence to their place of employment. It is vital that the Commonwealth invests adequate resources into the operations of mass transit to ensure that Pennsylvania's workers have reliable methods of transportation to continue to contribute to the economy. Currently, 7.68 percent of all Sales and Use Tax receipts are deposited into the Public Transportation Trust Fund. This budget builds on that investment by proposing to increase that transfer by an additional 1.75 percent. This increase in available funding will inject an additional **\$292.5 million** into mass transit across the Commonwealth in 2025-26, growing to more than **\$330 million** in 2029-30.

The last two enacted budgets reduced reliance on the Motor License Fund to supplement the Pennsylvania State Police. This shift provides the Pennsylvania Department of Transportation (PennDOT) additional resources to match federal Infrastructure Investment and Job Act funds, allowing for more road and bridge construction and maintenance projects. As a result, Pennsylvania has repaired more poor-conditioned bridges than any other state in the nation and continues to set the pace for infrastructure improvements, keeping communities connected and the economy growing. This budget continues to step down the State Police's reliance on the Motor License Fund by **\$50 million a year**, until reliance is completely removed in 2029-30. As a result, over the next five years, PennDOT will have an additional **\$750 million** for road and bridge projects.

Speeding Up Tax Cuts for Pennsylvania Businesses and Delivering Commonsense Tax Reform

Pennsylvania used to have the second highest business tax in the nation – making it too difficult for companies to grow and succeed, and more challenging for us to sell the Commonwealth. Now, we are sending the message that Pennsylvania is open for business and working to make the Commonwealth a leader in innovation, job creation, and economic development.

This budget will modernize and simplify the Pennsylvania tax system while continuing to create opportunities for businesses to grow and thrive in Pennsylvania. Under current law, Pennsylvania's Corporate Net Income Tax (CNIT) rate is scheduled

to decrease by 0.5 percent every year until it reaches 4.99 percent in tax year 2031. Under this budget proposal, the CNIT cuts will be expedited by two years, **reducing the current tax rate each year by 0.75 percent**, resulting in a 4.99 percent tax rate in tax year 2029.

While reducing taxes for Pennsylvania businesses, this budget proposes eliminating an antiquated loophole in our tax system that allows some large corporations to skirt paying their taxes in Pennsylvania – often known as the “Delaware Loophole.” Pennsylvania is one of 45 states with a corporate net income tax and uses the federal income of a corporation as the tax base. However, Pennsylvania is one of only 17 states that still allow the calculation of income for each separate entity, even if the entity is part of a corporate group, before applying the current tax rate. As a result, large businesses that have subsidiaries and related companies in other states can have an advantage by shifting their Pennsylvania-based income or intangible assets to out-of-state subsidiaries, often to the neighboring state of Delaware, greatly reducing the Pennsylvania income and tax owed by their companies operating in Pennsylvania. Closing the Delaware Loophole will put all Pennsylvania corporations, large and small, on the same playing field by eliminating intercompany transactions and other tax planning techniques.

In Pennsylvania, 82 percent of businesses are registered as pass-through businesses – meaning they pay personal income tax rather than corporate tax – and are not subject to CNIT. Additionally, 40 percent of all corporations are unaffected by closing the Delaware loophole and, therefore, would see only the benefit of accelerating the CNIT cuts. In fact, when considering every single company registered in Pennsylvania, inclusive of the pass-through entities, only 11 percent of Pennsylvania businesses would be affected by closing the loophole – 89 percent would experience no change.

Taken together, this modernization and simplification of Pennsylvania’s tax structure will yield huge cost savings for businesses. Under the Governor’s plan, by 2029-30, Pennsylvania businesses would realize **\$10.5 billion** in savings as a result of these tax cuts.

In order to further modernize and simplify Pennsylvania’s tax structure, this budget also proposes eliminating three antiquated taxes on financial institutions – the Bank and Trust Company Shares Tax, the Mutual Thrift Institutions Tax, or the Private Bank Tax. Currently, the Mutual Thrift Institutions Tax rate is 11.5 percent. The Bank and Trust Company Shares Tax is imposed at a rate of .95 percent on the value of shares (property) as of January 1 of each year. The Private Bank Tax is a 1 percent gross receipts tax. It is time to make commonsense updates to our tax system – that’s why this budget proposes to **repeal all three of these taxes** and move the approximately 400 impacted taxpayers under the existing CNIT umbrella.

Repealing these antiquated taxes would streamline the Commonwealth’s tax code and eliminate a tax that has been in place since the Civil War (the Private Bank Tax was enacted in 1861). This proposal would also provide tax parity by lowering the rate paid by Mutual Thrift institutions, ensuring fairness across the financial services spectrum while allowing these institutions to remain competitive. Many of these institutions are locally owned and operated, serving communities with access to affordable mortgages, small business loans, and relations-savings banking. By moving these companies under the CNIT, these institutions would see a more competitive tax rate, continuing to decrease over time and tax parity with non-banking entities. Moving banks to a similar schedule as other companies will effectively give this industry a tax rate cut that could result in larger capital pools available for lending, further driving Pennsylvania’s economy.

This budget seeks to provide an influx of revenue to both the Lottery Fund and the General Fund, through the legalization and regulation of games of skill. Skill games are prevalent across Pennsylvania, with estimates upward of 70,000 skill game terminals located throughout the Commonwealth, including 12,000 terminals in lottery retailers. The Pennsylvania Lottery estimated it lost \$200 million in profit over a five year period for the Lottery Fund that supports older Pennsylvanians. In this proposed budget, skill games would be treated like other video gaming terminals. The Pennsylvania Gaming Control Board would regulate both Video Gaming Terminals (already legal and operating in the state) as well as skill games, allowing 30,000 total combined Video Gaming Terminals and skill game machines in establishments in 2025-26, increasing incrementally to 40,000 machines by 2029-30. With a maximum number of 5 machines per establishment, this proposal would see gross terminal revenues taxed at an effective rate of 52 percent - 47 percent to the General Fund, net of funding for compulsive gambling support and local share transfers, and 5 percent to the Lottery Fund.

The Pennsylvania Gaming Control Board stands ready to implement this project, as they already have existing infrastructure in place and the experience in overseeing other legal gaming methods. Pennsylvania has one of the most robust gambling industries in the nation, and board oversight will ensure fairness in the operation and help to protect Pennsylvania consumers, while injecting much needed funding into the Lottery Fund for older adult services, and revenues into the General Fund to fund critical initiatives for the people of Pennsylvania.

Finally, this budget proposes to free up additional funding for older adult services in the Lottery Fund by fully funding the recently expanded Property Tax/Rent Rebate program with State Gaming Fund proceeds.

Lowering Electricity Costs and Building a More Reliable, Affordable Energy Sector

In March 2024, Governor Shapiro unveiled the Administration's Energy Plan, kicking off a new era of energy leadership in Pennsylvania to protect and create nearly 15,000 energy jobs, lower utility bills for households, and take real action to address carbon pollution. As introduced by the General Assembly, these initiatives could save Pennsylvania ratepayers more than \$250 million over the first five years, while generating \$5.1 billion in investment in clean, reliable energy sources. As a part of this plan, the Pennsylvania Climate Emissions Reduction Act (PACER) would establish a Pennsylvania-specific cap-and-invest program that allows Pennsylvania to determine its own cap on carbon and invest directly in lowering consumers' electricity bills. Under PACER, 70 percent of the revenue generated would be directed back to Pennsylvania residents as a rebate on their electric bill.

In addition to PACER, Governor Shapiro also proposed the Pennsylvania Reliable Energy Sustainability Standard (PRESS), which would build a more diverse, reliable, and affordable energy sector. Over the last two decades, Pennsylvania's energy standards have become outdated, impacting Pennsylvania's ability to remain competitive with other states that have more modern standards to attract new energy investment.

This year, Governor Shapiro expanded on the bold progress offered by PACER and PRESS by proposing the Pennsylvania Reliable Energy Siting and Electric Transition Board (RESET Board). RESET is a much-needed tool to streamline siting and permitting decisions and ensure that the next generation of all-of-the-above energy projects are built here in Pennsylvania.

In addition to these initiatives and reimagining the PA EDGE tax credit programs, Pennsylvania must reform Act 129 by updating the investment cap for energy efficiency to fall more in line with 2025 standards rather than those present in 2006. With all of these steps, Pennsylvania can once again become a leader in the energy space, creating reliable energy, low-cost electricity, and thousands of good-paying jobs for Pennsylvanians.

Creating a Safe and Healthy Environment for All Pennsylvanians

Pennsylvania is home to more than 350,000 orphaned and abandoned wells, contributing nearly 8 percent of the state's total methane emissions. The Department of Environmental Protection (DEP) has identified over 27,000 high-risk wells. With an increased federal funding under the Infrastructure Investment and Jobs Act (IIJA), Pennsylvania has plugged more orphaned and abandoned wells in the first two years of the Administration than in the previous nine years and is expected to cap its 300th well in coming weeks. The Commonwealth has secured over \$101 million in federal funding for well plugging, with a potential of an additional \$200 million over the next few years. This budget provides an additional state investment of **\$13 million** to continue these critical well plugging activities.

The budget proposal also provides **\$615,000** to DEP to prioritize clean water by providing guidance, direction, and advisement on agricultural-related runoff to meet the standards in the Chesapeake Bay Watershed Agreement. This funding will allow DEP to serve the public more effectively and bolster capacity to help farmers and conservation districts navigate federal and state funding programs.

Additionally, Pennsylvania's outdoor recreation industry saw significant growth over the last year. Building on previous strategic investments to elevate outdoor recreation, the 2025-26 budget includes **\$5 million** for infrastructure and trail improvements and connectors. With this funding, the Department of Conservation and Natural Resources (DCNR) can expand Pennsylvania's state park system, by expanding Lehigh Gorge State Park by 300 acres to reopen the popular and historic Glen Onoko Falls trail, which has been closed since 2019, as well as adding Pennsylvania's first subterranean State Park with the inclusion of Laurel Caverns in Fayette County to the park system. The newly created Office of Outdoor Recreation at DCNR recognizes that outdoor recreation is an important part of Pennsylvania's economy and communities and prioritizes growing the industry and increasing access for all Pennsylvanians.

Cutting Costs for Pennsylvanians

Since day one, Governor Shapiro has worked to cut taxes and reduce costs for Pennsylvanians. In his first two years, the Governor signed into law the largest targeted tax cut for seniors in nearly two decades to help seniors stay in their homes and a historic expansion of the Child and Dependent Care Enhancement Tax Credit in order to make childcare more affordable. This budget builds on those important steps by working to make housing and health care more affordable for Pennsylvanians.

Addressing Critical Housing Needs

In September 2024, Governor Shapiro signed an Executive Order creating Pennsylvania's first comprehensive Housing Action Plan to address the state's housing shortage, address homelessness, and increase the availability of affordable housing options. This action plan aims to ensure residents have access to safe, affordable housing and attract more people to live and work in the Commonwealth. The Housing Action Plan will guide efforts to expand affordable housing and provide support to the unhoused by implementing a coordinated, multi-agency approach involving state, local, and federal partners, as well as private organizations. As part of the effort, the Administration led dozens of meetings and roundtable discussions to understand the full breadth of issues that need to be addressed in the plan, expected to be released in the fall of 2025.

These conversations have highlighted that Pennsylvania's housing stock is old, zoning ordinances vary drastically between municipalities, and local governments lack the technical assistance needed to work through code enforcement challenges. While there is much more work to be done and a comprehensive report is still being developed, some preliminary investments are necessary to begin acting on the action plan. To that end, the 2025-26 budget calls for critical investments in areas that will begin to address these challenges.

This budget provides **\$50 million** for DCED to restore the Commonwealth's aging housing stock. Without these investments and local zoning and code enforcement reforms, Pennsylvania faces an epidemic of blighted buildings and declining property values, which impacts the safety and stability of our communities. This investment will also help older Pennsylvanians update and stay in their homes – which is key to aging with dignity.

Because of the age of Pennsylvania's infrastructure, housing stock and the rising cost of single-family homes across the country, too many Pennsylvanians have to wait to experience the pride of homeownership. Therefore, this budget proposes a new **\$10 million** program to help first-time homebuyers with closing costs on their first home to attract and retain young workers and families to the Commonwealth.

The 2024-25 enacted budget nearly doubled the Pennsylvania Housing Affordability and Rehabilitation Enhancement (PHARE) program over the next few years, gradually increasing funding for the effective program from \$60 million to \$100 million. This budget builds on these successes by proposing to further increase total funding to **\$110 million** by 2028-29.

Zoning ordinances, permitting processes, local building construction and property maintenance codes vary across Pennsylvania's 2,560 municipalities. Past efforts focused on model zoning ordinances or best practices for municipalities. However, affordable and safe housing requires municipalities to have a dedicated resource for technical assistance.

The current State Planning Board is an advisory board comprised of 25 members, including citizens, legislators, and state department heads. The Board's duties include studying demographic, economic, and development trends, and preparing strategic plans to promote the welfare of the Commonwealth. It was instrumental in creating the Pennsylvania Turnpike, planning the State Capitol grounds, establishing planning agencies in Pennsylvania's counties, and enacting the Municipalities Planning Code in 1968. However, the State Planning Board lacks the resources, including a full-time executive director, to be able to provide specific housing and zoning guidance. The 2025-26 budget proposes **\$1 million** in dedicated funding to the State Planning Board to help municipalities through housing-specific planning. The State Planning Board should encourage municipalities to institute growth-oriented housing policies through an opt-in Housing Ready Community designation, developed in concert with DCED. This designation would be awarded to municipalities that have taken action to make their communities accommodating to new housing development.

Finally, eviction records are a major barrier to housing security for vulnerable and at-risk Pennsylvanians. Records stemming from filings, even if the tenant is not evicted, can follow a person for years. No one should carry a permanent stain on their record just because of a filing – in this country you are innocent until proven guilty. Pennsylvania was the first state to

automatically seal criminal records as part of the Clean Slate Law. The same automatic sealing can and should be done for eviction records of individuals who have not faced a conviction, to allow better access to safe and affordable housing or better job opportunities.

Increasing Access and Improving Transparency in Health Care

Health insurance costs increased 3.9 percent, on average, in 2024 for Pennsylvanians. Coupled with the recent end of the Medicaid continuous coverage requirements during the pandemic, these increased costs create a challenging situation for many Pennsylvania families. Rising premiums, inflation, and loss of Medical Assistance coverage require some low- and middle-income Pennsylvanians to forgo health insurance in order to pay for other necessities.

The 2024-25 budget created a state subsidy program for low- and middle-income Pennsylvanians who are on the cusp of being able to afford health insurance. Without this program, as many as 100,000 individuals could be at risk of losing their current insurance, and, by making this investment, nearly 200,000 individuals could see decreased insurance premiums. Building on this, the 2025-26 budget includes **\$4 million** for the Pennsylvania Health Care Cost Containment Council (PHC4) to develop an All-Payer Claims Database (APCD). This database will collect medical, pharmacy, and dental claims, and eligibility and provider information from private and public payers, including Medicaid, Medicare, and private insurance. The APCD is a critical step toward transforming Pennsylvania's health care system. Today, health care costs and quality are often unclear, making it difficult for individuals to understand what they are paying for and how their care compares. The APCD will bring transparency by providing a comprehensive view of health care spending and usage, helping identify opportunities to lower costs and improve care. Nearly half of all states already use or are creating similar tools, showing how effective they can be in empowering consumers, health care advocates, and policymakers with the information needed to make smarter decisions. By leveraging PHC4's long history of expertise in data analysis, Pennsylvania can ensure this tool benefits residents, making health care more transparent, affordable, and equitable.

Delivering Property Tax Relief

Governor Shapiro has listened to Pennsylvanians across the Commonwealth as they told him how they're struggling with high costs. That's why he's worked to cut costs and cut taxes more than four times over his first two years – through an expansion of the Property Tax/Rent Rebate program, an expansion of the Child and Dependent Care Enhancement Tax Credit, allowing taxpayers to deduct up to \$2,500 of student loan interest from their state taxes, and the creation of the Employer Child Care Contribution Tax Credit to encourage businesses to contribute to their employees' childcare expenses.

Building on that work to cut costs and cut taxes for Pennsylvanians, the proposed budget would help homeowners save money on their property taxes by increasing funding for property tax relief through the Homestead/Farmstead Exclusion authorized by the Taxpayer Relief Act, reaching above **\$1 billion** for the first time in Commonwealth history. For many years, the amount of general property tax relief certified in Pennsylvania was \$595 million. As Pennsylvania moves away from the reliance on property taxes to locally fund schools through greater state investments, this funding would provide residential taxpayers with **an average \$160 more in property tax savings** than when Governor Shapiro took office in 2023. While the amount of relief varies based on the school district, the average amount of total relief per household will be **roughly \$386**, up from \$225 two years ago, a 71 percent increase.

Helping More Pennsylvanians Access Quality, Affordable Health Care

Investing in Health Care Service Delivery

Throughout the COVID-19 pandemic, state Medicaid programs operated under federal requirements for continuous eligibility. This means that no one was removed from the Medicaid rolls for changes in their financial or clinical eligibility. As a result, Pennsylvania, like all other states, was serving a significantly higher number of people. As required by the Centers for Medicare and Medicaid Services, the Pennsylvania Department of Human Services (DHS) undertook an effort to 'unwind' the continuous eligibility provisions in 2023 and 2024, and the effects are still being felt into 2025. Rightsizing the Medical Assistance program meant spending a year reassessing all Medical Assistance beneficiaries for their financial and clinical eligibility – a process that led to disenrollments and transitions to other insurance options through Pennie for those who could afford to pay out-of-pocket.

A once-in-a-generation pandemic made it nearly impossible to estimate Medical Assistance enrollment, especially amid unwinding continuous eligibility, record inflation, unemployment, and other economic factors. Likewise, it is also challenging to anticipate the extent to which people went untreated during the pandemic and as a result now have more acute,

significant, and complex medical needs. The delays in health care access have had a significant impact on this population – a lack of access to general and specialty care; delayed procedures; avoidable hospital stays and emergency department visits; development of comorbidities; and a lack of preventative medicine as a whole. All of these factors have resulted in a much sicker and more acute Medical Assistance population.

Without knowledge of these factors to adequately forecast the costs of the Medical Assistance population, the actuarially sound rates for the 2024-25 fiscal year were, in some cases, insufficient to cover the realized costs of providing care. As a result, the 2025-26 proposed budget includes significant investments for all three of its Medicaid managed care programs – Physical HealthChoices, Behavioral HealthChoices, and Community HealthChoices. These investments recognize the acuity of the participants being served, the increased costs for supplies and inflation, workforce concerns, network adequacy requirements, a reduced federal funding share, and rising pharmaceutical expenses. To fully fund the necessary costs of the Medical Assistance program, this budget proposes an investment of more than **\$2.5 billion**.

The 2025-26 budget also reduces reliance on high-cost prescriptions that are ballooning the health care system. GLP-1s or Glucagon-like peptide-1 have become blockbuster medications for diabetes and obesity. This drug class is responsible for nearly \$1 billion of Pennsylvania's Medical Assistance budget going into 2025-26. That is why this budget seeks to contain spending by limiting the Medical Assistance coverage of GLP-1s for weight loss except when certain conditions are met.

The budget proposal also includes **\$21 million** to increase direct care worker wages in the participant-directed model of care under Community HealthChoices. Direct care workers provide services to adults with physical disabilities and seniors through either the agency or participant-directed delivery models. This workforce is the backbone of the home and community-based services system, keeping people at home and in the least restrictive setting possible as they age and need additional long-term services and supports to maintain their health and independence. The investment includes a wage increase, paid time off, and increases access to affordable insurance for approximately 8,500 workers.

Creating Healthier Communities

Current state law requires that the Medical Assistance program suspend coverage for individuals entering the criminal justice system and receive health coverage through the Department of Corrections. After two years of incarceration, the individual is completely disenrolled from Medical Assistance, making reentering the community much more challenging without health care coverage. Once individuals are back in the community, Medical Assistance requires that they be reassessed for their eligibility, even though their eligibility is unlikely to have changed while they were incarcerated. This causes an unnecessary barrier to reentry into the community. This budget includes **\$4.8 million** to provide seamless Medical Assistance coverage for those reentering the community and funds infrastructure changes necessary to make Medical Assistance accessible to them ninety days prior to leaving incarceration. Health care coverage before the last day of their incarceration means that individuals will be more successful in the transition back to society with access to health care and prescriptions, including behavioral health services and substance use disorder treatment without any lapses in coverage. For a population that is so often forgotten or set up for failure when reintroduced to the community, this is a critical opportunity to build an infrastructure for support and long-term success. By making a small investment, we can reduce recidivism and help returning citizens succeed in their new lives.

In a post-pandemic world, Pennsylvanians are more aware of the real-world impacts of viruses and communicable diseases than ever before. Since 2019, DOH has focused on preventing and eradicating new threats to the health and safety of Pennsylvanians, including the proliferation of Viral Hepatitis. What began with a planning committee and statewide listening sessions, culminated into the PA Viral Hepatitis Elimination Plan published in 2023. This comprehensive public health initiative includes long-term strategies for prevention, education, testing, care navigation, treatment, data, and surveillance to manage the spread of this highly infectious disease. This budget includes **\$994,000** to address Viral Hepatitis in the Commonwealth. Together with dozens of health care leaders, DOH will continue working to eliminate this disease and ensure access to proper care and treatment for those facing hepatitis diagnoses.

Finally, the budget proposes a **\$5 million** investment for grants to qualifying institutions researching neurodegenerative diseases. Pennsylvania is home to some of the top research institutions in the world, which are largely dependent on limited federal grant dollars. This funding would make Pennsylvania a national leader in research and breakthroughs to hopefully find a cure for these devastating diseases.

Dedicating Resources to Address Behavioral Health Needs

Pennsylvania's counties provide a variety of community-based behavioral health services critical to the well-being of Pennsylvania's residents. However, state support for these community-driven solutions has not kept up with the increasing

demand for mental and behavioral health services. Recognizing the increased demand and utilization of these services in recent years, this budget proposes to increase base funding to counties to provide critical behavioral health services and address deepening workforce shortages. Building on the investments made in the 2023-24 and 2024-25 budgets, this budget proposes increased funding for these community-based services by an additional **\$20 million**. This marks year three of the Shapiro Administration's three year commitment to investing \$60 million more into the county behavioral health system.

The 2025-26 budget also includes **\$1.6 million** for Community Hospital Integration Projects Program (CHIPP) discharges to reduce state hospital stays. This integration program discharges individuals with complex service needs who are currently in state hospitals – but no longer need inpatient psychiatric treatment – into community programs. CHIPP funding is used to develop the person-specific community resources and services infrastructure that is needed for an individual to be transitioned out of the institutional setting and into the community. CHIPP helps to reallocate funds to the community for the development of new alternatives to treatment services and supports. The community services developed with CHIPP funds are not only available to persons discharged from the state hospitals but also to other individuals with mental illness who would otherwise require hospitalization. This funding will support 20 individuals currently residing in state hospitals with community-based supports.

This budget provides **\$5.75 million** to serve people who do not require the level of forensic treatment provided at a state hospital or who are being discharged from these institutions. By supporting these initiatives, the Commonwealth can reduce or prevent delays in admissions to state facilities for people requiring competency determinations or restorations, keeping Pennsylvania in compliance with the DHS's interim settlement agreements. In addition to preventing delays in admission to state facilities, supporting programs like these keep vulnerable individuals out of incarceration by providing the community-based care that they need.

With the federal designation of 988 as the 3-digit dialing code to the mental health crisis and suicide prevention hotline, Pennsylvania needs to dedicate additional resources in order to fully meet the needs of its residents. Funding for 988 is crucial to establishing and sustaining a dedicated crisis response system for these emergencies and will enable Pennsylvania to enhance its crisis intervention services, expand mental health resources, and ensure competent and resilient 24/7 staffing is maintained. To that end, the proposed budget includes **\$10 million** for 988 crisis hotline operations and capacity building.

Walk-in crisis centers play a pivotal role in providing immediate, accessible, and specialized care for individuals experiencing a mental health crisis as a critical component of the behavioral health care infrastructure. Pennsylvanians in crisis must have a timely and accessible option for seeking support outside of regular business hours. Moreover, establishing partnerships with local community organizations, law enforcement, hospitals, and mental health services providers enhances the effectiveness of walk-in crisis centers. This budget includes **\$5 million** for maintaining mental health crisis stabilization centers, with a focus on geographic areas of the Commonwealth that have limited access to these on-the-spot resources.

Postpartum depression is a silent struggle faced by too many mothers, often in the shadows. It impacts not only their well-being but also the health and stability of their families. Recognizing this, the Shapiro Administration has prioritized maternal health from the start. The Administration secured the first ever investment to expand maternal health programming and implement prevention strategies to reduce maternal mortality and morbidity. Building on that foundation, the 2024-25 budget further advanced maternal health initiatives. But there's more to do, especially when it comes to postpartum depression (PPD). This is why the Department of Health will be tasked with expanding screening efforts, ensuring timely and equitable interventions, and working to break the stigma surrounding PPD. Every mother should feel supported and empowered, not isolated or overwhelmed and with these continued investments, Pennsylvania can be a place where no mother has to face postpartum depression alone, and every family can thrive.

Supporting Pennsylvania's Older Adults

In May 2023, Governor Shapiro issued an Executive Order charging the Department of Aging (PDA) to develop a strategy to assist Pennsylvania in preparing for a future aging population. The department developed a 10 year roadmap to meet the needs of the Commonwealth's older adults and improve services for this rapidly growing population. Implementation of the Aging Our Way, PA plan requires funding to support its infrastructure. To date, the department has created the Caregiver Toolkit, a statewide informational tool and a caregiver screening tool. With more older adults living at home, the goal is to help empower family and informal supports to care for their loved ones and allow them to age with dignity, where they want to live out their lives.

This budget includes a **\$3 million** investment in the Aging Our Way, PA strategy to focus on modernizing the PA Link through a series of targeted initiatives. The PA Link serves as Pennsylvania's Aging and Disability Resource Center (ADRC) network, designed to streamline access to long-term services and supports. This network empowers older adults, individuals with disabilities, and caregivers in providing coordinated access to resources, unbiased guidance, and assistance in navigating both public and private programs. The PA Link facilitates collaboration among the Area Agencies on Aging (AAAs), CILs, and other community-based organizations to ensure seamless service delivery across 15 Service Areas statewide. Funding for this initiative focuses on strengthening service delivery and coordination across the ADRCs; implementing the *No Wrong Door System* by addressing gaps in access and navigation; and supporting the development and adoption of the Aging Our Way PA advisory committee's recommendations for modernizing the network.

The DOH Long-Term Care Transformation Office provides guidance, support, and technical assistance across Pennsylvania to curb the proliferation of nursing facility closures, support the workforce, and ensure the health and safety of residents. This budget proposes **\$7.5 million** to fund the Office's operations and provide support to these acute care facilities and ensure the continuation of transformational support to these providers.

The proposed budget also provides a **\$20 million** increase to the PENNCARE program to assist AAAs in providing key services to seniors. The growth rate of Pennsylvania's older adult population age 65 and older is more than 20 times higher than the growth rate of the state's general population. Pennsylvania has the fifth largest older adult population in the nation. The 52 AAAs, which serve all 67 counties, face challenges with contracting service providers, recruiting and retaining staff, and paying vendors and contractors to provide adequate, timely, and quality services to help keep older Pennsylvanians independent and aging in their homes and communities.

For the first time in decades, PDA is focusing on increasing AAA accountability and oversight. This budget includes a **\$2 million** investment in the department to support efforts to ensure that every AAA is surveyed on a biannual basis. These efforts will not only help PDA know and prepare for service gaps or areas where more support may be needed in each community but will also provide much needed hands-on support to the AAAs.

To assist in these initiatives, the budget proposes to direct a portion of the proceeds from a tax on games of skill into the Lottery Fund. To also assist in ensuring that older adults have the services that they need, this budget calls on the full repeal of the Lottery profit mandate established in Act 91 of 1971, which currently requires that Pennsylvania lottery games provide at least a 20 percent profit. Pennsylvania is one of only seven states that still have a profit percentage requirement, and the top seven performing state lotteries in terms of net income are all states that do not have any profit margin requirements. Eliminating the minimum profit margin requirement would allow the Lottery more flexibility to offer higher-priced games that Lottery players want.

Supporting Hospitals

Like the rest of the health care system, hospitals are facing significant structural challenges right now, from low reimbursement rates to the rising cost of labor and care delivery. Those challenges are particularly acute in rural communities, which often include higher proportions of low-income patients. Hospitals across the Commonwealth are being stretched thin, with rural hospitals facing the most immediate and dire conditions. This budget continues to invest in hospitals with another **\$10 million**, which will draw down additional federal matching funds to help offset increasing costs. These funds will be used by DHS to assist the Commonwealth in responding to urgent consumer health care needs and staffing requirements. Building on Governor Shapiro's work to convene a Rural Healthcare Working Group, the 2025-26 budget also includes an additional **\$10 million** to specifically provide support to rural hospitals that are continuously subjected to changing health care markets in which the need to adapt and provide new or previously dissolved service lines has become a necessity.

This proposal includes **\$20 million** to provide patient safety and support to hospital partners in a new dedicated appropriation. Barriers to care are not just 'access to care,' but affordability, transportation, and reliable providers. The Commonwealth can improve its monitoring of health care markets and assist in crisis situations when appropriate. Likewise, DOH is finalizing proposed hospital regulations that will assist in transforming the way care is provided in these inpatient settings. Flexibilities and innovation should not be stunted by government regulation but provided to facilitate partnerships between hospitals and the Commonwealth.

Investing in the Safety of Communities and the Public

Reducing Crime and Gun Violence

Governor Shapiro believes Pennsylvanians deserve to be safe and feel safe in their communities – that means living in a community free from violence and having a criminal justice system that enforces the laws in a fair and consistent manner. Over the past two years, the Pennsylvania Commission on Crime and Delinquency (PCCD) has provided more than \$600 million in funding for over 3,500 grants across Pennsylvania to address and prevent violence in our communities. The proposed 2025-26 budget continues to make investments in the community organizations doing critical violence prevention work, including a **\$10 million** increase for the successful Violence Intervention and Prevention program through PCCD. This program supports a wide range of models focused on reducing community violence and relies on community groups that are most in tune with specific local needs.

PCCD's Building Opportunity through Out of School Time (BOOST) Grant program, created in the bipartisan 2024-25 budget, provides funding for after-school programs to help keep kids safe and provide enrichment opportunities to address the root causes of violence and make our communities safer. This budget proposes to nearly double the funding available for the program by investing an additional **\$10 million**.

Streamlining County Probation Services

Currently, some of PCCD's grant programs are duplicative or restrictive, making it difficult for grantees to use the funds – especially for counties supporting supervision, re-entry, and treatment. This budget proposes commonsense steps to streamline multiple county-based funding streams for parole, adult probation, re-entry, and jail-based medication treatment into one appropriation to streamline resources, reduce administrative costs, and improve service delivery. This unified approach will ensure counties are not missing out on funding for critical programs, leading to better outcomes for people on probation and re-entry and making our communities safer.

Supporting Victims of Violent Crime

PCCD's Victim's Compensation Assistance Program (VCAP), Rights and Services Act, and Victims of Juvenile Offenders programs provide financial assistance to crime victims for expenses like relocation, medical bills, counseling, funeral costs, and lost wages. However, these programs are unable to meet the growing demand. The 2024-25 budget provided a one-time solution by transferring nonrecurring existing resources to stabilize the programming. Without a stable, long-term state funding source, PCCD's ability to serve victims effectively is at risk. As a temporary fix until a long-term solution can be addressed with the General Assembly, this budget proposes to provide flexibility to the funds currently transferred to PCCD from the Medical Marijuana Program Fund, which would allow PCCD to utilize current uncommitted funds to support VCAP-related expenses in the budget year. Additionally, this budget proposes a **\$2.2 million** increase in funding for advocates for services for children who have been abused, neglected, or abandoned.

Ensuring the State Police are Equipped to Protect Every Neighborhood

The Pennsylvania State Police (PSP) patrol thousands of miles of the Commonwealth's roadways and hundreds of townships and boroughs. For many, especially in rural communities, PSP routinely aids municipal law enforcement agencies that are understaffed or need additional support. Under Governor Shapiro's leadership, the Administration has bolstered public safety by securing funding for over 800 new state troopers and nearly 700 municipal law enforcement officers, as well as eliminating college credit requirements for state troopers.

This budget continues to support PSP's mission to protect the safety of Pennsylvania communities by investing **\$14.5 million** for four additional cadet classes and calls for the complete elimination of the current statutory cap which limits the number of troopers on the streets. Removing the statutory cap will allow for increased patrol visibility, faster response times, and the ability to maintain a proactive posture in Pennsylvania's communities. Beginning in 2025-26, this funding will allow for the training of **432 new State Troopers** to provide critical policing services to Pennsylvania's residents. This budget also continues investing in a regular replacement cycle of police vehicles for the State Police. Under this Administration, PSP has updated the current fleet of vehicles, with a 40 percent reduction in the number of vehicles that are over 100,000 miles and nearing the end of their useful life.

It is also vital to create opportunities for those interested in a career in law enforcement and public service. To help young people who would like to explore careers in law enforcement and public safety, this budget proposes to invest a dedicated **\$300,000** for the existing Camp Cadet and Law and Leadership programs operated through PSP.

Supporting First Responders and Municipalities Responding to Emergencies

Pennsylvania's municipalities and first responders on the ground play a vital role in responding to emergencies all across the Commonwealth. Many times, emergency management coordinators and first responders are the first people on the scene – and they need state support to do their jobs, have fast and responsive services, and keep Pennsylvanians safe.

As fires continue to be a major concern across the country, Pennsylvania's professional and volunteer firefighters and first responders bravely put themselves in harm's way to protect their neighbors and serve an essential role in ensuring the safety of their communities. The fire service faces recruitment and retention concerns and requires ongoing equipment updates and replacement. This budget proposes **\$30 million** for competitive grants to fire companies for a variety of vital uses, including recruitment, retention, capital, and general operating needs.

The Commonwealth has also seen historic flooding over the last two years – with many counties facing emergency situations at the same time. Pennsylvania's municipalities need tools to not just respond to emergencies, but to prevent them from happening in the first place. Disaster response is always more costly than the prevention – including the toll these emergencies take on impacted Pennsylvanians who may lose loved ones, and their homes, businesses, and livelihoods to events like fires and floods. That's why this budget proposes taking legislative action to allow for existing funds at the Pennsylvania Emergency Management Agency (PEMA) to be used for mitigation projects, in addition to emergency response.

Supporting Municipalities in Financial Distress

Under Act 47 of 1987, the Municipalities Financial Recovery Act, DCED has a responsibility to assist municipalities that are experiencing severe financial difficulties in order to ensure Pennsylvanians' health, safety and welfare. Local governments operate everything from local police departments and fire departments to trash and recycling services – and Pennsylvanians rely on these services every day. Since its inception, a total of 29 Pennsylvania municipalities have entered and successfully exited the Act 47 program, which provides loan and grant funds to financially distressed local governments as well as technical assistance to create financial recovery plans. At this time, three municipalities have distress determinations and are part of the Act 47 program, including City of Chester, the City of Harrisburg, and the Borough of Newville. While many municipalities have had their Act 47 status rescinded due to better financial footing, there is a concern that municipalities will begin to feel the impacts from fewer emergency relief dollars available from federal pandemic funding. In anticipation of this, the budget includes an increase of **\$10 million** in the Transfer to Municipalities Financial Recovery Revolving Fund to provide additional resources for communities that require Act 47 support.

Improving the Criminal Justice Delivery System

As a result of recent initiatives to improve outcomes at DOC, the number of inmates at State Correctional Institutions has decreased by 9,000 over the last 8 years and the recidivism rate has fallen by 7 percent over the same time period. The Department of Corrections' (DOC) facilities have consistently operated under capacity, with utilization rates ranging from 84 to 92 percent. These facilities have significant fixed costs, including staffing, utilities, and maintenance.

Following a careful review of its current resources and long-term outcomes, the REMAP process has recommended closing two state correctional institutions, which will result in an estimated annual cost savings of over **\$100 million** for the Commonwealth when fully implemented. This budget anticipates those future closures. Following the process required by the Public Safety Facilities Act, these closures will not result in a reduction of services but will strategically redistribute resources to meet operational and rehabilitation goals more effectively.

The Bureau of Community Corrections has operated its state-run centers below capacity, despite having the ability to safely operate at full capacity. Closing two state-run centers and using other available bed space would optimize use, reduce operational costs, and save approximately **an additional \$10 million** annually. Similarly, these closures aim not to reduce services, but to strategically redistribute resources to improve overall efficiency and effectiveness.

Finally, the REMAP process included a recommendation to implement a charging policy for county inmates housed at State Correctional Institutions. Currently, DOC accepts county inmates (5B inmates) without enforcing daily housing cost charges, shifting the financial burden from counties to the state. Fully implementing a charging policy will ensure equitable cost-sharing, allowing counties to either retrieve their inmates or agree to cover housing costs. Enforcing this policy is expected to save nearly **\$1 million** annually.

Making Government Work for Pennsylvanians

Enhancing the Digital Experience and Protecting Information

The Commonwealth Office of Digital Experience (CODE PA) was created by Executive Order in April 2023 to improve and streamline the way Pennsylvanians interact with Commonwealth services online. By creating an internal team to build digital products and services in-house, the Commonwealth has been able to save taxpayers money by reducing reliance on expensive contracts with external consultants and vendors. CODE PA resources are on average 60 percent less expensive than agency partners who complete similar work. In the 2024-25 enacted budget, CODE PA was provided with \$21 million to jump start an Information Technology transformation. This budget builds on those investments with an additional **\$6.9 million** to continue scaling up CODE PA's success making the digital services Pennsylvanians rely on more user-friendly and accessible.

In today's threat landscape, the increasing frequency and sophistication of cyberattacks pose significant risks to the Commonwealth. Investing in advanced cybersecurity infrastructure is essential to safeguard critical systems, sensitive data, and business continuity. Advancing to a modern infrastructure will enable a seamless experience. This budget proposes **\$10 million** for enhanced enterprise-wide cybersecurity updates.

Ensuring the Commonwealth's Office Spaces Are Used Efficiently and Effectively Proper Space Management in a Hybrid Work Environment

To attract and retain a talented workforce, the Commonwealth is adapting its office spaces to better align with modern work trends and employee preferences. National research indicates that long commutes and the desire for flexible work arrangements are key factors in employees' workplace choices. Recognizing this, the Commonwealth has adopted policies that support telework and hybrid work environments.

Through its work on the Space Optimization and Utilization Plan, DGS will balance the diverse needs of the Commonwealth while effectively reducing its overall footprint by consolidating and exiting leased space, promoting shared spaces among agencies, utilizing resources efficiently, and fostering collaborative and adaptable workspaces. The goal of the plan is to maximize the use of long-term office spaces, promote collaboration, and make it easy for staff to work from any Commonwealth location by creating attractive places to work that encourage employee engagement while reducing lease costs. Over the next 10 years, these initiatives are anticipated to result in net savings of **\$45 million** by improving Commonwealth-owned space and reducing the leased space footprint.

Continuing to Improve Permitting, Licensing, and Certification Processes

Governor Shapiro has taken significant steps to improve the delivery of government services, streamline the Commonwealth's permitting, licensing, and certification processes, and attract businesses to Pennsylvania. This includes the creation of the Office of Transformation and Opportunity (OTO), coordination of a catalogue of the more than 2,400 permits, licenses, and certifications issued by the Commonwealth, and launch of the PAYback initiative to reduce processing times and boost Pennsylvania's competitiveness. The 2024-25 budget provided for the Streamlining Permits for Economic Expansion and Development (SPEED) program through the Department of Environmental Protection, aimed at reducing the time it takes to review and act on permits. In November 2024, Governor Shapiro created the Pennsylvania Permit Fast Track program to further streamline the Commonwealth's permitting process for key economic development and infrastructure projects, by increasing transparency and accelerating timelines to ensure state government delivers results quickly and efficiently. Both the PAYback and Fast Track initiatives were supported and developed by CODE PA.

In addition to the progress in the permitting space, this budget also proposes to reform and modernize the professional licensure process in the Commonwealth. To that end, this budget advances several initiatives to ensure that the Department of State (DOS) facilitates workforce development rather than creating unnecessary barriers to employment. Specifically, this budget calls for removing antiquated red tape by reducing the number of unnecessary licenses through a sunset process, downgrading certain underutilized licenses to certifications, and issuing automatic provisional licenses for the easiest licensure experience in the nation to draw more workers to Pennsylvania, specifically targeted at licenses where there is a substantial need for more professionals.

Economic Outlook

The Pennsylvania [Department of Revenue](#) and the [Office of the Budget](#) use economic forecast data from [S&P Global Market Intelligence](#) (S&P), Moody's Analytics, and other economic sources to inform official tax revenue estimates and forecasts.

U.S. Recent Trends and Current Conditions

From 2018 to 2024, real GDP growth in the U.S. fluctuated, highlighting both the economy's resilience and its challenges. Real GDP growth reached 3.0 percent in 2018 and 2.6 percent in 2019 but experienced a sharp contraction of -2.2 percent in 2020 due to the COVID-19 pandemic. The economy rebounded in 2021, growing by 6.1 percent thanks to recovery efforts and fiscal stimulus. By 2025, real GDP is expected to grow at 2.0 percent, signaling a moderate but sustained expansion.

The federal funds rate also experienced major shifts during this period. Between 2017 and 2019, the Federal Reserve steadily raised the rate from 0.65 percent to 2.40 percent as the economy strengthened. In 2020, it slashed rates to near-zero levels (0.05 percent) to counter the pandemic's economic impact, keeping the rates there through 2021. Starting in 2022, the Federal Reserve launched an aggressive rate-hike campaign to fight inflation, pushing the rate to 4.10 percent by the end of the year and peaking at 5.33 percent in mid-2023. Rates remained elevated throughout most of 2024 but started easing toward the end of the year.

The Forecast

Real GDP growth is expected to decelerate over the next three years, reflecting slower economic momentum. In 2025, growth is forecasted to drop to 2.0 percent, with a slight rebound to 2.1 percent in 2026, before tapering further to 1.8 percent in 2027, and edging back up to 1.9 in 2028. This gradual forecasted slowdown is driven by rising unemployment, subdued corporate profit growth, and easing consumption rates.

The federal funds rate is expected to decline steadily over the same period. Analysts predict rates will decrease through 2025 before stabilizing in 2026 as inflationary pressures ease and monetary policy seeks to stimulate economic activity.

Charts 1 and 2 illustrate U.S. macroeconomic projections based on S&P's November 2024 baseline scenario. Table 1 highlights the annual growth rates of key economic indicators, while Table 2 provides a narrative summary of various indicators.

Chart 1
REAL GROSS DOMESTIC PRODUCT
Annual Growth

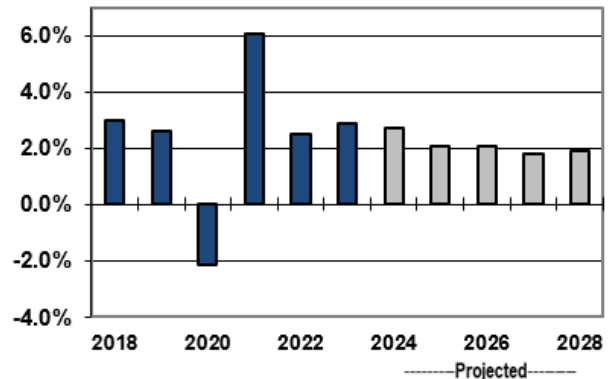


Chart 2
FEDERAL FUNDS RATE

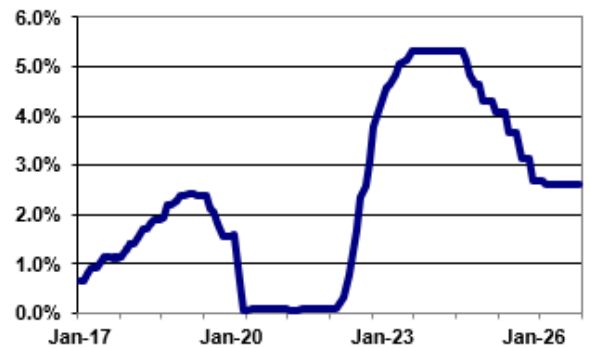


Table 1
Forecast Change in
Key U.S. Economic Indicators
Annual Percentage Growth

| Indicator | 2024p | 2025p | 2026p | 2027p |
|-------------------------------|-------|-------|-------|-------|
| Real GDP | 2.7 | 2.0 | 2.1 | 1.8 |
| Total Consumption | 2.7 | 2.6 | 2.3 | 2.3 |
| Corporate Profits (After Tax) | 7.0 | 0.1 | 0.1 | 1.0 |
| Unemployment Rate (Rate) | 4.0 | 4.4 | 4.5 | 4.6 |
| CPI | 2.9 | 2.1 | 2.4 | 2.4 |
| Federal Funds (Rate) | 5.15 | 3.79 | 2.64 | 2.63 |

p = projected

Table 2
U.S. Macro Forecast Projections
November 2024

| Baseline Forecast | |
|------------------------------------|--|
| GDP Growth | Real GDP rose 2.9% in 2023. Growth continues at 2.7% in 2024 and 2.0% in 2025. |
| Consumer Spending | Consumption dropped from 3.0% in 2022 to 2.5% in 2023. Growth continues at 2.7% in 2024 and 2.6% in 2025. |
| Business Fixed Investment | Rose 6.0% in 2023 and rises 3.7% in 2024 and 2.1% in 2025. |
| Housing | Housing starts fell from 1.55 million in 2022 to 1.42 million in 2023 then will decline to 1.35 million in 2024 and 1.34 million in 2025. |
| Exports | Rose 2.8% in 2023; rise 3.5% in 2024 and 4.0% in 2025. |
| Fiscal Policy | Under the Fiscal Responsibility Act of 2023 (FRA23) the debt ceiling is suspended with the assumption that it will be raised. |
| Monetary Policy | Expect that the upper end of the federal funds rate target peaked at 5.33% and declines gradually to 2.75% in the second quarter of 2026. |
| Credit Conditions | Tightened in 2023; conditions ease amidst declining interest rates. |
| Consumer Confidence | Gently escalated through 2023. |
| Oil Prices (Dollars/barrel) | Average price of Brent crude oil fell from \$101/barrel in 2022 to \$83 in 2023. It slips to \$81 in 2024 before falling to \$71 in 2025. |
| Stock Markets | Moody's finds that the year-end value of the S&P 500 rose 4.5% in 2023 over the previous year, with growth of 25.7% in 2024 with a projected fall to 4.6% in 2025. |
| Inflation (CPI) | The Consumer Price Index (CPI) for all items increased to 4.1% in 2023 and is expected to moderate to 2.9% in 2024 and 2.1% in 2025. |
| Foreign Growth | Eurozone GDP will increase from 0.5% in 2023 to 0.7% in 2024, while China's growth will fall from 5.2% in 2023 to 4.9% in 2024. |
| U.S. Dollar | The broad real dollar gently falls. |

2024 S&P Global & Moody's Analytics.

Pennsylvania Economic Outlook

Pennsylvania's economy reflects a mix of opportunities and challenges shaped by its diverse industries, strategic location, shifting demographics, and evolving governmental policies. The real gross state product (GSP) is expected to grow at an average annual rate of 1.5 percent through 2029. Personal income is expected to rise by 4.4 percent annually over the same period.

Employment Trends and Sector Highlights

Pennsylvania's payrolls grew steadily in early 2024, with June seeing a 1.6 percent year-over-year increase, outpacing the national average. The health care and social services sector drove much of this growth, supported by gains in ambulatory care, social services, and nursing facilities. Leisure and hospitality also posted strong job increases, while public-sector payrolls remain below pre-pandemic levels. Construction employment held steady despite high costs and interest rates. Federal investments in infrastructure and industrial projects provided crucial support for the sector. The professional and technical services industry, led by advancements in AI, automation, and biosciences, is a key growth sector, with Pittsburgh emerging as an innovation hub fueled by the state's numerous high-quality research universities.

Labor Force Dynamics

In the first half of 2024, Pennsylvania's labor force grew by nearly 100,000 jobs, a 1.5 percent increase compared to the previous year. This expansion supported job growth across various sectors, keeping unemployment steady in the mid-3 percent range. Unemployment is expected to rise in the out years. Long-term issues such as an aging workforce, slower population growth, retirements, and limited migration pose challenges. Rural counties continue to face population declines.

Housing and Construction

Home prices in Pennsylvania have risen in recent years due to limited inventory, but the pace of growth is slowing. In early 2024, the Federal Housing Finance Agency reported a 7.9 percent year-over-year increase in home prices, down from 8.1 percent in late 2023. Single-family home construction remains subdued, but multifamily developments and senior housing projects continue to grow.

Energy and Natural Resources

Pennsylvania remains the nation's second-largest natural gas producer, primarily from the Marcellus Shale. However, growth in this sector has slowed, driven by a modest decline in natural gas production from previous years, as well as plateauing pipeline capacity and challenges in expanding infrastructure. Coal production, while still significant, continues to decline as demand wanes and energy policies shift. Nuclear energy also plays a vital role in the state's energy mix.

Export and Trade Strength

In 2023, Pennsylvania's exports hit a record \$52.9 billion, led by chemicals, electronics, and machinery. Canada and Mexico remain the state's top trading partners. The strong export performance reflects Pennsylvania's robust manufacturing and high-tech industries, which continue to attract global demand.

Strategic Location and Logistics

Pennsylvania's central location and access to major ports drive its transportation and warehousing sectors. The state's proximity to major population centers, along with strong infrastructure and connectivity, supports a booming logistics industry. E-commerce growth has further boosted demand for warehousing and delivery services, especially in areas like Allentown.

Table 3 shows various historical and projected key economic indicators for Pennsylvania's economy.

Table 3
Key Economic Indicators for Pennsylvania

| Key Economic Indicators | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|--|------------|---------|---------|---------|---------|---------|
| Real Gross State Product (in millions, 2017 dollars) | \$ 779,361 | 799,229 | 818,840 | 836,833 | 852,709 | 867,821 |
| Real Gross State Product (percentage change) | % 1.8 | 2.5 | 2.5 | 2.2 | 1.9 | 1.8 |
| Total Employment (in thousands) | 5,984 | 6,087 | 6,177 | 6,221 | 6,217 | 6,209 |
| Total Employment (percentage change) | % 3.9 | 1.7 | 1.5 | 0.7 | (0.1) | (0.1) |
| Manufacturing Employment (in thousands) | 564 | 566 | 567 | 565 | 552 | 545 |
| Nonmanufacturing Employment (in thousands) | 5,420 | 5,520 | 5,611 | 5,656 | 5,665 | 5,664 |
| Population (in thousands) | 12,970 | 12,963 | 12,978 | 13,007 | 13,031 | 13,039 |
| Population (percentage change) | % (0.3) | (0.1) | 0.1 | 0.2 | 0.2 | 0.1 |
| Unemployment Rate (percentage) | % 4.1 | 3.4 | 3.4 | 4.1 | 4.4 | 4.6 |
| Personal Income (percentage change) | % 2.2 | 5.3 | 4.7 | 5.1 | 4.9 | 4.7 |

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Overview: State Fiscal Recovery Funds

ARPA Coronavirus State and Local Fiscal Recovery Funds

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, enacted as a part of the federal American Rescue Plan Act (ARPA) of 2021, delivered \$7.291 billion to Pennsylvania. The SLFRF program helped ensure Pennsylvania had the resources needed to respond to the pandemic. These critical recovery funds supported families, health care providers, and businesses struggling with the pandemic’s economic impacts, maintained vital public services, and built a strong and equitable recovery.

The Pennsylvania General Assembly appropriated funds through [Act 1A of 2021](#), [Act 1A of 2022](#), [Act 2 of 2022](#), [Act 10 of 2022](#), [Act 33 of 2023](#), and [Act 54 of 2024](#). The funds were obligated for 50 specific projects, one of which covers revenue replacement provisions and the remaining 49 fall under various expenditure categories. A full list of Pennsylvania’s fiscal recovery reports can be found on the Office of the Budget [webpage](#).

Federal law required that all SLFRF dollars must be obligated by December 31, 2024, and expended by December 31, 2026. In order to meet these deadlines, Governor Shapiro signed Act 54 of 2024, which required the Administration to identify unobligated SLFRF funds as of December 20, 2024, and reallocate them to the Department of Corrections by December 30, 2024. A total of \$86.8 million was transferred to the Department of Corrections for staffing costs associated with COVID detection and prevention.

As of December 31, 2024, the Commonwealth obligated all \$7.291 billion awarded through the SLFRF program, and expended \$6.514 billion. The remaining funds are expected to be expended for specific uses by the federal deadline of December 31, 2026.

| | (Dollar Amounts in Thousands) | | | | |
|--|-------------------------------|-------------------|------------------|-----------------|---------------------|
| | 2021-22 | 2022-23 | 2023-24 | 2024-25 | Total |
| | Actual | Actual | Actual | Available | |
| Executive Offices | | | | | |
| COVID-SFR Transfer to General Fund | \$ 3,841,000 | \$ - | \$ - | \$ - | \$ 3,841,000 |
| COVID-SFR Transfer to Emergency Medical Services Operating Fund | 5,000 | - | - | - | 5,000 |
| COVID-SFR Pandemic Response | 54,999 | 1,097 | - | - | 56,096 |
| DEPARTMENT TOTAL | \$ 3,900,999 | \$ 1,097 | \$ - | \$ - | \$ 3,902,096 |
| Commission on Crime and Delinquency | | | | | |
| COVID-SFR Pandemic Response | \$ 19,498 | \$ - | \$ - | \$ - | \$ 19,498 |
| COVID-SFR Local Law Enforcement Support | 131,206 | - | - | - | 131,206 |
| COVID-SFR Gun Violence Investigation & Prosecution | 49,677 | - | - | - | 49,677 |
| COVID-SFR Violence Intervention and Prevention | 74,782 | - | - | - | 74,782 |
| COVID-SFR School Mental Health Grants | - | - | 86,353 | - | 86,353 |
| DEPARTMENT TOTAL | \$ 275,163 | \$ - | \$ 86,353 | \$ - | \$ 361,516 |
| Agriculture | | | | | |
| COVID-SFR SCC Agriculture Conservation Assistance Program | \$ - | \$ 151,143 | \$ 968 | \$ 669 | \$ 152,780 |
| COVID-SFR NM Planning, Grants & Technical Assistance.... | - | 15,945 | 179 | 489 | 16,613 |
| DEPARTMENT TOTAL | \$ - | \$ 167,088 | \$ 1,147 | \$ 1,158 | \$ 169,393 |
| Community and Economic Development | | | | | |
| COVID-SFR Construction Cost Relief (PHFA) | \$ 50,000 | \$ - | \$ - | \$ - | \$ 50,000 |
| COVID-SFR Development Cost Relief (PHFA) | - | 150,000 | - | - | 150,000 |
| COVID-SFR Affordable Housing Construction (PHFA) | - | 100,000 | - | - | 100,000 |
| COVID-SFR Pandemic Response | 181,203 | 1,050 | - | - | 182,253 |
| COVID-SFR Transfer to CFA/Water & Sewer Projects | 319,755 | - | - | - | 319,755 |
| COVID-SFR Whole Home Repairs Program | - | 121,000 | 1,718 | 2,282 | 125,000 |
| COVID-SFR Historically Disadvantaged Business Assistance..... | - | 20,000 | - | - | 20,000 |
| COVID-SFR Transfer to CFA/Cultural & Museum Preservation Grants | - | 15,000 | - | - | 15,000 |
| COVID-SFR Low-Income Home Energy Assistance Program | - | 3,750 | - | - | 3,750 |
| DEPARTMENT TOTAL | \$ 550,958 | \$ 410,800 | \$ 1,718 | \$ 2,282 | \$ 965,758 |

Overview: State Fiscal Recovery Funds

ARPA Coronavirus State and Local Fiscal Recovery Funds, continued

(Dollar Amounts in Thousands)

| | 2021-22 Actual | 2022-23 Actual | 2023-24 Actual | 2024-25 Available | Total |
|--|---------------------|---------------------|-------------------|----------------------|---------------------|
| Conservation and Natural Resources | | | | | |
| COVID-SFR State Parks and Outdoor Recreation Program.. | \$ 100,000 | \$ - | \$ - | \$ - | \$ 100,000 |
| COVID-SFR Keystone Tree Account | - | 8,800 | - | - | 8,800 |
| DEPARTMENT TOTAL | \$ 100,000 | \$ 8,800 | \$ - | \$ - | \$ 108,800 |
| Corrections | | | | | |
| COVID-SFR State Correctional Institutions..... | \$ - | \$ - | \$ - | \$ 86,795 | \$ 86,795 |
| Education | | | | | |
| COVID-SFR-State System of Higher Education | \$ 50,000 | \$ 125,000 | \$ - | \$ - | \$ 175,000 |
| COVID-SFR Pandemic Response | 30,384 | 29,853 | - | - | 60,237 |
| COVID-SFR School Based Mental Health Training & Pathways to Certification..... | - | - | 4,681 | - | 4,681 |
| DEPARTMENT TOTAL | \$ 80,384 | \$ 154,853 | \$ 4,681 | \$ - | \$ 239,918 |
| Higher Education Assistance Agency | | | | | |
| COVID-SFR Pandemic Response | \$ 5,000 | \$ - | \$ - | \$ - | \$ 5,000 |
| COVID-SFR PA Student Loan Relief for Nurses..... | 15,000 | 35,000 | - | - | 50,000 |
| COVID-SFR School Based Mental Health Internship Grant Program..... | - | - | 5,000 | - | 5,000 |
| DEPARTMENT TOTAL | \$ 20,000 | \$ 35,000 | \$ 5,000 | \$ - | \$ 60,000 |
| Emergency Management Agency | | | | | |
| COVID-SFR EMS Recovery Grant Program..... | \$ 23,450 | \$ - | \$ - | \$ - | \$ 23,450 |
| Environmental Protection | | | | | |
| COVID-SFR Storm Water Management Grants..... | - | 2,931 | - | - | 2,931 |
| COVID-SFR Acid Mine Drainage Abatement & Treatment.... | - | 4,400 | - | - | 4,400 |
| COVID-SFR NM Ed Research & Technical Assistance | - | 3,280 | - | - | 3,280 |
| DEPARTMENT TOTAL | \$ - | \$ 10,611 | \$ - | \$ - | \$ 10,611 |
| Health | | | | | |
| COVID-SFR Pandemic Response | \$ 13,106 | \$ - | \$ - | \$ - | \$ 13,106 |
| COVID-SFR Biotechnology Research..... | - | 3,500 | - | - | 3,500 |
| DEPARTMENT TOTAL | \$ 13,106 | \$ 3,500 | \$ - | \$ - | \$ 16,606 |
| Human Services | | | | | |
| COVID-SFR Pandemic Response | \$ 60,452 | \$ - | \$ - | \$ - | \$ 60,452 |
| COVID-SFR Hospital Workforce Assistance..... | 99,281 | - | - | - | 99,281 |
| COVID-SFR Health Care Workforce Assistance..... | 104,902 | - | - | - | 104,902 |
| COVID-SFR Long-Term Living Programs | 4,392 | 186,698 | - | 332,006 | 523,096 |
| COVID-SFR Child Care Stabilization | 87,204 | - | - | - | 87,204 |
| COVID-SFR Low-Income Home Energy Assistance..... | - | 21,250 | - | - | 21,250 |
| DEPARTMENT TOTAL | \$ 356,231 | \$ 207,948 | \$ - | \$ 332,006 | \$ 896,185 |
| Infrastructure Investment | | | | | |
| COVID-SFR Clean Water Procurement Program | \$ - | \$ 22,000 | \$ - | \$ - | \$ 22,000 |
| Labor and Industry | | | | | |
| COVID-SFR Pandemic Response | \$ 1,200 | \$ - | \$ - | \$ - | \$ 1,200 |
| Revenue | | | | | |
| COVID-SFR Property Tax Rent Rebate..... | \$ - | \$ 140,000 | \$ - | \$ - | \$ 140,000 |
| Transportation | | | | | |
| COVID-SFR Highway and Safety Capital Projects | \$ 279,000 | \$ - | \$ - | \$ - | \$ 279,000 |
| Legislature | | | | | |
| COVID-SFR Pandemic Response | \$ - | \$ 8,000 | \$ - | \$ - | \$ 8,000 |
| TOTAL ARPA CORONAVIRUS STATE FISCAL RECOVERY FUNDS | \$ 5,600,491 | \$ 1,169,697 | \$ 98,899 | \$ 422,241 | \$ 7,291,328 |

Overview: Infrastructure Investment and Jobs Act

Infrastructure Investment and Jobs Act (IIJA)

The federal Infrastructure Investment and Jobs Act (IIJA) is providing a once-in-a-generation investment of federal funds into critical infrastructure projects across the nation.

The Commonwealth of Pennsylvania is receiving billions of federal dollars over the next several years to invest in roads, bridges, water and sewer systems, and other traditional infrastructure. Funding is also allocated to critical investments in cybersecurity, energy efficiency, water quality, clean air, and broadband access. The Commonwealth will also compete for additional federal discretionary grant funding that has been made available via the IIJA.

Below is a list of program funding authorizations by Commonwealth agency for 2023-24 through 2025-26. Dollars represent federal funds only and do not include any required state matching funds. For more information on agency efforts, please visit the [DCED](#), [DEP](#), or [DOT](#) IIJA websites.

This table illustrates the spending authorizations for the federal Infrastructure Investment and Jobs Act:

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|---------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
| Executive Offices | | | |
| (F)IIJA-State Digital Equity | \$ - | \$ - | \$ 5,000 |
| (F)IIJA-State Cybersecurity (EA) | 3,650 | 2,172 ^a | 916 |
| DEPARTMENT TOTAL | \$ 3,650 | \$ 2,172 | \$ 5,916 |
| Community and Economic Development | | | |
| (F)IIJA-DOE-Weatherization Administration | \$ 5,500 | \$ 5,500 | \$ 12,000 |
| (F)IIJA-DOE-Weatherization Program | 80,000 | 80,000 | 150,000 |
| (F)IIJA-Broadband Equity, Access, and Deployment | 330,000 | 1,000,000 | 1,160,000 |
| (F)IIJA-State Digital Equity Capacity | 14,438 | 40,000 | 50,000 |
| (F)IIJA-EPA Brownfields Revolving Loan Fund | - | 10,000 | 10,000 |
| DEPARTMENT TOTAL | \$ 429,938 | \$ 1,135,500 | \$ 1,382,000 |
| Conservation and Natural Resources | | | |
| (F)IIJA-Community Wildfire Defense Grant Program | \$ 400 | \$ 900 | \$ 900 |
| (F)IIJA-Forest Fire Protection and Control | - | 800 | 800 |
| (F)IIJA-Forest Management and Processing | - | 34,000 | 34,000 |
| (F)IIJA-Aid to Volunteer Fire Companies | - | 1,800 | 1,800 |
| (F)IIJA-Forest Insect and Disease Control | - | 1,100 | 1,410 |
| (F)IIJA-Spring Garden Dam Removal (EA) | 750 | 750 | 750 |
| (F)IIJA-Aid to Volunteer Fire Companies (EA) | 1,400 | - | - |
| (F)IIJA-Forest Fire Protection and Control (EA) | 800 | - | - |
| (F)IIJA-Forest Management and Processing (EA) | 34,000 | - | - |
| (F)IIJA-Forest Insect and Disease Control (EA) | 1,100 | - | - |
| DEPARTMENT TOTAL | \$ 38,450 | \$ 39,350 | \$ 39,660 |
| Emergency Management Agency | | | |
| (F)IIJA-State and Local Cybersecurity | \$ 15,905 | \$ 25,000 | \$ 21,000 |
| Environmental Protection | | | |
| (F)IIJA-DOE-Energy Programs | \$ 22,300 | \$ 22,300 | \$ 22,300 |
| (F)IIJA-Orphan Well Plugging | 105,000 | 105,000 | 175,000 |
| (F)IIJA-Energy Efficiency and Conservation | 4,000 | 4,000 | 4,000 |
| (F)IIJA-Assistance for Small and Disadvantaged Communities | 103,189 | 103,189 | 103,189 |
| (F)IIJA-Electric Grid Resilience | 16,250 | 269,250 | 269,250 |
| (F)IIJA-Chesapeake Bay | 6,933 | 6,933 | 15,933 |
| (F)IIJA-Brownfields | 4,000 | 4,000 | 6,000 |
| (F)IIJA-Water Quality Management Planning Grants | 1,000 | 1,000 | 2,000 |
| (F)IIJA-USDA Good Neighbor Authority | 2,000 | 5,700 | 18,500 |

Overview: Infrastructure Investment and Jobs Act

Infrastructure Investment and Jobs Act, continued

(Dollar Amounts in Thousands)

| | 2022-23 | 2023-24 | 2024-25 |
|---|---------------------|---------------------|---------------------|
| | Actual | Available | Budget |
| (F)IIJA-National Dam Safety Program..... | 100 | 100 | 550 |
| (F)IIJA-NFWF America the Beautiful Challenge..... | 7,500 | 7,500 | - |
| (F)IIJA-Coastal Zone Management..... | 8,454 | 8,454 | 8,454 |
| (F)IIJA-Methane Emissions Reduction Grants..... | 20,000 | 20,000 | 20,000 |
| (F)IIJA-Energy Efficiency Revolving Loan Fund..... | 3,700 | 3,700 | 3,700 |
| (F)IIJA-Resilient and Efficient Codes Implementation..... | 3,000 | 3,000 | 3,000 |
| (F)IIJA-Energy Auditor Training Grant..... | 2,000 | 2,000 | 2,000 |
| (F)IIJA-Solid Waste Infrastructure for Recycling..... | 1,101 | 1,101 | 1,101 |
| (F)IIJA-Environmental Justice Programs..... | 10,000 | 10,000 | 10,000 |
| (F)IIJA-DOE-Clean Energy Demonstration Projects..... | 150,000 | 150,000 | 150,000 |
| (F)IIJA-Advanced Energy Manufacturing..... | 50,000 | 50,000 | 50,000 |
| (F)IIJA-Hydroelectricity Development Programs..... | 25,000 | 25,000 | 25,000 |
| (F)IIJA-2 Percent Drinking Water Set Asides Offset (EA)..... | 6,452 | 6,452 | 6,452 |
| (F)IIJA-10 Percent Drinking Water Set Asides Offset (EA)..... | 7,360 | 7,360 | 7,360 |
| (F)IIJA-15 Percent Drinking Water Set Asides Offset (EA)..... | 1,857 | 1,857 | 1,857 |
| (F)IIJA-DW Set-Aside Emerging Contam. Small or Disadvantage (EA)..... | 400 | 400 | 2,800 |
| (F)IIJA-Abandoned Mine Reclamation (EA)..... | 469,904 | 469,904 | 714,986 |
| (F)IIJA-STREAM Act Set-Aside (EA)..... | - | 6,500 | 7,150 |
| DEPARTMENT TOTAL..... | \$ 1,031,500 | \$ 1,294,700 | \$ 1,630,582 |
| Fish and Boat Commission | | | |
| (F)IIJA-Delaware River Basin Conservation Act (EA)..... | \$ 750 | \$ 750 | \$ 750 |
| Human Services | | | |
| (F)IIJA-State Digital Equity..... | \$ - | \$ - | \$ 1,000 |
| Infrastructure Investment Authority | | | |
| (F)IIJA-Drinking Water Projects Revolving Loan Fund..... | \$ 386,304 | \$ 500,000 | \$ 500,000 |
| (F)IIJA-Loan Program Administration..... | 15,485 | 15,485 | 15,485 |
| (F)IIJA-Technical Assistance to Small Systems..... | 6,452 | 6,452 | 6,452 |
| (F)IIJA-Assistance to State Programs..... | 7,360 | 7,360 | 7,360 |
| (F)IIJA-Local Assistance and Source Water Pollution..... | 1,857 | 1,857 | 1,857 |
| (F)IIJA-Emerging Contaminants in Small or Disadvantaged Comm..... | - | 37,543 | 75,084 |
| (F)IIJA-Emerging Contaminants in Small or Disadvantaged Comm (EA)..... | 41,039 | - | - |
| (F)IIJA-Sewage Projects Revolving Loan Fund..... | 165,942 | 269,000 | 325,000 |
| DEPARTMENT TOTAL..... | \$ 624,439 | \$ 837,697 | \$ 931,238 |
| Labor and Industry | | | |
| (F)IIJA-State Digital Equity..... | \$ - | \$ - | \$ 650 |
| State Police | | | |
| (F)IIJA-Motor Carrier Safety-General Fund..... | \$ - | \$ 8,500 | \$ 8,500 |
| (F)IIJA-Cybersecurity (EA)..... | 1,056 | 560 | 560 |
| (F)IIJA-Motor Carrier Safety-Motor License Fund..... | 8,500 | - | - |
| DEPARTMENT TOTAL..... | \$ 9,556 | \$ 9,060 | \$ 9,060 |
| Transportation | | | |
| IIJA-Highway and Safety Capital Projects..... | \$ 792,384 | \$ 827,617 | \$ 858,754 |
| TOTAL INFRASTRUCTURE INVESTMENT AND JOBS ACT AUTHORIZATIONS..... | \$ 2,946,572 | \$ 4,171,846 | \$ 4,880,610 |

^a Includes recommended supplemental executive authorization of \$132,000.

Overview: Commonwealth Workforce Transformation Program

Commonwealth Workforce Transformation Program (CWTP)

Governor Shapiro established the Commonwealth Workforce Transformation Program (CWTP) by executive order on July 31, 2023, to capitalize on the generational opportunity to revitalize the Commonwealth's infrastructure provided by the federal Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA) and position Pennsylvania's workforce for the future.

Under this executive order, the CWTP will invest up to \$400 million of federal IIJA and IRA funds to grow the Pennsylvania workforce needed to build the projects, as encouraged by the federal laws. These workforce investments will accelerate critical investments in roads, bridges, energy, water, sewer, and transformative economic development projects in Pennsylvania.

This table illustrates estimated CWTP program allocations by IIJA and IRA programs at Commonwealth agencies:

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|-----------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | Actual | Available | Budget |
| Community and Economic Development | | | |
| (F)IIJA-CWTP-Weatherization Assistance Program (EA)..... | \$ - | \$ 800 | \$ 800 |
| Environmental Protection | | | |
| (F)IIJA-CWTP-Orphan Well Plugging (EA)..... | \$ - | \$ 1,000 | \$ 2,000 |
| (F)IIJA-CWTP-Abandoned Mine Reclamation (EA)..... | - | 3,000 | 500 |
| (F)IRA-CWTP-Energy Performance-Homes Program (EA)..... | - | 800 | 800 |
| (F)IRA-CWTP-Energy Performance-Electric Appliance (EA)..... | - | 800 | 588 |
| (F)IRA-CWTP-Solar For All (EA)..... | - | - | 1,000 |
| (F)IRA-CWTP-EPA-Planning Grants and Other Capacity Building Funding (EA)..... | - | - | 10,000 |
| (F)IRA-CWTP-DOE-Planning Grants and Other Capacity Building Funding (EA)..... | - | - | 2,000 |
| DEPARTMENT TOTAL | \$ - | \$ 5,600 | \$ 16,888 |
| Transportation | | | |
| (F)IIJA-CWTP-Highway Research, Planning, and Construction (EA)..... | \$ - | \$ 10,000 | \$ 25,000 |
| Labor and Industry | | | |
| (F)IIJA-CWTP-Administration (EA)..... | \$ 366 | \$ 991 | \$ 678 |
| (F)IRA-CWTP-Administration (EA)..... | 34 | 92 | 322 |
| DEPARTMENT TOTAL | \$ 400 | \$ 1,083 | \$ 1,000 |

Table does not show allocations from competitive programs and formula grants not yet awarded, or non-subgranted activity.

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 Pennsylvanians 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) | |
|--|-------------------------------|---------------------|
| | 2024-25 Estimate | 2025-26 Estimate |
| Governor's Office | \$ 2,841 | \$ 2,995 |
| Lieutenant Governor | 190 | 202 |
| Executive Offices | 352 | 365 |
| Aging | 415 | 462 |
| Agriculture | 634 | 771 ^a |
| Banking and Securities | 329 | 340 |
| Community and Economic Development | 14,132 | 14,447 |
| Conservation and Natural Resources | 920 | 965 |
| Corrections | 394 | 407 |
| Drug and Alcohol Programs | 7,844 | 5,394 ^b |
| Education | 1,393 | 1,605 |
| Emergency Management Agency | 778 | 809 |
| Environmental Protection | 4,625 | 4,855 |
| Fish and Boat Commission | 1,026 | 1,028 |
| Game Commission | 898 | 898 |
| General Services | 157 | 163 |
| Health | 1,314 | 1,519 |
| Historical and Museum Commission | 347 | 198 ^c |
| Human Services | 1,126 | 1,173 |
| Insurance | 497 | 582 |
| Labor and Industry | 955 | 1,005 |
| Liquor Control Board | 15,919 | 13,427 ^d |
| Military and Veterans Affairs | 840 | 876 |
| Public Utility Commission | 446 | 477 |
| Revenue | 3,573 | 3,657 |
| State | 3,340 | 2,778 ^e |
| State Police | 786 | 787 |
| Transportation | 7,770 | 7,770 |
| TOTAL | \$ 73,841 | \$ 69,955 |

^a The increase is due to changes in communications personnel funding.

^b The decrease is due to a change in funds available from the State Opioid Response grant.

^c The decrease is due to prioritization of operational and site maintenance. The 2025-26 amount is a return to historical levels.

^d The decrease is due to a reduction in the Fine Wine and Good Spirits advertising budget as a cost containment measure.

^e The decrease is due to changes in Federal Election Reform funding received based on the presidential general election cycle.



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. 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 Sections C2 and C3.
- **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. 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. 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 or from the operating program are reflected respectively as an increase or decrease to the ending balances.

Program Budget Summary

Summary of Revenues and Expenditures for the Operating Program

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

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| BEGINNING BALANCES | | | | | | | |
| General Fund | \$ 8,084,871 | \$ 6,632,089 | \$ 2,893,876 | \$ - | \$ - | \$ - | \$ - |
| Adjustment to Beginning Balance | 75,000 | 74,000 | - | - | - | - | - |
| Adjusted Beginning Balance | <u>\$ 8,159,871</u> | <u>\$ 6,706,089</u> | <u>\$ 2,893,876</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Motor License Fund | \$ 255,433 | \$ 312,996 | \$ 271,718 | \$ 67,742 | \$ 21,881 | \$ 27,044 | \$ 19,092 |
| Adjustment to MLF Beginning Balance | - | - | - | - | - | - | - |
| Lottery Fund | 162,648 | 318,101 | 89,232 | 10,058 | 19,497 | 26,377 | 39,067 |
| Adjustment to LF Beginning Balance | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| Special Funds | <u>\$ 493,081</u> | <u>\$ 706,097</u> | <u>\$ 435,950</u> | <u>\$ 152,800</u> | <u>\$ 116,378</u> | <u>\$ 128,421</u> | <u>\$ 133,159</u> |
| REVENUES | | | | | | | |
| General Fund: | | | | | | | |
| Corporate Net Income Tax | \$ 5,651,453 | \$ 5,460,500 | \$ 5,635,500 | \$ 6,471,300 | \$ 5,985,500 | \$ 5,235,400 | \$ 4,529,200 |
| Personal Income Tax | 17,856,822 | 18,677,200 | 19,635,100 | 20,596,300 | 21,464,600 | 22,514,100 | 23,555,900 |
| Sales and Use Tax | 14,255,907 | 14,570,300 | 14,871,000 | 15,501,600 | 16,048,100 | 16,623,100 | 17,194,500 |
| All Other Revenues/Taxes | 7,709,308 | 7,342,300 | 8,240,900 | 8,642,800 | 8,806,500 | 9,150,600 | 9,424,700 |
| Less Refunds | (1,986,600) | (1,986,600) | (1,758,000) | (1,758,000) | (1,758,000) | (1,758,000) | (1,758,000) |
| Total General Fund | <u>\$ 43,486,889</u> | <u>\$ 44,063,700</u> | <u>\$ 46,624,500</u> | <u>\$ 49,454,000</u> | <u>\$ 50,546,700</u> | <u>\$ 51,765,200</u> | <u>\$ 52,946,300</u> |
| Motor License Fund | 3,169,948 | 3,115,500 | 3,084,100 | 3,094,900 | 3,127,000 | 3,145,000 | 3,173,200 |
| Lottery Fund | 2,070,381 | 1,908,366 | 2,059,318 | 2,158,680 | 2,169,881 | 2,184,591 | 2,189,030 |
| Federal Funds | 46,024,548 | 50,629,123 | 53,102,656 | 53,488,876 | 53,781,172 | 54,144,844 | 54,520,481 |
| Other Funds | 21,486,331 | 23,038,515 | 23,722,782 | 23,355,229 | 23,102,189 | 22,827,449 | 22,745,380 |
| Total Revenues | <u>\$ 116,238,097</u> | <u>\$ 122,755,204</u> | <u>\$ 128,593,356</u> | <u>\$ 131,551,685</u> | <u>\$ 132,726,942</u> | <u>\$ 134,067,084</u> | <u>\$ 135,574,391</u> |
| PROGRAM EXPENDITURES | | | | | | | |
| Direction and Supportive Services | \$ 2,930,721 | \$ 3,029,118 | \$ 3,074,044 | \$ 3,084,542 | \$ 3,071,815 | \$ 3,072,050 | \$ 3,062,273 |
| Protection of Persons and Property | 14,152,715 | 16,961,381 | 16,975,458 | 16,862,501 | 16,703,420 | 16,531,701 | 16,476,429 |
| Education | 23,443,262 | 25,026,362 | 26,031,096 | 26,192,952 | 26,344,618 | 26,476,199 | 26,608,091 |
| Health and Human Services | 59,767,720 | 62,829,204 | 67,564,556 | 68,547,774 | 69,540,007 | 70,520,106 | 71,557,823 |
| Economic Development | 4,341,614 | 5,660,058 | 6,084,209 | 5,625,639 | 5,213,305 | 4,893,980 | 4,595,888 |
| Transportation | 10,393,963 | 11,088,678 | 11,220,938 | 11,121,619 | 11,108,616 | 11,130,856 | 11,164,560 |
| Recreation and Cultural Enrichment | 1,317,079 | 1,193,404 | 1,225,288 | 1,228,358 | 1,235,142 | 1,245,649 | 1,253,327 |
| Debt Service | 1,336,426 | 1,232,219 | 1,550,848 | 1,629,080 | 1,697,967 | 1,775,137 | 1,877,008 |
| Total Program Expenditures | <u>\$ 117,683,500</u> | <u>\$ 127,020,424</u> | <u>\$ 133,726,437</u> | <u>\$ 134,292,465</u> | <u>\$ 134,914,890</u> | <u>\$ 135,645,678</u> | <u>\$ 136,595,399</u> |
| Less General Fund Lapses | (587,026) | (350,000) | (350,000) | (350,000) | (350,000) | (350,000) | (350,000) |
| Less Motor License Fund Lapses | (121,159) | (96,883) | - | - | - | - | - |
| Less Lottery Fund Lapses | (159,350) | (47,519) | - | - | - | - | - |
| Total Operating Expenditures | <u>\$ 116,815,965</u> | <u>\$ 126,526,022</u> | <u>\$ 133,376,437</u> | <u>\$ 133,942,465</u> | <u>\$ 134,564,890</u> | <u>\$ 135,295,678</u> | <u>\$ 136,245,399</u> |
| Lottery Fund Reserves | (75,000) | (75,000) | (75,000) | (75,000) | (75,000) | (75,000) | (75,000) |
| Transfer-Budget Stabilization Reserve Fund | (736,899) | (321,542) | 1,606,055 | 2,354,358 | 1,849,990 | 1,233,333 | 676,030 |
| ENDING BALANCES | | | | | | | |
| General Fund | <u>\$ 6,632,089</u> | <u>\$ 2,893,876</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Motor License Fund | <u>\$ 312,996</u> | <u>\$ 271,718</u> | <u>\$ 67,742</u> | <u>\$ 21,881</u> | <u>\$ 27,044</u> | <u>\$ 19,092</u> | <u>\$ 17,449</u> |
| Lottery Fund | <u>\$ 318,101</u> | <u>\$ 89,232</u> | <u>\$ 10,058</u> | <u>\$ 19,497</u> | <u>\$ 26,377</u> | <u>\$ 39,067</u> | <u>\$ 45,731</u> |

Program Budget Summary

General and Special Funds

This table shows a summary of Commonwealth Programs for 2023-24 actual year, 2024-25 available year, 2025-26 budget year, and future year estimates for the General Fund and selected Special Funds.

Seven Year Commonwealth Program Summary

(Dollar amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Commonwealth Program | | | | | | | |
| Direction and Supportive | | | | | | | |
| Services | \$ 2,012,269 | \$ 2,016,498 | \$ 2,018,386 | \$ 2,014,356 | \$ 2,001,531 | \$ 2,001,663 | \$ 1,991,778 |
| Protection of Persons and | | | | | | | |
| Property | 5,822,646 | 6,274,122 | 6,590,025 | 6,653,239 | 6,666,296 | 6,675,238 | 6,677,142 |
| Education | 17,961,464 | 19,365,862 | 20,292,061 | 20,464,705 | 20,614,096 | 20,743,716 | 20,874,373 |
| Health and Human | | | | | | | |
| Services | 19,591,465 | 20,930,963 | 22,886,209 | 23,273,721 | 23,610,702 | 23,946,395 | 24,298,148 |
| Economic Development..... | 525,484 | 586,511 | 526,330 | 472,715 | 470,578 | 470,849 | 471,229 |
| Transportation..... | 2,733,153 | 2,727,994 | 2,795,615 | 2,690,052 | 2,721,153 | 2,802,651 | 2,874,820 |
| Recreation and Cultural | | | | | | | |
| Enrichment..... | 272,710 | 300,023 | 323,262 | 335,011 | 334,011 | 335,011 | 336,011 |
| Debt Service | <u>1,253,430</u> | <u>1,150,813</u> | <u>1,469,111</u> | <u>1,544,561</u> | <u>1,613,162</u> | <u>1,697,862</u> | <u>1,806,037</u> |
| GENERAL FUND AND SPECIAL FUNDS TOTAL.. | <u>\$ 50,172,621</u> | <u>\$ 53,352,786</u> | <u>\$ 56,900,999</u> | <u>\$ 57,448,360</u> | <u>\$ 58,031,529</u> | <u>\$ 58,673,385</u> | <u>\$ 59,329,538</u> |

Distribution of the Commonwealth Dollar

GENERAL FUND AND SPECIAL FUNDS

2025-26

(Dollar Amounts in Thousands)



Health and Human Services \$22,886,209 40.2%

Education \$20,292,061 35.7%

Protection of Persons and Property \$6,590,025 11.6%

Transportation \$2,795,615 4.9%

Direction and Supportive Services \$2,018,386 3.5%

Debt Service \$1,469,111 2.6%

Economic Development \$526,330 0.9%

Recreation and Cultural Enrichment \$323,262 0.6%

TOTAL \$56,900,999

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

Program Budget Summary

Seven Year Summary of Commonwealth Programs

The following is a summary for the eight Commonwealth Programs of 2023-24 actual year, 2024-25 available year, 2025-26 budget year, and future year estimates for all the operating funds and capital bond authorizations as presented in the 2025-26 Governor's Executive Budget. A breakdown of each Commonwealth Program by Category and Subcategory is shown on subsequent pages.

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Direction and Supportive Services | | | | | | | |
| General Fund | \$ 1,050,421 | \$ 1,101,833 | \$ 1,114,374 | \$ 1,111,092 | \$ 1,100,713 | \$ 1,101,854 | \$ 1,097,211 |
| Motor License Fund | 98,328 | 92,903 | 95,281 | 95,947 | 95,947 | 95,947 | 95,947 |
| Lottery Fund | 863,520 | 821,762 | 808,731 | 807,317 | 804,871 | 803,862 | 798,620 |
| Federal Funds | 35,614 | 22,734 | 23,166 | 17,250 | 17,250 | 17,250 | 17,250 |
| Other Funds | 882,838 | 989,886 | 1,032,492 | 1,052,936 | 1,053,034 | 1,053,137 | 1,053,245 |
| Total Operating | \$ 2,930,721 | \$ 3,029,118 | \$ 3,074,044 | \$ 3,084,542 | \$ 3,071,815 | \$ 3,072,050 | \$ 3,062,273 |
| Protection of Persons and Property | | | | | | | |
| General Fund | \$ 5,146,466 | \$ 5,726,624 | \$ 6,079,409 | \$ 6,185,481 | \$ 6,248,538 | \$ 6,307,480 | \$ 6,359,384 |
| Motor License Fund | 676,180 | 547,498 | 510,616 | 467,758 | 417,758 | 367,758 | 317,758 |
| Lottery Fund | - | - | - | - | - | - | - |
| Federal Funds | 2,851,347 | 4,870,156 | 4,484,116 | 4,392,377 | 4,381,367 | 4,357,306 | 4,358,306 |
| Other Funds | 5,478,722 | 5,817,103 | 5,901,317 | 5,816,885 | 5,655,757 | 5,499,157 | 5,440,981 |
| Total Operating | \$ 14,152,715 | \$ 16,961,381 | \$ 16,975,458 | \$ 16,862,501 | \$ 16,703,420 | \$ 16,531,701 | \$ 16,476,429 |
| Education | | | | | | | |
| General Fund | \$ 17,961,464 | \$ 19,365,862 | \$ 20,292,061 | \$ 20,464,705 | \$ 20,614,096 | \$ 20,743,716 | \$ 20,874,373 |
| Motor License Fund | - | - | - | - | - | - | - |
| Lottery Fund | - | - | - | - | - | - | - |
| Federal Funds | 4,635,142 | 4,619,461 | 4,622,988 | 4,608,988 | 4,608,988 | 4,608,988 | 4,608,228 |
| Other Funds | 846,656 | 1,041,039 | 1,116,047 | 1,119,259 | 1,121,534 | 1,123,495 | 1,125,490 |
| Total Operating | \$ 23,443,262 | \$ 25,026,362 | \$ 26,031,096 | \$ 26,192,952 | \$ 26,344,618 | \$ 26,476,199 | \$ 26,608,091 |
| Health and Human Services | | | | | | | |
| General Fund | \$ 18,551,613 | \$ 19,728,878 | \$ 21,727,355 | \$ 22,102,704 | \$ 22,423,478 | \$ 22,749,264 | \$ 23,085,310 |
| Motor License Fund | - | - | - | - | - | - | - |
| Lottery Fund | 1,039,852 | 1,202,085 | 1,158,854 | 1,171,017 | 1,187,224 | 1,197,131 | 1,212,838 |
| Federal Funds | 34,697,891 | 35,897,603 | 38,416,514 | 39,127,927 | 39,772,947 | 40,409,777 | 41,086,174 |
| Other Funds | 5,478,364 | 6,000,638 | 6,261,833 | 6,146,126 | 6,156,358 | 6,163,934 | 6,173,501 |
| Total Operating | \$ 59,767,720 | \$ 62,829,204 | \$ 67,564,556 | \$ 68,547,774 | \$ 69,540,007 | \$ 70,520,106 | \$ 71,557,823 |
| Economic Development | | | | | | | |
| General Fund | \$ 525,484 | \$ 586,511 | \$ 526,330 | \$ 472,715 | \$ 470,578 | \$ 470,849 | \$ 471,229 |
| Motor License Fund | - | - | - | - | - | - | - |
| Lottery Fund | - | - | - | - | - | - | - |
| Federal Funds | 1,019,645 | 1,830,854 | 2,083,819 | 1,844,547 | 1,503,169 | 1,253,169 | 1,003,169 |
| Other Funds | 2,796,485 | 3,242,693 | 3,474,060 | 3,308,377 | 3,239,558 | 3,169,962 | 3,121,490 |
| Total Operating | \$ 4,341,614 | \$ 5,660,058 | \$ 6,084,209 | \$ 5,625,639 | \$ 5,213,305 | \$ 4,893,980 | \$ 4,595,888 |

Program Budget Summary

Seven Year Summary of Commonwealth Programs, continued

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Transportation | | | | | | | |
| General Fund | \$ 162,600 | \$ 1,600 | \$ 1,600 | \$ 2,000 | \$ 2,000 | \$ 2,000 | \$ 2,000 |
| Motor License Fund | 2,399,646 | 2,555,487 | 2,623,108 | 2,517,145 | 2,548,246 | 2,629,744 | 2,701,913 |
| Lottery Fund | 170,907 | 170,907 | 170,907 | 170,907 | 170,907 | 170,907 | 170,907 |
| Federal Funds | 2,559,696 | 3,204,139 | 3,298,793 | 3,324,527 | 3,324,191 | 3,325,094 | 3,274,094 |
| Other Funds | 5,101,114 | 5,156,545 | 5,126,530 | 5,107,040 | 5,063,272 | 5,003,111 | 5,015,646 |
| Total Operating | \$ 10,393,963 | \$ 11,088,678 | \$ 11,220,938 | \$ 11,121,619 | \$ 11,108,616 | \$ 11,130,856 | \$ 11,164,560 |
| Recreation and Cultural Enrichment | | | | | | | |
| General Fund | \$ 265,710 | \$ 293,023 | \$ 316,262 | \$ 328,011 | \$ 327,011 | \$ 328,011 | \$ 329,011 |
| Motor License Fund | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| Lottery Fund | - | - | - | - | - | - | - |
| Federal Funds | 225,213 | 184,176 | 173,260 | 173,260 | 173,260 | 173,260 | 173,260 |
| Other Funds | 819,156 | 709,205 | 728,766 | 720,087 | 727,871 | 737,378 | 744,056 |
| Total Operating | \$ 1,317,079 | \$ 1,193,404 | \$ 1,225,288 | \$ 1,228,358 | \$ 1,235,142 | \$ 1,245,649 | \$ 1,253,327 |
| Debt Service | | | | | | | |
| General Fund | \$ 1,201,040 | \$ 1,100,040 | \$ 1,417,040 | \$ 1,491,650 | \$ 1,560,276 | \$ 1,645,359 | \$ 1,753,812 |
| Motor License Fund | 52,390 | 50,773 | 52,071 | 52,911 | 52,886 | 52,503 | 52,225 |
| Lottery Fund | - | - | - | - | - | - | - |
| Federal Funds | - | - | - | - | - | - | - |
| Other Funds | 82,996 | 81,406 | 81,737 | 84,519 | 84,805 | 77,275 | 70,971 |
| Total Operating | \$ 1,336,426 | \$ 1,232,219 | \$ 1,550,848 | \$ 1,629,080 | \$ 1,697,967 | \$ 1,775,137 | \$ 1,877,008 |
| Capital Bond Authorizations .. | \$ 1,073,501 | \$ 1,663,836 | \$ 1,705,000 | \$ 1,845,000 | \$ 1,695,000 | \$ 1,670,000 | \$ 1,670,000 |
| Program Total | \$ 2,409,927 | \$ 2,896,055 | \$ 3,255,848 | \$ 3,474,080 | \$ 3,392,967 | \$ 3,445,137 | \$ 3,547,008 |
| COMMONWEALTH TOTALS | | | | | | | |
| General Fund | \$ 44,864,798 | \$ 47,904,371 | \$ 51,474,431 | \$ 52,158,358 | \$ 52,746,690 | \$ 53,348,533 | \$ 53,972,330 |
| Motor License Fund | 3,233,544 | 3,253,661 | 3,288,076 | 3,140,761 | 3,121,837 | 3,152,952 | 3,174,843 |
| Lottery Fund | 2,074,279 | 2,194,754 | 2,138,492 | 2,149,241 | 2,163,002 | 2,171,900 | 2,182,365 |
| Federal Funds | 46,024,548 | 50,629,123 | 53,102,656 | 53,488,876 | 53,781,172 | 54,144,844 | 54,520,481 |
| Other Funds | 21,486,331 | 23,038,515 | 23,722,782 | 23,355,229 | 23,102,189 | 22,827,449 | 22,745,380 |
| Total Operating | \$ 117,683,500 | \$ 127,020,424 | \$ 133,726,437 | \$ 134,292,465 | \$ 134,914,890 | \$ 135,645,678 | \$ 136,595,399 |
| Capital Bond Authorizations .. | \$ 1,073,501 | \$ 1,663,836 | \$ 1,705,000 | \$ 1,845,000 | \$ 1,695,000 | \$ 1,670,000 | \$ 1,670,000 |
| Program Total | \$ 118,757,001 | \$ 128,684,260 | \$ 135,431,437 | \$ 136,137,465 | \$ 136,609,890 | \$ 137,315,678 | \$ 138,265,399 |

Program Budget Summary

Direction and Supportive Services

The goal of this Commonwealth program is to provide an efficient and effective administrative support system through which the goals and objectives of Commonwealth programs can be attained. This Commonwealth program supports 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, Government Support Agencies, and Legislature.

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Administrative and | | | | | | | |
| Support Services | \$ 237,881 | \$ 247,173 | \$ 225,337 | \$ 215,748 | \$ 204,280 | \$ 204,280 | \$ 204,379 |
| Executive Direction | 154,695 | 159,531 | 131,351 | 124,270 | 112,802 | 112,802 | 112,901 |
| Ethics Commission | 3,356 | 3,730 | 3,804 | 3,903 | 3,903 | 3,903 | 3,903 |
| Legal Services | 7,531 | 8,684 | 9,742 | 9,995 | 9,995 | 9,995 | 9,995 |
| Health Care Reporting | 3,167 | 3,167 | 8,379 | 5,519 | 5,519 | 5,519 | 5,519 |
| Government Support | | | | | | | |
| Agencies | 69,132 | 72,061 | 72,061 | 72,061 | 72,061 | 72,061 | 72,061 |
| Fiscal Management..... | \$ 1,249,351 | \$ 1,198,557 | \$ 1,199,677 | \$ 1,205,310 | \$ 1,203,887 | \$ 1,204,101 | \$ 1,199,036 |
| Revenue Collection and | | | | | | | |
| Administration | 1,117,796 | 1,065,168 | 1,061,832 | 1,064,971 | 1,063,548 | 1,063,762 | 1,058,697 |
| Disbursement..... | 85,781 | 87,545 | 89,803 | 91,048 | 91,048 | 91,048 | 91,048 |
| Auditing..... | 45,774 | 45,844 | 48,042 | 49,291 | 49,291 | 49,291 | 49,291 |
| Physical Facilities and | | | | | | | |
| Commodities | | | | | | | |
| Management..... | \$ 150,758 | \$ 165,358 | \$ 187,962 | \$ 187,888 | \$ 187,954 | \$ 187,872 | \$ 182,953 |
| Facility, Property, and | | | | | | | |
| Commodity Management. | 150,758 | 165,358 | 187,962 | 187,888 | 187,954 | 187,872 | 182,953 |
| Legislative Processes ... | \$ 374,279 | \$ 405,410 | \$ 405,410 | \$ 405,410 | \$ 405,410 | \$ 405,410 | \$ 405,410 |
| Legislature | 374,279 | 405,410 | 405,410 | 405,410 | 405,410 | 405,410 | 405,410 |
| PROGRAM TOTAL | \$ 2,012,269 | \$ 2,016,498 | \$ 2,018,386 | \$ 2,014,356 | \$ 2,001,531 | \$ 2,001,663 | \$ 1,991,778 |

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 Departments of Banking and Securities, Corrections, State, and Insurance along with State Police, Attorney General, Commission on Crime and Delinquency, Public Utility Commission, Liquor Control Board, Emergency Management Agency, Judiciary, and Milk Board, deal almost entirely with protection of persons and property. Several agencies such as Executive Offices and 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) | | | | | | | |
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| General Administration | | | | | | | |
| and Support..... | \$ 139,577 | \$ 192,644 | \$ 207,258 | \$ 224,909 | \$ 224,909 | \$ 224,909 | \$ 214,909 |
| Criminal and Juvenile | | | | | | | |
| Justice Planning..... | 116,492 | 159,492 | 171,266 | 187,928 | 187,928 | 187,928 | 177,928 |
| Environmental Support | | | | | | | |
| Services | 23,085 | 33,152 | 35,992 | 36,981 | 36,981 | 36,981 | 36,981 |
| Public Protection and | | | | | | | |
| Law Enforcement..... | \$ 1,764,351 | \$ 1,839,312 | \$ 1,962,859 | \$ 2,026,877 | \$ 2,031,477 | \$ 2,031,477 | \$ 2,031,477 |
| State Police..... | 1,357,037 | 1,430,573 | 1,528,076 | 1,573,005 | 1,577,605 | 1,577,605 | 1,577,605 |
| Attorney General..... | 138,816 | 143,947 | 156,569 | 168,516 | 168,516 | 168,516 | 168,516 |
| Highway Safety | | | | | | | |
| Administration and | | | | | | | |
| Licensing..... | 268,498 | 264,792 | 278,214 | 285,356 | 285,356 | 285,356 | 285,356 |
| Control and Reduction | | | | | | | |
| of Crime | \$ 2,967,670 | \$ 3,153,584 | \$ 3,296,728 | \$ 3,259,409 | \$ 3,259,409 | \$ 3,256,774 | \$ 3,256,774 |
| Incarcerated Individuals... | 2,762,042 | 2,941,281 | 3,074,305 | 3,031,203 | 3,031,203 | 3,028,568 | 3,028,568 |
| Reentry into Communities | 205,628 | 212,303 | 222,423 | 228,206 | 228,206 | 228,206 | 228,206 |
| Juvenile Crime | | | | | | | |
| Prevention | \$ 22,097 | \$ 22,302 | \$ 23,007 | \$ 23,113 | \$ 23,113 | \$ 23,113 | \$ 23,113 |
| Reintegration of Juvenile | | | | | | | |
| Delinquents | 22,097 | 22,302 | 23,007 | 23,113 | 23,113 | 23,113 | 23,113 |
| Adjudication of | | | | | | | |
| Defendants | \$ 408,431 | \$ 435,618 | \$ 465,942 | \$ 478,643 | \$ 485,607 | \$ 495,989 | \$ 506,611 |
| State Judicial System | 408,431 | 435,618 | 465,942 | 478,643 | 485,607 | 495,989 | 506,611 |

Program Budget Summary

Protection of Persons and Property, continued

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Public Order and | | | | | | | |
| Community Safety | \$ 59,163 | \$ 81,059 | \$ 71,010 | \$ 67,889 | \$ 69,389 | \$ 70,589 | \$ 71,889 |
| Emergency Management..... | 22,971 | 41,036 | 27,162 | 22,982 | 24,482 | 25,682 | 26,982 |
| State Military Readiness.. | 36,192 | 40,023 | 43,848 | 44,907 | 44,907 | 44,907 | 44,907 |
| Protection from Natural | | | | | | | |
| Hazards and Disasters .. | \$ 182,732 | \$ 202,033 | \$ 226,675 | \$ 232,577 | \$ 232,577 | \$ 232,577 | \$ 232,577 |
| Environmental Protection and Management..... | 182,732 | 202,033 | 226,675 | 232,577 | 232,577 | 232,577 | 232,577 |
| Consumer Protection | \$ 246,153 | \$ 310,028 | \$ 296,016 | \$ 298,201 | \$ 298,194 | \$ 298,189 | \$ 298,171 |
| Consumer Protection | 33,533 | 44,121 | 44,178 | 44,660 | 44,653 | 44,648 | 44,630 |
| Protection and Development of Agricultural Industries | 212,620 | 265,907 | 251,838 | 253,541 | 253,541 | 253,541 | 253,541 |
| Community and | | | | | | | |
| Occupational Safety | | | | | | | |
| and Stability | \$ 22,051 | \$ 26,269 | \$ 28,438 | \$ 29,215 | \$ 29,215 | \$ 29,215 | \$ 29,215 |
| Community and Occupational Safety and Stability | 18,611 | 21,295 | 23,047 | 23,646 | 23,646 | 23,646 | 23,646 |
| Fire Prevention and Safety..... | 3,440 | 4,974 | 5,391 | 5,569 | 5,569 | 5,569 | 5,569 |
| Prevention and | | | | | | | |
| Elimination of | | | | | | | |
| Discriminatory | | | | | | | |
| Practices..... | \$ 10,421 | \$ 11,273 | \$ 12,092 | \$ 12,406 | \$ 12,406 | \$ 12,406 | \$ 12,406 |
| Prevention and Elimination of Discriminatory Practices | 10,421 | 11,273 | 12,092 | 12,406 | 12,406 | 12,406 | 12,406 |
| PROGRAM TOTAL | \$ 5,822,646 | \$ 6,274,122 | \$ 6,590,025 | \$ 6,653,239 | \$ 6,666,296 | \$ 6,675,238 | \$ 6,677,142 |

Program Budget Summary

Education

The goal of this Commonwealth program is to provide a system of learning experiences and opportunities that will permit each individual to achieve their 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 Higher Education Assistance Agency and Departments of Health, Human Services, Revenue, and Labor and Industry.

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Education Support | | | | | | | |
| Services | \$ 43,440 | \$ 46,970 | \$ 50,746 | \$ 52,065 | \$ 52,065 | \$ 52,065 | \$ 52,065 |
| Education Support | | | | | | | |
| Services | 43,440 | 46,970 | 50,746 | 52,065 | 52,065 | 52,065 | 52,065 |
| Basic Education | \$ 15,861,733 | \$ 17,143,718 | \$ 17,928,294 | \$ 18,099,619 | \$ 18,249,010 | \$ 18,378,630 | \$ 18,509,287 |
| PreK-12 Education | 15,842,608 | 17,124,691 | 17,908,307 | 18,079,132 | 18,228,011 | 18,357,106 | 18,487,225 |
| Public Utility Realty | | | | | | | |
| Payments | 19,125 | 19,027 | 19,987 | 20,487 | 20,999 | 21,524 | 22,062 |
| Higher Education | \$ 2,056,291 | \$ 2,175,174 | \$ 2,313,021 | \$ 2,313,021 | \$ 2,313,021 | \$ 2,313,021 | \$ 2,313,021 |
| Higher Education | 1,625,935 | 1,601,737 | 1,718,929 | 1,718,929 | 1,718,929 | 1,718,929 | 1,718,929 |
| Financial Assistance to | | | | | | | |
| Students | 398,835 | 539,416 | 560,071 | 560,071 | 560,071 | 560,071 | 560,071 |
| Financial Assistance to | | | | | | | |
| Institutions | 31,521 | 34,021 | 34,021 | 34,021 | 34,021 | 34,021 | 34,021 |
| PROGRAM TOTAL | \$ 17,961,464 | \$ 19,365,862 | \$ 20,292,061 | \$ 20,464,705 | \$ 20,614,096 | \$ 20,743,716 | \$ 20,874,373 |

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 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) | | | | | | | |
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Human Services | | | | | | | |
| Support | \$ 231,995 | \$ 249,993 | \$ 265,795 | \$ 272,578 | \$ 272,578 | \$ 272,578 | \$ 272,578 |
| Human Services Support | 231,995 | 249,993 | 265,795 | 272,578 | 272,578 | 272,578 | 272,578 |
| Social Development of | | | | | | | |
| Individuals | \$ 2,328,009 | \$ 2,414,224 | \$ 2,459,227 | \$ 2,465,847 | \$ 2,465,847 | \$ 2,465,847 | \$ 2,465,847 |
| Human Services | 1,698,684 | 1,759,039 | 1,730,231 | 1,734,153 | 1,734,153 | 1,734,153 | 1,734,153 |
| Child Development | 629,325 | 655,185 | 728,996 | 731,694 | 731,694 | 731,694 | 731,694 |
| Support of Older | | | | | | | |
| Pennsylvanians | \$ 686,886 | \$ 824,119 | \$ 829,854 | \$ 832,017 | \$ 833,224 | \$ 833,131 | \$ 838,838 |
| Community Services for Older Pennsylvanians | 324,286 | 329,719 | 356,154 | 357,317 | 358,024 | 358,731 | 359,438 |
| Homeowners and Renters Assistance | 207,600 | 324,400 | 323,700 | 324,700 | 325,200 | 324,400 | 324,400 |
| Pharmaceutical Assistance | 155,000 | 170,000 | 150,000 | 150,000 | 150,000 | 150,000 | 155,000 |
| Income Maintenance | \$ 579,248 | \$ 625,995 | \$ 656,038 | \$ 669,468 | \$ 671,090 | \$ 673,236 | \$ 673,887 |
| Income Maintenance | 553,956 | 599,887 | 627,941 | 638,170 | 638,170 | 638,170 | 638,170 |
| Workers Compensation and Unemployment Assistance | 301 | 286 | 272 | 272 | 272 | 272 | 272 |
| Military Compensation and Assistance | 24,991 | 25,822 | 27,825 | 31,026 | 32,648 | 34,794 | 35,445 |
| Physical Health | | | | | | | |
| Treatment | \$ 12,062,740 | \$ 12,748,641 | \$ 14,385,984 | \$ 14,678,677 | \$ 14,950,726 | \$ 15,221,036 | \$ 15,501,853 |

Program Budget Summary

Health and Human Services, continued

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Medical Assistance and | | | | | | | |
| Health Care Delivery..... | 5,604,906 | 5,680,460 | 6,403,222 | 6,539,506 | 6,666,184 | 6,788,515 | 6,918,595 |
| Long-Term Living..... | 5,990,957 | 6,577,019 | 7,455,525 | 7,603,530 | 7,748,901 | 7,896,880 | 8,047,617 |
| Health Treatment | | | | | | | |
| Services | 14,655 | 14,655 | 14,655 | 14,655 | 14,655 | 14,655 | 14,655 |
| Health Support Services .. | 68,752 | 71,588 | 85,164 | 88,269 | 88,269 | 88,269 | 88,269 |
| Health Research | 12,712 | 13,312 | 7,112 | 7,112 | 7,112 | 7,112 | 7,112 |
| Emergency Food | | | | | | | |
| Assistance | 28,767 | 29,267 | 37,267 | 37,267 | 37,267 | 37,267 | 37,267 |
| Prevention and Treatment | | | | | | | |
| of Drug and Alcohol | | | | | | | |
| Abuse..... | 48,138 | 48,233 | 48,356 | 48,450 | 48,450 | 48,450 | 48,450 |
| Preventive Health | 142,684 | 152,512 | 169,659 | 170,573 | 170,573 | 170,573 | 170,573 |
| Veterans Homes | 151,169 | 161,595 | 165,024 | 169,315 | 169,315 | 169,315 | 169,315 |
| Mental Health and | | | | | | | |
| Substance Use | | | | | | | |
| Services | \$ 943,216 | \$ 1,014,184 | \$ 1,046,402 | \$ 1,053,997 | \$ 1,053,997 | \$ 1,053,997 | \$ 1,053,997 |
| Mental Health and | | | | | | | |
| Substance Use Services.. | 943,216 | 1,014,184 | 1,046,402 | 1,053,997 | 1,053,997 | 1,053,997 | 1,053,997 |
| Intellectual Disabilities .. | \$ 2,759,371 | \$ 3,053,807 | \$ 3,242,909 | \$ 3,301,137 | \$ 3,363,240 | \$ 3,426,570 | \$ 3,491,148 |
| Intellectual Disabilities | 2,759,371 | 3,053,807 | 3,242,909 | 3,301,137 | 3,363,240 | 3,426,570 | 3,491,148 |
| PROGRAM TOTAL | \$ 19,591,465 | \$ 20,930,963 | \$ 22,886,209 | \$ 23,273,721 | \$ 23,610,702 | \$ 23,946,395 | \$ 24,298,148 |

Program Budget Summary

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 Infrastructure Investment Authority (PENNVEST) are devoted to this program. The Executive Offices, Auditor General, Housing Finance Agency, and 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) | | | | | | | |
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Economic Development | | | | | | | |
| and Job Creation | \$ 90,439 | \$ 122,513 | \$ 145,073 | \$ 144,929 | \$ 144,921 | \$ 144,912 | \$ 144,902 |
| Job Creation, Business | | | | | | | |
| Growth, and Attraction | 90,439 | 122,513 | 145,073 | 144,929 | 144,921 | 144,912 | 144,902 |
| Global Economic | | | | | | | |
| Development | \$ 7,173 | \$ 7,173 | \$ 4,525 | \$ 4,643 | \$ 4,643 | \$ 4,643 | \$ 4,643 |
| Pennsylvania Worldwide.. | 7,173 | 7,173 | 4,525 | 4,643 | 4,643 | 4,643 | 4,643 |
| Innovative Economic | | | | | | | |
| Development | \$ 43,980 | \$ 46,330 | \$ 94,855 | \$ 64,855 | \$ 64,855 | \$ 64,855 | \$ 64,855 |
| Pennsylvania Innovation | | | | | | | |
| Economy | 43,980 | 46,330 | 94,855 | 64,855 | 64,855 | 64,855 | 64,855 |
| Workforce Investment... | \$ 70,636 | \$ 73,412 | \$ 81,912 | \$ 81,912 | \$ 81,912 | \$ 81,912 | \$ 81,912 |
| Workforce Development .. | 17,813 | 19,813 | 22,313 | 22,313 | 22,313 | 22,313 | 22,313 |
| Vocational Rehabilitation . | 52,823 | 53,599 | 59,599 | 59,599 | 59,599 | 59,599 | 59,599 |
| Commonwealth | | | | | | | |
| Economic Assets | \$ 39,429 | \$ 61,868 | \$ 27,135 | \$ 27,749 | \$ 25,249 | \$ 25,249 | \$ 25,249 |
| Pennsylvania Assets..... | 39,429 | 61,868 | 27,135 | 27,749 | 25,249 | 25,249 | 25,249 |
| Community | | | | | | | |
| Development | \$ 273,827 | \$ 275,215 | \$ 172,830 | \$ 148,627 | \$ 148,998 | \$ 149,278 | \$ 149,668 |
| Pennsylvania | | | | | | | |
| Communities | 259,982 | 261,441 | 158,360 | 133,796 | 133,796 | 133,696 | 133,696 |
| Public Utility Realty | | | | | | | |
| Payments | 13,845 | 13,774 | 14,470 | 14,831 | 15,202 | 15,582 | 15,972 |
| PROGRAM TOTAL | \$ 525,484 | \$ 586,511 | \$ 526,330 | \$ 472,715 | \$ 470,578 | \$ 470,849 | \$ 471,229 |

Program Budget Summary

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)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Transportation | | | | | | | |
| Systems and Services... | \$ 2,733,153 | \$ 2,727,994 | \$ 2,795,615 | \$ 2,690,052 | \$ 2,721,153 | \$ 2,802,651 | \$ 2,874,820 |
| Transportation Support | | | | | | | |
| Services | 245,899 | 87,976 | 97,584 | 100,056 | 100,056 | 100,056 | 100,056 |
| Highways and Bridges | 1,988,552 | 2,143,600 | 2,208,638 | 2,103,764 | 2,138,764 | 2,223,764 | 2,298,764 |
| Local Highway and | | | | | | | |
| Bridge Assistance | 326,195 | 323,911 | 316,886 | 313,325 | 309,426 | 305,924 | 303,093 |
| Multimodal | | | | | | | |
| Transportation..... | 172,507 | 172,507 | 172,507 | 172,907 | 172,907 | 172,907 | 172,907 |
| PROGRAM TOTAL | \$ 2,733,153 | \$ 2,727,994 | \$ 2,795,615 | \$ 2,690,052 | \$ 2,721,153 | \$ 2,802,651 | \$ 2,874,820 |

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) | | | | | | | |
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Recreation | \$ 159,118 | \$ 182,368 | \$ 205,531 | \$ 216,374 | \$ 215,374 | \$ 216,374 | \$ 217,374 |
| Parks and Forests | | | | | | | |
| Management | 159,118 | 182,368 | 205,531 | 216,374 | 215,374 | 216,374 | 217,374 |
| Cultural Enrichment | \$ 113,592 | \$ 117,655 | \$ 117,731 | \$ 118,637 | \$ 118,637 | \$ 118,637 | \$ 118,637 |
| State History | | | | | | | |
| State History | 22,417 | 24,240 | 25,500 | 26,289 | 26,289 | 26,289 | 26,289 |
| Museum and Community Assistance | | | | | | | |
| Museum and Community Assistance | 2,000 | 4,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Development of Artists and Audiences | | | | | | | |
| Development of Artists and Audiences | 10,583 | 10,643 | 10,878 | 10,911 | 10,911 | 10,911 | 10,911 |
| State Library Services | | | | | | | |
| State Library Services | 78,592 | 78,772 | 79,353 | 79,437 | 79,437 | 79,437 | 79,437 |
| PROGRAM TOTAL | \$ 272,710 | \$ 300,023 | \$ 323,262 | \$ 335,011 | \$ 334,011 | \$ 335,011 | \$ 336,011 |

Program Budget Summary

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)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Debt Service | \$ 1,253,430 | \$ 1,150,813 | \$ 1,469,111 | \$ 1,544,561 | \$ 1,613,162 | \$ 1,697,862 | \$ 1,806,037 |
| Debt Service | <u>1,253,430</u> | <u>1,150,813</u> | <u>1,469,111</u> | <u>1,544,561</u> | <u>1,613,162</u> | <u>1,697,862</u> | <u>1,806,037</u> |
| PROGRAM TOTAL | <u>\$ 1,253,430</u> | <u>\$ 1,150,813</u> | <u>\$ 1,469,111</u> | <u>\$ 1,544,561</u> | <u>\$ 1,613,162</u> | <u>\$ 1,697,862</u> | <u>\$ 1,806,037</u> |



Commonwealth of Pennsylvania

Governor's Executive Budget

SUMMARY BY FUND

Overview: Major Operating Funds

Summary of Major Operating Funds

The total 2025-26 operating budget for the Commonwealth is \$133.7 billion. It includes \$51.5 billion in the General Fund, \$3.3 billion in the Motor License Fund, \$2.1 billion in the Lottery Fund, \$53.1 billion in federal funds, and \$23.7 billion in augmenting fees and other special fund revenues.

(Dollar Amounts in Thousands)

| Major Operating Fund Expenditures | Actual | Available | Budget | 2025-26 Change from 2024-25 | |
|--------------------------------------|---------------|---------------|---------------|--------------------------------|---------|
| | 2023-24 | 2024-25 | 2025-26 | Dollars | Percent |
| General Fund | \$ 44,864,798 | \$ 47,904,371 | \$ 51,474,431 | \$ 3,570,060 | 7.45% |
| Motor License Fund | \$ 3,233,544 | \$ 3,253,661 | \$ 3,288,076 | \$ 34,415 | 1.06% |
| Lottery Fund | \$ 2,074,279 | \$ 2,194,754 | \$ 2,138,492 | \$ (56,262) | (2.56)% |

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 from these General Fund revenues as presented and proposed in this budget, with any modifications it chooses to make.

Tax revenues are the primary source of funding of the General Fund. Personal income tax, sales and use tax, and corporate net income tax provide the majority of projected General Fund tax revenue. Nontax revenues are typically from profit transfers from the 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 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. The General Fund also supports PreK education through Pre-K Counts and Head Start Supplemental Assistance.

Higher Education: Higher education is provided through degree-granting institutions, which include the 10 universities of the State System of Higher Education, four state-related universities, community colleges and various other independent institutions. The Pennsylvania Higher Education Assistance Agency also provides support in the form of student financial aid grants and programs to support different institutions.

Health and Human Services: The Commonwealth provides supports and services for its residents who need them. It also provides care, treatment, and rehabilitation to persons with physical, behavioral, and mental health conditions, in addition to assistance for those with intellectual and physical disabilities. Many of these services are provided through its Medical Assistance programs, which include physical and behavioral health care, and long-term services and supports in both facility- and community-based settings. Medical inflation, an aging population, pharmaceutical prices, federal financial participation in these programs, and enrollment fluctuations contribute to the overall increase in state Medical Assistance expenditures. Increases are mitigated through cost containment, operational efficiencies, and value-based contracting arrangements. Support is also provided for income maintenance, including child care services and temporary cash assistance for families in transition to self-sufficiency. Funding continues to be provided for a continuum of services for beneficiaries in the least restrictive environment possible, be it at home, in the community, or in licensed facilities.

The General Fund is the primary funding source for **Department of Corrections** programs including costs associated with operating the state correctional institutions.

General Fund

This table shows a summary by Commonwealth Program of 2023-24 actual year, 2024-25 available year, 2025-26 budget year, and future year estimates.

Seven Year Commonwealth Program Summary

(Dollar amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Commonwealth Program | | | | | | | |
| Direction and Supportive | | | | | | | |
| Services | \$ 1,050,421 | \$ 1,101,833 | \$ 1,114,374 | \$ 1,111,092 | \$ 1,100,713 | \$ 1,101,854 | \$ 1,097,211 |
| Protection of Persons | | | | | | | |
| and Property | 5,146,466 | 5,726,624 | 6,079,409 | 6,185,481 | 6,248,538 | 6,307,480 | 6,359,384 |
| Education | 17,961,464 | 19,365,862 | 20,292,061 | 20,464,705 | 20,614,096 | 20,743,716 | 20,874,373 |
| Health and Human | | | | | | | |
| Services | 18,551,613 | 19,728,878 | 21,727,355 | 22,102,704 | 22,423,478 | 22,749,264 | 23,085,310 |
| Economic Development... | 525,484 | 586,511 | 526,330 | 472,715 | 470,578 | 470,849 | 471,229 |
| Transportation..... | 162,600 | 1,600 | 1,600 | 2,000 | 2,000 | 2,000 | 2,000 |
| Recreation and Cultural | | | | | | | |
| Enrichment..... | 265,710 | 293,023 | 316,262 | 328,011 | 327,011 | 328,011 | 329,011 |
| Debt Service | 1,201,040 | 1,100,040 | 1,417,040 | 1,491,650 | 1,560,276 | 1,645,359 | 1,753,812 |
| GENERAL FUND TOTAL | \$ 44,864,798 | \$ 47,904,371 | \$ 51,474,431 | \$ 52,158,358 | \$ 52,746,690 | \$ 53,348,533 | \$ 53,972,330 |

General Fund

2025-26



Income

(Dollar Amounts in Thousands)

| | |
|-------------------|---------------------|
| TOTAL INCOME | \$48,382,500 |
| Refunds | (1,758,000) |
| Beginning Balance | 2,893,876 |
| Lapses | 350,000 |
| TOTAL | \$49,868,376 |

| | | |
|-------------------|--------------|-------|
| Personal Income | \$19,635,100 | 40.6% |
| Consumption | \$16,042,000 | 33.2% |
| Corporation Taxes | \$7,962,000 | 16.5% |
| Other Taxes | \$2,643,600 | 5.4% |
| Nontax Revenue | \$2,099,800 | 4.3% |

Outgo

(Dollar Amounts in Thousands)

| | |
|----------------------|---------------------|
| TOTAL OUTGO | \$51,474,431 |
| Budget Stabilization | |
| Reserve Fund | (1,606,055) |
| TOTAL | \$49,868,376 |



| | | |
|------------------------------------|--------------|-------|
| Health and Human Services | \$21,727,355 | 42.2% |
| Education | \$20,292,061 | 39.4% |
| Protection of Persons and Property | \$6,079,409 | 11.8% |
| Debt Service | \$1,417,040 | 2.8% |
| Direction and Supportive Services | \$1,114,374 | 2.2% |
| Economic Development | \$526,330 | 1.0% |
| Other Programs | \$317,862 | 0.6% |

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

2025-26

Grants and Subsidies 78.4¢



General Government 10.1¢

Institutional 8.7¢

Debt Service 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)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---------------------------------------|---------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Beginning Balance | \$ 8,084,871 | \$ 6,632,089 | \$ 2,893,876 | \$ - | \$ - | \$ - | \$ - |
| Adjustment to Beginning Balance | 75,000 | 74,000 | - | - | - | - | - |
| Adjusted Beginning Balance | \$ 8,159,871 | \$ 6,706,089 | \$ 2,893,876 | \$ - | \$ - | \$ - | \$ - |
| Revenue: | | | | | | | |
| Corporation Taxes | \$ 8,032,086 | \$ 7,703,600 | \$ 7,962,000 | \$ 8,604,000 | \$ 8,100,000 | \$ 7,414,900 | \$ 6,774,300 |
| Consumption Taxes | 15,540,485 | 15,762,900 | 16,042,000 | 16,683,100 | 17,260,600 | 17,854,700 | 18,391,600 |
| Other Taxes | 20,292,198 | 21,229,100 | 22,278,700 | 23,374,600 | 24,352,600 | 25,505,500 | 26,638,500 |
| Nontax Revenue | 1,608,720 | 1,354,700 | 2,099,800 | 2,550,300 | 2,591,500 | 2,748,100 | 2,899,900 |
| Total Revenue Receipts | \$ 45,473,489 | \$ 46,050,300 | \$ 48,382,500 | \$ 51,212,000 | \$ 52,304,700 | \$ 53,523,200 | \$ 54,704,300 |
| COVID-19 Enhanced FMAP | 525,966 | - | - | - | - | - | - |
| Refunds | (1,986,600) | (1,986,600) | (1,758,000) | (1,758,000) | (1,758,000) | (1,758,000) | (1,758,000) |
| Total Revenue | \$ 44,012,855 | \$ 44,063,700 | \$ 46,624,500 | \$ 49,454,000 | \$ 50,546,700 | \$ 51,765,200 | \$ 52,946,300 |
| Prior Year Lapses | 587,026 | 350,000 | 350,000 | 350,000 | 350,000 | 350,000 | 350,000 |
| Funds Available | \$ 52,759,752 | \$ 51,119,789 | \$ 49,868,376 | \$ 49,804,000 | \$ 50,896,700 | \$ 52,115,200 | \$ 53,296,300 |
| Expenditures: | | | | | | | |
| Appropriations | \$ 44,763,115 | \$ 47,590,774 | \$ 51,451,482 | \$ 52,140,231 | \$ 52,727,988 | \$ 53,329,261 | \$ 53,952,882 |
| Executive Authorizations | 101,683 | 83,200 | 22,949 | 18,127 | 18,702 | 19,272 | 19,448 |
| Proposed Supplementals | - | 230,397 | - | - | - | - | - |
| COVID-19 Enhanced FMAP | 525,966 | - | - | - | - | - | - |
| Total Expenditures | \$ 45,390,764 | \$ 47,904,371 | \$ 51,474,431 | \$ 52,158,358 | \$ 52,746,690 | \$ 53,348,533 | \$ 53,972,330 |
| Preliminary Balance | \$ 7,368,988 | \$ 3,215,418 | \$ (1,606,055) | \$ (2,354,358) | \$ (1,849,990) | \$ (1,233,333) | \$ (676,030) |
| Transfer-Budget Stabilization | | | | | | | |
| Reserve Fund | (736,899) | (321,542) | 1,606,055 | 2,354,358 | 1,849,990 | 1,233,333 | 676,030 |
| Ending Balance | \$ 6,632,089 | \$ 2,893,876 | \$ - | \$ - | \$ - | \$ - | \$ - |

Notes on Financial Statement

(Dollar Amounts in Thousands)

PROPOSED TAX AND REVENUE MODIFICATIONS

| | 2025-26 Estimated |
|--|----------------------|
| Tax Revenue: | |
| Adult Use Cannabis Tax | \$ 536,500 |
| A tax of 20 percent on the wholesale price of products sold through the regulated framework of the production and sales system, once legalized. Estimates assume sales commence January 1, 2026, with initial revenues realized in 2025-26. All taxes are deposited in the General Fund. Licenses and fees are deposited in a restricted account in the General Fund to first fund the following appropriations: \$10 million to the Commission on Crime and Delinquency for restorative justice; \$15 million to the Department of Agriculture for operations; \$25 million to the Department of Agriculture for a revolving loan fund; \$2.25 million to State Police for enforcement and expungement; and \$1.5 million to the Department of Revenue for administration. The remaining license and fee revenue is deposited in the General Fund. The 2025-26 budget includes \$15.6 million from the adult use cannabis tax; \$11.4 million from the sales and use tax on retail sales of cannabis; and \$509.5 million from license fees. | |
| Video Gaming Terminal Tax | \$ 368,900 |
| An expanded Video Gaming Terminal (VGT) tax to include gaming machines that involve an element of skill, which would also be regulated by the Pennsylvania Gaming Control Board. Like existing VGTs, skill games would be taxed at 52 percent of Gross Terminal Revenue (GTR) with revenue deposited into the Video Gaming Fund and transferred as described below. License, application, and renewal fees are deposited into the General Fund. This budget proposes regulating currently unlicensed skill games under the existing VGT tax structure starting July 1, 2025. While the overall VGT tax rate remains 52 percent, this budget proposes a modification of the individual components of the assessments and distribution of the revenues. The tax on all machines consists of two assessments, an assessment of 5 percent of GTR will be transferred to the Lottery Fund, and an assessment of 47 percent of GTR will be transferred to the General Fund after paying a fixed annual payment for local share assessment and a transfer to the Compulsive and Problem Gambling Treatment Fund. Estimates assume a partial year of revenue in 2025-26. The 2025-26 General Fund budget includes \$334.6 million from the transfer of VGT tax on skill games and \$34.3 million from skill games license fees. Revenues from this proposal are shown in Nontax Revenue. The transfer of VGT tax, like other transfers, appears in the Miscellaneous category, while license fees are shown as part of Licenses and Fees. | |
| Corporate Net Income Tax | \$ 264,000 |
| An acceleration of rate reductions from 0.5 to 0.75 percent per year, starting January 1, 2026. In addition, the tax system will be modernized by adopting uniform filing requirements while adding financial institutions to the tax base beginning January 1, 2026. Proposed accelerated rate cuts are: 2026 to 7.24%; 2027 to 6.49%; 2028 to 5.74%; and 2029 to 4.99%. | |
| Financial Institutions Tax | \$ 97,100 |
| An elimination of the bank and trust company shares tax, mutual thrift institution tax, and private bank tax and subjecting these companies to corporate net income tax as proposed beginning January 1, 2026. | |
| Minimum Wage | \$ 51,500 |
| An increase in the minimum wage from \$7.25 to \$15.00 per hour for non-tipped workers and \$9.00 per hour for tipped workers is proposed. Estimates assume an effective date of January 1, 2026. Personal income tax effect: \$20.9 million; sales and use tax effect: \$30.6 million. | |
| Transfer to Public Transportation Trust Fund | \$ (292,500) |
| A new transfer to aid in the operations of the Public Transportation Trust Fund equal to 1.75 percent of total sales and use tax revenues collected, beginning July 1, 2025. | |
| 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 | \$ (10,000) |
| A transfer of funds from the personal income tax to the Environmental Stewardship Fund for Growing Greener debt service payments is proposed. | |
| Net Impact of Changes to Tax Credit Programs (net fiscal impact expected in 2025-26) | \$ 2,900 |
| TOTAL PROPOSED TAX AND REVENUE MODIFICATIONS | \$ 903,100 |

*Notes on Financial Statements, continued***PROPOSED TAX AND REVENUE MODIFICATIONS*****Tax Credits:***

This budget proposes a repurposing and reform of the following tax credit programs, effective 2025-26:

Reliable Energy Investment Tax Credit

A new tax credit created to incentivize investment in reliable energy with a cap of \$100 million.

Regional Clean Hydrogen Hubs Tax Credit

Proposed program change to decrease the program cap from \$50 million to \$49 million beginning in 2025-26, and permit up to seven programs to receive up to \$7 million each.

AdvancePA

A new flexible tax credit created to encourage employment related to economic development programs. Credits will be based on taxable wages paid. Annual cap of \$10 million.

Elimination of the following tax credits beginning in 2025-26:

Manufacturing Tax Credit

Local Resource Manufacturing Tax Credit

Video Game Development Tax Credit

Waterfront Development Tax Credit

Transfers:

This budget proposes a change to the Transfer to Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund

An increase in the program cap from \$100 million to \$110 million beginning in 2028-29.

Notes on Financial Statement
 (Dollar Amounts in Thousands)
PROPOSED SUPPLEMENTAL APPROPRIATIONS

| | 2024-25 Available |
|---|----------------------|
| STATE SUPPLEMENTAL APPROPRIATIONS | |
| Treasury | |
| General Obligation Debt Service | \$ (37,000) |
| Education | |
| Early Intervention | \$ 16,297 |
| Emergency Management Agency | |
| General Government Operations | \$ (1,156) |
| State Fire Commissioner | 1,156 |
| Emergency Management Agency Total | <u>\$ -</u> |
| Human Services | |
| Medical Assistance-Capitation | \$ 22,093 |
| Medical Assistance-Fee-for-Service | 37,662 |
| Payment to Federal Government-Medicare Drug Program | (77,518) |
| Medical Assistance-Workers with Disabilities | 3,311 |
| Medical Assistance-Critical Access Hospitals | (7,943) |
| Children's Health Insurance Program | (8,227) |
| Medical Assistance-Long-Term Living | 23,077 |
| Medical Assistance-Community HealthChoices | 271,337 |
| Long-Term Care Managed Care | (3,392) |
| Early Intervention | (9,425) |
| Human Services Total | <u>\$ 250,975</u> |
| Military and Veterans Affairs | |
| Education of Veterans Children | \$ 125 |
| TOTAL STATE SUPPLEMENTAL APPROPRIATIONS | <u>\$ 230,397</u> |

Notes on Financial Statement
(Dollar Amounts in Thousands)
PROPOSED SUPPLEMENTAL APPROPRIATIONS

2024-25
Available

FEDERAL SUPPLEMENTAL APPROPRIATIONS

Drug and Alcohol Programs

SUPTRSBG-Administration and Operation..... \$ 1,000

Human Services

Summer EBT..... \$ 151,800

Medical Assistance-Capitation (1,000,000)

Medical Assistance-Fee-for-Service..... 14,155

Medical Assistance-Workers with Disabilities 5,284

Medical Assistance-Transportation 11,314

Medical Assistance-Long-Term Living 27,168

Medical Assistance-Community HealthChoices..... 267,342

CCDFBG-Child Care Services (49,277)

Human Services Total..... \$ (572,214)

Military and Veterans Affairs

Suicide Mortality Review \$ 600

TOTAL FEDERAL SUPPLEMENTAL APPROPRIATIONS..... \$ (570,614)

TOTAL SUPPLEMENTAL APPROPRIATIONS..... \$ (340,217)

Adjustments to Revenue Estimate

On July 11, 2024, the Official Estimate for fiscal year 2024-25 was certified to be \$46,087,400,000 in accordance with existing statutes, including Acts 54, 55, and 56 of 2024. 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) | | |
|--|---------------------------------|---------------------|--------------------------------|
| | 2024-25 Official Estimate | Adjustments | 2024-25 Revised Estimate |
| TAX REVENUE | | | |
| Corporation Taxes | | | |
| Corporate Net Income Tax | \$ 5,354,900 | \$ 105,600 | \$ 5,460,500 |
| Selective Business: | | | |
| Gross Receipts Tax | 1,321,200 | 2,100 | 1,323,300 |
| Public Utility Realty Tax | 44,500 | 1,800 | 46,300 |
| Insurance Premiums Tax | 539,200 | 1,100 | 540,300 |
| Financial Institutions Taxes | 330,500 | 2,700 | 333,200 |
| Total — Corporation Taxes | \$ 7,590,300 | \$ 113,300 | \$ 7,703,600 |
| Consumption Taxes | | | |
| Sales and Use Tax | \$ 14,535,600 | \$ 34,700 | \$ 14,570,300 |
| Cigarette Tax | 610,900 | (40,200) | 570,700 |
| Other Tobacco Products Tax | 139,700 | 1,400 | 141,100 |
| Malt Beverage Tax | 19,900 | 300 | 20,200 |
| Liquor Tax | 464,700 | (4,100) | 460,600 |
| Adult Use Cannabis | - | - | - |
| Total — Consumption Taxes | \$ 15,770,800 | \$ (7,900) | \$ 15,762,900 |
| Other Taxes | | | |
| Personal Income Tax | \$ 18,770,300 | \$ (93,100) | \$ 18,677,200 |
| Realty Transfer Tax | 581,200 | 12,400 | 593,600 |
| Inheritance Tax | 1,706,800 | (46,000) | 1,660,800 |
| Gaming Taxes | 375,500 | 14,200 | 389,700 |
| Minor and Repealed Taxes | (94,000) | 1,800 | (92,200) |
| Total — Other Taxes | \$ 21,339,800 | \$ (110,700) | \$ 21,229,100 |
| TOTAL TAX REVENUE | \$ 44,700,900 | \$ (5,300) | \$ 44,695,600 |
| NONTAX REVENUE | | | |
| State Stores Fund Transfer | \$ 185,100 | \$ - | \$ 185,100 |
| Licenses, Fees, and Miscellaneous: | | | |
| Licenses and Fees | 160,200 | (100) | 160,100 |
| Miscellaneous | 975,400 | (32,400) | 943,000 |
| Fines, Penalties, and Interest | 65,800 | 700 | 66,500 |
| TOTAL NONTAX REVENUE | \$ 1,386,500 | \$ (31,800) | \$ 1,354,700 |
| GENERAL FUND TOTAL | \$ 46,087,400 | \$ (37,100) | \$ 46,050,300 |

General Fund Revenue Summary

Seven Year Summary of Revenues

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

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Actual | Estimated | Budget | Estimated | Estimated | Estimated | Estimated |
| TAX REVENUE | | | | | | | |
| Corporation Taxes | | | | | | | |
| Corporate Net Income Tax | \$ 5,651,453 | \$ 5,460,500 | \$ 5,635,500 | \$ 6,471,300 | \$ 5,985,500 | \$ 5,235,400 | \$ 4,529,200 |
| Selective Business: | | | | | | | |
| Gross Receipts Tax | 1,389,225 | 1,323,300 | 1,367,000 | 1,431,900 | 1,461,100 | 1,507,900 | 1,553,800 |
| Public Utility Realty Tax | 44,054 | 46,300 | 46,900 | 47,500 | 48,100 | 48,700 | 49,400 |
| Insurance Premiums Tax | 546,774 | 540,300 | 551,100 | 579,600 | 602,900 | 622,900 | 641,900 |
| Financial Institutions Taxes | 400,581 | 333,200 | 361,500 | 73,700 | 2,400 | - | - |
| Total - Corporation Taxes | \$ 8,032,086 | \$ 7,703,600 | \$ 7,962,000 | \$ 8,604,000 | \$ 8,100,000 | \$ 7,414,900 | \$ 6,774,300 |
| Consumption Taxes | | | | | | | |
| Sales and Use Tax | \$ 14,255,907 | \$ 14,570,300 | \$ 14,871,000 | \$ 15,501,600 | \$ 16,048,100 | \$ 16,623,100 | \$ 17,194,500 |
| Cigarette Tax | 668,010 | 570,700 | 520,100 | 469,000 | 417,200 | 364,900 | 311,800 |
| Other Tobacco Products Tax | 146,432 | 141,100 | 140,600 | 141,000 | 142,200 | 143,900 | 146,100 |
| Malt Beverage Tax | 21,381 | 20,200 | 19,800 | 19,200 | 19,000 | 18,800 | 18,600 |
| Liquor Tax | 448,755 | 460,600 | 474,900 | 489,300 | 503,800 | 518,500 | 533,400 |
| Adult Use Cannabis Tax | - | - | 15,600 | 63,000 | 130,300 | 185,500 | 187,200 |
| Total - Consumption Taxes | \$ 15,540,485 | \$ 15,762,900 | \$ 16,042,000 | \$ 16,683,100 | \$ 17,260,600 | \$ 17,854,700 | \$ 18,391,600 |
| Other Taxes | | | | | | | |
| Personal Income Tax | \$ 17,856,822 | \$ 18,677,200 | \$ 19,635,100 | \$ 20,596,300 | \$ 21,464,600 | \$ 22,514,100 | \$ 23,555,900 |
| Realty Transfer Tax | 530,750 | 593,600 | 710,300 | 811,900 | 876,800 | 939,900 | 1,001,800 |
| Inheritance Tax | 1,635,952 | 1,660,800 | 1,628,700 | 1,670,900 | 1,722,000 | 1,763,900 | 1,794,800 |
| Gaming Taxes | 360,492 | 389,700 | 402,700 | 416,100 | 428,800 | 442,600 | 456,800 |
| Minor and Repealed Taxes | (91,819) | (92,200) | (98,100) | (120,600) | (139,600) | (155,000) | (170,800) |
| Total - Other Taxes | \$ 20,292,197 | \$ 21,229,100 | \$ 22,278,700 | \$ 23,374,600 | \$ 24,352,600 | \$ 25,505,500 | \$ 26,638,500 |
| TOTAL TAX REVENUE | \$ 43,864,769 | \$ 44,695,600 | \$ 46,282,700 | \$ 48,661,700 | \$ 49,713,200 | \$ 50,775,100 | \$ 51,804,400 |
| 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 | 169,986 | 160,100 | 713,300 | 177,000 | 183,200 | 189,400 | 189,400 |
| Miscellaneous | 1,168,552 | 924,600 | 778,700 | 619,300 | 506,600 | 503,800 | 497,000 |
| Video Game Terminal Tax Transfer | 17,833 | 18,400 | 354,100 | 1,500,300 | 1,648,000 | 1,801,200 | 1,959,800 |
| Fines, Penalties, and Interest | 67,250 | 66,500 | 68,600 | 68,600 | 68,600 | 68,600 | 68,600 |
| TOTAL NONTAX REVENUE | \$ 1,608,720 | \$ 1,354,700 | \$ 2,099,800 | \$ 2,550,300 | \$ 2,591,500 | \$ 2,748,100 | \$ 2,899,900 |
| GENERAL FUND TOTAL | \$ 45,473,489 | \$ 46,050,300 | \$ 48,382,500 | \$ 51,212,000 | \$ 52,304,700 | \$ 53,523,200 | \$ 54,704,300 |

General Fund Revenue Sources

This section briefly describes the tax and non-tax state revenue sources for the General Fund. For 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 corporations for the privilege of doing business, carrying on activities, or employing or owning capital or property in Pennsylvania. It is levied on federal taxable income with Pennsylvania modifications. If the business of the corporation is not transacted entirely within Pennsylvania, taxable income is usually determined by a single sales factor apportionment formula.

Tax Rate: The current tax rate of 7.99 percent has been in effect since January 1, 2025. In the tax year that began January 1, 2024, the rate was 8.49 percent, while the tax rate beginning January 1, 2023 was 8.99 percent. Prior to that, the tax rate had been 9.99 percent since 1995. The following rate reduction schedule applies going forward:

| | |
|-----------------------|--------------|
| January 1, 2026 | 7.49 percent |
| January 1, 2027 | 6.99 percent |
| January 1, 2028 | 6.49 percent |
| January 1, 2029 | 5.99 percent |
| January 1, 2030 | 5.49 percent |
| January 1, 2031 | 4.99 percent |

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

Proposed Change: This budget proposes accelerating rate reductions from 0.5 to 0.75 percent per year, starting January 1, 2026 and reaching 4.99 percent by 2029. In addition, the tax system will be modernized by adopting uniform filing requirements while adding financial institutions to the tax base beginning January 1, 2026.

Gross Receipts Tax

Tax Base: The tax is levied on the gross receipts from business transacted within Pennsylvania by specified companies owned, operated, or leased by corporations, associations, or individuals. 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 oil transportation companies.

Tax Rate: 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.

Transfers: Alternative Fuels Incentive Grant Fund 0.25 mills

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

Public Utility Realty Tax

Tax Base: This tax is levied on the state taxable value of the property owned by utilities furnishing utility service and regulated by the Pennsylvania Public Utility Commission or similar regulatory body. The state taxable value is defined as the current market value of utility realty.

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 paid by domestic and foreign insurance companies for the privilege of doing business in the Commonwealth. The tax is levied on premiums, premium deposits, or assessments received in the course of doing business in the Commonwealth. | |
| Tax Rate: | 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. | |
| Transfers: | Fire Insurance Tax Fund..... | The greater of \$85 million or 8.5 percent |
| | Municipal Pension Aid Fund | The greater of \$345 million or 38 percent |
| Reference: | Purdon's Title 72 P.S. §7901 — §7906 | |

Financial Institutions Tax

| | | |
|-------------------------|--|--|
| Tax Base: | The various classes of financial institutions are subject to three different taxes. The bank and trust company shares tax is levied on the value of total bank equity capital. Title Insurance companies pay a tax on their capital stock, while mutual thrift institutions are taxed on their net income. | |
| Tax Rate: | 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 11.5 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. | |
| Proposed Change: | Beginning January 1, 2026, this budget proposes eliminating the bank and trust company shares tax, mutual thrift institution tax, and private bank tax and subjecting these companies to corporate net income 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 occupancy of hotel rooms is imposed as part of the sales and use tax law. | |
| Tax Rate: | A bracket system based on 6 percent of purchase price for sales and use tax and 6 percent of rent for hotel occupancy tax. The current rate was enacted in 1968. | |
| Transfers: | Public Transportation Assistance Fund | 0.947 percent of revenues |
| | Public Transportation Trust Fund | 4.4 percent of revenues |
| | | An additional transfer occurs which approximates 3.28 percent of revenues |
| | Commonwealth Financing Authority..... | Amount necessary for principal and interest obligations |
| | Transit Revitalization Investment District Fund | \$0.7 million annually |
| Reference: | Purdon's Title 72 P.S. §7201 et seq. | |
| Proposed Change: | This budget proposes a new transfer to aid in the operations of the Public Transportation Trust Fund equal to 1.75 percent of total sales and use tax revenues collected, beginning July 1, 2025. | |

Cigarette Tax

| | |
|-------------------|--|
| Tax Base: | This tax is an excise tax on the sale or possession of cigarettes and little cigars weighing less than 4 pounds per 1,000 sticks in Pennsylvania. |
| Tax Rate: | The current tax rate of 13 cents per cigarette has been in effect since August 2016. |
| Transfers: | Children's Health Insurance Program..... Approximately \$30.7 million annually Agricultural Conservation Easement Purchase Fund.. Approximately \$25.5 million annually Local Cigarette Tax Fund See below Tobacco Settlement Fund..... \$115.3 million annually (must be reauthorized annually) for tobacco revenue bond service |
| | The Local Cigarette Tax Fund transfer will occur if prior year deposits into the Local Cigarette Tax Fund fall below \$58 million. The transfer is equal to the difference between \$58 million and the prior year deposits into the fund. |
| 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 e-cigarette, and any other tobacco products for chewing, ingesting, or smoking, except cigars. |
| Tax Rate: | 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 assessed by volume on malt or brewed beverages sold to consumers in Pennsylvania. The tax is borne by the consumer, but manufacturers, distributors, and importers remit the tax to the Commonwealth. |
| Tax Rate: | The tax rate is two-thirds of a cent per half pint or fraction thereof, and in larger quantities at the rate of one cent per pint or fraction thereof. These rates have remained unchanged since 1947. |
| Reference: | Purdon's Title 72 P.S. §9001 et seq. |

Liquor Tax

| | |
|-------------------|---|
| Tax Base: | This is a consumption tax on the sale of liquor by the Commonwealth. The distribution of liquor is a state enterprise under the auspices of the Pennsylvania Liquor Control Board (PLCB). All liquors sold by the PLCB 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. |
| Reference: | Purdon's Title 72 P.S. §794 — §796 |

Adult Use Cannabis Tax

- Tax Base:** This budget proposes an adult use cannabis tax that would be imposed on the retail price of products sold through the regulated framework of the production and sales system, once legalized. Estimates assume sales would commence January 1, 2026. All taxes are deposited in the General Fund.
- Tax Rate:** The proposed rate is 20 percent of the wholesale price of cannabis products sold through the regulated framework.
- Proposed Change:** This is a newly proposed tax.

Personal Income Tax

- Tax Base:** 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. This is a tax on eight classes of personal income taxable by the Commonwealth: compensation, net profits, interest, dividends, income from the disposition of property, rents and royalties, gambling and lottery winnings including cash prizes of the Pennsylvania Lottery, and income from estates and trusts. Various credits, exclusions, and deductions are available to reduce tax liability.
- Tax Rate:** The current tax rate of 3.07 percent has been in effect since 2004.
- Transfers:**
- | | |
|---|---|
| Environmental Stewardship Fund..... | \$9.9 million in 2024-25; reauthorized annually |
| Farm Show Complex Restricted Revenue Account | Approximately \$13.3 million annually |
| Election Integrity Restricted Account..... | \$45 million annually |
| Clean Streams Fund..... | \$50 million annually |
- 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.
- Tax Rate:** The current tax rate is 1 percent of the value of the property transferred.
- Transfers:**
- | | |
|--|--|
| Keystone Recreation, Park and Conservation Fund ... | 15 percent of prior month's receipts |
| Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund | \$70 million in 2024-25 and increasing by \$10 million per fiscal year until reaching \$100 million in 2027-28 |
- Reference:** Purdon's Title 72 P.S. §8101-C — §8113-C
- Proposed Change:** This budget proposes to increase the transfer to the Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund to \$110 million per fiscal year beginning in 2028-29.

Inheritance Tax

- Tax Base:** This tax is levied on the value of assets transferred via will or other posthumous transfer of property.
- Tax Rate:** 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 from decedents 21 years of age or younger to parents are taxed at a rate of 0 percent. Transfers to other lineal beneficiaries are taxed at 4.5 percent. Transfers to siblings 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 Games Tax

- Tax Base:** These taxes are levied 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.
- Tax Rate:** The current rate of 14 percent of gross table game revenue has been in place since August 1, 2016. In addition, there is a tax rate of 34 percent of gross table game revenue from table games played on fully automated electronic gaming tables.
- Reference:** Purdon's Title 4 Pa.C.S.A. § 13A62.

Interactive Gaming and Multi-use Gaming Device Taxes

- Tax Base:** The interactive gaming tax is levied on daily gross interactive gaming revenue from peer-to-peer games that simulate tables games. The multi-use gaming device tax is levied on daily gross interactive airport gaming revenue. The tax on games that simulate table games is deposited in the General Fund. The tax on 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 or the multi-use gaming device tax on games simulating table games is 14 percent of gross interactive gaming revenue. The interactive gaming tax or 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 levied on fantasy contest adjusted revenue, which is the total amount of all entry fees minus prizes or awards for each 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 levied on daily revenues received by holders of sports wagering certificates. The tax is applied to total daily cash received, less amounts paid towards prizes. |
| Tax Rate: | The rate is 34 percent of daily gross sports wagering revenue. |
| Transfers: | Sports, Marketing, and Tourism Account Greater of 5 percent of sports wagering tax or \$2.5 million annually. Not to exceed \$5 million. |
| 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 July 11, 2022, P.L. 762 (Purdon's Title 3 Pa.C.S.A. §1112).
- Accelerated deposits, an administrative classification of corporate tax payments used in the department's prior tax system.

Also included in minor and repealed are transfers to the Neighborhood Improvement Zone Fund, as established by Act 50 of 2009, Act 26 of 2011, and Act 87 of 2012; the City Revitalization and Improvement Zone Fund, as established by Act 52 of 2013; and the Military Installation Remediation program, established by Act 101 of 2019.

State Store Funds Transfer

The profits of Pennsylvania liquor stores are transferred by the Pennsylvania Liquor Control Board (PLCB) to the General Fund. The State Stores Fund Transfer is an amount determined by PLCB 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 79 of 1988 (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 transfers from the Video Gaming Fund to the General Fund from the tax on video gaming terminals and skill games as proposed.

Video Gaming Terminal Tax

Tax Base: This budget proposes an expanded Video Gaming Terminal (VGT) tax to include gaming machines that involve an element of skill, which would also be regulated by the Pennsylvania Gaming Control Board. Like existing VGTs, skill games would be taxed at 52 percent of Gross Terminal Revenue (GTR) with revenue initially deposited into the Video Gaming Fund. License, application, and renewal fees are deposited into the General Fund. Estimates assume a partial year of revenue in 2025-26.

Tax Rate: The current and proposed rate for the VGT tax, including skill games, is 52 percent of gross terminal revenue.

Proposed Change: This budget proposes regulating currently unlicensed skill games under the existing VGT tax structure starting July 1, 2025. While the overall VGT tax rate remains 52 percent, this budget proposes a modification of the individual components of the assessments and distribution of the revenues. The tax on all machines consists of two assessments, an assessment of 5 percent of GTR will be transferred to the Lottery Fund, and an assessment of 47 percent of GTR will be transferred to the General Fund after paying a fixed annual payment for local share assessment and a transfer to the Compulsive and Problem Gambling Treatment Fund.

Adult Use Cannabis Fees

Fee Base: This budget proposes license, application, and renewal fees for current medical marijuana dispensaries choosing to expand to adult use cannabis, as well as establishing new licenses for farmers/growers, processors, dispensaries, and micro-businesses. This budget proposes license issuance in seven separate rounds beginning July 1, 2025 until full ramp-up in 2028-29. Revenue from applications, licenses, and fees will be deposited in a restricted account in the General Fund to first fund a number of appropriations. The remaining revenue is deposited in the General Fund.

Fee Rate: This budget proposes license fees of \$25 million for medical marijuana dispensaries with annual renewal fees of \$500,000; \$1,000 for farmers/growers licenses with \$1,000 annual renewal fees; and \$25,000 license fees for growers, processors, dispensaries, and micro-businesses with \$25,000 annual renewal fees.

Proposed Change: This is a newly proposed fee. Estimates assume license and application fees begin in 2025-26, with renewal fees beginning in 2026-27.

Fines, Penalties, and Interest

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

General Fund Revenue Detail

General Fund Revenue Detail

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Estimated | 2025-26 Budget |
|--|-------------------|----------------------|-------------------|
| TAX REVENUE | | | |
| Corporate Net Income Tax | \$ 5,651,453 | \$ 5,460,500 | \$ 5,635,500 |
| Gross Receipts Tax | | | |
| Electric, Hydroelectric, and Water Power | \$ 1,184,393 | \$ 1,146,600 | \$ 1,218,000 |
| Telephone and Telegraph | 209,644 | 180,600 | 153,500 |
| Transportation | 1,116 | 1,600 | 1,600 |
| Alternative Fuel Incentive Grant Fund Transfer | (5,929) | (5,500) | (6,100) |
| SUBTOTAL | \$ 1,389,225 | \$ 1,323,300 | \$ 1,367,000 |
| Public Utility Realty Tax | \$ 44,054 | \$ 46,300 | \$ 46,900 |
| Insurance Premiums Tax | | | |
| Gross Collections | \$ 1,017,628 | \$ 1,010,100 | \$ 1,029,900 |
| Municipal Pension Aid Fund Transfer | (384,969) | (383,900) | (391,300) |
| Fire Insurance Tax Fund Transfer | (85,885) | (85,900) | (87,500) |
| SUBTOTAL | \$ 546,774 | \$ 540,300 | \$ 551,100 |
| Financial Institutions Taxes | | | |
| Federal Mutual Thrift Institutions | \$ 5,408 | \$ 5,800 | \$ - |
| National Banks | 254,282 | 225,500 | 264,300 |
| State Banks | 81,955 | 62,400 | 73,100 |
| State Mutual Thrift Institutions | 33,020 | 18,800 | - |
| Trust Companies | 25,916 | 20,700 | 24,100 |
| SUBTOTAL | \$ 400,581 | \$ 333,200 | \$ 361,500 |
| Sales and Use Tax | | | |
| Motor Vehicle | \$ 1,338,548 | \$ 1,311,800 | \$ 1,317,100 |
| Non-Motor Vehicle | 12,917,359 | 13,258,500 | 13,553,900 |
| SUBTOTAL | \$ 14,255,907 | \$ 14,570,300 | \$ 14,871,000 |
| Cigarette Tax | \$ 668,010 | \$ 570,700 | \$ 520,100 |
| Other Tobacco Products Tax | \$ 146,432 | \$ 141,100 | \$ 140,600 |
| Malt Beverage Tax | \$ 21,381 | \$ 20,200 | \$ 19,800 |
| Liquor Tax | \$ 448,755 | \$ 460,600 | \$ 474,900 |
| Adult Use Cannabis | \$ - | \$ - | \$ 15,600 |

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Estimated | 2025-26 Budget |
|--|----------------------|----------------------|----------------------|
| Personal Income Tax | | | |
| Non-Withholding | \$ 4,655,022 | \$ 4,923,800 | \$ 5,195,800 |
| Withholding | 13,201,800 | 13,753,400 | 14,439,300 |
| SUBTOTAL | \$ 17,856,822 | \$ 18,677,200 | \$ 19,635,100 |
| Realty Transfer Tax | \$ 530,750 | \$ 593,600 | \$ 710,300 |
| Inheritance Tax | | | |
| Nonresident Inheritance and Estate Tax | \$ 17,069 | \$ 15,200 | \$ 14,900 |
| Resident Inheritance and Estate Tax | 1,618,883 | 1,645,600 | 1,613,800 |
| SUBTOTAL | \$ 1,635,952 | \$ 1,660,800 | \$ 1,628,700 |
| Gaming Taxes | \$ 360,492 | \$ 389,700 | \$ 402,700 |
| Minor and Repealed Taxes | | | |
| Corporate Loans Tax | \$ 20 | \$ 100 | \$ 100 |
| Excess Motor Vehicle Tax | 15,425 | 15,700 | 16,000 |
| Wine Excise Tax | 3,154 | 3,200 | 3,300 |
| Tax on Writs, Wills, and Deeds | 893 | 1,100 | 1,100 |
| NIZ State Tax Transfer | (73,651) | (78,400) | (82,000) |
| CRIZ State Tax Transfer | (16,989) | (15,200) | (17,000) |
| MIRP State Tax Transfer | (21,156) | (21,700) | (22,600) |
| Tavern Games | 1,005 | 1,000 | 1,000 |
| Miscellaneous Business Taxes | 897 | 900 | 900 |
| Fireworks Tax | (1,435) | 200 | 200 |
| Capital Stock and Franchise Taxes | (5) | - | - |
| Other | 24 | 900 | 900 |
| SUBTOTAL | \$ (91,819) | \$ (92,200) | \$ (98,100) |
| TOTAL TAX REVENUE | \$ 43,864,769 | \$ 44,695,600 | \$ 46,282,700 |
| NONTAX REVENUE | | | |
| State Stores Fund Transfer | \$ 185,100 | \$ 185,100 | \$ 185,100 |
| Licenses, Fees, and Miscellaneous | | | |
| Executive Offices | | | |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | \$ 3,542 | \$ 3,542 | \$ 3,542 |
| Interest Transferred to Employee Benefits | (29,298) | (29,298) | (29,298) |
| DEPARTMENT TOTAL | \$ (25,756) | \$ (25,756) | \$ (25,756) |
| Auditor General | | | |
| LICENSES AND FEES | | | |
| Filing Fees - Board of Arbitration of Claims | \$ 1 | \$ 1 | \$ 1 |
| DEPARTMENT TOTAL | \$ 1 | \$ 1 | \$ 1 |

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Estimated | 2025-26 Budget |
|--|---------------------|----------------------|-------------------|
| Attorney General | | | |
| MISCELLANEOUS REVENUE | | | |
| Assessed Civil Penalties Payments | \$ 1,035 | \$ 800 | \$ 800 |
| Miscellaneous..... | (948) | (985) | (985) |
| DEPARTMENT TOTAL | <u>\$ 87</u> | <u>\$ (185)</u> | <u>\$ (185)</u> |
| Treasury | | | |
| MISCELLANEOUS REVENUE | | | |
| Allocation Of Treasury Costs..... | \$ 5,566 | \$ 4,755 | \$ 4,956 |
| Dividend Income Reinvested - Long Term..... | - | 1 | 1 |
| Interest On Average Collected Balance - WIC Program | - | 5 | 5 |
| Interest On Deposits..... | (3,297) | 10 | 10 |
| Interest On Securities..... | (365) | 10 | 10 |
| Miscellaneous..... | 146 | 149 | 152 |
| Redeposit of Checks | 3 | 50 | 50 |
| Treasury Investment Income..... | 776,915 | 543,916 | 428,190 |
| Unclaimed Property - Claim Payments | (230,000) | (246,000) | (250,920) |
| Unclaimed Property - Other Holder Deposits | 539,875 | 565,000 | 570,650 |
| Interest Transferred to Hodge Trust Fund..... | (7) | - | - |
| DEPARTMENT TOTAL | <u>\$ 1,088,836</u> | <u>\$ 867,896</u> | <u>\$ 753,104</u> |
| Agriculture | | | |
| LICENSES AND FEES | | | |
| Abattoir Licenses..... | \$ 2 | \$ 4 | \$ 2 |
| Approved Inspectors Certificate and Registration Fees..... | 3 | 3 | 3 |
| Eating & Drinking Licenses | 2,327 | 2,500 | 2,500 |
| Egg Certification Fees | 7 | 12 | 11 |
| Garbage Feeders' Licenses | - | * | * |
| Ice Cream Licenses..... | 32 | 35 | 35 |
| Lab Directors' Exam Fees | 5 | 2 | 2 |
| Livestock Branding Fees | 1 | 1 | 1 |
| Poultry Technician Licenses..... | 5 | 5 | 1 |
| Pub Weighmasters (Under Act 155) | 276 | 280 | 280 |
| Registration Fee - Food Establishment..... | 259 | 250 | 250 |
| Rendering Plant Licenses | 3 | 3 | 3 |
| SUBTOTAL | <u>\$ 2,921</u> | <u>\$ 3,096</u> | <u>\$ 3,089</u> |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous..... | \$ (651) | \$ (245) | \$ (245) |
| DEPARTMENT TOTAL | <u>\$ 2,270</u> | <u>\$ 2,851</u> | <u>\$ 2,844</u> |

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Estimated | 2025-26 Budget |
|---|-------------------|----------------------|-------------------|
| Banking and Securities | | | |
| LICENSES AND FEES | | | |
| Licenses and Fees | \$ 33,032 | \$ 34,331 | \$ 34,331 |
| DEPARTMENT TOTAL | <u>\$ 33,032</u> | <u>\$ 34,331</u> | <u>\$ 34,331</u> |
| Community and Economic Development | | | |
| LICENSES AND FEES | | | |
| Municipal Indebtedness Fees..... | \$ 138 | \$ 140 | \$ 140 |
| MISCELLANEOUS REVENUE | | | |
| Contract Interest..... | \$ 247 | \$ 20 | \$ 2 |
| Business Infrastructure Development (BID) Principal Repayments..... | 74 | 75 | 65 |
| BID Interest on Loans Per Act 105 of 1984..... | 9 | * | * |
| PENNWORKS Interest on Loans | 345 | 275 | 215 |
| PENNWORKS Penalty Charges | * | * | * |
| PENNWORKS Principal Repayment..... | 4,071 | 3,500 | 3,000 |
| GENERAL Interest on Loans | 2 | 2 | 2 |
| General Principal Repayments | 30 | 30 | 30 |
| SUBTOTAL | <u>\$ 4,779</u> | <u>\$ 3,902</u> | <u>\$ 3,314</u> |
| DEPARTMENT TOTAL | <u>\$ 4,917</u> | <u>\$ 4,042</u> | <u>\$ 3,454</u> |
| Conservation and Natural Resources | | | |
| MISCELLANEOUS REVENUE | | | |
| Camp Leases | \$ 756 | \$ 790 | \$ 800 |
| Ground Rents | 19 | 19 | 19 |
| Housing Rents..... | 19 | 23 | 19 |
| Mineral Sales..... | 1 | 1 | 1 |
| Miscellaneous..... | (8) | 2 | - |
| Sale of DEP Water Kits | * | * | * |
| Parks Consignment Sales | - | * | - |
| Rights-Of-Way..... | 1,118 | 1,000 | 1,174 |
| Water Leases | 27 | 23 | 27 |
| DEPARTMENT TOTAL | <u>\$ 1,933</u> | <u>\$ 1,858</u> | <u>\$ 2,040</u> |

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Estimated | 2025-26 Budget |
|--|-------------------|----------------------|-------------------|
| Corrections | | | |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous..... | \$ 4 | \$ - | \$ - |
| Telephone Commissions..... | 3,675 | 3,700 | 3,700 |
| DEPARTMENT TOTAL | <u>\$ 3,679</u> | <u>\$ 3,700</u> | <u>\$ 3,700</u> |
| Education | | | |
| LICENSES AND FEES | | | |
| Fees For Licensing Private Schools..... | \$ 95 | \$ 95 | \$ 95 |
| Private Academic School Teacher Certification Fees | 58 | 53 | 54 |
| Fees For Licensing Private Driver Training Schools | 69 | 69 | 71 |
| Fees Transcripts/Closed Private Schools | * | * | * |
| Secondary Education Evaluation Fees | 24 | 23 | 23 |
| Teacher Certification Fees | 2,641 | 2,620 | 2,620 |
| Fingerprint and FBI Background Check Fees | 722 | 575 | 575 |
| DEPARTMENT TOTAL | <u>\$ 3,608</u> | <u>\$ 3,435</u> | <u>\$ 3,438</u> |
| Environmental Protection | | | |
| LICENSES AND FEES | | | |
| Certification of PA Shot Firers for Mine Blasting | \$ 5 | \$ 13 | \$ 13 |
| Mining Program Blasters' Examination and Licensing Fees | 19 | 18 | 18 |
| Explosives Storage Permit Fees | 73 | 72 | 72 |
| Government Financed Cost Contracts | 48 | 37 | 37 |
| Hazardous Waste Facility Annual Permit Administration Fees | 21 | 24 | 24 |
| Hazardous Waste Facility Permit Application Fees | 123 | 111 | 111 |
| Hazardous Waste Storage Disposal Facilities Fee | * | 28 | 28 |
| Hazardous Waste Transporter License and Fees..... | 53 | 51 | 51 |
| Infectious & Chemical Waste Transport Fees | 12 | 11 | 11 |
| Municipal Waste Annual Permit Administration Fees | 258 | 255 | 255 |
| Municipal Waste Permit Application Fees | 88 | 97 | 97 |
| Residual Waste Permit Administration Fees | 219 | 227 | 227 |
| Residual Waste Permit Application/Modification Fees | 81 | 77 | 77 |
| Sewage Permit Fees | 291 | 358 | 358 |
| Submerged Land Fees..... | 33 | 42 | 42 |
| Water Bacteriological Examination Fees | 5 | 5 | 5 |
| Water Power and Supply Permit Fees | 78 | 80 | 80 |
| SUBTOTAL | <u>\$ 1,406</u> | <u>\$ 1,506</u> | <u>\$ 1,506</u> |

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Estimated | 2025-26 Budget |
|---|-------------------|----------------------|-------------------|
| MISCELLANEOUS REVENUE | | | |
| Ground Rentals | \$ 7 | \$ 8 | \$ 8 |
| Miscellaneous..... | 2 | 4 | 4 |
| Payment To Occupy Submerged Lands | (104) | - | - |
| Refunds of Expenditures Not Credited to Appropriations | * | - | - |
| Rights-Of-Way..... | 33 | 33 | 33 |
| Royalties to Recovery of Materials - Schuylkill River | 237 | 138 | 138 |
| SUBTOTAL | \$ 175 | \$ 183 | \$ 183 |
| DEPARTMENT TOTAL | \$ 1,581 | \$ 1,689 | \$ 1,689 |
| Gaming Control Board | | | |
| LICENSES AND FEES | | | |
| VGT License Fees..... | \$ 68 | \$ 200 | \$ 200 |
| VGT Application Fees | 249 | 50 | 50 |
| Fantasy Contest Authorization Fees | 60 | 50 | - |
| Sports Wagering Authorization Fees | 1,902 | 1,260 | 450 |
| Interactive Gaming Authorization Fees | 15,975 | 70 | 260 |
| Ancillary Table Games License Fees..... | 281 | 320 | - |
| Skill Games Fees | - | - | 34,300 |
| SUBTOTAL | \$ 18,534 | \$ 1,950 | \$ 35,260 |
| MISCELLANEOUS REVENUE | | | |
| DEPARTMENT TOTAL | \$ 18,534 | \$ 1,950 | \$ 35,260 |
| General Services | | | |
| MISCELLANEOUS REVENUE | | | |
| Allocation of Purchasing Costs for Commonwealth Property..... | \$ 2,448 | \$ 3,100 | \$ 4,200 |
| Real Estate Services | 375 | 430 | 440 |
| Rental of State Property | 68 | 110 | 120 |
| Right-to-Know..... | - | * | * |
| Sale of State Property | 5,893 | 28,300 | 2,200 |
| Sale of Property Escrow..... | (258) | 105 | 110 |
| Reading State Office Building | 354 | 360 | 370 |
| Scranton State Office Building | 606 | 530 | 540 |
| Rebates to be Distributed..... | 151 | 155 | 160 |
| DEPARTMENT TOTAL | \$ 9,637 | \$ 33,090 | \$ 8,140 |
| Human Services | | | |
| LICENSES AND FEES | | | |
| Miscellaneous..... | \$ 78 | \$ 78 | \$ 78 |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous..... | \$ 1 | \$ 1 | \$ 2 |
| DEPARTMENT TOTAL | \$ 79 | \$ 79 | \$ 80 |

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|------------------|------------------|------------------|
| | Actual | Estimated | Budget |
| Health | | | |
| LICENSES AND FEES | | | |
| Bathing Place Program - Application Fees | \$ 1 | \$ 1 | \$ 1 |
| Birth Certificate Fees | 6,174 | 6,326 | 6,326 |
| Birth Certificate Fees - Transfer | (3,162) | (3,207) | (3,207) |
| Home Care Agency Licensure Fees | 492 | 495 | 495 |
| Hospice Licensing Fees | 10 | 9 | 9 |
| Miscellaneous Licensure Fees | 246 | 242 | 242 |
| Nursing Home Licenses | 307 | 311 | 311 |
| Pediatric Extended Care Licensing Fees | 2 | 3 | 3 |
| Profit Making Hospital Licenses | 188 | 212 | 212 |
| Organized Camps Program Fees | 3 | 3 | 3 |
| Registration Fees - Hearing Aid Act | 104 | 108 | 108 |
| Registration Fees - Drugs, Devices, and Cosmetics Act | 543 | 548 | 548 |
| Vital Statistics Fees | 1,309 | 1,313 | 1,313 |
| Wholesale Prescription Drug Distribution Licenses | 23 | 24 | 24 |
| Milk Bank Licensing Fees | 1 | 1 | 1 |
| SUBTOTAL | \$ 6,242 | \$ 6,390 | \$ 6,390 |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | \$ 20 | \$ 32 | \$ 32 |
| DEPARTMENT TOTAL | \$ 6,262 | \$ 6,423 | \$ 6,423 |
| Insurance | | | |
| LICENSES AND FEES | | | |
| Agents' Licenses | \$ 56,981 | \$ 54,000 | \$ 56,300 |
| Brokers' Licenses | 18,776 | 17,900 | 18,100 |
| Division of Companies Certification - Certificates and Filing Fees | 1,861 | 1,900 | 2,300 |
| Miscellaneous Fees | 535 | 500 | 500 |
| Contra Transfers | (44,386) | (43,150) | (43,600) |
| Valuation of Policies Fees | 10,599 | 10,000 | 10,000 |
| SUBTOTAL | \$ 44,364 | \$ 41,150 | \$ 43,600 |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | \$ 36 | \$ - | \$ - |
| DEPARTMENT TOTAL | \$ 44,400 | \$ 41,150 | \$ 43,600 |

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|------------------|------------------|-------------------|
| | Actual | Estimated | Budget |
| Labor and Industry | | | |
| LICENSES AND FEES | | | |
| Building Accessibility Plan Review and Inspection Fees | \$ 17 | \$ 70 | \$ 72 |
| Approval Of Building Plan Fees | 306 | 1,000 | 1,100 |
| Approval Of Elevator Plan Fees | 1,272 | 2,750 | 2,800 |
| Bedding and Upholstery Fees | 665 | 1,600 | 1,650 |
| Boiler Inspections Fees | 1,911 | 5,500 | 5,550 |
| Boiler Plan Fees | 166 | 400 | 425 |
| Elevator Inspection Fees | 674 | 2,150 | 2,200 |
| Flammable Liquids Storage Fees | 144 | 495 | 500 |
| Industrial Board Variance, Appeal, and Time Extension Fees | 152 | 450 | 480 |
| Liquefied Petroleum Gas Plan Fees | - | 11 | 11 |
| Liquefied Petroleum Gas Registration Fees | 142 | 430 | 435 |
| Stuffed Toys Manufacturers' Registration Fees | 51 | 130 | 135 |
| Uniform Commercial Code Certifications | 47 | 120 | 130 |
| SUBTOTAL | \$ 5,546 | \$ 15,106 | \$ 15,488 |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | \$ 1,197 | \$ - | \$ - |
| DEPARTMENT TOTAL | \$ 6,744 | \$ 15,106 | \$ 15,488 |
| Revenue | | | |
| LICENSES AND FEES | | | |
| Certification and Copy Fees | \$ 4,519 | \$ 80 | \$ 83 |
| Cigarette Permit Fees | 1,572 | 786 | 786 |
| Domestic Violence and Rape Crisis Program Fee | 820 | 753 | 708 |
| Expanded Gaming License Fees Per Act 42 of 2017 | - | - | 2,500 |
| Adult Use Cannabis Fees | - | - | 509,500 |
| SUBTOTAL | \$ 6,911 | \$ 1,619 | \$ 513,577 |
| MISCELLANEOUS REVENUE | | | |
| Exempt Collections Per Act 1992-67 | \$ 17,065 | \$ 14,000 | \$ 15,300 |
| District Justice Costs | 11,781 | 11,433 | 11,086 |
| Act 64 - Contra District Justice Costs | (4,150) | (3,802) | (3,455) |
| Miscellaneous | 136 | (131) | (71) |
| Distribution Due Absentee | 8 | 27 | 27 |
| SUBTOTAL | \$ 24,840 | \$ 21,527 | \$ 22,887 |
| DEPARTMENT TOTAL | \$ 31,750 | \$ 23,146 | \$ 536,464 |

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Estimated | 2025-26 Budget |
|---|---------------------|----------------------|---------------------|
| State | | | |
| LICENSES AND FEES | | | |
| Charities Bureau Registration Fees | \$ 3,569 | \$ 3,641 | \$ 3,714 |
| Commission and Filing Fees - Bureau of Elections | 805 | 817 | 826 |
| Commission and Filing Fees - Corporation Bureau | 41,856 | 45,833 | 50,805 |
| Campaign Finance Fee | 100 | 120 | 100 |
| Notary Public Commission Fees | 862 | 898 | 925 |
| SUBTOTAL | <u>\$ 47,193</u> | <u>\$ 51,309</u> | <u>\$ 56,370</u> |
| MISCELLANEOUS REVENUE | | | |
| Prof. & Occupational Affairs Credit Card Transfer | \$ 826 | \$ - | \$ - |
| Interest Transferred to HAVA Program | (299) | - | - |
| Refunds of Expenditures Not Credited to Appropriations | * | - | - |
| SUBTOTAL | <u>\$ 528</u> | <u>\$ -</u> | <u>\$ -</u> |
| DEPARTMENT TOTAL | <u>\$ 47,720</u> | <u>\$ 51,309</u> | <u>\$ 56,370</u> |
| State Police | | | |
| MISCELLANEOUS REVENUE | | | |
| Act 64 - Contra Miscellaneous Revenue | \$ (786) | \$ - | \$ - |
| Miscellaneous | 173 | 426 | 476 |
| DEPARTMENT TOTAL | <u>\$ (613)</u> | <u>\$ 426</u> | <u>\$ 476</u> |
| Other | | | |
| LICENSES AND FEES | | | |
| Liquor Control Board - Small Games of Chance – License Fees | \$ 12 | \$ * | \$ * |
| MISCELLANEOUS REVENUE | | | |
| Payments in Lieu of Taxes - SWIF | \$ 1,744 | \$ 2,000 | \$ 2,000 |
| Insurance Contra IROF Return | 21,180 | 16,209 | 9,018 |
| Transfers From Special Funds | 54,733 | - | - |
| VGT & Skill Games Tax Transfer | - | 18,400 | 354,100 |
| DEPARTMENT TOTAL | <u>\$ 77,669</u> | <u>\$ 36,609</u> | <u>\$ 365,118</u> |
| Total Licenses, Fees, and Miscellaneous | <u>\$ 1,356,370</u> | <u>\$ 1,103,149</u> | <u>\$ 1,846,078</u> |
| Fines, Penalties, and Interest | | | |
| Attorney General | | | |
| Criminal Restitution General Fund | \$ 4 | \$ 15 | \$ 15 |

General Fund Revenue Detail

General Fund Revenue Detail, continued

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | Actual | Estimated | Budget |
| Agriculture | | | |
| General Food Fines..... | \$ 12 | \$ 10 | \$ 10 |
| Civil Penalties - Food Establishments..... | 7 | 1 | 3 |
| Miscellaneous Fines..... | 2 | 4 | 4 |
| Conservation and Natural Resources | | | |
| Miscellaneous Fines..... | \$ - | \$ * | \$ - |
| Ethics Commission | | | |
| Ethics Act Violations Per Act 170 of 1978..... | \$ (40) | \$ 70 | \$ 40 |
| Lobbying Act Civil Penalties Per Act 134 of 2006..... | 111 | 40 | 40 |
| Gaming Control Board | | | |
| Miscellaneous Fines and Penalties..... | \$ 551 | \$ - | \$ - |
| Health | | | |
| Non-Compliance Fines and Penalties..... | \$ * | \$ 2 | \$ 2 |
| Insurance | | | |
| Miscellaneous Fines..... | \$ 668 | \$ 900 | \$ 900 |
| Surcharge on Moving Vehicles Violations..... | 24,293 | 24,100 | 24,200 |
| Labor and Industry | | | |
| BOIS Regulatory Fines..... | \$ - | \$ 2 | \$ 3 |
| Miscellaneous Fines..... | 57 | - | - |
| Judicial Computer System Collections Per Act 59 of 1990 and Act 64 of 1987.... | (5) | - | - |
| Public Utility Commission | | | |
| Violation of Order Fines..... | \$ 1,939 | \$ 500 | \$ 500 |
| Revenue | | | |
| CRIZ Program Penalties..... | \$ 11 | \$ 2 | \$ 2 |
| Commercial Driver Fines..... | 354 | 352 | 350 |
| Act 64 - Contra Vehicle Code Fines..... | (4,152) | (4,008) | (3,899) |
| Act 64 - Contra Vehicle Code Fines..... | (1,245) | (1,201) | (1,164) |
| Vehicle Codes Fines - Local Police Enforcement..... | 15,055 | 15,011 | 14,974 |
| Vehicle Code Fines - Overweight Trucks..... | 238 | 248 | 248 |
| Vehicle Code Fines - State Police Enforcement..... | 13,501 | 13,357 | 13,249 |
| Transportation | | | |
| Emission Regulation Fines & Penalties..... | \$ 35 | \$ 45 | \$ 45 |
| Fines - Restoration - Operating Privileges..... | 10,616 | 10,800 | 11,000 |
| Restoration of Vehicle Registration..... | 5,237 | 6,200 | 8,100 |
| Total Fines, Penalties, and Interest..... | \$ 67,250 | \$ 66,451 | \$ 68,622 |
| TOTAL NONTAX REVENUES..... | \$ 1,608,720 | \$ 1,354,700 | \$ 2,099,800 |
| TOTAL GENERAL FUND REVENUES..... | \$ 45,473,489 | \$ 46,050,300 | \$ 48,382,500 |

* Between (\$500) and \$500.

General Fund Revenue History

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)

| | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|-------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|
| | Actual | Actual | Actual | Actual | Actual | Actual |
| TAX REVENUE | | | | | | |
| Corporation Taxes | | | | | | |
| Corporate Net Income Tax..... | \$ 3,397,543 | \$ 2,826,881 | \$ 4,423,759 | \$ 5,323,091 | \$ 6,142,927 | \$ 5,651,453 |
| Selective Business: | | | | | | |
| Gross Receipts Tax..... | 1,250,052 | 1,104,261 | 989,981 | 1,022,443 | 1,180,963 | 1,389,225 |
| Public Utility Realty Tax..... | 36,293 | 37,822 | 40,214 | 39,498 | 45,976 | 44,054 |
| Insurance Premiums Tax | 444,303 | 473,579 | 451,784 | 482,284 | 521,761 | 546,774 |
| Financial Institutions Taxes | 380,138 | 392,886 | 422,977 | 448,804 | 365,817 | 400,581 |
| Total - Corporation Taxes..... | \$ 5,508,328 | \$ 4,835,429 | \$ 6,328,715 | \$ 7,316,120 | \$ 8,257,444 | \$ 8,032,086 |
| Consumption Taxes | | | | | | |
| Sales and Use Tax..... | \$ 11,099,648 | \$ 10,817,808 | \$ 12,834,895 | \$ 13,914,255 | \$ 14,024,416 | \$ 14,255,907 |
| Cigarette Tax | 1,118,764 | 924,341 | 964,201 | 874,065 | 772,866 | 668,010 |
| Other Tobacco Products Tax | 129,930 | 127,274 | 134,893 | 149,417 | 152,568 | 146,432 |
| Malt Beverage Tax..... | 23,534 | 23,167 | 23,271 | 22,473 | 22,427 | 21,381 |
| Liquor Tax..... | 381,876 | 365,707 | 415,839 | 431,264 | 450,755 | 448,755 |
| Total - Consumption Taxes | \$ 12,753,752 | \$ 12,258,298 | \$ 14,373,099 | \$ 15,391,474 | \$ 15,423,032 | \$ 15,540,485 |
| Other Taxes | | | | | | |
| Personal Income Tax | \$ 14,095,522 | \$ 12,835,000 | \$ 16,283,385 | \$ 18,125,689 | \$ 17,628,105 | \$ 17,856,822 |
| Realty Transfer Tax..... | 533,981 | 497,792 | 640,233 | 847,072 | 643,835 | 530,750 |
| Inheritance Tax | 1,053,588 | 1,082,038 | 1,345,500 | 1,550,429 | 1,524,380 | 1,635,952 |
| Gaming Taxes..... | 131,673 | 143,022 | 241,834 | 307,857 | 365,077 | 360,492 |
| Minor and Repealed Taxes | (20,539) ^a | (40,646) ^a | (33,130) ^a | (49,997) ^a | (65,475) ^a | (91,819) |
| Total - Other Taxes | \$ 15,794,224 | \$ 14,517,206 | \$ 18,477,822 | \$ 20,781,049 | \$ 20,095,923 | \$ 20,292,197 |
| TOTAL TAX REVENUE..... | \$ 34,056,304 | \$ 31,610,933 | \$ 39,179,636 | \$ 43,488,644 | \$ 43,776,399 | \$ 43,864,769 |
| NONTAX REVENUE | | | | | | |
| State Stores Fund Transfer..... | \$ 185,100 | \$ 185,100 | \$ 185,100 | \$ 185,100 | \$ 185,100 | \$ 185,100 |
| Licenses, Fees, and Miscellaneous: | | | | | | |
| Licenses and Fees | 326,835 | 133,407 | 187,242 | 168,025 | 157,451 | 169,986 |
| Miscellaneous | 216,729 | 278,439 | 775,911 | 4,225,567 | 732,159 | 1,186,385 |
| Fines, Penalties, and Interest..... | 72,910 | 67,984 | 64,128 | 66,885 | 66,038 | 67,250 |
| TOTAL NONTAX REVENUE..... | \$ 801,574 | \$ 664,930 | \$ 1,212,382 | \$ 4,645,577 | \$ 1,140,749 | \$ 1,608,720 |
| GENERAL FUND TOTAL..... | \$ 34,857,878 | \$ 32,275,863 | \$ 40,392,018 | \$ 48,134,220 | \$ 44,917,148 | \$ 45,473,489 |

^a This includes accelerated deposits, an administrative classification of corporate tax payments used in the department's prior tax system.

Summary by Department

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
|---|-------------------|----------------------|-------------------|
| <u>GOVERNOR'S OFFICE:</u> | | | |
| <i>General Government:</i> | | | |
| Governor's Office | \$ 10,389 | \$ 11,634 | \$ 11,985 |
| TOTAL STATE FUNDS | \$ 10,389 | \$ 11,634 | \$ 11,985 |
| Augmentations | - | - | - |
| DEPARTMENT TOTAL | \$ 10,389 | \$ 11,634 | \$ 11,985 |
| <u>LIEUTENANT GOVERNOR:</u> | | | |
| <i>General Government:</i> | | | |
| Lieutenant Governor's Office | \$ 1,597 | \$ 1,623 | \$ 1,728 |
| TOTAL STATE FUNDS | \$ 1,597 | \$ 1,623 | \$ 1,728 |
| DEPARTMENT TOTAL | \$ 1,597 | \$ 1,623 | \$ 1,728 |
| <u>EXECUTIVE OFFICES:</u> | | | |
| <i>General Government:</i> | | | |
| Office of Administration | \$ 16,225 | \$ 18,224 | \$ 19,705 |
| Commonwealth Office of Digital Experience | - | 8,238 | 18,469 |
| Enhanced Enterprise Cybersecurity | - | - | 10,000 |
| Office of State Inspector General | 6,000 | 6,184 | 6,426 |
| State Inspector General-Welfare Fraud | 12,850 | 13,420 | 13,159 |
| Office of the Budget | 28,535 | 26,108 | 26,879 |
| Transfer to Enterprise Systems Lifecycle | - | - | 20,000 |
| Transfer to Enterprise and Technology (EA) | - | 65,000 | - |
| Transfer to School Environmental Repairs Program (EA) | 75,000 | - | - |
| Audit of the Auditor General | 99 | - | - |
| Office of General Counsel | 7,531 | 8,684 | 9,742 |
| Human Relations Commission | 10,421 | 11,273 | 12,092 |
| Council on the Arts | 993 | 1,053 | 1,288 |
| Juvenile Court Judges' Commission | 3,152 | 3,357 | 4,062 |
| Subtotal | \$ 160,806 | \$ 161,541 | \$ 141,822 |
| <i>Grants and Subsidies:</i> | | | |
| Law Enforcement Activities | \$ 4,000 | \$ 9,100 | \$ 3,000 |
| Grants to the Arts | 9,590 | 9,590 | 9,590 |
| Juvenile Probation Services | 18,945 | 18,945 | 18,945 |
| Subtotal | \$ 32,535 | \$ 37,635 | \$ 31,535 |
| TOTAL STATE FUNDS | \$ 193,341 | \$ 199,176 | \$ 173,357 |
| Federal Funds | 27,623 | 27,023 | 26,910 |
| Augmentations | 542,294 | 619,110 | 643,519 |
| Restricted | 38,653 | 48,004 | 34,704 |
| DEPARTMENT TOTAL | \$ 801,911 | \$ 893,313 | \$ 878,490 |

Summary by Department, continued

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|-------------------|-------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | Actual | Available | Budget |
| <u>COMMISSION ON CRIME AND DELINQUENCY:</u> | | | |
| General Government: | | | |
| Commission on Crime and Delinquency..... | \$ 23,583 | \$ 24,383 | \$ 24,107 |
| Violence and Delinquency Prevention Programs | 4,338 | 4,338 | 4,338 |
| Office of Safe Schools Advocate | 382 | 382 | 382 |
| Subtotal..... | \$ 28,303 | \$ 29,103 | \$ 28,827 |
| Grants and Subsidies: | | | |
| Violence Intervention and Prevention | \$ 40,000 | \$ 56,500 | \$ 76,500 |
| County Probation and Reentry Services..... | - | - | 36,139 |
| Indigent Defense..... | 7,500 | 7,500 | 7,500 |
| Improvement of Adult Probation Services | 16,222 | 16,222 | - |
| Intermediate Punishment Treatment Programs | 18,167 | 18,167 | - |
| Transfer to Nonprofit Security Grant Fund..... | 5,000 | 10,000 | 10,000 |
| Transfer to School Safety and Security Fund-Targeted Grants..... | - | 20,700 | 11,000 |
| Victims of Juvenile Offenders | 1,300 | 1,300 | 1,300 |
| Subtotal..... | \$ 88,189 | \$ 130,389 | \$ 142,439 |
| TOTAL STATE FUNDS..... | \$ 116,492 | \$ 159,492 | \$ 171,266 |
| Federal Funds..... | 200,497 | 201,497 | 190,592 |
| Augmentations..... | 15,224 | 14,951 | 3,490 |
| Restricted..... | 23,721 | 28,730 | 46,293 |
| DEPARTMENT TOTAL..... | \$ 355,934 | \$ 404,670 | \$ 411,641 |
| <u>ATTORNEY GENERAL:</u> | | | |
| General Government: | | | |
| General Government Operations..... | \$ 52,709 | \$ 53,909 | \$ 63,443 |
| Drug Law Enforcement..... | 59,668 | 59,668 | 62,066 |
| Joint Local-State Firearm Task Force..... | 13,969 | 13,969 | 13,707 |
| Witness Relocation | 1,215 | 1,215 | 1,315 |
| Child Predator Interception | 7,018 | 7,018 | 7,226 |
| Tobacco Law Enforcement..... | 1,691 | 1,691 | 1,816 |
| School Safety..... | 2,346 | 2,557 | 2,650 |
| Human Trafficking Enforcement and Prevention | - | 1,000 | 1,551 |
| Organized Retail Theft Prevention..... | - | 2,720 | 2,595 |
| Subtotal..... | \$ 138,616 | \$ 143,747 | \$ 156,369 |
| Grants and Subsidies: | | | |
| County Trial Reimbursement..... | \$ 200 | \$ 200 | \$ 200 |
| TOTAL STATE FUNDS..... | \$ 138,816 | \$ 143,947 | \$ 156,569 |
| Federal Funds..... | 18,387 | 18,981 | 20,562 |
| Augmentations..... | 514 | 521 | 351 |
| Restricted..... | 60,335 | 83,179 | 75,925 |
| DEPARTMENT TOTAL..... | \$ 218,052 | \$ 246,628 | \$ 253,407 |

Summary by Department, continued

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------------|----------------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | Actual | Available | Budget |
| AUDITOR GENERAL: | | | |
| General Government: | | | |
| Auditor General's Office..... | \$ 43,839 | \$ 43,839 | \$ 46,032 |
| Board of Claims | 1,935 | 2,005 | 2,010 |
| Subtotal..... | <u>\$ 45,774</u> | <u>\$ 45,844</u> | <u>\$ 48,042</u> |
| TOTAL STATE FUNDS..... | <u>\$ 45,774</u> | <u>\$ 45,844</u> | <u>\$ 48,042</u> |
| Augmentations..... | <u>12,698</u> | <u>16,340</u> | <u>16,032</u> |
| DEPARTMENT TOTAL..... | <u>\$ 58,472</u> | <u>\$ 62,184</u> | <u>\$ 64,074</u> |
| TREASURY: | | | |
| General Government: | | | |
| General Government Operations..... | \$ 45,365 | \$ 45,365 | \$ 47,440 |
| Divestiture Reimbursement | 87 | 2,485 | 150 |
| Intergovernmental Organizations..... | 1,251 | 1,278 | 1,334 |
| Information Technology Cyber Security..... | 1,000 | 1,150 | 1,350 |
| Board of Finance and Revenue | 3,384 | 3,646 | 4,294 |
| Subtotal..... | <u>\$ 51,087</u> | <u>\$ 53,924</u> | <u>\$ 54,568</u> |
| Grants and Subsidies: | | | |
| Law Enforcement and Emergency Response Death Benefit..... | \$ 3,330 | \$ 3,330 | \$ 3,330 |
| Transfer to ABLE Fund | 900 | 900 | 1,500 |
| Subtotal..... | <u>\$ 4,230</u> | <u>\$ 4,230</u> | <u>\$ 4,830</u> |
| Debt Service: | | | |
| Loan and Transfer Agent..... | \$ 40 | \$ 40 | \$ 40 |
| General Obligation Debt Service | 1,201,000 | 1,100,000 | 1,417,000 |
| Subtotal..... | <u>\$ 1,201,040</u> | <u>\$ 1,100,040</u> | <u>\$ 1,417,040</u> |
| TOTAL STATE FUNDS..... | <u>\$ 1,256,357</u> | <u>\$ 1,158,194</u> | <u>\$ 1,476,438</u> |
| Federal Funds..... | - | - | - |
| Augmentations..... | <u>8,934</u> | <u>8,347</u> | <u>8,530</u> |
| DEPARTMENT TOTAL..... | <u>\$ 1,265,291</u> | <u>\$ 1,166,541</u> | <u>\$ 1,484,968</u> |
| AGING: | | | |
| Federal Funds..... | \$ 116,951 | \$ 114,752 | \$ 114,816 |
| DEPARTMENT TOTAL..... | <u>\$ 116,951</u> | <u>\$ 114,752</u> | <u>\$ 114,816</u> |
| AGRICULTURE: | | | |
| General Government: | | | |
| General Government Operations..... | \$ 43,361 | \$ 48,604 | \$ 49,799 |
| Agricultural Preparedness and Response | 34,000 | 34,000 | 11,000 |
| Agricultural Excellence | 3,300 | 4,100 | 3,300 |
| Agricultural Business and Workforce Investment | 4,800 | 4,800 | 4,800 |
| Farmers' Market Food Coupons | 2,079 | 2,579 | 2,579 |
| Agricultural Research | 2,187 | 2,187 | 2,187 |

Summary by Department, continued

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|-------------------|-------------------|-------------------|
| | Actual | Available | Budget |
| Agricultural Promotion, Education, and Exports | 303 | 303 | 303 |
| Agricultural Innovation Development | - | 10,000 | 25,000 |
| Hardwoods Research and Promotion | 725 | 725 | 725 |
| Subtotal | \$ 90,755 | \$ 107,298 | \$ 99,693 |
| Grants and Subsidies: | | | |
| Livestock and Consumer Health Protection | \$ 1,000 | \$ 1,000 | \$ 1,000 |
| Animal Health and Diagnostic Commission | 11,350 | 11,350 | 6,000 |
| Livestock Show | 215 | 215 | 215 |
| Open Dairy Show | 215 | 215 | 215 |
| Youth Shows | 169 | 169 | 169 |
| State Food Purchase | 26,688 | 26,688 | 34,688 |
| Food Marketing and Research | 494 | 494 | 494 |
| Fresh Food Financing Initiative | 2,000 | 2,000 | 2,000 |
| Transfer to Nutrient Management Fund | 6,200 | 6,200 | 6,200 |
| Transfer to Conservation District Fund | 2,669 | 2,669 | 2,669 |
| Transfer to Agricultural College Land Scrip Fund | 57,710 | 57,710 | 60,596 |
| Transfer to Farm Products Show Fund | 5,000 | 5,000 | 5,000 |
| PA Preferred Program Trademark Licensing | 2,905 | 2,905 | 2,905 |
| Payments to Pennsylvania Fairs | - | 4,000 | - |
| Veterinary Training and Services Grants | - | - | 33,353 |
| University of Pennsylvania-Veterinary Activities | 100 | 31,560 | - |
| University of Pennsylvania-Center for Infectious Disease | 100 | 1,793 | - |
| Subtotal | \$ 116,815 | \$ 153,968 | \$ 155,504 |
| TOTAL STATE FUNDS | \$ 207,570 | \$ 261,266 | \$ 255,197 |
| Federal Funds | 155,010 | 108,712 | 104,350 |
| Augmentations | 3,560 | 3,408 | 3,408 |
| Restricted | 10,675 | 20,784 | 61,882 |
| DEPARTMENT TOTAL | \$ 376,815 | \$ 394,170 | \$ 424,837 |
| <u>BANKING AND SECURITIES:</u> | | | |
| Restricted | \$ 9,290 | \$ 9,900 | \$ 9,786 |
| DEPARTMENT TOTAL | \$ 9,290 | \$ 9,900 | \$ 9,786 |
| <u>COMMUNITY AND ECONOMIC DEVELOPMENT:</u> | | | |
| General Government: | | | |
| General Government Operations | \$ 32,544 | \$ 37,058 | \$ 37,303 |
| Center for Local Government Services | 4,735 | 5,304 | 7,285 |
| Office of Open Records | 3,895 | 4,051 | 5,572 |

Summary by Department, continued

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|------------------|-------------------|------------------|
| | Actual | Available | Budget |
| BusinessPA | - | - | 8,892 |
| Office of International Business Development..... | 7,173 | 7,173 | 4,525 |
| Marketing to Attract Tourists..... | 31,365 | 55,787 | 19,315 |
| Marketing to Attract Business | 2,064 | 2,081 | 4,320 |
| Base Realignment and Closure | 556 | 567 | 608 |
| Subtotal..... | <u>\$ 82,332</u> | <u>\$ 112,021</u> | <u>\$ 87,820</u> |
| Grants and Subsidies: | | | |
| Transfer to Municipalities Financial Recovery Revolving Fund | \$ 5,500 | \$ 5,500 | \$ 15,500 |
| Transfer to Ben Franklin Tech. Development Authority Fund..... | 17,000 | 17,000 | 17,000 |
| PA Innovation | - | - | 50,000 |
| Invent Penn State | - | 2,350 | - |
| Intergovernmental Cooperation Authority-3rd Class Cities..... | 100 | 100 | 100 |
| Pennsylvania First | 33,000 | 38,000 | 33,000 |
| Workforce and Economic Development Network | - | - | 12,500 |
| Regional Economic Competitiveness Challenge | - | - | 3,500 |
| Municipal Assistance Program | 2,000 | 2,000 | 2,000 |
| Keystone Communities..... | 37,666 | 45,343 | - |
| Main Street Matters | - | 20,000 | 20,008 |
| Appalachian Regional Commission..... | 750 | 750 | 750 |
| Partnerships for Regional Economic Performance..... | 10,880 | 10,880 | 10,880 |
| Manufacturing PA | 13,000 | 13,000 | 13,000 |
| Strategic Management Planning Program..... | 3,617 | 3,617 | 3,617 |
| Tourism-Accredited Zoos..... | 1,000 | 1,500 | 1,000 |
| Infrastructure Technology Assistance Program..... | 2,500 | 2,500 | 2,500 |
| 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 | - | - | 875 |
| America250PA..... | 5,000 | 2,500 | 2,500 |
| Regional Events Security and Support..... | 7,500 | - | 15,000 |
| Food Access Initiative..... | 1,000 | 1,000 | 1,000 |
| Local Government Emergency Housing Support | - | 2,500 | 2,500 |
| Housing Stock Restoration | - | - | 50,000 |
| First-Time Homebuyer Grants | - | - | 10,000 |
| Community and Economic Assistance | 81,408 | 86,510 | - |
| Workforce Development | 8,000 | 15,000 | - |
| Veterans Small Business Assistance | - | - | 1,000 |
| Historically Disadvantaged Business Assistance | 20,000 | 20,000 | 20,000 |

Summary by Department, continued

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|---------------------|---------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | Actual | Available | Budget |
| Foundations in Industry | 3,000 | 3,000 | 5,000 |
| Local Municipal Relief..... | 45,050 | 50,650 | - |
| PA SITES Debt Service | - | 15,404 | 38,198 |
| Hospital and Health System Emergency Relief | 50,000 | 17,500 | - |
| Whole Home Repairs..... | - | - | - |
| Subtotal..... | \$ 358,671 | \$ 387,304 | \$ 342,128 |
| TOTAL STATE FUNDS..... | \$ 441,003 | \$ 499,325 | \$ 429,948 |
| Federal Funds..... | 738,826 | 1,516,509 | 1,768,907 |
| Augmentations..... | 7,914 | 7,910 | 7,910 |
| Restricted..... | 54,261 | 61,026 | 108,085 |
| DEPARTMENT TOTAL..... | \$ 1,242,004 | \$ 2,084,770 | \$ 2,314,850 |
| <u>CONSERVATION AND NATURAL RESOURCES:</u> | | | |
| <i>General Government:</i> | | | |
| General Government Operations..... | \$ 29,465 | \$ 33,031 | \$ 35,997 |
| State Parks Operations..... | 60,787 | 71,967 | 81,150 |
| State Forests Operations..... | 44,431 | 51,435 | 56,949 |
| Forest Pest Management | 3,000 | 4,500 | 5,000 |
| Parks, Forests, and Recreation Projects | 900 | 900 | 900 |
| Infrastructure and Trail Connections..... | - | - | 5,000 |
| Subtotal..... | \$ 138,583 | \$ 161,833 | \$ 184,996 |
| <i>Grants and Subsidies:</i> | | | |
| Heritage Parks | \$ 5,000 | \$ 5,000 | \$ 5,000 |
| Annual Fixed Charges-Flood Lands | 70 | 70 | 70 |
| Annual Fixed Charges-Project 70..... | 88 | 88 | 88 |
| Annual Fixed Charges-Forest Lands | 7,962 | 7,962 | 7,962 |
| Annual Fixed Charges-Park Lands..... | 415 | 415 | 415 |
| Subtotal..... | \$ 13,535 | \$ 13,535 | \$ 13,535 |
| TOTAL STATE FUNDS..... | \$ 152,118 | \$ 175,368 | \$ 198,531 |
| Federal Funds..... | 204,940 | 164,198 | 153,575 |
| Augmentations..... | 63,999 | 68,348 | 67,080 |
| Restricted..... | 10,605 | 14,482 | 14,982 |
| DEPARTMENT TOTAL..... | \$ 431,662 | \$ 422,396 | \$ 434,168 |
| <u>CORRECTIONS:</u> | | | |
| <i>General Government:</i> | | | |
| General Government Operations..... | \$ 39,931 | \$ 40,735 | \$ 41,976 |
| State Field Supervision..... | 179,123 | 184,210 | 192,489 |
| Pennsylvania Parole Board | 12,967 | 13,373 | 13,825 |
| Sexual Offenders Assessment Board..... | 7,349 | 8,031 | 8,646 |
| Board of Pardons..... | 2,700 | 2,880 | 3,044 |

Summary by Department, continued

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|---------------------|---------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | Actual | Available | Budget |
| Office of Victim Advocate..... | 3,489 | 3,809 | 4,419 |
| Subtotal..... | \$ 245,559 | \$ 253,038 | \$ 264,399 |
| Institutional: | | | |
| Medical Care..... | \$ 357,965 | \$ 410,408 | \$ 424,627 |
| Correctional Education and Training | 47,537 | 50,871 | 51,578 |
| State Correctional Institutions | 2,316,609 | 2,439,267 | 2,556,124 |
| Subtotal..... | \$ 2,722,111 | \$ 2,900,546 | \$ 3,032,329 |
| TOTAL STATE FUNDS..... | \$ 2,967,670 | \$ 3,153,584 | \$ 3,296,728 |
| Federal Funds..... | 26,752 | 112,879 | 14,718 |
| Augmentations..... | 4,939 | 6,056 | 6,248 |
| Restricted..... | 14,343 | 6,635 | 250 |
| DEPARTMENT TOTAL..... | \$ 3,013,704 | \$ 3,279,154 | \$ 3,317,944 |
| <u>DRUG AND ALCOHOL PROGRAMS:</u> | | | |
| General Government: | | | |
| General Government Operations | \$ 3,406 | \$ 3,501 | \$ 3,624 |
| Grants and Subsidies: | | | |
| Assistance to Drug and Alcohol Programs | \$ 44,732 | \$ 44,732 | \$ 44,732 |
| TOTAL STATE FUNDS..... | \$ 48,138 | \$ 48,233 | \$ 48,356 |
| Federal Funds..... | 280,379 | 283,105 | 281,267 |
| Augmentations..... | - | - | - |
| Restricted..... | 13,645 | 24,184 | 20,434 |
| DEPARTMENT TOTAL..... | \$ 342,162 | \$ 355,522 | \$ 350,057 |
| <u>EDUCATION:</u> | | | |
| General Government: | | | |
| General Government Operations..... | \$ 39,500 | \$ 42,804 | \$ 45,773 |
| Recovery Schools..... | 275 | 275 | 292 |
| Information and Technology Improvement | 3,940 | 4,166 | 4,973 |
| PA Assessment | 48,000 | 48,000 | 52,000 |
| State Library | 2,484 | 2,664 | 3,245 |
| Subtotal..... | \$ 94,199 | \$ 97,909 | \$ 106,283 |
| Institutional: | | | |
| Youth Development Centers-Education | \$ 11,230 | \$ 13,747 | \$ 14,360 |
| Grants and Subsidies: | | | |
| Support of Public Schools: | | | |
| Basic Education Funding..... | \$ 7,872,444 | \$ 8,157,444 | \$ 8,232,444 |
| Cyber Charter Transition | - | 100,000 | - |
| Level-Up Supplement | 100,000 | - | - |
| Dual Enrollment Payments | - | 7,000 | 7,000 |
| Transfer to Public School Facility Improvement Grant Program..... | - | 100,000 | 125,000 |

Summary by Department, continued

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|----------------------|----------------------|----------------------|
| | Actual | Available | Budget |
| Ready to Learn Block Grant | 295,500 | 821,500 | 1,347,500 |
| School Safety and Security Transfer-Physical and Mental Hlth | 50,000 | 100,000 | 100,000 |
| Pre-K Counts | 302,284 | 317,284 | 334,313 |
| Head Start Supplemental Assistance | 88,178 | 90,878 | 90,878 |
| Mobile Science and Math Education Programs | 7,164 | 7,164 | - |
| Teacher Professional Development..... | 5,044 | 5,044 | 7,544 |
| Teacher Stipend | 10,000 | - | - |
| Adult and Family Literacy | 16,310 | 16,310 | 22,728 |
| Career and Technical Education | 119,138 | 144,138 | 149,626 |
| Career and Technical Education Equipment Grants | 15,000 | 20,000 | 20,000 |
| Authority Rentals and Sinking Fund Requirements | 217,007 | 217,007 | 221,074 |
| Pupil Transportation..... | 693,945 | 702,315 | 725,837 |
| Nonpublic and Charter School Pupil Transportation..... | 72,255 | 73,396 | 67,390 |
| Special Education | 1,386,815 | 1,486,815 | 1,526,815 |
| Early Intervention | 365,995 | 415,160 | 429,725 |
| Tuition for Orphans and Children Placed in Private Homes | 45,321 | 45,463 | 39,752 |
| Payments in Lieu of Taxes | 173 | 180 | 178 |
| Education of Migrant Laborers' Children..... | 853 | 1,024 | 1,075 |
| PA Chartered Schools for the Deaf and Blind | 68,833 | 73,051 | 79,893 |
| Special Education-Approved Private Schools | 142,200 | 148,848 | 162,264 |
| School Food Services..... | 92,500 | 98,792 | 109,577 |
| School Employees' Social Security..... | 621,770 | 644,455 | 666,511 |
| School Employees' Retirement..... | 3,002,000 | 3,089,000 | 3,239,000 |
| Subtotal..... | <u>\$ 15,590,729</u> | <u>\$ 16,882,268</u> | <u>\$ 17,706,124</u> |
| Other Grants and Subsidies: | | | |
| Services to Nonpublic Schools | 98,969 | 101,839 | 101,839 |
| Textbooks, Materials, and Equipment for Nonpublic Schools | 30,106 | 30,979 | 30,979 |
| Public Library Subsidy | 70,470 | 70,470 | 70,470 |
| 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 | 39,450 | 44,120 | - |
| Safe School Initiative | 22,000 | 1,614 | 1,614 |
| Trauma-Informed Education | 750 | 750 | - |
| Safe Driving Course..... | 1,099 | 1,099 | 1,099 |
| Subtotal..... | <u>\$ 268,482</u> | <u>\$ 256,509</u> | <u>\$ 211,639</u> |
| Higher Education - Other Grants and Subsidies: | | | |
| Community Colleges..... | 261,640 | 277,338 | 290,338 |
| Transfer to Community College Capital Fund..... | 54,161 | 54,161 | 54,161 |
| Regional Community Colleges Services..... | 2,221 | 2,221 | 2,221 |

Summary by Department, continued

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
|---|-----------------------------|-----------------------------|-----------------------------|
| Northern PA Regional College..... | 7,280 | 7,717 | 7,717 |
| Community Education Councils..... | 2,489 | 2,489 | 2,489 |
| Hunger-Free Campus Initiative..... | 1,000 | 1,000 | 1,000 |
| Parent Pathways..... | 1,661 | 1,661 | 1,661 |
| Sexual Assault Prevention..... | 1,500 | 1,500 | 1,500 |
| State-Related University Performance Funding..... | - | - | 60,000 |
| Subtotal..... | <u>\$ 331,952</u> | <u>\$ 348,087</u> | <u>\$ 421,087</u> |
| State System of Higher Education: | | | |
| State Universities..... | 585,618 | 620,755 | 661,104 |
| Facility Transition..... | 85,000 | - | - |
| Subtotal..... | <u>\$ 670,618</u> | <u>\$ 620,755</u> | <u>\$ 661,104</u> |
| Thaddeus Stevens College of Technology: | | | |
| Thaddeus Stevens College of Technology..... | 19,838 | 22,476 | 23,578 |
| Subtotal..... | <u>\$ 19,838</u> | <u>\$ 22,476</u> | <u>\$ 23,578</u> |
| The Pennsylvania State University: | | | |
| General Support..... | 242,096 | 242,096 | 242,096 |
| Pennsylvania College of Technology..... | 29,971 | 33,971 | 35,670 |
| Subtotal..... | <u>\$ 272,067</u> | <u>\$ 276,067</u> | <u>\$ 277,766</u> |
| University of Pittsburgh: | | | |
| General Support..... | 151,507 | 151,507 | 151,507 |
| Rural Education Outreach..... | 3,346 | 3,791 | 3,791 |
| Subtotal..... | <u>\$ 154,853</u> | <u>\$ 155,298</u> | <u>\$ 155,298</u> |
| Temple University: | | | |
| General Support..... | 158,206 | 158,206 | 158,206 |
| Subtotal..... | <u>\$ 158,206</u> | <u>\$ 158,206</u> | <u>\$ 158,206</u> |
| Lincoln University: | | | |
| General Support..... | 18,401 | 20,848 | 21,890 |
| Subtotal..... | <u>\$ 18,401</u> | <u>\$ 20,848</u> | <u>\$ 21,890</u> |
| TOTAL STATE FUNDS..... | <u>\$ 17,590,575</u> | <u>\$ 18,852,170</u> | <u>\$ 19,757,335</u> |
| Federal Funds..... | 4,643,642 | 4,627,961 | 4,631,488 |
| Augmentations..... | 7,185 | 10,392 | 10,637 |
| Restricted..... | 7,331 | 45,871 | 8,063 |
| DEPARTMENT TOTAL..... | <u>\$ 22,248,733</u> | <u>\$ 23,536,394</u> | <u>\$ 24,407,523</u> |
| HIGHER EDUCATION ASSISTANCE AGENCY: | | | |
| Grants and Subsidies: | | | |
| Grants to Students..... | \$ 347,267 | \$ 401,348 | \$ 402,003 |
| Pennsylvania Internship Program Grants..... | 468 | 468 | 468 |
| Ready to Succeed Scholarships..... | 23,939 | 59,939 | 59,939 |
| Matching Payments for Student Aid..... | 13,646 | 13,646 | 13,646 |

Summary by Department, continued

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|---------------------|-------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | Actual | Available | Budget |
| Institutional Assistance Grants | 26,521 | 26,521 | 26,521 |
| Higher Education for the Disadvantaged | 5,000 | 7,500 | 7,500 |
| Higher Education of Blind or Deaf Students | 51 | 51 | 51 |
| Bond-Hill Scholarships | 832 | 1,832 | 1,832 |
| Cheyney University Honors Academy | 3,980 | 5,480 | 5,480 |
| Targeted Industry Cluster Scholarship Program | 8,652 | 11,652 | 11,652 |
| Student Teacher Stipend | - | 20,000 | 40,000 |
| Grow PA Scholarships | - | 25,000 | 25,000 |
| Subtotal | \$ 430,356 | \$ 573,437 | \$ 594,092 |
| TOTAL STATE FUNDS | \$ 430,356 | \$ 573,437 | \$ 594,092 |
| Federal Funds | - | - | - |
| Augmentations | 21,051 | 15,500 | 15,500 |
| DEPARTMENT TOTAL | \$ 451,407 | \$ 588,937 | \$ 609,592 |
| <u>EMERGENCY MANAGEMENT AGENCY:</u> | | | |
| General Government: | | | |
| General Government Operations | \$ 15,721 | \$ 14,786 | \$ 21,912 |
| State Fire Commissioner | 3,080 | 4,614 | 5,031 |
| Subtotal | \$ 18,801 | \$ 19,400 | \$ 26,943 |
| Grants and Subsidies: | | | |
| Disaster Relief | - | 10,000 | - |
| Hazard Mitigation | 2,000 | 1,000 | - |
| Emergency Management Assistance Compact | - | 4,000 | - |
| State Disaster Assistance | 5,000 | 5,000 | 5,000 |
| Firefighters Memorial Flags | 10 | 10 | 10 |
| Red Cross Extended Care Program | 350 | 350 | 350 |
| Search and Rescue | 250 | 250 | 250 |
| Urban Search and Rescue | - | 6,000 | - |
| Subtotal | \$ 7,610 | \$ 26,610 | \$ 5,610 |
| TOTAL STATE FUNDS | \$ 26,411 | \$ 46,010 | \$ 32,553 |
| Federal Funds | 568,265 | 1,171,607 | 563,833 |
| Augmentations | 1,728 | 1,517 | 1,431 |
| Restricted | 10,972 | 11,631 | 10,380 |
| DEPARTMENT TOTAL | \$ 607,376 | \$ 1,230,765 | \$ 608,197 |

Summary by Department, continued

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|---------------------|---------------------|---------------------|
| | Actual | Available | Budget |
| <u>ENVIRONMENTAL PROTECTION:</u> | | | |
| <i>General Government:</i> | | | |
| General Government Operations..... | \$ 20,221 | \$ 30,111 | \$ 32,928 |
| Environmental Program Management..... | 39,714 | 42,510 | 44,030 |
| Chesapeake Bay Agricultural Source Abatement..... | 3,629 | 3,672 | 5,863 |
| Environmental Protection Operations..... | 116,450 | 125,881 | 132,069 |
| Black Fly Control and Research..... | 7,712 | 8,435 | 9,209 |
| Vector Borne Disease Management..... | 6,285 | 6,548 | 7,491 |
| Transfer to Well Plugging Account..... | - | 6,000 | 19,026 |
| Environmental Hearing Board..... | 2,864 | 3,041 | 3,064 |
| Subtotal..... | \$ 196,875 | \$ 226,198 | \$ 253,680 |
| <i>Grants and Subsidies:</i> | | | |
| Delaware River Master..... | \$ 38 | \$ 38 | \$ 38 |
| Susquehanna River Basin Commission..... | 740 | 740 | 740 |
| Interstate Commission on the Potomac River..... | 23 | 23 | 23 |
| Delaware River Basin Commission..... | 217 | 217 | 217 |
| Ohio River Valley Water Sanitation Commission..... | 68 | 68 | 68 |
| Chesapeake Bay Commission..... | 325 | 370 | 370 |
| Transfer to Conservation District Fund..... | 7,516 | 7,516 | 7,516 |
| Interstate Mining Commission..... | 15 | 15 | 15 |
| Subtotal..... | \$ 8,942 | \$ 8,987 | \$ 8,987 |
| TOTAL STATE FUNDS..... | \$ 205,817 | \$ 235,185 | \$ 262,667 |
| Federal Funds..... | 1,636,334 | 2,942,294 | 3,310,235 |
| Augmentations..... | 15,283 | 20,611 | 20,276 |
| Restricted..... | 105,203 | 141,545 | 139,349 |
| DEPARTMENT TOTAL..... | \$ 1,962,637 | \$ 3,339,635 | \$ 3,732,527 |
| <u>ETHICS COMMISSION:</u> | | | |
| <i>General Government:</i> | | | |
| State Ethics Commission..... | \$ 3,356 | \$ 3,730 | \$ 3,804 |
| TOTAL STATE FUNDS..... | \$ 3,356 | \$ 3,730 | \$ 3,804 |
| DEPARTMENT TOTAL..... | \$ 3,356 | \$ 3,730 | \$ 3,804 |
| <u>GENERAL SERVICES:</u> | | | |
| <i>General Government:</i> | | | |
| General Government Operations..... | \$ 60,036 | \$ 71,212 | \$ 79,466 |
| Capitol Police Operations..... | 16,519 | 17,567 | 18,608 |
| Rental, Relocation, and Municipal Charges..... | 27,794 | 29,981 | 27,458 |
| Space Optimization and Utilization Improvements..... | - | - | 17,830 |
| Utility Costs..... | 27,272 | 27,461 | 24,900 |
| Excess Insurance Coverage..... | 3,637 | 3,637 | 4,200 |

Summary by Department, continued

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
|---|--------------------------|--------------------------|--------------------------|
| Transfer to State Insurance Fund | 1,500 | 1,500 | 1,500 |
| Capitol Fire Protection | 5,000 | 5,000 | 5,000 |
| Subtotal..... | <u>\$ 141,758</u> | <u>\$ 156,358</u> | <u>\$ 178,962</u> |
| TOTAL STATE FUNDS..... | <u>\$ 141,758</u> | <u>\$ 156,358</u> | <u>\$ 178,962</u> |
| Federal Funds..... | 12,020 | - | - |
| Augmentations..... | 79,197 | 81,558 | 85,237 |
| Restricted..... | <u>2,032</u> | <u>1,900</u> | <u>11,980</u> |
| DEPARTMENT TOTAL..... | <u>\$ 235,007</u> | <u>\$ 239,816</u> | <u>\$ 276,179</u> |
| HEALTH: | | | |
| General Government: | | | |
| General Government Operations..... | \$ 31,145 | \$ 32,048 | \$ 34,246 |
| Quality Assurance..... | 29,347 | 30,738 | 33,766 |
| Long-Term Care Transformation Office..... | - | - | 7,500 |
| Health Promotion and Disease Prevention..... | 2,321 | 5,000 | 5,000 |
| Health Innovation..... | 798 | 798 | 852 |
| Achieving Better Care-MAP Program..... | 3,117 | 3,117 | 3,180 |
| State Laboratory | 5,143 | 5,685 | 6,472 |
| State Health Care Centers..... | 28,086 | 31,157 | 33,697 |
| Sexually Transmitted Disease Screening and Treatment..... | <u>1,822</u> | <u>1,822</u> | <u>1,994</u> |
| Subtotal..... | <u>\$ 101,779</u> | <u>\$ 110,365</u> | <u>\$ 126,707</u> |
| Grants and Subsidies: | | | |
| Diabetes Programs | \$ 112 | \$ 112 | \$ 112 |
| Primary Health Care Practitioner | 8,350 | 8,350 | 23,350 |
| Community-Based Health Care Subsidy | 2,000 | 2,000 | 2,000 |
| Newborn Screening | 7,092 | 7,329 | 7,329 |
| Cancer Screening Services | 2,563 | 2,563 | 2,563 |
| AIDS Programs and Special Pharmaceutical Services | 10,436 | 10,436 | 10,436 |
| Regional Cancer Institutes..... | 2,000 | 2,000 | 2,000 |
| School District Health Services..... | 34,620 | 37,620 | 37,620 |
| Local Health Departments | 35,785 | 36,609 | 35,854 |
| Local Health-Environmental..... | 2,697 | 2,697 | 2,697 |
| Maternal and Child Health Services | 1,438 | 1,447 | 1,447 |
| Tuberculosis Screening and Treatment..... | 913 | 921 | 1,057 |
| Renal Dialysis | 6,678 | 6,678 | 6,678 |
| Services for Children with Special Needs..... | 1,728 | 1,728 | 1,728 |
| Adult Cystic Fibrosis and Other Chronic Respiratory Illness | 795 | 795 | 795 |
| Cooley's Anemia..... | 106 | 106 | 106 |
| Hemophilia..... | 1,017 | 1,017 | 1,017 |
| Lupus | 106 | 106 | 106 |

Summary by Department, continued

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------------|----------------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | Actual | Available | Budget |
| Sickle Cell | 1,335 | 1,335 | 1,335 |
| Regional Poison Control Centers | 742 | 742 | 742 |
| Trauma Prevention | 488 | 488 | 488 |
| Epilepsy Support Services | 583 | 583 | 583 |
| Bio-Technology Research | 10,600 | 11,200 | - |
| Tourette's Syndrome | 159 | 159 | 159 |
| Amyotrophic Lateral Sclerosis Support Services | 1,501 | 1,501 | 1,501 |
| Neurodegenerative Disease Research | - | - | 5,000 |
| Lyme Disease | 3,180 | 3,180 | 3,180 |
| Subtotal | <u>\$ 137,024</u> | <u>\$ 141,702</u> | <u>\$ 149,883</u> |
| TOTAL STATE FUNDS | <u>\$ 238,803</u> | <u>\$ 252,067</u> | <u>\$ 276,590</u> |
| Federal Funds | 694,942 | 682,550 | 631,423 |
| Augmentations | 4,104 | 7,223 | 5,844 |
| Restricted | 126,249 | 106,033 | 182,392 |
| DEPARTMENT TOTAL | <u>\$ 1,064,098</u> | <u>\$ 1,047,873</u> | <u>\$ 1,096,249</u> |
| <u>HEALTH CARE COST CONTAINMENT COUNCIL:</u> | | | |
| General Government: | | | |
| Health Care Cost Containment Council | \$ 3,167 | \$ 3,167 | \$ 8,379 |
| TOTAL STATE FUNDS | <u>\$ 3,167</u> | <u>\$ 3,167</u> | <u>\$ 8,379</u> |
| Augmentations | 850 | 950 | 950 |
| DEPARTMENT TOTAL | <u>\$ 4,017</u> | <u>\$ 4,117</u> | <u>\$ 9,329</u> |
| <u>HISTORICAL AND MUSEUM COMMISSION:</u> | | | |
| General Government: | | | |
| General Government Operations | \$ 22,417 | \$ 24,240 | \$ 25,500 |
| Grants and Subsidies: | | | |
| Cultural and Historical Support | \$ 2,000 | \$ 4,000 | \$ 2,000 |
| TOTAL STATE FUNDS | <u>\$ 24,417</u> | <u>\$ 28,240</u> | <u>\$ 27,500</u> |
| Federal Funds | 9,859 | 9,739 | 9,791 |
| Augmentations | 1,056 | 1,056 | 1,056 |
| Restricted | 68 | 80 | 80 |
| DEPARTMENT TOTAL | <u>\$ 35,400</u> | <u>\$ 39,115</u> | <u>\$ 38,427</u> |
| <u>HUMAN SERVICES:</u> | | | |
| General Government: | | | |
| General Government Operations | \$ 128,196 | \$ 136,587 | \$ 152,389 |
| Information Systems | 103,049 | 112,656 | 112,656 |
| County Administration-Statewide | 60,509 | 64,501 | 74,272 |
| County Assistance Offices | 320,810 | 355,088 | 374,483 |

Summary by Department, continued

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|---------------------|---------------------|---------------------|
| | Actual | Available | Budget |
| Child Support Enforcement..... | 20,152 | 22,011 | 19,518 |
| New Directions..... | 22,234 | 23,401 | 22,816 |
| Subtotal..... | <u>\$ 654,950</u> | <u>\$ 714,244</u> | <u>\$ 756,134</u> |
| Institutional: | | | |
| Youth Development Institutions and Forestry Camps | \$ 91,255 | \$ 146,818 | \$ 150,837 |
| Mental Health Services..... | 885,567 | 956,535 | 988,803 |
| Intellectual Disabilities-State Centers | 100,327 | 114,214 | 108,713 |
| Subtotal..... | <u>\$ 1,077,149</u> | <u>\$ 1,217,567</u> | <u>\$ 1,248,353</u> |
| Grants and Subsidies: | | | |
| Cash Grants..... | \$ 16,240 | \$ 20,141 | \$ 22,716 |
| Supplemental Grants-Aged, Blind, and Disabled | 114,011 | 114,745 | 114,136 |
| Medical Assistance-Capitation..... | 3,594,065 | 3,628,892 | 4,288,678 |
| Medical Assistance-Fee-for-Service | 697,354 | 686,639 | 646,769 |
| Payment to Federal Government-Medicare Drug Program | 990,294 | 1,005,413 | 1,078,279 |
| Medical Assistance-Workers with Disabilities..... | 66,486 | 103,859 | 123,720 |
| Medical Assistance-Physician Practice Plans | 10,071 | 10,571 | 10,571 |
| Medical Assistance-Hospital-Based Burn Centers | 4,438 | 4,438 | 4,438 |
| Medical Assistance-Critical Access Hospitals | 14,472 | 7,944 | - |
| Medical Assistance-Obstetric and Neonatal Services | 3,682 | 10,682 | 10,682 |
| Medical Assistance-Trauma Centers | 8,657 | 8,657 | 8,657 |
| Medical Assistance-Academic Medical Centers | 24,682 | 24,682 | 24,681 |
| Medical Assistance-Transportation..... | 67,485 | 69,532 | 74,346 |
| Expanded Medical Services for Women..... | 8,263 | 8,263 | 8,263 |
| Patient Safety and Services-Hospitals..... | - | - | 20,000 |
| Children's Health Insurance Program | 110,957 | 106,888 | 100,138 |
| Medical Assistance-Long-Term Living..... | 188,374 | 195,493 | 175,576 |
| Medical Assistance-Community HealthChoices | 5,281,872 | 5,826,618 | 6,766,168 |
| Long-Term Care Managed Care..... | 171,745 | 180,942 | 188,781 |
| Intellectual Disabilities-Community Base Program | 150,970 | 160,108 | 167,181 |
| Intellectual Disabilities-Intermediate Care Facilities | 174,730 | 192,154 | 196,645 |
| Intellectual Disabilities-Community Waiver Program | 2,290,882 | 2,552,157 | 2,727,463 |
| Transfer to HCBS-Individuals with Intellectual Disabilities (EA) | 10,783 | - | 5,501 |
| Autism Intervention and Services | 31,679 | 35,174 | 37,406 |
| Behavioral Health Services..... | 57,149 | 57,149 | 57,149 |
| Special Pharmaceutical Services | 500 | 500 | 450 |
| County Child Welfare..... | 1,492,635 | 1,494,733 | 1,494,733 |
| Community-Based Family Centers | 34,558 | 34,558 | 34,558 |
| Child Care Services | 271,859 | 298,080 | 299,635 |
| Child Care Assistance | 123,255 | 123,255 | 124,398 |

Summary by Department, continued

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|-----------------------------|-----------------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | Actual | Available | Budget |
| Child Care Recruitment and Retention | - | - | 55,000 |
| Nurse Family Partnership | 14,112 | 14,042 | 13,975 |
| Early Intervention | 185,541 | 185,250 | 201,430 |
| Domestic Violence | 20,093 | 22,593 | 22,593 |
| Rape Crisis | 11,921 | 11,921 | 11,921 |
| Breast Cancer Screening..... | 1,828 | 1,828 | 1,828 |
| Human Services Development Fund | 13,460 | 13,460 | 13,460 |
| Legal Services | 4,161 | 6,661 | 6,661 |
| Homeless Assistance | 18,496 | 23,496 | 23,496 |
| 211 Communications | 750 | 750 | 750 |
| Health Program Assistance and Services | 40,133 | 32,827 | - |
| Services for the Visually Impaired | 4,702 | 4,702 | 4,702 |
| Subtotal..... | <u>\$ 16,327,345</u> | <u>\$ 17,279,797</u> | <u>\$ 19,167,534</u> |
| TOTAL STATE FUNDS..... | <u>\$ 18,059,444</u> | <u>\$ 19,211,608</u> | <u>\$ 21,172,021</u> |
| Federal Funds..... | 33,275,058 | 34,519,377 | 37,083,246 |
| Augmentations..... | 4,029,035 | 4,450,529 | 4,728,304 |
| Restricted..... | <u>30,730</u> | <u>30,730</u> | <u>30,730</u> |
| DEPARTMENT TOTAL..... | <u>\$ 55,394,267</u> | <u>\$ 58,212,244</u> | <u>\$ 63,014,301</u> |
| <u>INSURANCE:</u> | | | |
| <i>Grants and Subsidies:</i> | | | |
| Federal Funds..... | <u>5,000</u> | <u>-</u> | <u>-</u> |
| DEPARTMENT TOTAL..... | <u>\$ 5,000</u> | <u>\$ -</u> | <u>\$ -</u> |
| <u>LABOR AND INDUSTRY:</u> | | | |
| <i>General Government:</i> | | | |
| General Government Operations..... | \$ 15,038 | \$ 16,838 | \$ 16,838 |
| Occupational and Industrial Safety | 3,573 | 4,457 | 6,209 |
| Subtotal..... | <u>\$ 18,611</u> | <u>\$ 21,295</u> | <u>\$ 23,047</u> |
| <i>Grants and Subsidies:</i> | | | |
| Occupational Disease Payments | \$ 101 | \$ 86 | \$ 87 |
| Transfer to Vocational Rehabilitation Fund..... | 47,942 | 48,718 | 53,718 |
| Supported Employment | 397 | 397 | 397 |
| Centers for Independent Living..... | 2,634 | 2,634 | 3,634 |
| Workers' Compensation Payments..... | 200 | 200 | 185 |
| New Choices/New Options | 1,000 | 1,000 | 1,000 |
| Assistive Technology Financing | 1,000 | 1,000 | 1,000 |
| Assistive Technology Demonstration and Training..... | 850 | 850 | 850 |
| Industry Partnerships | <u>2,813</u> | <u>2,813</u> | <u>7,813</u> |

Summary by Department, continued

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|--------------------------|--------------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | Actual | Available | Budget |
| Schools-to-Work | 3,500 | 3,500 | 3,500 |
| Apprenticeship Training | 10,500 | 12,500 | 10,000 |
| Subtotal | <u>\$ 70,937</u> | <u>\$ 73,698</u> | <u>\$ 82,184</u> |
| TOTAL STATE FUNDS | <u>\$ 89,548</u> | <u>\$ 94,993</u> | <u>\$ 105,231</u> |
| Federal Funds | 460,971 | 502,355 | 506,638 |
| Augmentations | 10,013 | 10,080 | 10,080 |
| Restricted | <u>2,083</u> | <u>2,275</u> | <u>2,275</u> |
| DEPARTMENT TOTAL | <u>\$ 562,615</u> | <u>\$ 609,703</u> | <u>\$ 624,224</u> |
| <u>MILITARY AND VETERANS AFFAIRS:</u> | | | |
| <i>General Government:</i> | | | |
| General Government Operations | \$ 32,990 | \$ 36,571 | \$ 40,146 |
| Keystone State ChalleNGe Academy | 2,175 | 2,175 | 2,622 |
| Burial Detail Honor Guard | 187 | 187 | 187 |
| American Battle Monuments | 50 | 50 | 50 |
| Armory Maintenance and Repair | 2,895 | 3,145 | 3,395 |
| Special State Duty | <u>70</u> | <u>70</u> | <u>70</u> |
| Subtotal | <u>\$ 38,367</u> | <u>\$ 42,198</u> | <u>\$ 46,470</u> |
| <i>Institutional:</i> | | | |
| Veterans Homes | <u>\$ 151,169</u> | <u>\$ 161,595</u> | <u>\$ 165,024</u> |
| <i>Grants and Subsidies:</i> | | | |
| Education of Veterans Children | \$ 135 | \$ 320 | \$ 350 |
| Transfer to Educational Assistance Program Fund | 13,525 | 13,525 | 14,525 |
| Blind Veterans Pension | 222 | 222 | 222 |
| Amputee and Paralyzed Veterans Pension | 3,951 | 4,173 | 4,559 |
| National Guard Pension | 5 | 5 | 5 |
| Supplemental Life Insurance Premiums | 164 | 164 | 164 |
| Civil Air Patrol | 100 | 100 | 120 |
| Disabled American Veterans Transportation | 336 | 336 | 336 |
| Veterans Outreach Services | <u>4,378</u> | <u>4,802</u> | <u>4,922</u> |
| Subtotal | <u>\$ 22,816</u> | <u>\$ 23,647</u> | <u>\$ 25,203</u> |
| TOTAL STATE FUNDS | <u>\$ 212,352</u> | <u>\$ 227,440</u> | <u>\$ 236,697</u> |
| Federal Funds | 309,505 | 332,799 | 306,650 |
| Augmentations | 28,564 | 28,143 | 27,865 |
| Restricted | <u>69</u> | <u>101</u> | <u>101</u> |
| DEPARTMENT TOTAL | <u>\$ 550,490</u> | <u>\$ 588,483</u> | <u>\$ 571,313</u> |
| <u>PUBLIC UTILITY COMMISSION:</u> | | | |
| Federal Funds | \$ 5,538 | \$ 7,716 | \$ 7,739 |
| Restricted | <u>82,896</u> | <u>88,386</u> | <u>95,392</u> |
| DEPARTMENT TOTAL | <u>\$ 88,434</u> | <u>\$ 96,102</u> | <u>\$ 103,131</u> |

Summary by Department, continued

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
|---|--------------------------|--------------------------|--------------------------|
| REVENUE: | | | |
| General Government: | | | |
| General Government Operations..... | \$ 157,823 | \$ 159,401 | \$ 167,885 |
| Technology and Process Modernization..... | 22,089 | 13,993 | 13,592 |
| Commissions-Inheritance and Realty Transfer Taxes (EA)..... | 15,500 | 15,500 | 15,748 |
| Subtotal..... | <u>\$ 195,412</u> | <u>\$ 188,894</u> | <u>\$ 197,225</u> |
| Grants and Subsidies: | | | |
| Distribution of Public Utility Realty Tax..... | \$ 32,970 | \$ 32,801 | \$ 34,457 |
| TOTAL STATE FUNDS..... | <u>\$ 228,382</u> | <u>\$ 221,695</u> | <u>\$ 231,682</u> |
| Augmentations..... | 11,064 | 6,917 | 6,917 |
| Restricted..... | - | - | 1,500 |
| DEPARTMENT TOTAL..... | <u>\$ 239,446</u> | <u>\$ 228,612</u> | <u>\$ 240,099</u> |
| STATE: | | | |
| General Government: | | | |
| General Government Operations..... | \$ 9,275 | \$ 10,462 | \$ 10,933 |
| Statewide Uniform Registry of Electors..... | 13,474 | 20,574 | 20,698 |
| Voter Registration and Education..... | 546 | 546 | 668 |
| Lobbying Disclosure..... | 562 | 562 | 917 |
| Publishing Constitutional Amendments (EA)..... | - | 1,300 | 1,300 |
| Electoral College..... | - | 10 | - |
| Subtotal..... | <u>\$ 23,857</u> | <u>\$ 33,454</u> | <u>\$ 34,516</u> |
| Grants and Subsidies: | | | |
| Voting of Citizens in Military Service..... | \$ 20 | \$ 20 | \$ 20 |
| County Election Expenses (EA)..... | 400 | 1,400 | 400 |
| Election Code Debt Service..... | 9,256 | 9,247 | 9,242 |
| Subtotal..... | <u>\$ 9,676</u> | <u>\$ 10,667</u> | <u>\$ 9,662</u> |
| TOTAL STATE FUNDS..... | <u>\$ 33,533</u> | <u>\$ 44,121</u> | <u>\$ 44,178</u> |
| Federal Funds..... | 12,110 | 12,110 | 9,387 |
| Augmentations..... | - | - | - |
| Restricted..... | 91,666 | 103,478 | 102,333 |
| DEPARTMENT TOTAL..... | <u>\$ 137,309</u> | <u>\$ 159,709</u> | <u>\$ 155,898</u> |
| STATE POLICE: | | | |
| General Government: | | | |
| General Government Operations..... | \$ 958,449 | \$ 1,072,441 | \$ 1,217,570 |
| Statewide Public Safety Radio System..... | 8,126 | 28,506 | 28,612 |
| Law Enforcement Information Technology..... | 6,899 | 27,596 | 29,096 |
| Municipal Police Training..... | 1,708 | 3,555 | 3,591 |
| Multi-Biometric Identification System..... | 885 | 885 | 885 |
| Gun Checks..... | 5,970 | 7,582 | 7,750 |

Summary by Department, continued

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|---------------------|---------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | Actual | Available | Budget |
| Patrol Vehicles | - | 20,000 | 20,000 |
| Commercial Vehicle Inspections | - | 15,008 | 15,572 |
| Subtotal | \$ 982,037 | \$ 1,175,573 | \$ 1,323,076 |
| Grants and Subsidies: | | | |
| Municipal Police Training Grants | \$ - | \$ 5,000 | \$ 5,000 |
| TOTAL STATE FUNDS | \$ 982,037 | \$ 1,180,573 | \$ 1,328,076 |
| Federal Funds | 38,767 | 62,040 | 62,056 |
| Augmentations | 127,466 | 113,060 | 123,061 |
| Restricted | 6,664 | 22,216 | 20,800 |
| DEPARTMENT TOTAL | \$ 1,154,934 | \$ 1,377,889 | \$ 1,533,993 |
| <u>TRANSPORTATION:</u> | | | |
| General Government: | | | |
| Vehicle Sales Tax Collections | \$ 496 | \$ 443 | \$ 447 |
| Voter Registration | 639 | 759 | 1,059 |
| Transfer to Aviation Restricted Account | 1,600 | 1,600 | 1,600 |
| Transportation and Multimodal Improvement Projects | 161,000 | - | - |
| Subtotal | \$ 163,735 | \$ 2,802 | \$ 3,106 |
| TOTAL STATE FUNDS | \$ 163,735 | \$ 2,802 | \$ 3,106 |
| Federal Funds | 252,900 | 246,475 | 259,475 |
| Restricted | 6,426 | 7,800 | 7,800 |
| DEPARTMENT TOTAL | \$ 423,061 | \$ 257,077 | \$ 270,381 |
| <u>JUDICIARY:</u> | | | |
| General Government: | | | |
| Supreme Court: | | | |
| Supreme Court | \$ 19,909 | \$ 21,168 | \$ 21,634 |
| Justice Expenses | 118 | 118 | 118 |
| Judicial Center Operations | 1,155 | 1,228 | 1,298 |
| Judicial Council | 141 | 141 | 141 |
| District Court Administrators | 24,581 | 26,136 | 27,718 |
| Interbranch Commission | 358 | 358 | 403 |
| Court Management Education | 78 | 78 | 78 |
| Rules Committees | 1,595 | 1,595 | 1,595 |
| Court Administrator | 14,592 | 15,515 | 15,515 |
| Integrated Criminal Justice System | 2,372 | 2,522 | 3,521 |
| Unified Judicial System Security | 2,002 | 2,129 | 2,443 |
| Unified Judicial System Cybersecurity and Disaster Recovery | - | 3,490 | 4,652 |
| Office of Elder Justice in the Courts | 499 | 531 | 802 |
| Subtotal | \$ 67,400 | \$ 75,009 | \$ 79,918 |

Summary by Department, continued

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
|---|--------------------------|--------------------------|--------------------------|
| Superior Court: | | | |
| Superior Court | 36,455 | 38,761 | 40,731 |
| Judges Expenses | 183 | 183 | 183 |
| Subtotal..... | <u>\$ 36,638</u> | <u>\$ 38,944</u> | <u>\$ 40,914</u> |
| Commonwealth Court: | | | |
| Commonwealth Court..... | 22,896 | 24,344 | 26,142 |
| Judges Expenses | 132 | 132 | 132 |
| Subtotal..... | <u>\$ 23,028</u> | <u>\$ 24,476</u> | <u>\$ 26,274</u> |
| Court of Common Pleas: | | | |
| Courts of Common Pleas..... | 138,172 | 146,913 | 161,378 |
| Senior Judges | 4,213 | 4,480 | 4,480 |
| Judicial Education..... | 1,532 | 1,532 | 1,593 |
| Problem-Solving Courts..... | 1,268 | 1,348 | 1,348 |
| Subtotal..... | <u>\$ 145,185</u> | <u>\$ 154,273</u> | <u>\$ 168,799</u> |
| Magisterial District Judges: | | | |
| Magisterial District Judges..... | 94,308 | 100,274 | 106,047 |
| Magisterial District Judge Education..... | 878 | 878 | 961 |
| Subtotal..... | <u>\$ 95,186</u> | <u>\$ 101,152</u> | <u>\$ 107,008</u> |
| Philadelphia Courts: | | | |
| Municipal Court..... | 9,475 | 10,074 | 10,921 |
| Subtotal..... | <u>\$ 9,475</u> | <u>\$ 10,074</u> | <u>\$ 10,921</u> |
| Judicial Conduct: | | | |
| Judicial Ethics Advisory Board..... | 244 | 259 | 306 |
| Judicial Conduct Board..... | 2,555 | 2,555 | 2,555 |
| Court of Judicial Discipline..... | 618 | 618 | 618 |
| Subtotal..... | <u>\$ 3,417</u> | <u>\$ 3,432</u> | <u>\$ 3,479</u> |
| 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..... | 2,473 | 2,629 | 3,000 |
| Subtotal..... | <u>\$ 28,102</u> | <u>\$ 28,258</u> | <u>\$ 28,629</u> |
| TOTAL STATE FUNDS..... | <u>\$ 408,431</u> | <u>\$ 435,618</u> | <u>\$ 465,942</u> |
| Federal Funds..... | 2,403 | 2,530 | 1,430 |
| Restricted..... | 48,952 | 43,417 | 43,417 |
| DEPARTMENT TOTAL..... | <u>\$ 459,786</u> | <u>\$ 481,565</u> | <u>\$ 510,789</u> |

Summary by Department, continued

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|---------|-----------|---------|
| | Actual | Available | Budget |

LEGISLATURE:

General Government:

Senate:

| | | | |
|---|------------|------------|------------|
| Senators' Salaries..... | \$ 9,307 | \$ 9,307 | \$ 9,307 |
| Employees of Chief Clerk | 3,239 | 3,614 | 3,614 |
| Salaried Officers and Employees | 14,672 | 16,672 | 16,672 |
| Incidental Expenses..... | 3,775 | 3,775 | 3,775 |
| Expenses-Senators | 1,487 | 1,487 | 1,487 |
| Legislative Purchasing and Expenses | 8,450 | 8,450 | 8,450 |
| Committee on Appropriations (R) and (D) | - | - | 3,166 |
| Committee on Appropriations (R) | 1,583 | 1,583 | - |
| Committee on Appropriations (D) | 1,583 | 1,583 | - |
| Caucus Operations (R) and (D) | - | - | 96,676 |
| Caucus Operations (R) | 46,919 | 51,238 | - |
| Caucus Operations (D) | 41,607 | 45,438 | - |
| Subtotal..... | \$ 132,622 | \$ 143,147 | \$ 143,147 |

House of Representatives:

| | | | |
|---|--------|--------|---------|
| Members' Salaries, Speaker's Extra Compensation..... | 37,940 | 42,230 | 42,230 |
| Caucus Operations (R) and (D) | - | - | 148,044 |
| Caucus Operations (R) | 67,221 | 71,061 | - |
| Caucus Operations (D) | 72,823 | 76,983 | - |
| Speaker's Office..... | 1,703 | 1,873 | 1,873 |
| Bi-Partisan Committee, Chief Clerk, Comptroller, and EMS..... | 14,834 | 18,510 | 18,510 |
| Mileage-Representatives, Officers, and Employees..... | 672 | 672 | 672 |
| Chief Clerk and Legislative Journal | 2,816 | 2,816 | 2,816 |
| Contingent Expenses (R) and (D)..... | - | - | 2,118 |
| Speaker | 20 | 20 | - |
| Chief Clerk | 2,000 | 2,000 | - |
| 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 | - |

Summary by Department, continued

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|-------------------|-------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | Actual | Available | Budget |
| 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 Purchasing and Expenses | 11,174 | 13,000 | 13,000 |
| Committee on Appropriations (R) | 3,223 | 3,545 | 3,545 |
| Committee on Appropriations (D) | 3,223 | 3,545 | 3,545 |
| Special Leadership Account (R) | 6,045 | 7,045 | 7,045 |
| Special Leadership Account (D) | 6,045 | 7,045 | 7,045 |
| Subtotal | \$ 241,657 | \$ 262,263 | \$ 262,263 |
| TOTAL STATE FUNDS | \$ 374,279 | \$ 405,410 | \$ 405,410 |
| Federal Funds | - | - | - |
| DEPARTMENT TOTAL | \$ 374,279 | \$ 405,410 | \$ 405,410 |
| <u>GOVERNMENT SUPPORT AGENCIES:</u> | | | |
| General Government: | | | |
| Legislative Reference Bureau: | | | |
| Legislative Reference Bureau-Salaries and Expenses | \$ 10,285 | \$ 11,000 | \$ 11,000 |
| Printing of PA Bulletin and PA Code | 886 | 1,100 | 1,100 |
| Contingent Expenses | 25 | 25 | 25 |
| Subtotal | \$ 11,196 | \$ 12,125 | \$ 12,125 |
| Miscellaneous and Commissions: | | | |
| Legislative Budget and Finance Committee | 2,020 | 2,020 | 2,020 |
| Legislative Data Processing Center | 34,255 | 36,255 | 36,255 |
| 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 | 1,250 | 1,250 | 1,250 |

Summary by Department, continued

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|-----------------------------|------------------------------|------------------------------|
| | Actual | Available | Budget |
| Commonwealth Mail Processing Center..... | 3,583 | 3,583 | 3,583 |
| Independent Fiscal Office..... | 2,343 | 2,343 | 2,343 |
| Subtotal..... | <u>\$ 57,936</u> | <u>\$ 59,936</u> | <u>\$ 59,936</u> |
| TOTAL STATE FUNDS..... | <u>\$ 69,132</u> | <u>\$ 72,061</u> | <u>\$ 72,061</u> |
| DEPARTMENT TOTAL..... | <u>\$ 69,132</u> | <u>\$ 72,061</u> | <u>\$ 72,061</u> |
| General Fund Total-All Funds | | | |
| State Funds..... | \$ 44,864,798 | \$ 47,904,371 | \$ 51,474,431 |
| Federal Funds..... | 43,696,679 | 47,667,209 | 50,059,088 |
| Augmentations..... | 4,996,672 | 5,492,527 | 5,793,726 |
| Restricted..... | <u>756,869</u> | <u>902,387</u> | <u>1,028,933</u> |
| FUND TOTAL..... | <u>\$ 94,315,018</u> | <u>\$ 101,966,494</u> | <u>\$ 108,356,178</u> |



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, federal aid for transportation purposes, contributions from local subdivisions for highway projects, and other miscellaneous revenues.

The fund provides for highway and bridge design, improvement, maintenance, and repair as well as purchase of rights-of-way, and licensing and safety activities. It also 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 and aviation uses and are not included in the Motor License Fund estimate of revenue.

This budget proposes to decrease overall State Police reliance on the Motor License Fund to \$200,000,000 in 2025-26 to assure state match requirements for federal transportation infrastructure funding. Additionally, this budget proposes to further reduce the reliance on the Motor License Fund by \$50,000,000 annually until the support is eliminated in 2029-30.

Income and Outgo



Liquid Fuels Tax \$1,701,000
 Licenses and Fees \$1,357,400
 Other Nonrestricted \$25,700

Income
 (Dollar Amounts in Thousands)

| | |
|-------------------|--------------------|
| TOTAL INCOME | \$3,084,100 |
| Beginning Balance | 271,718 |
| TOTAL | \$3,355,818 |

Outgo
 (Dollar Amounts in Thousands)

| | |
|----------------|--------------------|
| TOTAL OUTGO | \$3,288,076 |
| Ending Balance | 67,742 |
| TOTAL | \$3,355,818 |



Highways & Bridges \$2,175,793
 State Police \$200,000
 Local Subsidy \$316,886
 Licensing & Safety \$276,708
 Other \$266,618
 Debt Service \$52,071

Seven Year Financial Statement

Excludes Restricted Revenue and Expenditures

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Beginning Balance | \$ 255,433 | \$ 312,996 | \$ 271,718 | \$ 67,742 | \$ 21,881 | \$ 27,044 | \$ 19,092 |
| Adjustment to Beginning Balance..... | - | - | - | - | - | - | - |
| Adjusted Beginning Balance | \$ 255,433 | \$ 312,996 | \$ 271,718 | \$ 67,742 | \$ 21,881 | \$ 27,044 | \$ 19,092 |
| Revenue: | | | | | | | |
| Liquid Fuels Taxes | \$ 1,778,021 | \$ 1,723,700 | \$ 1,701,000 | \$ 1,674,700 | \$ 1,651,600 | \$ 1,632,900 | \$ 1,608,700 |
| Licenses and Fees | 1,283,094 | 1,293,000 | 1,357,400 | 1,396,600 | 1,451,500 | 1,488,100 | 1,540,500 |
| Other Nonrestricted | 108,833 | 98,800 | 25,700 | 23,600 | 23,900 | 24,000 | 24,000 |
| Total Revenue | \$ 3,169,948 | \$ 3,115,500 | \$ 3,084,100 | \$ 3,094,900 | \$ 3,127,000 | \$ 3,145,000 | \$ 3,173,200 |
| Prior Year Lapses | 121,159 | 96,883 | - | - | - | - | - |
| Funds Available | \$ 3,546,540 | \$ 3,525,379 | \$ 3,355,818 | \$ 3,162,642 | \$ 3,148,881 | \$ 3,172,044 | \$ 3,192,292 |
| Expenditures: | | | | | | | |
| Appropriations | \$ 2,897,841 | \$ 2,864,646 | \$ 2,857,496 | \$ 2,710,181 | \$ 2,681,257 | \$ 2,712,372 | \$ 2,734,263 |
| Executive Authorizations | 335,703 | 389,015 | 430,580 | 430,580 | 440,580 | 440,580 | 440,580 |
| Proposed Supplementals | - | - | - | - | - | - | - |
| Current Year Lapses | - | - | - | - | - | - | - |
| Total Expenditures | \$ 3,233,544 | \$ 3,253,661 | \$ 3,288,076 | \$ 3,140,761 | \$ 3,121,837 | \$ 3,152,952 | \$ 3,174,843 |
| Ending Balance | \$ 312,996 | \$ 271,718 | \$ 67,742 | \$ 21,881 | \$ 27,044 | \$ 19,092 | \$ 17,449 |

Summary by Department

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
|--|-------------------|----------------------|-------------------|
| <u>TREASURY:</u> | | | |
| General Government: | | | |
| Administration-Refunding Liquid Fuels Taxes | \$ 561 | \$ 591 | \$ 605 |
| Refunds: | | | |
| Refunding Liquid Fuels Taxes-State Share (EA)..... | \$ 4,500 | \$ 4,500 | \$ 4,500 |
| Refunding Liquid Fuels Taxes-Agriculture (EA)..... | 5,000 | 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 | 800 | 800 |
| Refunding Liquid Fuels Taxes-Snowmobiles and ATVs (EA)..... | 1,000 | 1,000 | 1,000 |
| Refunding Liquid Fuels Taxes-Boat Fund (EA) | 13,603 | 12,500 | 13,500 |
| Subtotal..... | \$ 29,903 | \$ 28,800 | \$ 29,800 |
| Debt Service: | | | |
| Capital Debt Transportation Projects | \$ 35,873 | \$ 35,920 | \$ 35,942 |
| General Obligation Debt Service | 16,477 | 14,813 | 16,089 |
| Loan and Transfer Agent | 40 | 40 | 40 |
| Subtotal..... | \$ 52,390 | \$ 50,773 | \$ 52,071 |
| TOTAL STATE FUNDS | \$ 82,854 | \$ 80,164 | \$ 82,476 |
| Restricted..... | 72,458 | 71,468 | 71,736 |
| DEPARTMENT TOTAL | \$ 155,312 | \$ 151,632 | \$ 154,212 |
| <u>AGRICULTURE:</u> | | | |
| General Government: | | | |
| Weights and Measures Administration | \$ 5,817 | \$ 5,908 | \$ 5,908 |
| Grants and Subsidies: | | | |
| Dirt, Gravel, and Low Volume Roads | \$ 28,000 | \$ 28,000 | \$ 28,000 |
| TOTAL STATE FUNDS..... | \$ 33,817 | \$ 33,908 | \$ 33,908 |
| DEPARTMENT TOTAL | \$ 33,817 | \$ 33,908 | \$ 33,908 |
| <u>CONSERVATION AND NATURAL RESOURCES:</u> | | | |
| General Government: | | | |
| Dirt and Gravel Roads | \$ 7,000 | \$ 7,000 | \$ 7,000 |
| TOTAL STATE FUNDS..... | \$ 7,000 | \$ 7,000 | \$ 7,000 |
| Restricted | 9,364 | 9,281 | 9,140 |
| DEPARTMENT TOTAL | \$ 16,364 | \$ 16,281 | \$ 16,140 |

Motor License Fund

Summary by Department, continued

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|-------------------|-------------------|-------------------|
| | Actual | Available | Budget |
| <u>GENERAL SERVICES:</u> | | | |
| General Government: | | | |
| Tort Claims Payments | \$ 9,000 | \$ 9,000 | \$ 9,000 |
| TOTAL STATE FUNDS | \$ 9,000 | \$ 9,000 | \$ 9,000 |
| DEPARTMENT TOTAL | \$ 9,000 | \$ 9,000 | \$ 9,000 |
| <u>REVENUE:</u> | | | |
| General Government: | | | |
| Collections-Liquid Fuels Taxes | \$ 23,564 | \$ 24,797 | \$ 25,596 |
| Refunds: | | | |
| Refunding Liquid Fuels Taxes (EA) | \$ 35,300 | \$ 29,715 | \$ 30,280 |
| TOTAL STATE FUNDS | \$ 58,864 | \$ 54,512 | \$ 55,876 |
| Federal Funds | 250 | 250 | 250 |
| DEPARTMENT TOTAL | \$ 59,114 | \$ 54,762 | \$ 56,126 |
| <u>STATE POLICE:</u> | | | |
| General Government: | | | |
| General Government Operations | \$ 286,546 | \$ 250,000 | \$ 200,000 |
| Statewide Public Safety Radio System | 20,329 | - a | - a |
| Law Enforcement Information Technology | 20,697 | - a | - a |
| Municipal Police Training | 1,708 | - a | - a |
| Patrol Vehicles | 26,000 | - a | - a |
| Commercial Vehicle Inspections | 14,720 | - a | - a |
| Subtotal | \$ 370,000 | \$ 250,000 | \$ 200,000 |
| Grants and Subsidies: | | | |
| Municipal Police Training Grants | \$ 5,000 | \$ - a | \$ - a |
| TOTAL STATE FUNDS | \$ 375,000 | \$ 250,000 | \$ 200,000 |
| Federal Funds | 16,823 | - a | - a |
| Augmentations | 754 | - a | - a |
| Restricted | 1,220 | - a | - a |
| DEPARTMENT TOTAL | \$ 393,797 | \$ 250,000 | \$ 200,000 |

Motor License Fund

Summary by Department, continued

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------------|----------------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
| TRANSPORTATION: | | | |
| General Government: | | | |
| General Government Operations..... | \$ 82,399 | \$ 85,476 | \$ 95,084 |
| Welcome Centers | 4,640 | 4,807 | 4,845 |
| Highway and Safety Improvements | 650,000 | 630,000 | 630,000 |
| Highway Capital Projects (EA)..... | 240,000 | 300,000 | 340,000 |
| Highway Maintenance | 1,033,412 | 1,144,293 | 1,169,293 |
| Highway Systems Technology and Innovation | 16,000 | 20,000 | 20,000 |
| Reinvestment in Facilities | 16,500 | 16,500 | 16,500 |
| Driver and Vehicle Services..... | 236,055 | 231,055 | 276,708 |
| Homeland Security-REAL ID | 31,308 | 32,535 | - |
| Subtotal..... | <u>\$ 2,310,314</u> | <u>\$ 2,464,666</u> | <u>\$ 2,552,430</u> |
| Grants and Subsidies: | | | |
| Local Road Maintenance and Construction..... | \$ 246,195 | \$ 243,911 | \$ 236,886 |
| Supplemental Local Road Maintenance and Construction..... | 5,000 | 5,000 | 5,000 |
| Municipal Roads and Bridges | 30,000 | 30,000 | 30,000 |
| Maintenance and Construction of County Bridges | 5,000 | 5,000 | 5,000 |
| Municipal Traffic Signals..... | 40,000 | 40,000 | 40,000 |
| Payment to Turnpike Commission (EA)..... | 28,000 | 28,000 | 28,000 |
| Subtotal..... | <u>\$ 354,195</u> | <u>\$ 351,911</u> | <u>\$ 344,886</u> |
| Refunds: | | | |
| Refunding Collected Monies (EA)..... | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| TOTAL STATE FUNDS..... | <u>\$ 2,667,009</u> | <u>\$ 2,819,077</u> | <u>\$ 2,899,816</u> |
| Federal Funds..... | 2,310,796 | 2,961,664 | 3,043,318 |
| Augmentations..... | 96,950 | 125,167 | 119,117 |
| Restricted..... | 2,168,800 | 2,107,557 | 2,075,454 |
| DEPARTMENT TOTAL..... | <u>\$ 7,243,555</u> | <u>\$ 8,013,465</u> | <u>\$ 8,137,705</u> |
| Fund Summary | | | |
| State Funds-Transportation | \$ 2,667,009 | \$ 2,819,077 | \$ 2,899,816 |
| State Funds-Other Departments..... | 566,535 | 434,584 | 388,260 |
| TOTAL STATE FUNDS..... | <u>\$ 3,233,544</u> | <u>\$ 3,253,661</u> | <u>\$ 3,288,076</u> |
| Motor License Fund Total—All Funds | | | |
| State Funds | \$ 3,233,544 | \$ 3,253,661 | \$ 3,288,076 |
| Federal Funds | 2,327,869 | 2,961,914 | 3,043,568 |
| Augmentations | 97,704 | 125,167 | 119,117 |
| Restricted | 2,251,842 | 2,188,306 | 2,156,330 |
| FUND TOTAL..... | <u>\$ 7,910,959</u> | <u>\$ 8,529,048</u> | <u>\$ 8,607,091</u> |

^a Reflects funding shift from the Motor License Fund to the General Fund.

^b This budget proposes to transfer funding to Driver and Vehicle Services, due to the May 7, 2025 REAL ID implementation.

Revenue Summary: Five Year Revenue Projections

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Liquid Fuels Taxes..... | \$ 1,778,021 | \$ 1,723,700 | \$ 1,701,000 | \$ 1,674,700 | \$ 1,651,600 | \$ 1,632,900 | \$ 1,608,700 |
| Licenses and Fees..... | 1,283,094 | 1,293,000 | 1,357,400 | 1,396,600 | 1,451,500 | 1,488,100 | 1,540,500 |
| Other Nonrestricted | 108,833 | 98,800 | 25,700 | 23,600 | 23,900 | 24,000 | 24,000 |
| TOTAL MOTOR LICENSE | | | | | | | |
| FUND REVENUES | \$ 3,169,948 | \$ 3,115,500 | \$ 3,084,100 | \$ 3,094,900 | \$ 3,127,000 | \$ 3,145,000 | \$ 3,173,200 |

Restricted Revenues

| | | | | | | | |
|----------------------------------|------------|------------|------------|------------|------------|------------|------------|
| Aviation..... | \$ 10,180 | \$ 9,500 | \$ 8,800 | \$ 9,200 | \$ 9,200 | \$ 9,200 | \$ 9,200 |
| Highway Bridge Improvement | \$ 223,611 | \$ 216,100 | \$ 212,000 | \$ 210,000 | \$ 208,500 | \$ 206,900 | \$ 204,900 |
| State Highway Transfer..... | \$ 52,186 | \$ 50,600 | \$ 49,900 | \$ 49,100 | \$ 48,400 | \$ 47,800 | \$ 47,000 |
| Oil Company Franchise Tax | \$ 956,736 | \$ 930,800 | \$ 918,100 | \$ 903,300 | \$ 890,000 | \$ 879,400 | \$ 881,500 |
| Supplemental Maintenance..... | \$ 669,715 | \$ 651,500 | \$ 642,600 | \$ 632,100 | \$ 622,900 | \$ 615,400 | \$ 605,700 |

Adjustments to Revenue Estimates

On July 11, 2024, an official estimate for the 2024-25 fiscal year of \$3,016,200 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)

| | 2024-25 | | 2024-25 |
|---------------------------|---------------------|------------------|---------------------|
| | Official | Adjustments | Revised |
| | Estimate | | Estimate |
| Liquid Fuels Taxes..... | \$ 1,720,700 | \$ 3,000 | \$ 1,723,700 |
| Licenses and Fees..... | 1,231,600 | 61,400 | 1,293,000 |
| Other Nonrestricted | 63,900 | 34,900 | 98,800 |
| TOTAL | \$ 3,016,200 | \$ 99,300 | \$ 3,115,500 |

Revenue Sources

This section briefly describes tax and non-tax state revenue sources for the Motor License Fund.

Liquid Fuels Taxes

Table with 4 columns: Year, Actual, Estimated, and Year. Rows include years from 2018-19 to 2029-30 with corresponding revenue figures.

Tax Base and Rates

Alternative Fuels Tax:

- Tax Base: 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.
Tax Rate: The tax rates are calculated from the current oil company franchise tax rate on gasoline indexed to the energy content of the alternative fuel.
Reference: Chapter 90 Title 75 of the Pennsylvania Consolidated Statutes

Motor Carriers Road Tax/International Fuel Tax Agreement (IFTA):

- Tax Base: 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. 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. Pennsylvania has been a member of IFTA since 1996. 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.
Tax Rate: The tax is equal to the oil company franchise tax rate.
Reference: Chapter 96 Title 75 of the Pennsylvania Consolidated Statutes

Oil Company Franchise Tax:

- Tax Base: This tax is an excise tax on all taxable liquid fuels. The tax is imposed on a cents-per-gallon equivalent basis and is remitted by distributors.

Revenue Sources, continued

Tax Rate: The total tax rate in 2024 is 57.6 cents-per-gallon (cpg) on liquid fuels and 74.1 cpg on diesel. This rate is recalculated each year as the product of an annual average wholesale price (AWP) set by the Department of Revenue and the statutory millage rates. Act 89 of 2013 added mills that are included in the current rates. Act 89 of 2013 also uncapped the AWP in 2017 and thereafter, with a floor set at \$2.99 per gallon. Receipts from 57 mills of the tax on liquid fuels and fuels are deposited as nonrestricted Motor License Fund revenue, along with the mills added by Act 89 of 2013. 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.

Transfers: Liquid Fuels Tax Fund: 4.17 percent of the mills added by Act 89 of 2013
 Multimodal Transportation Fund: \$35 million annually

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

Licenses and Fees

| <u>Actual</u> | | <u>Estimated</u> | |
|---------------|------------|------------------|--------------|
| 2018-19..... | \$ 992,389 | 2024-25..... | \$ 1,293,000 |
| 2019-20..... | 954,044 | 2025-26..... | 1,357,400 |
| 2020-21..... | 1,151,355 | 2026-27..... | 1,396,600 |
| 2021-22..... | 1,126,575 | 2027-28..... | 1,451,500 |
| 2022-23..... | 1,117,786 | 2028-29..... | 1,488,100 |
| 2023-24..... | 1,283,094 | 2029-30..... | 1,540,500 |

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

| <u>Actual</u> | | <u>Estimated</u> | |
|---------------|-----------|------------------|-----------|
| 2018-19..... | \$ 19,678 | 2024-25..... | \$ 98,800 |
| 2019-20..... | 997 | 2025-26..... | 25,700 |
| 2020-21..... | 17,855 | 2026-27..... | 23,600 |
| 2021-22..... | 9,840 | 2027-28..... | 23,900 |
| 2022-23..... | 65,720 | 2028-29..... | 24,000 |
| 2023-24..... | 108,833 | 2029-30..... | 24,000 |

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) | | |
|--|-------------------------------|---------------------|---------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | Actual | Available | Budget |
| LIQUID FUELS TAXES | | | |
| Liquid Fuels Tax | | | |
| Liquid Fuels Tax | \$ 5 | \$ - | \$ - |
| Subtotal..... | \$ 5 | \$ - | \$ - |
| Alternative Fuel Tax | | | |
| Alternative Fuel Tax..... | \$ 18,192 | \$ 18,480 | \$ 19,280 |
| Alternative Fuel Tax Interest and Penalties | 15 | 20 | 20 |
| Subtotal..... | \$ 18,207 | \$ 18,500 | \$ 19,300 |
| Motor Carriers Road Tax-International Fuel Tax Agreement | | | |
| Motor Carriers Road/IFTA-Fuels Tax | \$ 143,365 | \$ 135,130 | \$ 133,560 |
| Motor Carriers Road/IFTA-Registration Fees, Special Permit Fees, and Fines | 2,619 | 2,470 | 2,440 |
| Subtotal..... | \$ 145,984 | \$ 137,600 | \$ 136,000 |
| Oil Company Franchise Tax | | | |
| Oil Company Franchise Tax | \$ 960,861 | \$ 929,800 | \$ 916,600 |
| OCFT-Liquid Fuels | 508,300 | 498,530 | 492,550 |
| OCFT-Liquid Fuels Interest | 840 | 820 | 810 |
| OCFT-Liquid Fuels Penalties..... | 665 | 650 | 640 |
| OCFT-Fuel Use | 143,159 | 137,800 | 135,100 |
| Subtotal..... | \$ 1,613,825 | \$ 1,567,600 | \$ 1,545,700 |
| TOTAL LIQUID FUELS TAXES..... | \$ 1,778,021 | \$ 1,723,700 | \$ 1,701,000 |
| LICENSES AND FEES | | | |
| Operators' Licenses | \$ 78,772 | \$ 80,400 | \$ 86,900 |
| REAL ID..... | 8,288 | 9,600 | 9,600 |
| Other Fee Collections | (6,129) | 2,500 | 2,500 |
| Registration Fees Received from Other States/IRP | 212,390 | 196,700 | 212,600 |
| Special Hauling Permit Fees | 35,875 | 35,700 | 38,000 |
| Vehicle Registration and Titling | 953,898 | 968,100 | 1,007,800 |
| TOTAL LICENSES AND FEES..... | \$ 1,283,094 | \$ 1,293,000 | \$ 1,357,400 |

Motor License Fund

Revenue Detail, continued

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|----------------------|----------------------|----------------------|
| | Actual | Available | Budget |
| OTHER NONRESTRICTED | | | |
| Fines and Penalties | | | |
| Department of Revenue | | | |
| Vehicle Code Fines..... | \$ 1,055 | \$ - | \$ - |
| Miscellaneous Revenues | | | |
| Treasury Investment Income | \$ 106,406 | \$ 96,400 | \$ 23,300 |
| Department of General Services | | | |
| Sale of Unserviceable Property | \$ 439 | \$ 400 | \$ 400 |
| Department of Transportation | | | |
| Fees for Reclaiming Abandoned Vehicles..... | \$ 74 | \$ 150 | \$ 150 |
| Highway Encroachment Permits..... | 1,990 | 4,370 | 4,370 |
| Interest Earned-Restricted Revenue | (1,156) ^a | (2,550) ^a | (2,550) ^a |
| Miscellaneous Revenues | 4 | - | - |
| Recovered Damages | 14 | 20 | 20 |
| Sale of Inspection Stickers | 3 | - | - |
| Sale of Maps and Plans..... | 4 | 10 | 10 |
| TOTAL OTHER NONRESTRICTED | \$ 108,833 | \$ 98,800 | \$ 25,700 |
| TOTAL MOTOR LICENSE FUND REVENUES | \$ 3,169,948 | \$ 3,115,500 | \$ 3,084,100 |

^a Amounts transferred to restricted revenue account.

Restricted Revenues Not Included in Department Total

Aviation

| Actual | | Estimated | |
|---------------|----------|---------------|----------|
| 2018-19 | \$ 8,670 | 2024-25 | \$ 9,500 |
| 2019-20 | 8,832 | 2025-26 | 8,800 |
| 2020-21 | 5,149 | 2026-27 | 9,200 |
| 2021-22 | 6,157 | 2027-28 | 9,200 |
| 2022-23 | 7,503 | 2028-29 | 9,200 |
| 2023-24 | 10,180 | 2029-30 | 9,200 |

Aviation restricted revenues include taxes levied on aviation gasoline and jet fuel. 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, 2023, is 6.0 cents per gallon on aviation gasoline and 2.0 cents per gallon on jet fuel. This budget assumes the continuation of a General Fund transfer to supplement Aviation revenues.

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
|----------------------------------|-------------------|----------------------|-------------------|
| AVIATION | | | |
| Jet Fuel Tax | \$ 7,248 | \$ 7,100 | \$ 6,400 |
| Aviation Gasoline Tax | 177 | 200 | 200 |
| Transfer from General Fund | 1,600 | 1,600 | 1,600 |
| Interest | 1,155 | 600 | 600 |
| TOTAL AVIATION | \$ 10,180 | \$ 9,500 | \$ 8,800 |

Highway Bridge Improvement

| Actual | | Estimated | |
|---------------|------------|---------------|------------|
| 2018-19 | \$ 227,348 | 2024-25 | \$ 216,100 |
| 2019-20 | 219,952 | 2025-26 | 212,000 |
| 2020-21 | 226,448 | 2026-27 | 210,000 |
| 2021-22 | 229,924 | 2027-28 | 208,500 |
| 2022-23 | 226,375 | 2028-29 | 206,900 |
| 2023-24 | 223,611 | 2029-30 | 204,900 |

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.

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
|--|-------------------|----------------------|-------------------|
| HIGHWAY BRIDGE IMPROVEMENT | | | |
| Registration Fee Portion-PA-Based Motor Vehicles | \$ 11,181 | \$ 11,600 | \$ 11,500 |
| Temporary Permit Fees | 448 | 400 | 400 |
| Oil Company Franchise Tax | 211,982 | 204,100 | 200,100 |
| TOTAL HIGHWAY BRIDGE IMPROVEMENT | \$ 223,611 | \$ 216,100 | \$ 212,000 |

Restricted Revenues Not Included in Department Total, continued

State Highway Transfer

| Actual | | Estimated | |
|--------------|-----------|---------------|-----------|
| 2018-19..... | \$ 54,793 | 2024-25 | \$ 50,600 |
| 2019-20..... | 50,710 | 2025-26 | 49,900 |
| 2020-21..... | 49,465 | 2026-27 | 49,100 |
| 2021-22..... | 51,829 | 2027-28 | 48,400 |
| 2022-23..... | 52,018 | 2028-29 | 47,800 |
| 2023-24..... | 52,186 | 2029-30 | 47,000 |

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 of 2013 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 | |
|--------------|--------------|---------------|------------|
| 2018-19..... | \$ 1,004,534 | 2024-25 | \$ 930,800 |
| 2019-20..... | 929,683 | 2025-26 | 918,100 |
| 2020-21..... | 906,855 | 2026-27 | 903,300 |
| 2021-22..... | 950,192 | 2027-28 | 890,000 |
| 2022-23..... | 953,660 | 2028-29 | 879,400 |
| 2023-24..... | 956,736 | 2029-30 | 881,500 |

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 | |
|--------------|------------|---------------|------------|
| 2018-19..... | \$ 703,174 | 2024-25 | \$ 651,500 |
| 2019-20..... | 650,778 | 2025-26 | 642,600 |
| 2020-21..... | 634,798 | 2026-27 | 632,100 |
| 2021-22..... | 665,135 | 2027-28 | 622,900 |
| 2022-23..... | 667,562 | 2028-29 | 615,400 |
| 2023-24..... | 669,715 | 2029-30 | 605,700 |

Supplemental Maintenance restricted account revenues are provided by 38.5 mills of the oil company franchise tax as a result of Act 3 of 1997. Prior to Act 89 of 2013, revenues were restricted to the following purposes: 12 percent for municipalities and 88 percent for maintenance. Act 89 of 2013 changed the percentages for maintenance to align with the transportation investment plans as follows: 68 percent in 2013-14, 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 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. [Act 7 of 2023](#), further expanded the [program](#) currently enabling homeowners and renters with household incomes of \$46,250 or less to qualify for rebates from \$380 to \$1,000. The act also permits income eligibility to grow with inflation each year.

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 enriching the lives and enabling 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 the Long-Term Care and 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 Pennsylvanians Shared Ride program.

Seven Year Financial Statement

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|-----------------------------------|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Beginning Balance | \$ 162,648 | \$ 318,101 | \$ 89,232 | \$ 10,058 | \$ 19,497 | \$ 26,377 | \$ 39,067 |
| Reserve from Previous Year | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| Adjusted Beginning Balance..... | \$ 237,648 | \$ 393,101 | \$ 164,232 | \$ 85,058 | \$ 94,497 | \$ 101,377 | \$ 114,067 |
| Revenue: | | | | | | | |
| Ticket Sales..... | \$ 5,836,901 | \$ 5,228,071 | \$ 5,119,939 | \$ 5,089,285 | \$ 5,108,180 | \$ 5,155,317 | \$ 5,144,331 |
| Commissions..... | (239,908) | (216,303) | (209,835) | (205,969) | (204,594) | (203,418) | (201,269) |
| Field Paid Prizes | (3,652,752) | (3,325,602) | (3,237,946) | (3,234,752) | (3,260,044) | (3,309,145) | (3,312,742) |
| Net Collections | \$ 1,944,241 | \$ 1,686,166 | \$ 1,672,159 | \$ 1,648,564 | \$ 1,643,542 | \$ 1,642,754 | \$ 1,630,320 |
| Gaming Transfers for Property | | | | | | | |
| Tax Relief..... | 87,200 | 202,200 | 323,700 | 324,700 | 325,200 | 324,400 | 324,400 |
| Transfer from Video Gaming Fund.. | - | - | 38,459 | 160,416 | 176,139 | 192,437 | 209,310 |
| Miscellaneous | 38,940 | 20,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Total Revenue..... | \$ 2,070,381 | \$ 1,908,366 | \$ 2,059,318 | \$ 2,158,680 | \$ 2,169,881 | \$ 2,184,591 | \$ 2,189,030 |
| Prior Year Lapses | 159,350 | 47,519 | - | - | - | - | - |
| Funds Available..... | \$ 2,467,380 | \$ 2,348,986 | \$ 2,223,550 | \$ 2,243,738 | \$ 2,264,378 | \$ 2,285,968 | \$ 2,303,097 |
| Expenditures: | | | | | | | |
| Appropriations | \$ 832,252 | \$ 877,685 | \$ 835,154 | \$ 846,317 | \$ 862,024 | \$ 872,731 | \$ 888,438 |
| Executive Authorizations | 1,242,027 | 1,317,069 | 1,303,338 | 1,302,924 | 1,300,978 | 1,299,169 | 1,293,927 |
| Proposed Supplementals | - | - | - | - | - | - | - |
| Current Year Lapses | - | (10,000) | - | - | - | - | - |
| Total Expenditures | \$ 2,074,279 | \$ 2,184,754 | \$ 2,138,492 | \$ 2,149,241 | \$ 2,163,002 | \$ 2,171,900 | \$ 2,182,365 |
| Reserve for Current Year | (75,000) | (75,000) | (75,000) | (75,000) | (75,000) | (75,000) | (75,000) |
| Ending Balance | \$ 318,101 | \$ 89,232 | \$ 10,058 | \$ 19,497 | \$ 26,377 | \$ 39,067 | \$ 45,731 |

Summary by Department

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
|---|---------------------|----------------------|---------------------|
| AGING: | | | |
| General Government: | | | |
| General Government Operations..... | \$ 12,335 | \$ 14,818 | \$ 17,546 |
| Grants and Subsidies: | | | |
| PENNCARE..... | \$ 287,848 | \$ 287,848 | \$ 308,555 |
| 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 | 170,000 | 150,000 |
| Grants to Senior Centers..... | 3,000 | 3,000 | 3,000 |
| Aging Our Way, PA..... | - | 2,950 | 5,950 |
| Subtotal..... | \$ 466,951 | \$ 484,901 | \$ 488,608 |
| TOTAL STATE FUNDS..... | \$ 479,286 | \$ 499,719 | \$ 506,154 |
| Augmentations..... | 616 | 629 | 936 |
| DEPARTMENT TOTAL..... | \$ 479,902 | \$ 500,348 | \$ 507,090 |
| HUMAN SERVICES: | | | |
| Grants and Subsidies: | | | |
| Medical Assistance-Transportation Services..... | \$ 4,000 | \$ 4,000 | \$ 4,000 |
| Medical Assistance-Community HealthChoices..... | 348,966 | 373,966 | 325,000 |
| Subtotal..... | \$ 352,966 | \$ 377,966 | \$ 329,000 |
| TOTAL STATE FUNDS..... | \$ 352,966 | \$ 377,966 | \$ 329,000 |
| DEPARTMENT TOTAL..... | \$ 352,966 | \$ 377,966 | \$ 329,000 |
| REVENUE: | | | |
| General Government: | | | |
| General Operations (EA)..... | \$ 77,665 | \$ 83,701 | \$ 83,701 |
| Lottery Advertising (EA)..... | 51,000 | 55,000 | 55,000 |
| Property Tax and Rent Rebate-General Operations (EA)..... | 24,000 | 25,000 | 25,000 |
| On-Line Vendor Commissions (EA)..... | 76,552 | 76,213 | 75,540 |
| Instant Vendor Commissions (EA)..... | 52,630 | 52,397 | 41,967 |
| iLottery Vendor Commissions (EA)..... | 29,300 | 29,300 | 32,314 |
| Payment of Prize Money (EA)..... | 552,373 | 500,151 | 495,209 |
| Subtotal..... | \$ 863,520 | \$ 821,762 | \$ 808,731 |
| Grants and Subsidies: | | | |
| Property Tax and Rent Rebate for Older Pennsylvanians (EA)..... | \$ 207,600 | \$ 324,400 | \$ 323,700 |
| TOTAL STATE FUNDS..... | \$ 1,071,120 | \$ 1,146,162 | \$ 1,132,431 |
| Augmentations..... | 531 | 663 | 678 |
| DEPARTMENT TOTAL..... | \$ 1,071,651 | \$ 1,146,825 | \$ 1,133,109 |

Summary by Department, continued

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------------|----------------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
| <u>TRANSPORTATION:</u> | | | |
| <i>Grants and Subsidies:</i> | | | |
| Older Pennsylvanians Shared Rides (EA)..... | \$ 75,000 | \$ 75,000 | \$ 75,000 |
| Transfer to Public Transportation Trust Fund (EA)..... | 95,907 | 95,907 | 95,907 |
| Subtotal..... | <u>\$ 170,907</u> | <u>\$ 170,907</u> | <u>\$ 170,907</u> |
| TOTAL STATE FUNDS..... | <u>\$ 170,907</u> | <u>\$ 170,907</u> | <u>\$ 170,907</u> |
| DEPARTMENT TOTAL..... | <u>\$ 170,907</u> | <u>\$ 170,907</u> | <u>\$ 170,907</u> |
| Lottery Fund Total-All Funds | | | |
| State Funds..... | \$ 2,074,279 | \$ 2,194,754 | \$ 2,138,492 |
| Augmentations..... | 1,147 | 1,292 | 1,614 |
| FUND TOTAL..... | <u>\$ 2,075,426</u> | <u>\$ 2,196,046</u> | <u>\$ 2,140,106</u> |

Revenue Summary: Five Year Revenue Projections

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Net Collections..... | \$ 1,944,241 | \$ 1,686,166 | \$ 1,672,159 | \$ 1,648,564 | \$ 1,643,542 | \$ 1,642,754 | \$ 1,630,320 |
| Gaming Transfers for Property Tax Relief | 87,200 | 202,200 | 323,700 | 324,700 | 325,200 | 324,400 | 324,400 |
| Transfer from Video Gaming Fund | - | - | 38,459 | 160,416 | 176,139 | 192,437 | 209,310 |
| Miscellaneous | 38,940 | 20,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| TOTAL LOTTERY | | | | | | | |
| FUND REVENUES | \$ 2,070,381 | \$ 1,908,366 | \$ 2,059,318 | \$ 2,158,680 | \$ 2,169,881 | \$ 2,184,591 | \$ 2,189,030 |

Revenue Sources

Net Collections

(Dollar Amounts in Thousands)

| Actual | Estimated |
|--------------|--------------|
| 2018-19..... | \$ 1,785,431 |
| 2019-20..... | 1,675,953 |
| 2020-21..... | 2,006,156 |
| 2021-22..... | 1,852,633 |
| 2022-23..... | 2,006,878 |
| 2023-24..... | 1,944,241 |
| 2024-25..... | \$ 1,686,166 |
| 2025-26..... | 1,672,159 |
| 2026-27..... | 1,648,564 |
| 2027-28..... | 1,643,542 |
| 2028-29..... | 1,642,754 |
| 2029-30..... | 1,630,320 |

The Lottery currently offers terminal-based games, Keno and Xpress Sports games, and Fastplay and Scratch-Off games. The Lottery also offers Powerball and MegaMillions as multi-state jackpot games. [Act 42 of 2017](#) authorized the Lottery to operate iLottery and internet instant games, which are lottery games of chance using a computer, mobile device, or other web or mobile applications. Monitor games including Keno and Xpress Sports were launched in 2018. Detail on revenue collections by game are included in the Lottery's [annual reports](#).

[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. [Act 137 of 2022](#) extended this reduction through June 30, 2029. iLottery and internet instant games are exempt from the profit margin requirement. This budget seeks to eliminate this requirement to help the Lottery remain competitive with other gaming options.

Net collections consist of the proceeds from lottery sales less commissions and field-paid prizes. The table below shows the calculation of net revenue amount:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Ticket Sales | \$ 5,836,901 | \$ 5,228,071 | \$ 5,119,939 | \$ 5,089,285 | \$ 5,108,180 | \$ 5,155,317 | \$ 5,144,331 |
| Commissions | (239,908) | (216,303) | (209,835) | (205,969) | (204,594) | (203,418) | (201,269) |
| Field Paid Prizes | <u>(3,652,752)</u> | <u>(3,325,602)</u> | <u>(3,237,946)</u> | <u>(3,234,752)</u> | <u>(3,260,044)</u> | <u>(3,309,145)</u> | <u>(3,312,742)</u> |
| NET COLLECTIONS | \$ 1,944,241 | \$ 1,686,166 | \$ 1,672,159 | \$ 1,648,564 | \$ 1,643,542 | \$ 1,642,754 | \$ 1,630,320 |

Revenue Sources, continued

Gaming Transfers for Property Tax Relief

(Dollar Amounts in Thousands)

| Actual | | Estimated |
|--------------|------------|-------------------------|
| 2018-19..... | \$ 141,700 | 2024-25..... \$ 202,200 |
| 2019-20..... | 265,000 | 2025-26..... 323,700 |
| 2020-21..... | - | 2026-27..... 324,700 |
| 2021-22..... | 114,200 | 2027-28..... 325,200 |
| 2022-23..... | 88,800 | 2028-29..... 324,400 |
| 2023-24..... | 87,200 | 2029-30..... 324,400 |

Under [Act 1 of Special Session No. 1 of 2006](#) and [Act 7 of 2023](#), the Property Tax Relief Fund supports Property Tax and Rent Rebate program expansion costs through transfer of gaming revenues. [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. [Act 7 of 2023](#), further expanded the [program](#) currently enabling homeowners and renters with household incomes of \$46,250 or less to qualify for rebates from \$380 to \$1,000. The act also permits income eligibility to grow with inflation each year.

This budget proposes to increase the gaming transfer for Property Tax and Rent Rebate program to cover all rebates from the Property Tax Relief Fund.

Miscellaneous

(Dollar Amounts in Thousands)

| Actual | | Estimated |
|--------------|----------|------------------------|
| 2018-19..... | \$ 3,516 | 2024-25..... \$ 20,000 |
| 2019-20..... | 2,868 | 2025-26..... 25,000 |
| 2020-21..... | 476 | 2026-27..... 25,000 |
| 2021-22..... | 708 | 2027-28..... 25,000 |
| 2022-23..... | 23,308 | 2028-29..... 25,000 |
| 2023-24..... | 38,940 | 2029-30..... 25,000 |

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



Commonwealth of Pennsylvania
Governor's Executive Budget

TAX EXPENDITURES

Tax credits, deductions, exemptions, and exclusions provided by law result in a significant reduction in revenues that would otherwise be received at current tax rates. These reductions are referred to as 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 funds for numerous programs. This process undergoes intense scrutiny from 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, resulting in reductions in revenue that would otherwise be received by the Commonwealth at current tax rates. Cumulatively, these are referred to in this budget as “tax expenditures.”

The Commonwealth’s tax structure contains many tax expenditures, ranging from the sales and use tax exemption for firewood to the S corporation exemption in the corporate net income tax. In general, they confer special treatment on specific taxpayers, activities, or goods and services. The tax expenditures listed in this budget result from the accumulation of many prior legislative sessions, and the original intent of certain tax expenditures may no longer align 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 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 2025-26 Governor’s Executive Budget presents this tax expenditure analysis covering Commonwealth taxes that 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, and
- (5) Allow for administration, legislative, and public scrutiny and facilitate discussion on each tax expenditure’s merits.

For the purposes of this document, a “tax expenditure” is defined as a reduction in revenue that would otherwise be collected by the Commonwealth due to an exemption, reduction, deduction, limitation, exclusion, tax deferral, discount, refund, commission, credit, special rate, or special treatment. This definition provides a general framework for determining 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 a 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, and
- (6) Is not an appropriation.

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

Purchases made by Commonwealth agencies are not subject to sales and use tax. If these transactions were 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. This budget proposes the removal of the CNIT exemption for financial institutions and the repeal of the bank and trust company shares tax and the mutual thrift institutions tax.

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 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 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 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 a 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.

Expenditure Introduction

ADMINISTRATIVE COSTS:

Costs incurred to administer the multiple tax expenditures cannot be separately identified. Tax expenditures are a significant factor associated with the need for more compliance audits and the increased complexity of compliance audits. These audits contribute significantly to the volume of appeals processed by the Department of Revenue.

(Dollar Amounts in Millions)

| ADMINISTRATIVE COST ESTIMATES: | General Fund | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--------------------------------|------------------------------------|---------|---------|---------|---------|---------|---------|---------|
| Corporate Taxes | | \$ 6.3 | \$ 6.5 | \$ 6.7 | \$ 6.9 | \$ 7.1 | \$ 7.3 | \$ 7.5 |
| Consumption Taxes..... | | 16.8 | 17.0 | 17.3 | 17.5 | 17.8 | 18.1 | 18.3 |
| Other Taxes | | 2.0 | 2.1 | 2.1 | 2.2 | 2.2 | 2.3 | 2.4 |
| | Motor License Fund | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Oil Company Franchise Tax. | \$ 0.4 | \$ 0.4 | \$ 0.4 | \$ 0.4 | \$ 0.4 | \$ 0.4 | \$ 0.4 |
| | Motor Carriers Road Tax/IFTA | 1.2 | 1.2 | 1.2 | 1.2 | 1.3 | 1.3 | 1.3 |
| | Motor Vehicle Code | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |

Administrative costs for the following special funds are nominal: Public Transportation Assistance Fund, Unemployment Compensation Insurance Tax, and State Gaming Fund.

Corporate Taxes included in figures above:

Corporate net income tax, gross receipts tax, public utility realty tax, insurance premiums tax, and bank and trust company shares.

Consumption taxes included in figures above:

Sales and use tax and cigarette tax.

Other taxes included in figures above:

Personal income tax, inheritance tax, realty transfer tax, and table game taxes.

BENEFICIARIES:

Information provided under the "Beneficiaries" headings represents 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.

FURTHER INFORMATION:

- [Tax Compendium](#)
- [Sales and Use Tax Retailer's Information](#)
- [Personal Income Tax Booklet](#)
- [Property Tax/Rent Rebate Program Report](#)

Tax Credit Programs - Introduction

| | |
|---------------------------------|--|
| GENERAL INFORMATION: | Tax credit programs incentivize the growth and development of certain industries and activities within the Commonwealth. Eligible taxpayers and tax types vary by credit, along with timelines for usage, and rules for sale, assignment, or pass through. |
| BENEFICIARIES: | Estimates of numbers of businesses, individuals, and other entities benefiting from various tax credits are approximate. |
| ADMINISTRATIVE COSTS: | Administrative costs are borne by multiple departments, depending on the particular program. Costs for 2023-24 are estimated at \$2.7 million. |
| AUTHORIZING LEGISLATION: | <p>Most of the tax credit programs are authorized in two codes:</p> <ul style="list-style-type: none"> • Tax Reform Code of 1971 (P.L. 6, No. 2), as amended (TRC). • Public School Code of 1949 (P.L. 30, No. 14), as amended (PSC). <p>The remaining programs have their specific legislation noted.</p> |

TAX CREDIT PROGRAM

[Neighborhood Assistance](#)
[New Jobs](#)
[Research and Development](#)
[Keystone Opportunity Zones](#)
[Educational Improvement](#)
[Opportunity Scholarship](#)
[Keystone Innovation Zones](#)
[Film Production](#)
[Video Game Production](#)
[Entertainment Economic Enhancement Program](#)
[Resource Enhancement and Protection](#)
[Keystone Special Development Zones](#)
[Resource Manufacturing](#)
[Historic Preservation Incentive](#)
[Organ and Bone Marrow Donation](#)
[Exemptions for Out-of-State Entities during a Declared Emergency](#)
[Waterfront Development](#)
[Coal Refuse Energy and Reclamation](#)
[Manufacturing](#)
[Rural Jobs and Investment](#)
[Brewers'](#)
[Mixed-Use Development](#)
[Computer Data Center Equipment Incentive Program](#)
[Pennsylvania Housing](#)
[Airport Land Development Zone](#)
[Local Resource Manufacturing](#)
[Pennsylvania Milk Processing](#)
[Regional Clean Hydrogen Hubs](#)
[Semiconductor Manufacturing and Biomedical Manufacturing and Research](#)
[529 Savings Account Employer Matching Contribution](#)
[Employer Child Care Contribution](#)

AUTHORIZING LEGISLATION

Article XIX-A of the TRC
 Article XVIII-B of the TRC
 Article XVII-B of the TRC
 Act 92 of October 6, 1998 (P.L. 702, No. 92)
 Article XX-B of the PSC
 Article XX-B of the PSC
 Article XIX-F of the TRC
 Article XVII-D of the TRC
 Article XVII-D of the TRC
 Article XVII-D of the TRC
 Article XVII-E of the TRC
 Article XIX-C of the TRC
 Article XVII-G of the TRC
 Article XVII-H of the TRC
 Article XVIII of the TRC
 Act 203 of 2014 (P.L. 3044, No. 203)
 Article XVII-K of the TRC
 Article XVII-J of the TRC
 Article XVIII-G of the TRC
 Article XVIII-G of the TRC
 Article XX, Section 2010 of the TRC
 Article XIX-E of the TRC
 Article XXIX-D of the TRC
 Article XIX-G of the TRC
 Article XIX-H of the TRC
 Article XVII-L of the TRC
 Article XVII-L of the TRC
 Article XVII-L of the TRC
 Article XVII-L of the TRC
 Article XIX-J of the TRC
 Article XIX-K of the TRC

General Fund Tax Expenditures

Tax Credit Programs - Estimates

PROGRAM ESTIMATES:

2023-24 reflects actual credit awards. Future years reflect program caps, as applicable, or estimates for formula-based programs.

(Dollar Amounts in Millions)

| TAX CREDIT PROGRAM | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Neighborhood Assistance | \$ 36.0 | \$ 72.0 | \$ 72.0 | \$ 72.0 | \$ 72.0 | \$ 72.0 | \$ 72.0 |
| New Jobs | 0.9 | 7.4 | 5.8 | 3.9 | 3.9 | 3.1 | 1.7 |
| Research and Development | 60.0 | 60.0 | 60.0 | 60.0 | 60.0 | 60.0 | 60.0 |
| Keystone Opportunity Zones | 121.7 | 78.6 | 72.6 | 52.0 | 49.5 | 48.1 | 47.1 |
| Educational Improvement | 384.0 | 540.0 | 540.0 | 540.0 | 540.0 | 540.0 | 540.0 |
| Opportunity Scholarship..... | 63.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 |
| Keystone Innovation Zones | 9.9 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 |
| Film Production | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Video Game Production..... ^a | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Entertainment Economic Enhancement Program | 11.0 | 24.0 | 24.0 | 24.0 | 24.0 | 24.0 | 24.0 |
| Resource Enhancement and Protection | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 |
| Keystone Special Development Zones..... | 4.5 | N/A | N/A | N/A | N/A | N/A | N/A |
| Resource Manufacturing..... | 27.3 | 65.0 | 65.0 | 65.0 | 65.0 | 65.0 | 65.0 |
| Historic Preservation Incentive | 5.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Organ and Bone Marrow Donation | 0.0 | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal |
| Exemptions for Out-of-State Entities during a Declared Emergency | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Waterfront Development..... ^a | 1.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Coal Refuse Energy and Reclamation..... | 20.0 | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 |
| Manufacturing..... ^a | 0.4 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Rural Jobs and Investment | 1.2 | 6.0 | 6.0 | 12.0 | 12.0 | 12.0 | 6.0 |
| Brewers' | 2.9 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Mixed-Use Development..... | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 |
| Pennsylvania Housing | 0.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 |
| Airport Land Development Zone | 0.0 | 4.5 | 7.1 | 9.8 | 10.9 | 10.9 | 10.9 |
| Local Resource Manufacturing..... ^a | 0.0 | 56.7 | 56.7 | 56.7 | 56.7 | 56.7 | 56.7 |
| Pennsylvania Milk Processing | 0.0 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 |
| Regional Clean Hydrogen Hubs..... ^a | 0.0 | 50.0 | 50.0 | 50.0 | 50.0 | 50.0 | 50.0 |
| Semiconductor Manufacturing and Biomedical Manufacturing and Research | 0.0 | 20.0 | 20.0 | 20.0 | 20.0 | - | - |
| 529 Savings Account Employer Matching Contribution..... | - | - | 9.3 | 12.0 | 12.8 | 13.0 | 13.1 |
| Employer Child Care Contribution | - | - | 8.1 | 8.1 | 8.0 | 8.0 | 8.0 |

^a Tax credit expenditure amounts are shown at current law levels. Changes affecting these tax credits are proposed. Details are shown in Section C.

General Fund Tax Expenditures

Tax Credit Programs - Beneficiaries

| TAX CREDIT PROGRAM | COMPANIES | INDIVIDUALS | ORGANIZATIONS | OTHER |
|---|-----------|-------------|---------------|------------------|
| Neighborhood Assistance | 180 | 250 | | |
| New Jobs | 10 | | | |
| Research and Development | 1,000 | | | |
| Keystone Opportunity Zones | 620 | | | |
| Educational Improvement | 1,300 | 10,700 | 1,340 | |
| Opportunity Scholarship..... | 500 | 3,200 | 190 | |
| Keystone Innovation Zones | 140 | | | |
| Film Production | | | | 50 film projects |
| Resource Enhancement and Protection | 110 | 260 | | |
| Brewers' | 682 | | | |
| Airport Land Development Zone | 50 | | | |
| Local Resource Manufacturing | 3 | | | |
| Employer Child Care Contribution | | | | 11,800 employers |

MINIMAL NUMBER OF BENEFICIARIES

| | |
|------------------------------------|--------------------------------|
| Video Game Production | Organ and Bone Marrow Donation |
| Entertainment Economic Enhancement | Waterfront Development |
| Mixed-Use Development | |

UNKNOWN NUMBER OF BENEFICIARIES

| | |
|---|--|
| Keystone Special Development Zones | Rural Jobs and Investment |
| Resource Manufacturing | Pennsylvania Housing |
| Historic Preservation Incentive | Pennsylvania Milk Processing |
| Exemptions for Out-of-State Entities during a Declared Emergency | Semiconductor Manufacturing and Biomedical Manufacturing and Research |
| Manufacturing | Regional Clean Hydrogen Hubs |
| Coal Refuse Energy and Reclamation | 529 Savings Account Employer Matching Contribution |

Tax Credit Programs - Administering Agencies

ENTITIES RESPONSIBLE FOR TAX CREDIT ADMINISTRATION

| | |
|------|---|
| DCED | Department of Community and Economic Development |
| DEP | Department of Environmental Protection |
| DOR | Department of Revenue |
| PDE | Department of Education |
| PHFA | Pennsylvania Housing Finance Agency |
| PHMC | Pennsylvania Historical and Museum Commission |
| SCC | Department of Agriculture's State Conservation Commission |

| TAX CREDIT PROGRAM | ADMINISTERING ENTITIES |
|---|------------------------|
| Neighborhood Assistance | DCED, DOR |
| New Jobs | DCED, DOR |
| Research and Development | DCED, DOR |
| Keystone Opportunity Zones | DCED, DOR |
| Educational Improvement | DCED, DOR, PDE |
| Opportunity Scholarship | DCED, DOR, PDE |
| Keystone Innovation Zones | DCED, DOR |
| Film Production | DCED, DOR |
| Video Game Production | DCED, DOR |
| Entertainment Economic Enhancement Program | DCED, DOR |
| Resource Enhancement and Protection | DOR, SCC |
| Keystone Special Development Zones | DCED, DOR |
| Resource Manufacturing | DCED, DOR |
| Historic Preservation Incentive | DCED, DOR, PHMC |
| Organ and Bone Marrow Donation | DOR |
| Exemptions for Out-of-State Entities during a Declared Emergency | DOR |
| Waterfront Development | DCED |
| Coal Refuse Energy and Reclamation | DCED, DOR, DEP |
| Manufacturing | DCED, DOR |
| Rural Jobs and Investment | DCED, DOR |
| Brewers' | DOR |
| Mixed-Use Development | DOR, PHFA |
| Pennsylvania Housing | DOR, PHFA |
| Airport Land Development Zone | DCED, DOR |
| Local Resource Manufacturing | DCED, DOR |
| Pennsylvania Milk Processing | DOR |
| Regional Clean Hydrogen Hubs | DCED, DOR |
| Semiconductor Manufacturing and Biomedical Manufacturing and Research | DOR |
| 529 Savings Account Employer Matching Contribution | DOR |
| Employer Child Care Contribution | DOR |

General Fund Tax Expenditures

Corporate Net Income Tax

NONPROFIT CORPORATIONS EXEMPTION

Description: 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 (CNIT). Corporations organized as nonprofits but not operating as nonprofits are excluded from this exemption.

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 59.2 | \$ 56.1 | \$ 53.3 | \$ 50.5 | \$ 47.7 | \$ 44.7 | \$ 41.7 |

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. All sales include the sale of real property, intangible property, and services sourced at the location of the consumer. The estimates shown below measure the impact of reverting to an equally weighted, three-factor formula.

Purpose: Corporations with a higher percentage of property and payroll invested in Pennsylvania (compared to their percentage of sales in Pennsylvania) will have less taxable income apportioned to the Commonwealth. Therefore, those corporations will have a reduced tax burden. This encourages business investment in Pennsylvania in the form of property and employment.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 856.9 | \$ 841.5 | \$ 771.3 | \$ 706.8 | \$ 650.7 | \$ 597.4 | \$ 554.1 |

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.

FEDERAL INSURANCE CONTRIBUTIONS ACT (FICA) TAX ON TIPS DEDUCTION

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 harmonizes Pennsylvania law with federal tax law, substituting the federal Credit for Employer Social Security and Medicare taxes with a deduction from federal income for Pennsylvania purposes.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 3.1 | \$ 3.1 | \$ 3.0 | \$ 2.8 | \$ 2.7 | \$ 2.6 | \$ 2.5 |

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

General Fund Tax Expenditures

NET OPERATING LOSS CARRYFORWARD

Description: Corporations may deduct net losses accrued over the preceding 20 tax years from their current year taxable income. For tax years 2019 through 2025, the deduction is limited to 40 percent of taxable income. Thereafter, the maximum possible deduction increases by ten percentage points a year until it reaches 80 percent in tax year 2029. However, losses generated in tax year 2024 and prior can still only reduce taxable income up to 40 percent of taxable income. Losses generated in tax year 2025 and thereafter may then be used to further reduce taxable income.

Purpose: This deduction reduces the tax burden for a period of time after an operating loss, thereby aiding a corporation that has returned to economic viability as measured by taxable income.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 738.9 | \$ 725.6 | \$ 678.1 | \$ 676.0 | \$ 693.8 | \$ 740.2 | \$ 781.3 |

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

NONPROFIT NONSTOCK COMMODITY OR STOCK EXCHANGE EXEMPTION

Description: Not-for-profit nonstock commodity or stock exchanges are excluded from the definition of a corporation for corporate net income tax purposes.

Purpose: This exemption provides tax relief for non-profit nonstock commodity or stock exchanges.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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 CORPORATION EXEMPTION

Description: Corporations with a valid Pennsylvania S corporation election in effect for the taxable year are subject to CNIT 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 personal income tax (PIT) purposes. The tax expenditure is the difference between what is paid by the shareholders under PIT and what the corporations would have paid had they been fully subject to CNIT.

Purpose: This provision allows for tax treatment similar to that of the Internal Revenue Service and most other states, for businesses with this legal form of organization.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|------------|----------|----------|----------|----------|----------|----------|
| | \$ 1,012.3 | \$ 902.7 | \$ 751.1 | \$ 618.1 | \$ 504.5 | \$ 404.0 | \$ 319.2 |

Beneficiaries: Approximately 161,000 sub-chapter S corporations doing business in Pennsylvania could benefit from this tax expenditure.

General Fund Tax Expenditures

LIMITED LIABILITY COMPANIES (LLC) EXEMPTION

Description: Limited Liability Companies (LLCs) that are not taxed as corporations for federal purposes are exempt from the Pennsylvania CNIT. Members of the LLC must include their share of the LLC's income for Pennsylvania PIT purposes or for CNIT if a corporate member. The tax expenditure is the difference between what is paid by the members under PIT and CNIT and what the LLC entities would have paid under CNIT.

Purpose: This provision allows tax treatment similar to that of the Internal Revenue Service, and most other states, for businesses with this legal form of organization.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|------------|------------|------------|------------|----------|----------|----------|
| | \$ 1,879.9 | \$ 1,691.0 | \$ 1,420.5 | \$ 1,182.5 | \$ 979.1 | \$ 798.5 | \$ 646.5 |

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

POWDERED METALLURGY NEXUS EXEMPTION

Description: Out-of-state customers of Pennsylvania powdered metallurgy parts manufacturers are eligible for a nexus exemption.

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 as a result of contracting with such a company.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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: Pennsylvania taxpayers who invest in the creation of a new or refurbished manufacturing facility can qualify for a deduction from their Pennsylvania apportioned income. The deduction cannot reduce total tax liability by more than 50 percent, is non-transferable, and expires at the end of the corresponding tax year.

Purpose: The deduction is intended to make Pennsylvania a more attractive place to make large capital investments in modern manufacturing.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|----------|----------|----------|
| | \$ 0.0 | \$ 48.7 | \$ 67.8 | \$ 84.3 | \$ 102.6 | \$ 105.3 | \$ 108.1 |

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

General Fund Tax Expenditures

AIR FREIGHT FORWARDING SPECIAL APPORTIONMENT

Description: Qualified air freight forwarding companies can utilize a special income apportionment factor based on revenue miles for tax years starting after December 31, 2016. A revenue mile means the average receipts derived from the transportation by the taxpayer of persons or property one mile. 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)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 9.0 | \$ 8.7 | \$ 8.5 | \$ 8.2 | \$ 7.8 | \$ 7.5 | \$ 7.1 |

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

General Fund Tax Expenditures

Gross Receipts Tax

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.

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

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 8.5 | \$ 8.8 | \$ 9.7 | \$ 9.0 | \$ 9.0 | \$ 9.2 | \$ 9.2 |

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.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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.

Purpose: These cooperatives are nonprofit corporations organized to engage in rural electrification and are perceived to provide public benefit. This exemption permits this service to be rendered at a reduced cost to the rate payers.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 20.2 | \$ 19.8 | \$ 21.8 | \$ 20.2 | \$ 20.3 | \$ 20.6 | \$ 20.7 |

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

General Fund Tax Expenditures

Public Utility Realty Tax

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 Public Utility Realty Tax Act (PURTA) tax 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 place. This provision prevents the double taxation of such property.

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------|---------|---------|---------|---------|---------|---------|
| | \$ 3.3 | \$ 3.3 | \$ 3.4 | \$ 3.4 | \$ 3.4 | \$ 3.4 | \$ 3.5 |

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

EASEMENTS

Description: Easements or similar interests are excluded from the tax base. An easement is an interest in land owned by another entity, which entitles a 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 intangible assets, such as easement rights.

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------|---------|---------|---------|---------|---------|---------|
| | \$ 2.9 | \$ 3.0 | \$ 3.0 | \$ 3.0 | \$ 3.0 | \$ 3.1 | \$ 3.1 |

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 tax 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 intangible assets, such as rights-of-way. This tax relief may encourage the development of our railroad network.

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------|---------|---------|---------|---------|---------|---------|
| | \$ 6.8 | \$ 6.9 | \$ 6.9 | \$ 7.0 | \$ 7.0 | \$ 7.1 | \$ 7.2 |

Beneficiaries: The 23 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.

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------|---------|---------|---------|---------|---------|---------|
| | \$ 6.0 | \$ 6.0 | \$ 6.1 | \$ 6.1 | \$ 6.2 | \$ 6.3 | \$ 6.3 |

Beneficiaries: The 33 public utilities that provide sewage services benefit from this tax expenditure.

General Fund Tax Expenditures

MUNICIPALITIES

Description: Municipalities or municipal authorities furnishing electric, natural gas, telephone, or water public utility services are exempt from tax.

Purpose: The real property 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 re-distributed to local taxing authorities.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 3.7 | \$ 3.7 | \$ 3.8 | \$ 3.8 | \$ 3.8 | \$ 3.9 | \$ 3.9 |

Beneficiaries: The 520 municipal authorities and the 35 municipal public utilities benefit from this tax expenditure.

ELECTRIC GENERATION FACILITIES

Description: 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 tax base because electric generation is no longer regulated as a public utility function. This exemption allows a level playing field for participants in electricity supply.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 26.7 | \$ 26.9 | \$ 27.1 | \$ 27.4 | \$ 27.6 | \$ 27.9 | \$ 28.1 |

Beneficiaries: The 26 electric utilities owning generating assets in Pennsylvania benefit from this tax expenditure.

TRANSITION CREDIT

Description: During the transition years 1998 through 2001, tax liability of a public utility under PURTA was limited to 250 percent of its immediate prior year's liability with any reduction in the liability capped at \$100,000 per taxable year. The cost of the transition credit in current fiscal years depends on the calculation of the compensating adjustments for the affected tax years.

Purpose: The PURTA transition credit provides limited relief to taxpayers having a significant increase in their PURTA tax base as a result of Act 4 of 1999.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal |

Beneficiaries: Approximately 15 taxpayers benefit from this tax expenditure.

General Fund Tax Expenditures

Insurance Premiums Tax

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 insurance premiums tax (IPT).

Purpose: Mutual beneficial associations are charitable and benevolent organizations that provide life, accident, and health benefits for their members.

Estimates:

| (Dollar Amounts in Millions) | | | | | | |
|------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| \$ 19.7 | \$ 21.5 | \$ 22.3 | \$ 23.1 | \$ 24.0 | \$ 24.9 | \$ 25.8 |

Beneficiaries: Approximately 60 mutual beneficial associations doing business in Pennsylvania benefit from this tax expenditure.

NONPROFIT HOSPITAL AND MEDICAL CARE SERVICE ORGANIZATIONS

Description: Companies organized under the Nonprofit Hospital Plan Act (Act 378 of 1937), the Nonprofit Medical, Osteopathic, Dental and Podiatry Service Corporation Act (Act 399 of 1939), and their successor acts are exempt from IPT.

Purpose: These companies are deemed to be charitable and benevolent institutions that provide hospital and/or medical care to their subscribers.

Estimates:

| (Dollar Amounts in Millions) | | | | | | |
|------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| \$ 73.6 | \$ 75.4 | \$ 77.6 | \$ 80.1 | \$ 82.6 | \$ 85.0 | \$ 87.6 |

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

EXTRAORDINARY MEDICAL BENEFIT

Description: An exemption is allowed for premiums collected by automobile insurance companies for optional extraordinary medical benefit coverage from \$100,000 to \$1,100,000.

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) | | | | | | |
|------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| \$ 0.1 | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 |

Beneficiaries: Approximately 870 automobile insurance companies licensed to do business in Pennsylvania may benefit from this tax expenditure.

General Fund Tax Expenditures

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 (PLHIGA) to 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: PLHIGA protects policyholders and claimants by providing for the payment of benefits and the continuation of coverage under life, health, accident, and annuity policies under certain circumstances. This credit provides relief to member companies by allowing them to recoup a portion of their assessment payments in the form of tax credits.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 31.9 | \$ 12.5 | \$ 7.8 | \$ 3.6 | Nominal | Nominal | Nominal |

Beneficiaries: Approximately 450 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) for assessments paid to the association in the calendar year that exceed 1 percent of gross premiums collected from policy holders. The credit must be taken proportionately over five years, beginning the year after the assessment is paid.

Purpose: PP&CIGA protects policyholders and claimants by providing for the payment of benefits and claims for property and casualty policies under certain circumstances. This credit provides relief to member companies by allowing them to recoup a portion of their assessment payments in the form of tax credits.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | Nominal | \$ 0.6 | \$ 1.3 | \$ 1.9 | \$ 2.6 | \$ 3.3 | \$ 3.5 |

Beneficiaries: Approximately 1,090 property and casualty insurers doing business in Pennsylvania benefit from this tax expenditure.

General Fund Tax Expenditures

INNOVATE IN PA TAX CREDIT

Description: 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 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.

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.

(Dollar Amounts in Millions)

| | | | | | | | |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Nominal | Nominal | Nominal | - | - | - | - |

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

SURPLUS LINES TAX EXEMPTION FOR CHARTER SCHOOLS

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | 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.

General Fund Tax Expenditures

Bank and Trust Company Shares Tax

GOODWILL DEDUCTION

Description: Goodwill is subtracted from a bank's book value of total bank equity capital when calculating its taxable shares and is also subtracted from total assets when calculating the proportional deduction for United States obligations. Beginning January 1, 2025, these adjustments are allowed for all goodwill.

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) | | | | | | | |
|------------------------------|---------|----------|----------|----------|----------|----------|----------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | \$ 98.1 | \$ 124.2 | \$ 133.0 | \$ 136.5 | \$ 139.9 | \$ 143.4 | \$ 147.0 |

Beneficiaries: Any Pennsylvania bank involved in combination activity benefits from this tax expenditure.

EDGE ACT DEDUCTION

Description: Edge Act subsidiary equity is subtracted from a bank's book value of total bank equity capital when calculating its taxable shares.

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) | | | | | | | |
|------------------------------|---------|---------|---------|---------|---------|---------|---------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | \$ 23.8 | \$ 25.9 | \$ 30.1 | \$ 32.6 | \$ 34.7 | \$ 35.5 | \$ 36.3 |

Beneficiaries: Any Pennsylvania bank which files Reports of Condition on a consolidated basis may benefit from this tax expenditure.

Mutual Thrift Institutions Tax

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:

| <i>(Dollar Amounts in Millions)</i> | | | | | | | |
|-------------------------------------|---------|---------|---------|---------|---------|---------|---------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | \$ 1.3 | \$ 1.3 | \$ 1.3 | \$ 1.3 | \$ 1.3 | \$ 1.3 | \$ 1.3 |

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:

| <i>(Dollar Amounts in Millions)</i> | | | | | | | |
|-------------------------------------|---------|---------|---------|---------|---------|---------|---------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | \$ 16.7 | \$ 17.4 | \$ 18.1 | \$ 18.8 | \$ 19.6 | \$ 20.4 | \$ 21.3 |

Beneficiaries: The 40 state and federal credit unions operating in Pennsylvania benefit from this tax expenditure.

General Fund Tax Expenditures

Sales and Use Tax

General/Personal Expenditures

FOOD

Description: Generally, tax is not imposed on food and beverage other than those sold by a caterer or establishments selling ready-to-eat food and 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 a basic necessity. This provision reduces the regressive nature of the tax, easing the tax burden on families who spend a disproportionate share of income on these products.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|------------|------------|------------|------------|------------|------------|------------|
| | \$ 1,991.0 | \$ 2,024.0 | \$ 2,058.6 | \$ 2,096.7 | \$ 2,134.6 | \$ 2,168.2 | \$ 2,202.2 |

Beneficiaries: Virtually all 5.3 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 food. Exempting candy and gum regardless of where sold provides for uniformity in their taxation.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 87.9 | \$ 88.9 | \$ 90.3 | \$ 92.2 | \$ 94.1 | \$ 95.9 | \$ 99.6 |

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

PERSONAL HYGIENE PRODUCTS

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

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

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 48.9 | \$ 49.9 | \$ 51.1 | \$ 52.5 | \$ 53.8 | \$ 55.2 | \$ 56.6 |

Beneficiaries: Virtually all 5.3 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 Pennsylvanians to be well informed.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 24.5 | \$ 23.5 | \$ 23.1 | \$ 22.8 | \$ 22.5 | \$ 22.4 | \$ 22.2 |

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

General Fund Tax Expenditures

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.

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

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 49.4 | \$ 50.1 | \$ 51.1 | \$ 52.0 | \$ 52.9 | \$ 53.8 | \$ 54.7 |

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 components 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 necessities. This provision reduces the regressive nature of the tax, easing the tax burden on families who spend a disproportionate share of income purchasing these products.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 793.6 | \$ 830.7 | \$ 860.4 | \$ 886.3 | \$ 913.4 | \$ 941.4 | \$ 971.0 |

Beneficiaries: Virtually all 5.3 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. Examples of exempt equipment and devices include crutches, wheelchairs, false teeth and dental materials, eyeglasses, artificial limbs and eyes, hearing devices, braces, and other supports. Also included are devices to alleviate a physical incapacity, such as hospital beds and/or dialysis machines.

Purpose: Prescription drugs and orthopedic equipment are 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|------------|------------|------------|------------|------------|------------|------------|
| | \$ 1,064.5 | \$ 1,100.7 | \$ 1,147.1 | \$ 1,207.6 | \$ 1,274.9 | \$ 1,337.8 | \$ 1,399.9 |

Beneficiaries: Approximately 1.9 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 essential for maintaining a basic standard of life. This provision reduces the regressive nature of the tax, easing the tax burden on families who spend a disproportionate share of income on these products.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 169.3 | \$ 174.8 | \$ 182.3 | \$ 192.0 | \$ 202.9 | \$ 212.9 | \$ 223.0 |

Beneficiaries: Virtually all 5.3 million households benefit from this tax expenditure.

General Fund Tax Expenditures

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 147.2 | \$ 152.4 | \$ 154.8 | \$ 158.1 | \$ 162.8 | \$ 167.6 | \$ 173.6 |

Beneficiaries: Approximately 6.4 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 14.2 | \$ 14.7 | \$ 15.2 | \$ 15.7 | \$ 16.2 | \$ 16.8 | \$ 17.3 |

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 essential for maintaining a basic standard of life. Additionally, this exemption reduces the regressive nature of the tax, easing the burden on low-income families.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 16.4 | \$ 16.4 | \$ 16.6 | \$ 16.7 | \$ 16.8 | \$ 17.0 | \$ 17.2 |

Beneficiaries: As many as 155,000 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 may be based on the perception that support of national and state symbols is a worthy public policy objective.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 1.8 | \$ 1.8 | \$ 1.9 | \$ 1.9 | \$ 2.0 | \$ 2.0 | \$ 2.1 |

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

General Fund Tax Expenditures

TEXTBOOKS

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

Purpose: This exemption helps to reduce the overall cost of obtaining an education, furthering the Commonwealth's policy objective of the education of Pennsylvanians.

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 13.9 | \$ 13.4 | \$ 13.1 | \$ 12.8 | \$ 12.4 | \$ 12.1 | \$ 11.7 |

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.

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 13.9 | \$ 14.1 | \$ 14.7 | \$ 15.4 | \$ 16.1 | \$ 16.9 | \$ 17.5 |

Beneficiaries: Approximately 779,000 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.

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|----------|----------|----------|----------|----------|----------|
| \$ | 137.4 | \$ 142.6 | \$ 145.7 | \$ 149.5 | \$ 153.9 | \$ 158.5 | \$ 164.0 |

Beneficiaries: Approximately 3.7 million households and an unknown number of businesses benefit from this tax expenditure.

BREAST FEEDING SUPPLIES

Description: The sale at retail of tangible personal property manufactured for initiating, supporting, or sustaining breast feeding is exempt from sales and use tax.

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

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 2.9 | \$ 3.0 | \$ 3.2 | \$ 3.3 | \$ 3.6 | \$ 3.7 | \$ 3.9 |

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

General Fund Tax Expenditures

Fuels and Utilities

COAL

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

Purpose: This exemption provides special tax treatment of coal versus other energy forms, which may have been perceived as preserving employment when mining was a major employer within the Commonwealth.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 127.1 | \$ 128.6 | \$ 130.4 | \$ 133.6 | \$ 137.5 | \$ 141.4 | \$ 144.7 |

Beneficiaries: Approximately 43,000 households and an unknown number of businesses benefit from this tax expenditure.

FIREWOOD

Description: The purchase or use of wood pellets or firewood cut into lengths for burning is exempt from taxation when used as fuel for cooking, or for heating water or residential dwellings.

Purpose: Alternative energy sources such as heating oil, natural gas, coal, and electricity are exempt when used for residential purposes. The extension of this exemption to firewood provides consistency among all major energy sources.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 11.4 | \$ 12.0 | \$ 12.4 | \$ 12.8 | \$ 13.2 | \$ 13.7 | \$ 14.1 |

Beneficiaries: Approximately 110,000 households use wood as a primary heating source. In addition, there are approximately 564,000 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 essential for maintaining a basic living standard. Additionally, this provision reduces the regressive nature of the tax, reducing the tax burden on families who spend a disproportionate share of income on these services.

(Dollar Amounts in Millions)

Electricity:

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 609.6 | \$ 639.7 | \$ 661.5 | \$ 682.6 | \$ 702.5 | \$ 717.2 | \$ 729.8 |

Fuel Oil/Gas:

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 217.5 | \$ 220.6 | \$ 230.6 | \$ 243.6 | \$ 256.1 | \$ 261.5 | \$ 262.7 |

Telephone:

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 42.5 | \$ 41.8 | \$ 42.5 | \$ 44.0 | \$ 46.1 | \$ 47.9 | \$ 48.8 |

Beneficiaries: Virtually all 5.3 million households (electricity), 3.7 million households (fuel oil/gas), and 1.4 million households (telephone) benefit from this tax expenditure.

General Fund Tax Expenditures

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 necessity. 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 products and services.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 158.3 | \$ 165.7 | \$ 171.5 | \$ 177.7 | \$ 184.6 | \$ 192.0 | \$ 199.5 |

Beneficiaries: Approximately 5.2 million households and about 305,000 businesses benefit from this tax expenditure.

GASOLINE AND MOTOR FUELS

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

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

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|------------|------------|------------|------------|------------|------------|------------|
| | \$ 1,193.0 | \$ 1,204.3 | \$ 1,258.6 | \$ 1,270.8 | \$ 1,280.6 | \$ 1,277.8 | \$ 1,212.7 |

Beneficiaries: Approximately 4.7 million households and owners of more than 2.4 million heavy trucks, buses, etc., benefit from this tax expenditure.

General Fund Tax Expenditures

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. Additionally, 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.

Purpose: This exclusion places Pennsylvania aircraft manufacturers at a competitively neutral position relative to manufacturers in other states allowing this exemption.

Estimates: *(Dollar Amounts in Millions)*

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 11.1 | \$ 11.5 | \$ 11.8 | \$ 12.1 | \$ 12.5 | \$ 12.8 | \$ 13.2 |

Beneficiaries: Approximately 120 aircraft manufacturers and repair companies may benefit from this expenditure. An unknown number of lessors of helicopters, as well as approximately 20 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. 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)*

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 65.4 | \$ 69.1 | \$ 72.7 | \$ 75.9 | \$ 78.4 | \$ 80.6 | \$ 82.7 |

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)*

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 17.1 | \$ 18.1 | \$ 19.1 | \$ 20.0 | \$ 20.8 | \$ 21.5 | \$ 22.2 |

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

General Fund Tax Expenditures

COMMERCIAL VESSELS (Equipment and Maintenance)

Description: The purchase or use of fuel, supplies, equipment, ships or sea stores, and cleaning or maintenance supplies for commercial vessels is exempt from taxation. This exemption applies to vessels of 50 tons or more designed for commercial use.

Purpose: Imposition of the tax at the point of sale would place Pennsylvania vendors at a competitive disadvantage relative to those vendors operating in other states that allow this exemption.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 3.4 | \$ 3.5 | \$ 3.6 | \$ 3.7 | \$ 3.8 | \$ 4.0 | \$ 4.1 |

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 20 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 27.0 | \$ 26.9 | \$ 26.8 | \$ 26.7 | \$ 26.6 | \$ 26.5 | \$ 26.4 |

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

MULTIPURPOSE AGRICULTURAL VEHICLES USED FOR FARMING

Description: The sale at retail of multipurpose agricultural vehicles used in farming is exempt from sales and use tax, effective for sales at retail or uses after December 31, 2021.

Purpose: This exemption provides a benefit for agricultural operations.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 1.0 | \$ 1.0 | \$ 1.0 | \$ 1.1 | \$ 1.1 | \$ 1.1 | \$ 1.1 |

Beneficiaries: Approximately 53,000 farmers in the Commonwealth may benefit from this expenditure.

General Fund Tax Expenditures

Production Expenditures

MANUFACTURING EXEMPTION (Manufacture and Processing)

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

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

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|------------|------------|------------|------------|------------|------------|------------|
| | \$ 1,589.6 | \$ 1,633.1 | \$ 1,684.7 | \$ 1,747.9 | \$ 1,818.0 | \$ 1,891.1 | \$ 1,967.6 |

Beneficiaries: Approximately 13,000 manufacturers and an unknown number of processors and manufacturers benefit from this tax expenditure.

MANUFACTURING EXEMPTION (Agriculture)

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

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

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 149.0 | \$ 154.0 | \$ 159.3 | \$ 163.9 | \$ 167.8 | \$ 171.6 | \$ 175.6 |

Beneficiaries: Approximately 53,000 farm operators benefit from this tax expenditure.

MANUFACTURING EXEMPTION (Public Utility)

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

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

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 117.1 | \$ 120.8 | \$ 123.4 | \$ 125.5 | \$ 127.2 | \$ 128.6 | \$ 129.9 |

Beneficiaries: Approximately 880 public utilities could benefit from this tax expenditure.

General Fund Tax Expenditures

MANUFACTURING EXEMPTION (Foundations for Machinery and Equipment)

Description: Foundations for machinery and equipment used directly in manufacturing, farming, dairying, agriculture, horticulture, floriculture, aquaculture, processing or producing, and delivering or rendering a public utility service are exempt from taxation. Included for a public utility are sand, gravel, crushed rock, concrete, or similar material used as bedding or surrounding pipe used directly to render sewer or water service.

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

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 12.8 | \$ 12.8 | \$ 12.8 | \$ 12.8 | \$ 12.8 | \$ 12.8 | \$ 12.8 |

Beneficiaries: Approximately 66,800 entities benefit from this tax expenditure.

CONTRACT FARMING

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

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

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 36.7 | \$ 37.9 | \$ 39.2 | \$ 40.4 | \$ 41.3 | \$ 42.2 | \$ 43.2 |

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

General Fund Tax Expenditures

Other

AIRLINE CATERING

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

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

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 2.3 | \$ 2.4 | \$ 2.6 | \$ 2.7 | \$ 2.8 | \$ 2.8 | \$ 2.9 |

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 necessity.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 12.5 | \$ 12.6 | \$ 12.7 | \$ 12.8 | \$ 12.9 | \$ 13.0 | \$ 13.1 |

Beneficiaries: Approximately 79,100 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, 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 a dollar amount, which varies based on filing frequency.

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 16.7 | \$ 17.2 | \$ 17.5 | \$ 17.9 | \$ 18.4 | \$ 18.9 | \$ 19.5 |

Beneficiaries: Approximately 189,950 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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.

General Fund Tax Expenditures

TRADE-IN VALUE

Description: A deduction is allowed against the gross purchase price for the value of personal property actually taken in trade or exchange. The trade-in property does not have to be of like kind to the purchased property. The reduction in purchase price is considered to be the value of the trade-in.

Purpose: Tangible personal property taken as a trade-in is usually resold. Therefore, it is treated as a sale for resale.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 340.4 | \$ 328.9 | \$ 332.1 | \$ 338.7 | \$ 344.5 | \$ 350.4 | \$ 356.4 |

Beneficiaries: Approximately 526,000 purchasers of motor vehicles annually benefit from this tax expenditure. In addition, an unknown number of entities benefit from other trade-ins (such as boats and aircraft).

ISOLATED SALES

Description: Infrequent personal property sales of a non-recurring nature by persons not in the business of selling such items are exempt from taxation. By regulation, exempt entity sales can occur no more than three times nor more than a total of seven days in a year. These sales may include the sale of a lawn mower to a neighbor, liquidation of an estate, sale of a used typewriter by an insurance company, or yard sale items. Motor vehicles and property that must be registered or licensed are not granted this exemption.

Purpose: The exclusion of isolated sales from taxation greatly reduces compliance and administration burdens for the seller and the Commonwealth.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 120.8 | \$ 123.8 | \$ 126.4 | \$ 129.5 | \$ 133.0 | \$ 136.7 | \$ 140.4 |

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

TEMPORARY USAGE

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

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

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 3.3 | \$ 3.3 | \$ 3.3 | \$ 3.3 | \$ 3.3 | \$ 3.3 | \$ 3.3 |

Beneficiaries: Approximately 1,500 horse purchasers and an unknown number of purchasers of other types of horses benefit from this tax expenditure.

General Fund Tax Expenditures

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 persons with disabilities.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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. This exemption also includes the purchase or use of certain machinery and equipment used in a construction contract with an exempt entity. The purchase or use may be made by a construction contractor or the exempt entity. Transactions unrelated to the trade or business of such organizations are taxable as are certain materials and supplies purchased for use in connection with real estate.

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

(Dollar Amounts in Millions)

| Charitable Organizations: | | | | | | | |
|--|----------|----------|----------|----------|----------|----------|----------|
| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | \$ 16.3 | \$ 17.2 | \$ 18.1 | \$ 18.9 | \$ 19.8 | \$ 20.7 | \$ 21.5 |
| Volunteer Firemen's Organizations: | | | | | | | |
| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | \$ 28.1 | \$ 30.2 | \$ 32.0 | \$ 33.9 | \$ 35.9 | \$ 37.7 | \$ 39.5 |
| Nonprofit Educational Institutions: | | | | | | | |
| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | \$ 157.2 | \$ 169.2 | \$ 179.8 | \$ 190.7 | \$ 202.1 | \$ 212.9 | \$ 222.7 |
| Religious Organizations: | | | | | | | |
| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | \$ 11.6 | \$ 12.2 | \$ 12.9 | \$ 13.5 | \$ 14.1 | \$ 14.7 | \$ 15.3 |
| Health & Social Assistance Organizations: | | | | | | | |
| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | \$ 215.8 | \$ 225.6 | \$ 235.0 | \$ 244.9 | \$ 255.2 | \$ 265.3 | \$ 275.7 |

Beneficiaries: Approximately 31,000 organizations currently benefit from this tax expenditure.

General Fund Tax Expenditures

EXEMPT GOVERNMENTAL UNITS

Description: The sale of tangible personal property or services to or for use by the federal government, the Commonwealth, its instrumentalities, or political subdivisions is exempt from taxation. This exemption also includes 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. The estimate represents the tax on local government expenditures, as federal transactions do not meet the criteria for inclusion and Commonwealth expenditures would be offset by revenues.

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 622.2 | \$ 648.0 | \$ 671.8 | \$ 695.7 | \$ 720.3 | \$ 745.3 | \$ 770.9 |

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 is 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 17.1 | \$ 18.0 | \$ 19.0 | \$ 19.9 | \$ 20.8 | \$ 16.8 | \$ 17.4 |

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

General Fund Tax Expenditures

FISH FEED

Description: The purchase or use of fish feed by sportsmen's clubs, fish cooperatives, or nurseries approved by the Pennsylvania Fish and Boat Commission is exempt from taxation.

Purpose: The exemption provides special treatment benefiting organizations that raise fish intended for human consumption.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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 receiving grants from the Commonwealth for distribution to the public is exempt from taxation.

Purpose: Excluding supplies and materials used by tourist promotion agencies that receive state grants reduces the cost of performing promotional activities, lessening the need for direct support of these agencies.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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.

General Fund Tax Expenditures

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 411.1 | \$ 422.7 | \$ 435.2 | \$ 449.6 | \$ 464.1 | \$ 478.3 | \$ 492.6 |

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

STAIR LIFT DEVICES

Description: The purchase or use of property or services used in installing or repairing stair lift devices is exempt from taxation when the device is installed or used in the residence of a person with a physical disability requiring the device to ascend or descend stairs. The physical disability must be certified by a physician.

Purpose: Stair lift devices are essential for people with physical disabilities that prevent them from ascending or descending stairs. This exemption reduces the regressive nature of the tax, easing the tax burden on people requiring the devices.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Beneficiaries: As many as 837,000 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. 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 6.3 | \$ 6.5 | \$ 6.6 | \$ 6.8 | \$ 7.0 | \$ 7.2 | \$ 7.4 |

Beneficiaries: Any of the 305,000 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 2.8 | \$ 2.9 | \$ 3.0 | \$ 3.2 | \$ 3.3 | \$ 3.4 | \$ 3.5 |

Beneficiaries: As many as 153,200 entities benefit from this tax expenditure annually.

General Fund Tax Expenditures

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 2.1 | \$ 2.2 | \$ 2.4 | \$ 2.5 | \$ 2.6 | \$ 2.8 | \$ 3.0 |

Beneficiaries: Approximately 160 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 are any copies in tangible form, such as compact discs, microfilm, or similar forms of electronic media. Examples of documents include notes of court testimony, deposition transcripts, driving records, accident reports, birth and death certificates, deeds, and divorce decrees.

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

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 1.3 | \$ 1.3 | \$ 1.3 | \$ 1.3 | \$ 1.3 | \$ 1.3 | \$ 1.3 |

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 8.1 | \$ 8.0 | \$ 8.1 | \$ 8.3 | \$ 8.4 | \$ 8.6 | \$ 8.8 |

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.

Purpose: The purchase of these items may be perceived as incidental to the advertising service being provided.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 3.8 | \$ 4.0 | \$ 4.2 | \$ 4.3 | \$ 4.5 | \$ 4.7 | \$ 4.8 |

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

General Fund Tax Expenditures

WRAPPING AND PACKING SUPPLIES

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

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

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Beneficiaries: Approximately 53,900 retail and wholesale establishments benefit from this tax expenditure.

CONVENTION CENTER RENTALS

Description: The sale at retail or use of services related to the setup, tear down, or maintenance of tangible personal property rented by an authority to exhibitors at certain convention centers or public auditoriums is exempt from sales and use tax.

Purpose: This exemption could promote the use of certain convention centers or public auditoriums in Pennsylvania.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 |

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

FOOD AND BEVERAGES PURCHASED FROM VOLUNTEER FIREMEN'S ORGANIZATIONS

Description: The sale at retail or use of food and beverages by a volunteer firemen's organization to raise funds for the purposes of the volunteer firemen's association are exempt from taxation.

Purpose: The exemption allows volunteer entities that contribute to public safety to raise funds for their mission at a reduced cost.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 3.4 | \$ 3.5 | \$ 3.5 | \$ 3.6 | \$ 3.7 | \$ 3.8 | \$ 3.9 |

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

General Fund Tax Expenditures

CANNED SOFTWARE PURCHASED BY FINANCIAL INSTITUTIONS

Description: 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 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.

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 13.7 | \$ 14.3 | \$ 14.9 | \$ 15.5 | \$ 16.2 | \$ 16.9 | \$ 17.5 |

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: Purchased computer data center equipment used exclusively in a data center certified by the Commonwealth is exempt from sales and use tax. Certified entities can annually submit a request for a sales and use tax certificate of exemption, provided the data center meets certain investment requirements.

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

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 39.0 | \$ 41.1 | \$ 43.1 | \$ 44.9 | \$ 46.9 | \$ 48.9 | \$ 51.1 |

Beneficiaries: Approximately 1,070 data centers may benefit from this exemption.

RESTAURANT WASTE GREASE TRAPS

Description: Act 56 of 2024 excludes the sale at retail or use of services related to the cleaning or maintenance of a storage trap utilized by a food service or restaurant establishment to collect grease waste. The exclusions apply to transactions occurring after September 30, 2024.

Purpose: This provision provides a benefit to food services and restaurants to perform an important sanitation and safety function.

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | - | \$ 4.2 | \$ 6.4 | \$ 6.5 | \$ 6.6 | \$ 6.5 | \$ 6.5 |

Beneficiaries: Approximately 27,000 food service and restaurant establishments benefit from this tax expenditure.

General Fund Tax Expenditures

Services

Description: Expenditures for services are not taxable under the sales and use tax except when specifically taxed by law.

Purpose: Because the primary basis for the sales and use tax is tangible personal property, the majority of services are not taxed unless they are related to taxable property.

(Dollar Amounts in Millions)

Estimates:

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------|---------|---------|---------|---------|---------|---------|
|--|---------|---------|---------|---------|---------|---------|---------|

LODGING

| | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|
| Recreational parks, camps, and campgrounds ... | \$ 16.5 | \$ 17.7 | \$ 18.4 | \$ 18.9 | \$ 19.4 | \$ 20.0 | \$ 20.7 |
|--|---------|---------|---------|---------|---------|---------|---------|

PERSONAL SERVICES

| | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|
| Dry-cleaning & laundry services..... | \$ 52.0 | \$ 55.0 | \$ 57.7 | \$ 60.2 | \$ 62.8 | \$ 65.5 | \$ 68.2 |
| Personal care services..... | 271.0 | 289.2 | 304.0 | 317.4 | 331.8 | 346.7 | 361.8 |
| Funeral parlors, crematories, & death care services..... | 43.3 | 43.1 | 43.3 | 43.4 | 43.5 | 43.7 | 43.9 |
| Other: personal services..... | 77.9 | 82.9 | 87.2 | 91.0 | 95.1 | 99.3 | 103.6 |

BUSINESS SERVICES

| | | | | | | | |
|--|----------|----------|----------|----------|----------|----------|----------|
| Services to buildings and dwellings..... | \$ 491.1 | \$ 509.2 | \$ 527.6 | \$ 547.1 | \$ 567.2 | \$ 587.2 | \$ 607.1 |
| Advertising, public relations, & related services .. | 1,394.6 | 1,453.1 | 1,509.3 | 1,565.2 | 1,622.4 | 1,680.0 | 1,738.6 |
| Consulting (scientific, environmental, & technical)..... | 637.8 | 667.6 | 694.8 | 722.2 | 750.5 | 778.5 | 807.0 |
| Scientific research & development services..... | 161.0 | 162.8 | 165.2 | 170.0 | 175.1 | 180.1 | 185.2 |
| Information services..... | 320.3 | 346.1 | 369.1 | 392.5 | 418.5 | 445.7 | 472.4 |
| Administrative services..... | 1,011.8 | 1,053.8 | 1,094.6 | 1,136.6 | 1,180.6 | 1,224.7 | 1,269.4 |

COMPUTER SERVICES

| | | | | | | | |
|--|----------|----------|----------|----------|----------|------------|------------|
| Custom programming, design & data processing | \$ 834.1 | \$ 869.4 | \$ 902.1 | \$ 934.8 | \$ 969.1 | \$ 1,003.9 | \$ 1,039.1 |
|--|----------|----------|----------|----------|----------|------------|------------|

AUTOMOTIVE SERVICES

| | | | | | | | |
|-----------------------------|---------|---------|---------|---------|----------|----------|----------|
| Parking lots & garages..... | \$ 82.8 | \$ 88.2 | \$ 92.7 | \$ 96.8 | \$ 101.2 | \$ 105.7 | \$ 110.2 |
|-----------------------------|---------|---------|---------|---------|----------|----------|----------|

RECREATION SERVICES

| | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|
| Spectator sports admissions (excludes schools). | \$ 23.2 | \$ 24.3 | \$ 25.9 | \$ 27.6 | \$ 29.7 | \$ 31.6 | \$ 33.1 |
| Theater, dance, music, & performing arts admissions..... | 13.5 | 15.5 | 18.4 | 21.7 | 25.9 | 29.8 | 32.7 |
| Amusement & recreation industries..... | 450.3 | 476.5 | 509.0 | 542.7 | 581.4 | 621.8 | 664.7 |
| Museums, historical sites, zoos, & parks..... | 24.5 | 25.9 | 27.7 | 29.6 | 31.8 | 34.0 | 36.4 |

General Fund Tax Expenditures

(Dollar Amounts in Millions)

Estimates, continued

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|----------|----------|----------|------------|------------|------------|------------|
| HEALTH SERVICES | | | | | | | |
| Home health care, nursing care, & other ambulatory health care services..... | \$ 590.7 | \$ 616.1 | \$ 646.6 | \$ 682.0 | \$ 719.8 | \$ 758.8 | \$ 798.7 |
| Hospitals | 1,575.6 | 1,643.3 | 1,724.9 | 1,819.2 | 1,920.1 | 2,024.1 | 2,130.4 |
| Physician & dental services..... | 1,591.0 | 1,659.4 | 1,741.8 | 1,837.0 | 1,938.8 | 2,043.9 | 2,151.2 |
| Social assistance including day care..... | 334.4 | 351.3 | 370.2 | 391.0 | 413.1 | 436.1 | 459.6 |
| PROFESSIONAL SERVICES | | | | | | | |
| Legal | \$ 898.7 | \$ 948.8 | \$ 992.5 | \$ 1,033.9 | \$ 1,077.4 | \$ 1,121.3 | \$ 1,165.6 |
| Architectural, engineering, & related services | 572.2 | 596.1 | 620.4 | 645.6 | 671.9 | 698.4 | 725.2 |
| Accounting, auditing, & bookkeeping services | 519.7 | 541.5 | 562.8 | 584.9 | 607.8 | 630.8 | 654.1 |
| Specialized design | 120.8 | 125.9 | 130.7 | 135.9 | 141.5 | 147.1 | 152.9 |
| All other professional and technical services..... | 310.3 | 323.9 | 336.6 | 349.5 | 363.2 | 377.1 | 391.3 |
| TRANSPORTATION SERVICES | | | | | | | |
| Transit & ground transportation..... | \$ 30.3 | \$ 31.4 | \$ 32.4 | \$ 33.4 | \$ 34.5 | \$ 35.6 | \$ 36.7 |
| Air transportation..... | 9.6 | 9.9 | 10.2 | 10.4 | 10.7 | 11.0 | 11.3 |
| Truck transportation | 20.2 | 20.7 | 21.2 | 21.8 | 22.4 | 23.0 | 23.6 |
| Other transportation | 24.3 | 25.2 | 26.1 | 26.9 | 27.7 | 28.5 | 29.3 |
| MISCELLANEOUS SERVICES | | | | | | | |
| Basic television | \$ 91.6 | \$ 91.5 | \$ 93.7 | \$ 97.1 | \$ 101.5 | \$ 105.3 | \$ 107.8 |
| Tuition (college, vocational training, & instruction)..... | 1,269.1 | 1,353.0 | 1,422.0 | 1,484.4 | 1,551.6 | 1,621.2 | 1,691.7 |
| Electrical, plumbing, heating, & AC service fees . | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Veterinary fees | 118.5 | 126.3 | 132.7 | 138.5 | 144.7 | 151.1 | 157.6 |
| Financial institution fees..... | 178.9 | 184.3 | 189.8 | 195.5 | 201.4 | 207.4 | 213.6 |
| Waste management and remediation services ... | 253.3 | 263.8 | 274.3 | 285.2 | 296.5 | 307.9 | 319.3 |

Beneficiaries: Virtually all 5.3 million households and all 305,000 business establishments benefit from one or more of these service tax expenditures.

General Fund Tax Expenditures

Cigarette Tax

STATE VETERANS HOMES

Description: Sales to retail dealers located in state veterans homes, for resale to residents in such homes, are exempt. Federal veterans hospitals are exempt under federal law.

Purpose: It is perceived to be good public policy to reduce taxes for veterans who have served their country and are now residing in a veterans home or hospital.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal |

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

UNSTAMPED CIGARETTES (200 AND UNDER)

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

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

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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. 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.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 5.4 | \$ 5.1 | \$ 4.8 | \$ 4.6 | \$ 4.4 | \$ 4.2 | \$ 4.0 |

Beneficiaries: Approximately 80 cigarette stamping agents may benefit from this tax expenditure.

Tobacco Products Tax

The tobacco products tax contains no tax expenditures as defined for this tax expenditure analysis.

Malt Beverage Tax

The malt beverage tax contains no tax expenditures as defined for this tax expenditure analysis.

Liquor Tax

The liquor tax contains no tax expenditures as defined for this tax expenditure analysis.

General Fund Tax Expenditures

Personal Income Tax

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.

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|------------|------------|------------|------------|------------|------------|------------|
| | \$ 3,896.8 | \$ 4,166.3 | \$ 4,418.5 | \$ 4,662.8 | \$ 4,906.0 | \$ 5,152.7 | \$ 5,405.8 |

Beneficiaries: As many as 3.5 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.

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|----------|----------|------------|------------|------------|------------|------------|
| | \$ 973.1 | \$ 993.7 | \$ 1,019.4 | \$ 1,047.8 | \$ 1,079.3 | \$ 1,119.3 | \$ 1,165.8 |

Beneficiaries: As many as 6.1 million employees benefit from this tax expenditure.

NONQUALIFIED DEFERRED COMPENSATION

Description: Following the federal constructive receipt rule, deferrals to nonqualified deferred compensation plans are not includible in compensation.

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.

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------|---------|---------|---------|---------|---------|---------|
| | \$ 55.2 | \$ 58.1 | \$ 61.1 | \$ 64.3 | \$ 67.7 | \$ 71.3 | \$ 75.0 |

Beneficiaries: Approximately 89,400 employees benefit from this tax expenditure.

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

Description: Contributions made to Health Savings Accounts and Archer Medical Savings Accounts are exempt from personal income tax, consistent with the federal treatment of such accounts. Distributions that are not used for qualified medical expenses are taxable as interest income.

Purpose: This provision reduces the cost and could improve the quality and availability of health care to Pennsylvanians.

Estimates: (Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------|---------|---------|---------|---------|---------|---------|
| | \$ 51.5 | \$ 54.5 | \$ 57.3 | \$ 60.2 | \$ 63.0 | \$ 65.7 | \$ 68.4 |

Beneficiaries: Individuals filing approximately 542,800 returns benefit from this tax expenditure. This number is expected to rise over time.

General Fund Tax Expenditures

EMPLOYEE BENEFIT PROGRAM EMPLOYER CONTRIBUTIONS

Description: Payments made by employers or labor unions for programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, group life insurance, and strike benefits are exempt from taxation. 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|------------|------------|------------|------------|------------|------------|------------|
| | \$ 1,069.6 | \$ 1,130.0 | \$ 1,183.4 | \$ 1,240.4 | \$ 1,299.6 | \$ 1,354.6 | \$ 1,407.0 |

Beneficiaries: As many as 6 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. 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 66.8 | \$ 68.3 | \$ 70.0 | \$ 72.0 | \$ 74.1 | \$ 76.9 | \$ 80.1 |

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 181.1 | \$ 181.8 | \$ 186.9 | \$ 191.6 | \$ 196.6 | \$ 202.1 | \$ 208.0 |

Beneficiaries: The death payment beneficiaries of approximately 180,800 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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.

General Fund Tax Expenditures

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 53.2 | \$ 57.8 | \$ 61.9 | \$ 63.8 | \$ 60.3 | \$ 57.6 | \$ 56.0 |

Beneficiaries: Approximately 260,000 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 81.5 | \$ 81.1 | \$ 80.6 | \$ 80.1 | \$ 79.6 | \$ 79.2 | \$ 78.7 |

Beneficiaries: As many as 167,300 residents benefit from this tax expenditure.

STRIKE BENEFITS

Description: Amounts designated as strike benefits are exempt from tax.

Purpose: These benefits are not considered compensation for services rendered and are thus excluded from tax.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 4.4 | \$ 4.4 | \$ 4.4 | \$ 4.4 | \$ 4.4 | \$ 4.4 | \$ 4.4 |

Beneficiaries: Approximately 72,400 people benefit from this tax expenditure.

General Fund Tax Expenditures

SALE OF A PRINCIPAL RESIDENCE

Description: The gain from a sale of principal residence is excludable from income.

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 331.6 | \$ 347.7 | \$ 369.9 | \$ 392.4 | \$ 413.4 | \$ 400.6 | \$ 384.5 |

Beneficiaries: The owners of approximately 217,400 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 142.0 | \$ 147.3 | \$ 152.3 | \$ 157.9 | \$ 164.2 | \$ 170.6 | \$ 177.2 |

Beneficiaries: Approximately 50,100 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 162.7 | \$ 165.6 | \$ 168.5 | \$ 171.4 | \$ 174.4 | \$ 177.5 | \$ 180.6 |

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.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 0.6 | \$ 0.6 | \$ 0.6 | \$ 0.6 | \$ 0.6 | \$ 0.6 | \$ 0.5 |

Beneficiaries: Approximately 8,800 taxpayers benefit from this tax expenditure.

General Fund Tax Expenditures

UNREIMBURSED EXPENSES

Description: Unreimbursed expenditures made by employees are excludable from compensation if they are necessary to enable the taxpayer to properly perform the duties of employment, reasonable in amount, directly related to the taxpayer's occupation, and customary in the taxpayer's occupation.

Purpose: This provision enhances the fairness of the tax for those employees who incur expenses for the benefit of the employer, in order to properly perform a job, or to retain a rate of compensation.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 29.3 | \$ 28.1 | \$ 27.5 | \$ 27.2 | \$ 27.1 | \$ 27.0 | \$ 27.0 |

Beneficiaries: Individuals filing approximately 711,300 returns benefit from this tax expenditure.

BUSINESS INCOME DEDUCTIONS

Description: Ordinary and reasonable expenses necessary to operate a business or profession may be deducted from the gross receipts of that business or profession. This expenditure does not measure the cost of sales and operations or wages and salaries deductions.

Purpose: Businesses and professions are taxed on "net" profits; therefore, expenses necessary to produce the income may be deducted before tax is computed.

(Dollar Amounts in Millions)

Depreciation:

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 163.7 | \$ 166.1 | \$ 167.2 | \$ 175.2 | \$ 183.3 | \$ 192.2 | \$ 202.8 |

Other:

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|------------|------------|------------|------------|------------|------------|------------|
| | \$ 2,554.3 | \$ 2,598.8 | \$ 2,615.9 | \$ 2,741.3 | \$ 2,868.7 | \$ 3,007.7 | \$ 3,173.1 |

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 4.3 | \$ 4.3 | \$ 4.2 | \$ 4.1 | \$ 4.1 | \$ 4.0 | \$ 3.9 |

Beneficiaries: The foster parents of approximately 16,900 children benefit from this tax expenditure.

QUALIFIED TUITION PROGRAMS

Description: Qualified tuition program contributions are deductible from personal income. Rollovers, undistributed earnings, and distributions used for qualified education expenses are not taxable.

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 51.2 | \$ 54.6 | \$ 59.8 | \$ 63.6 | \$ 67.7 | \$ 72.1 | \$ 76.8 |

Beneficiaries: At least 145,800 taxpayers benefit from this tax expenditure.

General Fund Tax Expenditures

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 0.8 | \$ 0.8 | \$ 0.9 | \$ 0.9 | \$ 0.9 | \$ 0.9 | \$ 0.9 |

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.

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

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 0.4 | \$ 0.4 | \$ 0.3 | \$ 0.3 | \$ 0.3 | \$ 0.2 | \$ 0.2 |

Beneficiaries: The winners of approximately 100 noncash prizes benefit from this expenditure.

STATE/LOCAL OBLIGATIONS

Description: 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 63.3 | \$ 61.8 | \$ 60.3 | \$ 58.8 | \$ 57.4 | \$ 56.0 | \$ 54.7 |

Beneficiaries: Approximately 290,700 Pennsylvanians benefit from this expenditure.

START-UP BUSINESS DEDUCTION

Description: Pennsylvania allows for a \$5,000 deduction from net income for business start-up costs for personal income tax purposes.

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 1.0 | \$ 1.1 | \$ 1.1 | \$ 1.1 | \$ 1.2 | \$ 1.2 | \$ 1.2 |

Beneficiaries: Approximately 10,600 new businesses will benefit from this tax expenditure.

General Fund Tax Expenditures

INTANGIBLE DRILLING COSTS

Description: A taxpayer may recover intangible drilling costs either by using a 10-year amortization period, or by electing to immediately expense up to one-third of the allowable costs and recover the remaining costs over a 10-year period beginning in the taxable year the costs are incurred.

Purpose: This expenditure allows entities to deduct a larger portion of costs immediately, instead of spreading those costs over the life of the well.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.2 |

Beneficiaries: Approximately 120 taxpayers benefit from this expenditure.

ACHIEVING A BETTER LIFE EXPERIENCE (ABLE) SAVINGS PROGRAMS

Description: Contributions to an ABLE account are deductible from the taxable income of the contributor. Contributions, any increase in the value of those contributions, the retention or transfer of any legal interest in an account, and payment of qualified expenses are exempt from taxation.

Purpose: These provisions lessen the burden of tax on people with disabilities and their families.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 0.8 | \$ 0.9 | \$ 1.0 | \$ 1.2 | \$ 1.3 | \$ 1.5 | \$ 1.7 |

Beneficiaries: Approximately 2,900 people with disabilities and their families benefit from this expenditure.

INVOLUNTARY CONVERSIONS

Description: A taxpayer may acquire replacement property and make an election to defer recognition of the gain following an involuntary conversion.

Purpose: These provisions lessen the burden of tax on taxpayers who acquire replacement property when the original property has been destroyed, stolen, seized, requisitioned, or condemned.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal |

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

QUALIFIED OPPORTUNITY ZONES

Description: Income derived from investment in a qualified opportunity zone that is exempt from federal tax is also exempt from Pennsylvania tax.

Purpose: This zone program provides federal tax incentives to encourage investment in economically distressed communities. This provision ensures that complementary incentives apply at the state level. Current law requires deferred zone gains to be recognized in 2026, which could be as much as \$124 million.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 22.4 | \$ 23.2 | \$ 7.4 | \$ 0.0 | \$ 0.1 | \$ 0.2 | \$ 1.4 |

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

General Fund Tax Expenditures

OLYMPIC MEDALS AND PRIZES

Description: The value of Olympic medals and prize money received from the United States Olympic Committee are 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal |

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

CROP INSURANCE PROCEEDS

Description: Under certain circumstances, taxpayers may include crop insurance proceeds in income for the taxable year following the taxable year of crop destruction or damage.

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | 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.

EMPLOYER-PROVIDED DEPENDENT CARE BENEFITS

Description: Employer-provided dependent care benefits that are excludable from income at the federal level are also excluded from Pennsylvania personal income tax.

Purpose: This provision provides relief to working families that use child or dependent care.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | 5.2 | \$ 6.2 | \$ 6.2 | \$ 6.1 | \$ 6.1 | \$ 6.1 | \$ 6.1 |

Beneficiaries: Taxpayers filing approximately 62,700 returns will benefit from this tax expenditure.

PAYMENTS FROM NORFOLK SOUTHERN TRAIN DERAILMENT

Description: Payments received as a result of the train derailment in East Palestine, Ohio on February 3, 2023, are not subject to income tax.

Purpose: This provision provides tax relief to individuals affected by the train derailment.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

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

INTEREST ON QUALIFIED STUDENT LOANS

Description: Student loan interest payments up to \$2,500 may be deducted from taxable income for state residents.

Purpose: This provision reduces the income tax burden on residents who have accrued interest on their student loans.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ - | 1.7 | 36.4 | 53.3 | 55.5 | 57.5 | 59.5 |

Beneficiaries: Approximately 979,900 Pennsylvania residents will benefit from this tax expenditure.

General Fund Tax Expenditures

Credits

SPECIAL POVERTY PROVISIONS (TAX FORGIVENESS)

Description: Special tax forgiveness provisions allow eligible claimants to reduce their tax liability depending on the amount of their eligibility income.

Purpose: This provision provides tax relief for taxpayers with low incomes.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 197.4 | \$ 193.6 | \$ 186.0 | \$ 181.4 | \$ 177.7 | \$ 173.2 | \$ 168.8 |

Beneficiaries: Individuals filing approximately 1 million returns benefit from this tax expenditure.

RESIDENT CREDIT

Description: Pennsylvania residents who have income that 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.

Purpose: This provision prevents the double taxation of income earned by a Pennsylvania resident in another state.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 431.8 | \$ 431.7 | \$ 461.5 | \$ 479.6 | \$ 485.9 | \$ 496.6 | \$ 509.6 |

Beneficiaries: Individuals filing approximately 145,400 returns benefit from this tax expenditure.

TAX CREDITS FOR BEGINNING FARMERS

Description: Owners of agricultural assets who sell or rent those assets to beginning farmers (as defined by Act 65 of 2019) qualify for a tax credit.

The estimate for 2023-24 reflects actual credits awarded. Future fiscal years reflect the program cap.

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

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 6.0 | \$ 6.0 | \$ 6.0 | \$ 6.0 | \$ 6.0 | \$ 6.0 | \$ 6.0 |

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

CHILD AND DEPENDENT CARE ENHANCEMENT TAX CREDIT

Description: Pennsylvania residents who receive the federal child and dependent care tax credit qualify for a refundable state tax credit equal to 100 percent of the federal credit, which was increased from 30 percent by Act 34 of 2023, and is effective beginning tax year 2023.

Purpose: This provision provides relief to working families that use child or dependent care.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|----------|----------|----------|----------|----------|----------|
| | \$ 95.2 | \$ 124.9 | \$ 124.3 | \$ 123.8 | \$ 123.5 | \$ 123.3 | \$ 123.0 |

Beneficiaries: Individuals filing approximately 218,800 returns will benefit from this tax expenditure.

General Fund Tax Expenditures

Estimated Taxes

ESTIMATED TAXES FOR FIDUCIARIES

Description: Fiduciaries may adopt the federal annualization rules for calculating estimated payments.

Purpose: The adoption of annualized federal rules for calculating estimated payments for estates and trusts allows fiduciaries to have consistent payments between state and federal laws.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 9.5 | \$ 11.6 | \$ 10.1 | \$ 8.1 | \$ 6.8 | \$ 6.9 | \$ 6.9 |

Beneficiaries: Approximately 35,300 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. This estimate measures 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 1.3 | \$ 0.6 | \$ 0.5 | \$ 0.6 | \$ 0.6 | \$ 0.7 | \$ 0.7 |

Beneficiaries: Farmers operating approximately 53,000 farms benefit from this tax expenditure.

ESTIMATED PAYMENTS FOR SMALL AMOUNTS

Description: Individuals with taxable income not subject to withholding are not required to pay estimated taxes, provided that such income falls below a certain threshold. Beginning in tax year 2024, the threshold increases incrementally from the current level of \$8,000 to \$20,000 in tax year 2028. In subsequent years, the threshold increases by \$500 per year.

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 2.6 | \$ 2.4 | \$ 2.0 | \$ 1.9 | \$ 2.4 | \$ 3.0 | \$ 3.5 |

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

ESTIMATED TAXES FOR PRIOR YEAR TAX FORGIVENESS RECIPIENTS

Description: A taxpayer who received tax forgiveness through the special provisions for poverty 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.

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

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 2 | \$ 1.8 | \$ 1.3 | \$ 1.1 | \$ 1.1 | \$ 1.1 | \$ 1.1 |

Beneficiaries: Taxpayers filing nearly 44,000 returns benefit from this expenditure.

General Fund Tax Expenditures

Realty Transfer Tax

TRANSFERS TO GOVERNMENTAL UNITS AND VETERANS SERVICE ORGANIZATIONS

Description: A transfer to the Commonwealth, the federal government or their agencies, political subdivisions, or instrumentalities, or veterans organizations by gift, dedication, condemnation, or in lieu of condemnation is exempt from taxation.

Purpose: This exemption provides tax relief to the grantor of property to a governmental entity. Without an exemption, the grantor would be required to pay the tax. The exemption may encourage donation of property to a governmental entity.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 9.4 | \$ 10.8 | \$ 12.8 | \$ 14.8 | \$ 15.8 | \$ 16.6 | \$ 17.5 |

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.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 1.6 | \$ 1.8 | \$ 2.2 | \$ 2.5 | \$ 2.7 | \$ 2.8 | \$ 2.9 |

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|----------|----------|----------|----------|----------|
| | \$ 85.7 | \$ 98.2 | \$ 116.3 | \$ 135.1 | \$ 144.0 | \$ 151.3 | \$ 159.0 |

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

General Fund Tax Expenditures

TRANSFERS TO SHAREHOLDERS OR PARTNERS

Description: A transfer from a corporation or association to its shareholder or member, where the grantee owns stock or holds an interest in the same proportion as his interest in the real estate being conveyed, is an excluded transaction. The stock or interest must be held by the grantee for more than two years.

Purpose: This exemption recognizes that the grantee has an ownership interest in the realty conveyed to him in the same proportion as stock owned in the corporation or interest in the association.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 1.9 | \$ 2.2 | \$ 2.6 | \$ 3.0 | \$ 3.2 | \$ 3.4 | \$ 3.6 |

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)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 8.7 | \$ 10.0 | \$ 11.8 | \$ 13.7 | \$ 14.6 | \$ 15.3 | \$ 16.1 |

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

TRANSFERS BETWEEN RELIGIOUS ORGANIZATIONS

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

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

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 1.9 | \$ 2.1 | \$ 2.5 | \$ 3.0 | \$ 3.1 | \$ 3.3 | \$ 3.5 |

Beneficiaries: Approximately 14,000 religious organizations could benefit from this tax expenditure.

General Fund Tax Expenditures

TRANSFERS TO A CONSERVANCY

Description: A transfer to or from a conservancy possessing tax-exempt status pursuant to the Internal Revenue Code and which has as its primary purpose preservation of land for historic, recreational, scenic, agricultural, or open space opportunities is an excluded transaction. Act 84 of 2016 added agricultural, conservation, or historic preservation easements transferred or sold to certain dedicated conservancies, as well as government entities, as being excluded transactions.

Purpose: This exemption encourages the preservation of realty with historic, recreational, scenic, or agricultural value.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 0.2 | \$ 0.3 | \$ 0.3 | \$ 0.4 | \$ 0.4 | \$ 0.4 | \$ 0.4 |

Beneficiaries: Approximately 60 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Beneficiaries: The owners of 53,000 farms might 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Beneficiaries: The owners of 53,000 farms might benefit from this tax expenditure.

General Fund Tax Expenditures

TRANSFERS OF REALTY VALUED AT \$100 OR LESS

Description: A transaction where the tax due is \$100 or less is an excluded transaction.

Purpose: The administrative costs of collecting the revenue from a transfer of realty valued at \$100 or less are thought to be greater than the revenue.

(Dollar Amounts in Millions)

| | | | | | | | |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | \$ 1.8 | \$ 2.0 | \$ 2.4 | \$ 2.8 | \$ 3.0 | \$ 3.1 | \$ 3.3 |

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Beneficiaries: Approximately 70 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | \$ 16.0 | \$ 18.4 | \$ 21.7 | \$ 25.2 | \$ 26.9 | \$ 28.3 | \$ 29.7 |

Beneficiaries: The 880 public utilities could benefit from this tax expenditure.

General Fund Tax Expenditures

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)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 2.1 | \$ 2.5 | \$ 2.9 | \$ 3.4 | \$ 3.6 | \$ 3.8 | \$ 4.0 |

Beneficiaries: Approximately 2,080 taxpayers could benefit from this tax expenditure.

TRANSFERS TO OR FROM A LAND BANK

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

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

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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.

General Fund Tax Expenditures

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | 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.

General Fund Tax Expenditures

Inheritance Tax

Family Related Exemptions and Exclusions

PREFERENTIAL RATE FOR TRANSFERS TO LINEAL BENEFICIARIES

Description: 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.

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

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|------------|------------|------------|------------|------------|------------|------------|
| | \$ 2,130.4 | \$ 2,102.3 | \$ 2,085.6 | \$ 2,083.4 | \$ 2,072.8 | \$ 2,061.0 | \$ 2,048.7 |

Beneficiaries: Approximately 45,200 estates benefit from this tax expenditure.

TRANSFERS OF PROPERTY TO SPOUSE

Description: Property passing to a spouse of a decedent is taxed at 0 percent. 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.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|------------|------------|------------|------------|------------|------------|------------|
| | \$ 3,594.7 | \$ 3,499.2 | \$ 3,459.8 | \$ 3,455.9 | \$ 3,438.5 | \$ 3,419.0 | \$ 3,398.6 |

Beneficiaries: Approximately 39,700 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 rate of 0 percent.

Purpose: This provision reduces the tax burden on families receiving assets due to the untimely death of a child.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 0.6 | \$ 0.6 | \$ 0.6 | \$ 0.6 | \$ 0.6 | \$ 0.6 | \$ 0.6 |

Beneficiaries: Approximately 30 estates benefit from this tax expenditure.

PREFERENTIAL RATE FOR TRANSFERS TO SIBLINGS

Description: Assets transferred to siblings are taxed at a rate of 12 percent rather than the rate of 15 percent for assets transferred to non-lineal heirs.

Purpose: This provision reduces the tax burden on estates that transfer assets to a sibling of the decedent. It recognizes that a sibling is often a decedent's closest relative and that transfers to siblings should be taxed at a lower rate than transfers to unrelated beneficiaries.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 44.6 | \$ 44.0 | \$ 43.6 | \$ 43.6 | \$ 43.4 | \$ 43.1 | \$ 42.9 |

Beneficiaries: Approximately 5,700 estates benefit from this tax expenditure.

General Fund Tax Expenditures

LIFE INSURANCE PROCEEDS

Description: Life insurance proceeds, whether or not payable to the estate of the decedent, are exempt from inheritance tax.

Purpose: This provision lessens the tax burden on the insurance beneficiaries of the decedent, who are likely to be family members. A common reason for purchasing life insurance is to assist with the payment of inheritance and estate taxes.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|----------|----------|----------|----------|----------|----------|----------|
| | \$ 158.9 | \$ 162.1 | \$ 166.0 | \$ 170.3 | \$ 175.0 | \$ 180.0 | \$ 185.2 |

Beneficiaries: Estates of the decedents associated with approximately 78,000 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.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 2.0 | \$ 2.0 | \$ 2.0 | \$ 2.0 | \$ 1.9 | \$ 1.9 | \$ 1.9 |

Beneficiaries: Approximately 7,900 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 rate of 0 percent.

Purpose: This provision reduces the tax burden on families receiving assets due to the death of a parent.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 20.9 | \$ 20.4 | \$ 20.2 | \$ 20.2 | \$ 20.5 | \$ 20.6 | \$ 20.6 |

Beneficiaries: Approximately 100 estates benefit from this tax expenditure.

General Fund Tax Expenditures

Personal Exclusions and Deductions

EMPLOYMENT BENEFITS

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

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

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 10.9 | \$ 11.8 | \$ 12.7 | \$ 13.6 | \$ 14.7 | \$ 15.8 | \$ 17.0 |

Beneficiaries: Estates of the approximately 12,000 decedents of working age and under 59½ at death may benefit from this tax expenditure.

ESTATE ADMINISTRATION EXPENSES

Description: Expenses for attorney fees, funeral and burial expenses, tombstones and grave markers, and other expenses incurred in administering the estate are deductible from the taxable estate.

Purpose: This provision allows for the deduction of reasonable and necessary expenses associated with managing the estate.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 70.3 | \$ 70.3 | \$ 70.2 | \$ 70.2 | \$ 70.2 | \$ 70.1 | \$ 70.1 |

Beneficiaries: Approximately 47,900 estates benefit from this tax expenditure.

DEBTS AND LIABILITIES OF THE DECEDENT

Description: A deduction from the gross estate is allowed for debts and liabilities of the decedent.

Purpose: This provision increases the fairness of the tax by ensuring that property is included in the taxable estate based on its net value. For example, a mortgage is deducted from the value of real property to properly value the decedent's interest in that property.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 86.2 | \$ 86.2 | \$ 86.2 | \$ 86.1 | \$ 86.1 | \$ 86.1 | \$ 86.0 |

Beneficiaries: Approximately 36,400 estates benefit from this tax expenditure.

General Fund Tax Expenditures

SOCIAL SECURITY DEATH PAYMENTS

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

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

Estimates:

| <i>(Dollar Amounts in Millions)</i> | | | | | | |
|-------------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| \$ 1.0 | \$ 1.0 | \$ 1.0 | \$ 1.0 | \$ 1.0 | \$ 1.0 | \$ 1.0 |

Beneficiaries: As many as 69,600 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.

Estimates:

| <i>(Dollar Amounts in Millions)</i> | | | | | | |
|-------------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| 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: This provision provides that these advancements be treated as gifts that are not intended to avoid the tax.

Estimates:

| <i>(Dollar Amounts in Millions)</i> | | | | | | |
|-------------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Beneficiaries: Approximately 69,600 estates might benefit from this tax expenditure.

General Fund Tax Expenditures

PROPERTY SUBJECT TO POWER OF APPOINTMENT

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

Purpose: Pennsylvania taxes the transfer of these assets at the time the interest is created (when the grantor dies). 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.

Estimates:

| (Dollar Amounts in Millions) | | | | | | |
|------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| 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.

Estimates:

| (Dollar Amounts in Millions) | | | | | | |
|------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| 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 BY A MEMBER OF THE MILITARY ON ACTIVE DUTY

Description: Transfers from decedents who died as a result of injury or illness while on active military duty are exempt from inheritance tax.

Purpose: This provision lessens the tax burden on beneficiaries of the U.S. military personnel who, while serving in the armed forces, a reserve component, or the National Guard of the United States, died as a result of injury or illness received while on active duty, including active duty for training.

Estimates:

| (Dollar Amounts in Millions) | | | | | | |
|------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| Nominal | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal |

Beneficiaries: Those receiving transfers from fallen active duty military members benefit from this tax expenditure.

General Fund Tax Expenditures

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.

Estimates:

| <i>(Dollar Amounts in Millions)</i> | | | | | | |
|-------------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| 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 20 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:

| <i>(Dollar Amounts in Millions)</i> | | | | | | |
|-------------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| 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. 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:

| <i>(Dollar Amounts in Millions)</i> | | | | | | |
|-------------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| \$ 0.8 | \$ 0.8 | \$ 0.9 | \$ 0.9 | \$ 1.0 | \$ 1.1 | \$ 1.2 |

Beneficiaries: The owners of 53,000 farms might benefit from this tax expenditure.

General Fund Tax Expenditures

AGRICULTURAL TRANSFERS TO FAMILY MEMBERS

Description: A transfer of real estate devoted to the business of agriculture between members of the same family is exempt from inheritance tax, provided that after the transfer the real estate continues to be devoted to the business of agriculture for a period of seven years beyond the decedent's date of death and the real estate derives a yearly gross income of at least \$2,000. A transfer of an agricultural commodity, agricultural conservation easement, agricultural reserve, agricultural use property, or a forest reserve to lineal descendants or siblings is also exempt from inheritance tax.

Purpose: This provision helps to maintain family farms and increase participation in the preservation of the Commonwealth's farmland.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 6.9 | \$ 7.2 | \$ 7.5 | \$ 7.8 | \$ 8.2 | \$ 8.5 | \$ 8.9 |

Beneficiaries: The owners of 53,000 farms might benefit from this tax expenditure.

FAMILY-OWNED BUSINESS TRANSFERS TO FAMILY MEMBERS

Description: A transfer of a family-owned, small business interest to or for the benefit of members of the same family is exempt from inheritance tax, provided that after the transfer, the family-owned business interest continues to be owned by members of the same family or a trust whose beneficiaries are comprised solely of members of the same family for a minimum of seven years beyond the decedent's date of death. The exemption is limited to qualified family-owned business interests, defined as having fewer than 50 full-time equivalent employees, a net book value of assets less than \$5 million, and being in existence for at least five years, as of the decedent's date of death. The exemption does not apply to property transferred into the business within one year of the decedent's date of death.

Purpose: This provision helps to maintain family-owned, small businesses.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 8.6 | \$ 8.5 | \$ 8.4 | \$ 8.4 | \$ 8.4 | \$ 8.4 | \$ 8.4 |

Beneficiaries: The owners of 206,000 family-owned, small businesses might benefit from this tax expenditure.

General Fund Tax Expenditures

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.

Estimates:

| <i>(Dollar Amounts in Millions)</i> | | | | | | |
|-------------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| \$ 0.5 | \$ 0.5 | \$ 0.5 | \$ 0.5 | \$ 0.5 | \$ 0.5 | \$ 0.5 |

Beneficiaries: Approximately 3,000 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 Pennsylvanians. This exemption represents an indirect means of assistance to these entities and may increase the money available for charitable purposes.

Estimates:

| <i>(Dollar Amounts in Millions)</i> | | | | | | |
|-------------------------------------|----------|----------|----------|----------|----------|----------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| \$ 131.2 | \$ 129.5 | \$ 128.4 | \$ 128.3 | \$ 127.6 | \$ 126.9 | \$ 126.1 |

Beneficiaries: An estimated 31,000 charitable and fraternal organizations might benefit from this tax expenditure.

Table Game Tax

PROMOTIONAL ITEM DEDUCTION

Description: The deduction of promotional items from gross table game revenue includes the cost of personal property awarded to a player as a result of playing a table game. This deduction does not include travel expenses, food, refreshments, lodging, or services.

Purpose: This deduction removes from the tax base the value of prizes awarded as a result of table game play.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 1.9 | \$ 2.0 | \$ 2.1 | \$ 2.2 | \$ 2.2 | \$ 2.3 | \$ 2.4 |

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

Sports Wagering Tax

PROMOTIONAL ITEM DEDUCTION

Description: The deduction of promotional items from gross sports wagering revenue includes the cost of personal property awarded to a player as a result of sports wagering. 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 sports wagering.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 |

Beneficiaries: All holders of sports wagering certificates in Pennsylvania may benefit from this tax expenditure.

Motor License Fund Tax Expenditures

Oil Company Franchise Tax

POLITICAL SUBDIVISIONS

Description: Fuels purchased by political subdivisions of the Commonwealth are exempt from the tax.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 44.2 | \$ 41.9 | \$ 41.2 | \$ 40.3 | \$ 39.4 | \$ 38.6 | \$ 37.8 |

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 Pennsylvanians. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 11.0 | \$ 10.4 | \$ 10.3 | \$ 10.0 | \$ 9.8 | \$ 9.6 | \$ 9.4 |

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

NONPROFIT NONPUBLIC SCHOOLS

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

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

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 |

Beneficiaries: As many as 2,750 nonprofit nonpublic schools may benefit from these tax expenditures.

SECOND CLASS COUNTY PORT AUTHORITIES

Description: Purchases of fuel by second class county port authorities are exempt from the tax.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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.

Motor License Fund Tax Expenditures

ELECTRIC COOPERATIVES

Description: Fuel purchases for vehicles operated by electric cooperatives are exempt from the tax.

Purpose: These cooperatives are nonprofit corporations organized to engage in rural electrification and are perceived to provide a public benefit. This exemption permits this service to be rendered at a reduced cost.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 4.8 | \$ 4.5 | \$ 4.5 | \$ 4.4 | \$ 4.3 | \$ 4.2 | \$ 4.1 |

Beneficiaries: Individuals operating approximately 53,000 farms benefit from these tax expenditures.

TRUCK REFRIGERATION UNITS

Description: A full refund of tax paid is granted for undyed diesel fuel used in truck refrigeration units when the tank that fuels the refrigeration unit is used solely for that purpose and is separate from that which powers the vehicle.

Purpose: This provision allows a refund for fuel consumed in an off-road manner when such use can be clearly documented.

(Dollar Amounts in Millions)

| Estimates: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 5.8 | \$ 5.5 | \$ 5.5 | \$ 5.5 | \$ 5.5 | \$ 5.4 | \$ 5.4 |

Beneficiaries: Approximately 220 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 |

Beneficiaries: Approximately 14 taxpayers benefit from these tax expenditures.

Motor License Fund Tax Expenditures

DISCOUNT

Description: A distributor is permitted a variable percentage discount based on the gross tax due on the oil company franchise tax mills added by Act 89 of 2013. Returns and payments are generally due on or before the 20th day of each month for the preceding month's sales.

Purpose: This discount is intended to defray the cost of preparing and remitting the tax reports and payments.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 5.4 | \$ 5.1 | \$ 5.0 | \$ 4.9 | \$ 4.8 | \$ 4.7 | \$ 4.6 |

Beneficiaries: Approximately 810 distributors benefit from these tax expenditures.

FOREIGN DIPLOMATS

Description: Fuel purchased by foreign diplomats whose countries have entered into a treaty with the United States is exempt from payment of the tax.

Purpose: The Commonwealth grants this exemption administratively at the request of the federal government.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 0.4 | \$ 0.3 | \$ 0.3 | \$ 0.3 | \$ 0.3 | \$ 0.3 | \$ 0.3 |

Beneficiaries: Approximately 40 bus companies benefit from this tax expenditure.

Motor License Fund Tax Expenditures

Motor Carrier Road Tax / IFTA

POLITICAL SUBDIVISIONS

Description: Vehicles operated by political subdivisions are exempt from the requirements of the motor carriers road tax.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 39.8 | \$ 37.6 | \$ 37.4 | \$ 37.3 | \$ 37.1 | \$ 36.9 | \$ 36.8 |

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

FARM VEHICLES

Description: Qualified motor vehicles bearing a Pennsylvania farm truck registration operating under restricted use, and farm vehicles exempt from registration, are exempt from the motor carriers road tax.

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

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 10.2 | \$ 9.6 | \$ 9.6 | \$ 9.6 | \$ 9.5 | \$ 9.5 | \$ 9.4 |

Beneficiaries: Individuals operating approximately 53,000 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 Pennsylvanians. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 17.4 | \$ 16.4 | \$ 16.4 | \$ 16.3 | \$ 16.2 | \$ 16.2 | \$ 16.1 |

Beneficiaries: Approximately 1,800 fire departments and an unknown number of other organizations benefit from this tax expenditure.

SPECIAL MOBILE EQUIPMENT

Description: Vehicles not designed or used primarily for the transportation of persons or property and that only incidentally operate or move over a highway, such as ditch digging apparatus, well-boring apparatus, earth moving and road construction machinery, are exempt from the motor carriers road tax.

Purpose: Exemption is granted to these vehicles because of their specialized off-highway use.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal |

Beneficiaries: The owners of approximately 1,950 special mobile equipment vehicles benefit from this tax expenditure.

Motor License Fund Tax Expenditures

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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal |

Beneficiaries: The owners of approximately 160 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 2.2 | \$ 2.1 | \$ 2.1 | \$ 2.1 | \$ 2.1 | \$ 2.1 | \$ 2.1 |

Beneficiaries: Approximately 24,200 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Beneficiaries: As many as 14,000 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: | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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.

Motor License Fund Tax Expenditures

VEHICLES NEEDING EMERGENCY REPAIRS

Description: A qualified motor vehicle needing emergency repairs, which was granted authorization from the Pennsylvania State Police to enter this Commonwealth, is exempt from the motor carriers road tax.

Purpose: This exemption was granted due to the temporary emergency nature of the vehicle entering Pennsylvania for needed repairs.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 13.7 | \$ 13.0 | \$ 12.9 | \$ 12.9 | \$ 12.8 | \$ 12.7 | \$ 12.7 |

Beneficiaries: Approximately 6,130 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.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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 License Fund Tax Expenditures

Motor Vehicle Code

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:**

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 0.5 | \$ 0.5 | \$ 0.5 | \$ 0.5 | \$ 0.6 | \$ 0.6 | \$ 0.6 |

Beneficiaries: The owners of approximately 6,800 vehicles benefit from this tax expenditure.

Estimates: **Charitable Organizations:**

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 1.6 | \$ 1.6 | \$ 1.7 | \$ 1.7 | \$ 1.8 | \$ 1.9 | \$ 2.0 |

Beneficiaries: The owners of approximately 15,500 vehicles benefit from this tax expenditure.

Estimates: **Former Prisoners of War:**

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------|---------|---------|---------|---------|---------|---------|
| | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal |

Beneficiaries: The owners of approximately 50 vehicles benefit from this tax expenditure.

Estimates: **Farm Trucks:**

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 4.9 | \$ 5.0 | \$ 5.3 | \$ 5.3 | \$ 5.6 | \$ 5.7 | \$ 6.0 |

Beneficiaries: The owners of approximately 9,300 farm trucks benefit from this tax expenditure.

Estimates: **Commercial Implements of Husbandry:**

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 | \$ 0.2 |

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

Estimates: **Emergency Vehicles:**

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----|---------|---------|---------|---------|---------|---------|---------|
| \$ | 9.9 | \$ 10.0 | \$ 10.6 | \$ 10.7 | \$ 11.4 | \$ 11.5 | \$ 12.1 |

Beneficiaries: Organizations owning approximately 14,700 vehicles benefit from this tax expenditure.

Motor License Fund Tax Expenditures

Estimates: **Political Subdivisions:**

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------|---------|---------|---------|---------|---------|---------|
| | \$ 35.6 | \$ 35.9 | \$ 38.1 | \$ 38.5 | \$ 40.8 | \$ 41.2 | \$ 43.4 |

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

Estimates: **Older Pennsylvanians:**

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------|---------|---------|---------|---------|---------|---------|
| | \$ 4.3 | \$ 4.5 | \$ 5.0 | \$ 5.2 | \$ 5.7 | \$ 6.0 | \$ 6.6 |

Beneficiaries: Older Pennsylvanians owning approximately 86,600 vehicles benefit from this tax expenditure.

CARNIVAL TRUCKS/TRUCK TRACTORS

Description: Owners who document with the Department of Transportation that the truck or tractor is used exclusively for the purpose of transporting circus or carnival personnel, equipment, or machinery are granted a reduced registration fee.

Purpose: The reduced registration fee provides partial relief for those vehicles being used only between April 1 and September 30.

(Dollar Amounts in Millions)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| Estimates: | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal |

Beneficiaries: The owners of approximately 30 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)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| Estimates: | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal | Nominal |

Beneficiaries: As many as 3,130 political subdivisions may benefit from this tax expenditure.

Motor License Fund Tax Expenditures

HAULING PERMITS

Description: Permits, for which a fee is charged, are issued to firms that wish to haul loads that exceed the maximum size or weight specifications of certain highways and bridges. The Commonwealth administratively grants an exemption from the permit fee to political subdivisions.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | 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

Motor Vehicle Lease Tax and Motor Vehicle Rental Fee

COMMON CARRIERS

Description: Vehicles leased or rented by a public utility, engaged in business as a common carrier, to be used in rendering utility services, are exempt from taxation. Since the enactment of the Federal Aviation Act, effective January 1, 1995, Pennsylvania has recognized contract carriers as common carriers. Household goods carriers and private carriers remain taxable.

Purpose: Without this exemption, the tax would be built into the rate base of these types of public utility services and, ultimately, passed on to consumers. Therefore, this exemption reduces the overall cost of utility services that are considered to be basic necessities.

(Dollar Amounts in Millions)

Estimates:

Motor Vehicle Leases:

| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---------|---------|---------|---------|---------|---------|---------|
| N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Motor Vehicle Rentals:

| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---------|---------|---------|---------|---------|---------|---------|
| 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:

| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---------|---------|---------|---------|---------|---------|---------|
| \$ 2.8 | \$ 2.8 | \$ 2.8 | \$ 2.8 | \$ 2.8 | \$ 2.8 | \$ 2.8 |

Motor Vehicle Rentals:

| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---------|---------|---------|---------|---------|---------|---------|
| \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 |

Beneficiaries: Approximately 6,130 schools may benefit from this tax expenditure.

Special Fund Tax Expenditures

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: | | | | | | |
|------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Beneficiaries: The owners of approximately 533,700 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: | | | | | | |
|------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| N/A | N/A | N/A | N/A | N/A | N/A | N/A |

| Motor Vehicle Rentals: | | | | | | |
|-------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Beneficiaries: Approximately 28,200 organizations may benefit from this tax expenditure.

EXEMPT GOVERNMENTAL UNITS

Description: The lease or rental of personal property to or for use by the federal government, the Commonwealth, or its instrumentalities or political subdivisions is exempt from taxation. Based on the criteria adopted to define tax expenditures, federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent local government tax expenditures.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

Estimates:

| Motor Vehicle Leases: | | | | | | |
|------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| \$ 2.1 | \$ 2.2 | \$ 2.4 | \$ 2.5 | \$ 2.6 | \$ 2.8 | \$ 2.9 |

| Motor Vehicle Rentals: | | | | | | |
|-------------------------------|---------|---------|---------|---------|---------|---------|
| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| \$ 0.5 | \$ 0.5 | \$ 0.6 | \$ 0.6 | \$ 0.6 | \$ 0.6 | \$ 0.6 |

Beneficiaries: Approximately 3,130 political subdivisions may benefit from this tax expenditure.

Special Fund Tax Expenditures

VENDOR DISCOUNT

Description: A licensed vendor is permitted a 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.

(Dollar Amounts in Millions)

Estimates:

Motor Vehicle Leases:

| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---------|---------|---------|---------|---------|---------|---------|
| \$ 1.2 | \$ 1.2 | \$ 1.3 | \$ 1.3 | \$ 1.3 | \$ 1.3 | \$ 1.3 |

Motor Vehicle Rentals:

| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---------|---------|---------|---------|---------|---------|---------|
| \$ 1.2 | \$ 1.2 | \$ 1.3 | \$ 1.3 | \$ 1.3 | \$ 1.3 | \$ 1.3 |

Beneficiaries: Approximately 1,000 vendors may benefit from this tax expenditure.

Tire Fee

EXEMPT GOVERNMENTAL UNITS

Description: The sale of new tires to or for use by the federal government, the Commonwealth, or its instrumentalities or political subdivisions is exempt from taxation. Based on the criteria adopted to define tax expenditures, federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent only local government tax expenditures.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

Estimates:

| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---------|---------|---------|---------|---------|---------|---------|
| 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:

| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---------|---------|---------|---------|---------|---------|---------|
| \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 |

Beneficiaries: Approximately 4,200 vendors may benefit from this tax expenditure.

State Racing Fund

The State Racing Fund contains no tax expenditures as defined by this tax expenditure analysis.

Unemployment Compensation Contribution Fund

Unemployment Compensation Insurance Tax

LIMITATION OF THE TAXABLE WAGE BASE

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. The federal government requires all state governments to tax at minimum the first \$7,000 of subject wages. 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.

Purpose: The limitation on taxable wages limits growth in employer tax liabilities that would otherwise occur as wages rise.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|------------|------------|------------|------------|-------------|-------------|-------------|
| | \$ 9,226.3 | \$ 9,161.0 | \$ 9,367.9 | \$ 9,795.8 | \$ 10,231.0 | \$ 10,666.7 | \$ 11,113.0 |

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 2023, there were 305,278 contributory employers to the Unemployment Compensation Contribution Fund. The following is a breakdown of these employers according to major industry division^a:

| | | | |
|---|--------|---------------------------------------|--------|
| Construction | 30,109 | Financial Activities | 22,176 |
| Manufacturing | 13,285 | Leisure and Hospitality | 28,010 |
| Trade | 44,912 | Other Services | 31,779 |
| Information | 7,837 | Local Government | 1,212 |
| Transportation, Warehousing, Utilities | 9,936 | Professional and Business Services | 70,937 |
| Natural Resources and Mining | 3,367 | Education and Health Services | 41,713 |

^a Based on NAICS industry classification. Data may not add to totals due to the unavailability of industry classification for some employers.

Special Fund Tax Expenditures

State Gaming Fund

Slot Machine Tax

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.

(Dollar Amounts in Millions)

| <i>Estimates:</i> | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|
| | \$ 8.1 | \$ 8.3 | \$ 8.3 | \$ 8.3 | \$ 8.3 | \$ 8.3 | \$ 8.2 |

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 | Augmentations | Restricted | Other Funds |
|---|----------------------|---------------------|---------------------|----------------------|---------------------|---------------------|----------------------|
| Governor's Office..... | \$ 11,985 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lieutenant Governor | 1,728 | - | - | - | - | - | - |
| Executive Offices..... | 173,357 | - | - | 26,910 | 643,519 | 34,704 | - |
| Commission on Crime and Delinquency | 171,266 | - | - | 190,592 | 3,490 | 46,293 | 166,168 |
| Attorney General..... | 156,569 | - | - | 20,562 | 351 | 75,925 | 1,750 |
| Auditor General..... | 48,042 | - | - | - | 16,032 | - | 411,756 |
| Treasury | 1,476,438 | 82,476 | - | - | 8,530 | 71,736 | 17,578 |
| Aging | - | - | 506,154 | 114,816 | 936 | - | 3,951 |
| Agriculture | 255,197 | 33,908 | - | 104,350 | 3,408 | 61,882 | 194,866 |
| Banking and Securities | - | - | - | - | - | 9,786 | 32,481 |
| Community and Economic Development | 429,948 | - | - | 1,768,907 | 7,910 | 108,085 | 118,500 |
| Conservation and Natural Resources | 198,531 | 7,000 | - | 153,575 | 67,080 | 24,122 | 214,025 |
| Corrections | 3,296,728 | - | - | 14,718 | 6,248 | 250 | 103,965 |
| Drug and Alcohol Programs..... | 48,356 | - | - | 281,267 | - | 20,434 | 27,970 |
| Education..... | 19,757,335 | - | - | 4,631,488 | 10,637 | 8,063 | 1,086,644 |
| Higher Education Assistance Agency | 594,092 | - | - | - | 15,500 | - | 1,175 |
| Emergency Management Agency..... | 32,553 | - | - | 563,833 | 1,431 | 10,380 | 470,527 |
| Environmental Protection..... | 262,667 | - | - | 3,310,235 | 20,276 | 139,349 | 248,399 |
| Ethics Commission | 3,804 | - | - | - | - | - | - |
| Fish and Boat Commission..... | - | - | - | - | - | - | 105,794 |
| Game Commission | - | - | - | - | - | - | 289,176 |
| Gaming Control Board..... | - | - | - | - | - | - | 69,288 |
| General Services | 178,962 | 9,000 | - | - | 85,237 | 11,980 | - |
| Health | 276,590 | - | - | 631,423 | 5,844 | 182,392 | 128,249 |
| Health Care Cost Containment Council | 8,379 | - | - | - | 950 | - | - |
| Historical and Museum Commission..... | 27,500 | - | - | 9,791 | 1,056 | 80 | 21,461 |
| Human Services | 21,172,021 | - | 329,000 | 37,083,246 | 4,728,304 | 30,730 | 403,330 |
| Infrastructure Investment Authority | - | - | - | - | - | - | 2,496,378 |
| Insurance..... | - | - | - | - | - | - | 576,888 |
| Health Insurance Exchange Authority..... | - | - | - | - | - | - | 116,222 |
| Labor and Industry..... | 105,231 | - | - | 506,638 | 10,080 | 2,275 | 912,774 |
| Liquor Control Board..... | - | - | - | - | - | - | 2,788,259 |
| Military and Veterans Affairs..... | 236,697 | - | - | 306,650 | 27,865 | 101 | 5,453 |
| Milk Board..... | - | - | - | - | - | - | 2,947 |
| Public School Employees' Retirement System..... | - | - | - | - | - | - | 108,126 |
| Public Utility Commission..... | - | - | - | 7,739 | - | 95,392 | 306,686 |
| Revenue | 231,682 | 55,876 | 1,132,431 | 250 | 7,595 | 1,500 | 46,432 |
| State..... | 44,178 | - | - | 9,387 | - | 102,333 | 150 |
| State Employees' Retirement System..... | - | - | - | - | - | - | 60,315 |
| State Police | 1,328,076 | 200,000 | - | 62,056 | 123,061 | 20,800 | 87,561 |
| Transportation..... | 3,106 | 2,899,816 | 170,907 | 3,302,793 | 119,117 | 2,083,254 | 2,997,818 |
| Judiciary | 465,942 | - | - | 1,430 | - | 43,417 | - |
| Legislature..... | 405,410 | - | - | - | - | - | - |
| Government Support Agencies..... | 72,061 | - | - | - | - | - | - |
| Commonwealth Totals | <u>\$ 51,474,431</u> | <u>\$ 3,288,076</u> | <u>\$ 2,138,492</u> | <u>\$ 53,102,656</u> | <u>\$ 5,914,457</u> | <u>\$ 3,185,263</u> | <u>\$ 14,623,062</u> |



GOVERNOR'S OFFICE

The mission of the [Governor](#) is to lead and coordinate the work of state government while guiding agency programs in a direction that ensures compliance with existing law, addresses definable needs, and aligns with Administration goals.

Programs and Goals

Executive Direction: *To provide an effective administrative system through which the programs of the Commonwealth can be executed.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

Governor's Office..... \$ 10,389 \$ 11,634 \$ 11,985

Program Funding Summary

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26 2026-27 2027-28 2028-29 2029-30
 Actual Available Budget Estimated Estimated Estimated Estimated

EXECUTIVE DIRECTION:

| | | | | | | | |
|------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| GENERAL FUND..... | \$ 10,389 | \$ 11,634 | \$ 11,985 | \$ 12,297 | \$ 12,297 | \$ 12,297 | \$ 12,297 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| DEPARTMENT TOTAL | <u>\$ 10,389</u> | <u>\$ 11,634</u> | <u>\$ 11,985</u> | <u>\$ 12,297</u> | <u>\$ 12,297</u> | <u>\$ 12,297</u> | <u>\$ 12,297</u> |

Program: Executive Direction

Goal: To provide an effective administrative system through which the programs of the Commonwealth can be executed.

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 in statute.

The Executive Direction program provides for the maintenance and oversight of 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:

- Executing Commonwealth law faithfully;
- 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 the legislature;
- Convening special legislative sessions for specific purposes; and
- Making policy recommendations.

Governor Josh Shapiro and his Office are focused on getting things done – creating, directing, and advancing initiatives that benefit all Pennsylvanians, such as making government more responsive, accessible, and accountable; creating opportunities in our schools by supporting teachers, empowering parents, expanding higher education, and funding our public school system; investing in safer communities by supporting law enforcement and first responders, promoting anti-violence initiatives, and pursuing smart policy reforms; and creating economic opportunities all across the Commonwealth.

Program Recommendations:

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

Governor's Office
 \$ 351 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Governor's Office | \$ 10,389 | \$ 11,634 | \$ 11,985 | \$ 12,297 | \$ 12,297 | \$ 12,297 | \$ 12,297 |



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 the programs of the Commonwealth can be executed.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | | |
|---------|-----------|---------|
| 2023-24 | 2024-25 | 2025-26 |
| ACTUAL | AVAILABLE | BUDGET |

GENERAL FUND:

General Government:

| | | | | | | |
|------------------------------------|----|-------|----|-------|----|-------|
| Lieutenant Governor's Office | \$ | 1,597 | \$ | 1,623 | \$ | 1,728 |
|------------------------------------|----|-------|----|-------|----|-------|

Program Funding Summary

(Dollar Amounts in Thousands)

| | | | | | | | |
|--|---------|-----------|---------|-----------|-----------|-----------|-----------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |

EXECUTIVE DIRECTION:

| | | | | | | | | | | | | | | |
|-------------------------------|-----------|--------------|-----------|--------------|-----------|--------------|-----------|--------------|-----------|--------------|-----------|--------------|-----------|--------------|
| GENERAL FUND..... | \$ | 1,597 | \$ | 1,623 | \$ | 1,728 | \$ | 1,773 | \$ | 1,773 | \$ | 1,773 | \$ | 1,773 |
| MOTOR LICENSE FUND ... | | - | | - | | - | | - | | - | | - | | - |
| LOTTERY FUND | | - | | - | | - | | - | | - | | - | | - |
| FEDERAL FUNDS | | - | | - | | - | | - | | - | | - | | - |
| AUGMENTATIONS | | - | | - | | - | | - | | - | | - | | - |
| RESTRICTED | | - | | - | | - | | - | | - | | - | | - |
| OTHER FUNDS | | - | | - | | - | | - | | - | | - | | - |
| DEPARTMENT TOTAL | \$ | 1,597 | \$ | 1,623 | \$ | 1,728 | \$ | 1,773 | \$ | 1,773 | \$ | 1,773 | \$ | 1,773 |

Program: Executive Direction

Goal: To provide an effective administrative system through which the programs of the Commonwealth can be executed.

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 the 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 [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
 \$ 105 —to continue current program.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| GENERAL FUND: | | | | | | | |
| Lieutenant Governor’s Office .. | \$ 1,597 | \$ 1,623 | \$ 1,728 | \$ 1,773 | \$ 1,773 | \$ 1,773 | \$ 1,773 |



EXECUTIVE OFFICES

The mission of the Executive Offices is to assist the Governor in the administration of state government.

The [Office of Administration \(OA\)](#) 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 \(OGC\)](#) provides legal counsel for state agencies. The [Office of State Inspector General \(OSIG\)](#) investigates suspected improper use of state resources and recovers funds disbursed as a result of welfare benefits fraud or overpayment. The [Pennsylvania Human Relations Commission \(PHRC\)](#) promotes equal opportunities in employment, housing, public accommodations, and education. The [Pennsylvania Council on the Arts \(PCA\)](#) promotes the development of the arts in Pennsylvania. The [Juvenile Court Judges' Commission \(JCJC\)](#) 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.*

Juvenile Reentry into Communities: *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)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

| | | | |
|---|-------------------|--------------------|-------------------|
| Office of Administration | \$ 16,225 | \$ 18,224 | \$ 19,705 |
| (F)IIJA-State Cybersecurity (EA) | 3,650 | 2,172 ^a | 916 |
| (F)Workforce Data Quality Initiative (EA) | 2,830 | 254 | - |
| (F)OIT Public Safety NCHIP (EA) | 1,959 | 3,058 | - |
| (A)IT Shared Services | 320,221 | 378,466 | 393,613 |
| (A)Integrated Enterprise System | 44,766 | 40,864 | 40,864 |
| (R)Agency Information Technology Projects (EA) | 33,500 | 43,300 | 30,000 |
| (A)HR Shared Services | 118,916 | 131,507 | 137,883 |
| (A)Agency Services | 1,071 | 1,097 | 1,142 |
| Subtotal | <u>\$ 543,138</u> | <u>\$ 618,942</u> | <u>\$ 624,123</u> |
| Commonwealth Office of Digital Experience | - | 8,238 | 18,469 |
| (F)IIJA-State Digital Equity | - | - | 5,000 |
| (R)Commonwealth Office of Digital Experience (EA) | - | - ^b | - |
| Subtotal | <u>\$ -</u> | <u>\$ 8,238</u> | <u>\$ 23,469</u> |
| Enhanced Enterprise Cybersecurity | - | - | 10,000 |
| Civil Service Commission: | | | |
| (R)Fees from Agencies (EA) | 4,916 | 4,469 | 4,469 |
| (R)Special Merit System Services (EA) | 237 | 235 | 235 |
| Subtotal | <u>\$ 5,153</u> | <u>\$ 4,704</u> | <u>\$ 4,704</u> |
| Office of State Inspector General | 6,000 | 6,184 | 6,426 |
| (A)Reimbursements for Special Fund Investigations | 1,111 | 1,111 | 1,111 |
| Subtotal | <u>\$ 7,111</u> | <u>\$ 7,295</u> | <u>\$ 7,537</u> |
| State Inspector General-Welfare Fraud | 12,850 | 13,420 | 13,159 |
| (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 | 3,500 | 3,500 |
| (F)CCDFBG-Subsidized Day Care Fraud Investigation | 905 | 1,000 | 1,000 |
| Subtotal | <u>\$ 27,755</u> | <u>\$ 30,420</u> | <u>\$ 30,159</u> |
| Office of the Budget | 28,535 | 26,108 | 26,879 |
| (A)Comptroller Services | 37,847 | 42,292 | 44,311 |
| (A)Commonwealth Payroll Operations | 7,053 | 7,230 | 7,770 |
| (A)PLCB Comptroller's Office | 6,353 | 6,605 | 6,900 |
| (A)Comptroller Single Audit | 3,383 | 3,398 | 3,509 |
| (A)Bureau of Audits-Single Audit | 819 | 849 | 768 |
| (A)Redevelopment Assistance Operations | - | 4,836 | 4,837 |
| (A)RACP-eGrant System | 160 | 160 | 200 |
| (A)IRA Direct Pay Tax Credit Reimbursement | - | 99 | - |
| Subtotal | <u>\$ 84,150</u> | <u>\$ 91,577</u> | <u>\$ 95,174</u> |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|--------------------------|--------------------------|--------------------------|
| Transfer to Enterprise Systems Lifecycle | - | - | 20,000 |
| (R)Enterprise Systems Lifecycle Project (EA)..... | - | - ^c | - |
| Subtotal..... | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 20,000</u> |
| Transfer to Enterprise and Technology (EA) | - | 65,000 | - |
| Transfer to School Environmental Repairs Program (EA)..... | 75,000 | - | - |
| Audit of the Auditor General..... | 99 | - | - |
| Office of General Counsel..... | 7,531 | 8,684 | 9,742 |
| (A)Reimbursements for Services | 465 | 465 | 480 |
| (A)Continuing Legal Education Registration Fees | 126 | 126 | 126 |
| Subtotal..... | <u>\$ 8,122</u> | <u>\$ 9,275</u> | <u>\$ 10,348</u> |
| Human Relations Commission | 10,421 | 11,273 | 12,092 |
| (F)EEOC-Special Project Grant | 1,665 | 2,100 | 2,100 |
| (F)HUD-Special Project Grant..... | 700 | 700 | 500 |
| (A)Miscellaneous Revenues..... | 3 | 5 | 5 |
| Subtotal..... | <u>\$ 12,789</u> | <u>\$ 14,078</u> | <u>\$ 14,697</u> |
| Council on the Arts..... | 993 | 1,053 | 1,288 |
| (F)NEA-Grants to the Arts-Administration | 1,414 | 1,564 | 1,394 |
| Subtotal..... | <u>\$ 2,407</u> | <u>\$ 2,617</u> | <u>\$ 2,682</u> |
| Juvenile Court Judges' Commission..... | 3,152 | 3,357 | 4,062 |
| Subtotal - State Funds..... | <u>\$ 160,806</u> | <u>\$ 161,541</u> | <u>\$ 141,822</u> |
| Subtotal - Federal Funds..... | 27,123 | 26,848 | 26,910 |
| Subtotal - Augmentations..... | 542,294 | 619,110 | 643,519 |
| Subtotal - Restricted..... | 38,653 | 48,004 | 34,704 |
| Total - General Government..... | <u>\$ 768,876</u> | <u>\$ 855,503</u> | <u>\$ 846,955</u> |
| Grants and Subsidies: | | | |
| Law Enforcement Activities | \$ 4,000 | \$ 9,100 | \$ 3,000 |
| Grants to the Arts | 9,590 | 9,590 | 9,590 |
| (F)FTA Library Grants | 500 | 175 | - |
| Juvenile Probation Services..... | 18,945 | 18,945 | 18,945 |
| Subtotal - State Funds..... | <u>\$ 32,535</u> | <u>\$ 37,635</u> | <u>\$ 31,535</u> |
| Subtotal - Federal Funds..... | 500 | 175 | - |
| Total - Grants and Subsidies..... | <u>\$ 33,035</u> | <u>\$ 37,810</u> | <u>\$ 31,535</u> |
| STATE FUNDS..... | <u>\$ 193,341</u> | <u>\$ 199,176</u> | <u>\$ 173,357</u> |
| FEDERAL FUNDS..... | 27,623 | 27,023 | 26,910 |
| AUGMENTATIONS | 542,294 | 619,110 | 643,519 |
| RESTRICTED..... | <u>38,653</u> | <u>48,004</u> | <u>34,704</u> |
| GENERAL FUND TOTAL | <u>\$ 801,911</u> | <u>\$ 893,313</u> | <u>\$ 878,490</u> |

^a Includes recommended supplemental executive authorization of \$132,000.

^b Transfer from Enterprise and Technology not added to avoid double counting. Commonwealth Office of Digital Experience for 2024-25 Available is \$21,000,000.

^c Transfer from Enterprise and Technology not added to avoid double counting. Enterprise Systems Lifecycle Project for 2024-25 Available is \$38,000,000.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| EXECUTIVE DIRECTION: | | | | | | | |
| GENERAL FUND..... | \$ 142,709 | \$ 146,274 | \$ 117,638 | \$ 110,200 | \$ 98,732 | \$ 98,732 | \$ 98,831 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 23,344 | 22,484 | 22,916 | 17,000 | 17,000 | 17,000 | 17,000 |
| AUGMENTATIONS | 541,700 | 618,514 | 642,908 | 642,908 | 642,908 | 642,908 | 642,908 |
| RESTRICTED..... | 38,653 | 48,004 | 34,704 | 34,704 | 34,704 | 34,704 | 34,704 |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 746,406 | \$ 835,276 | \$ 818,166 | \$ 804,812 | \$ 793,344 | \$ 793,344 | \$ 793,443 |
| LEGAL SERVICES: | | | | | | | |
| GENERAL FUND..... | \$ 7,531 | \$ 8,684 | \$ 9,742 | \$ 9,995 | \$ 9,995 | \$ 9,995 | \$ 9,995 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | 591 | 591 | 606 | 606 | 606 | 606 | 606 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 8,122 | \$ 9,275 | \$ 10,348 | \$ 10,601 | \$ 10,601 | \$ 10,601 | \$ 10,601 |
| PREVENTION AND ELIMINATION OF DISCRIMINATORY PRACTICES: | | | | | | | |
| GENERAL FUND..... | \$ 10,421 | \$ 11,273 | \$ 12,092 | \$ 12,406 | \$ 12,406 | \$ 12,406 | \$ 12,406 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 2,365 | 2,800 | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 |
| AUGMENTATIONS | 3 | 5 | 5 | 5 | 5 | 5 | 5 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 12,789 | \$ 14,078 | \$ 14,697 | \$ 15,011 | \$ 15,011 | \$ 15,011 | \$ 15,011 |
| DEVELOPMENT OF ARTISTS AND AUDIENCES: | | | | | | | |
| GENERAL FUND..... | \$ 10,583 | \$ 10,643 | \$ 10,878 | \$ 10,911 | \$ 10,911 | \$ 10,911 | \$ 10,911 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 1,914 | 1,739 | 1,394 | 1,394 | 1,394 | 1,394 | 1,394 |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 12,497 | \$ 12,382 | \$ 12,272 | \$ 12,305 | \$ 12,305 | \$ 12,305 | \$ 12,305 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| JUVENILE REENTRY INTO COMMUNITIES: | | | | | | | |
| GENERAL FUND..... | \$ 22,097 | \$ 22,302 | \$ 23,007 | \$ 23,113 | \$ 23,113 | \$ 23,113 | \$ 23,113 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL..... | <u>\$ 22,097</u> | <u>\$ 22,302</u> | <u>\$ 23,007</u> | <u>\$ 23,113</u> | <u>\$ 23,113</u> | <u>\$ 23,113</u> | <u>\$ 23,113</u> |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 193,341 | \$ 199,176 | \$ 173,357 | \$ 166,625 | \$ 155,157 | \$ 155,157 | \$ 155,256 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 27,623 | 27,023 | 26,910 | 20,994 | 20,994 | 20,994 | 20,994 |
| AUGMENTATIONS | 542,294 | 619,110 | 643,519 | 643,519 | 643,519 | 643,519 | 643,519 |
| RESTRICTED..... | 38,653 | 48,004 | 34,704 | 34,704 | 34,704 | 34,704 | 34,704 |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| DEPARTMENT TOTAL | <u>\$ 801,911</u> | <u>\$ 893,313</u> | <u>\$ 878,490</u> | <u>\$ 865,842</u> | <u>\$ 854,374</u> | <u>\$ 854,374</u> | <u>\$ 854,473</u> |

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 Resources and 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. HR Delivery Centers serve as shared service organizations for mission-aligned agencies.

The offices of [Continuity of Government](#) and [Records Management](#) provide 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. 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 OSIG's website.

Within 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.

OSIG's [Bureau of Fraud Prevention and Prosecution \(BFPP\)](#) investigates and prosecutes [public assistance fraud](#) and conducts collection activities for DHS. BFPP investigates the following DHS programs: Temporary Assistance 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.

OSIG works to review and improve policing practices within law enforcement agencies under the Governor's jurisdiction. In addition, the Pennsylvania State Law Enforcement Citizen Advisory Commission is comprised of Pennsylvanians 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 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 | | State Inspector General-Welfare Fraud |
| \$ 871 | —to continue current program. | \$ (261) | —to continue current program. |
| 610 | —to meet federal infrastructure matching requirements. | | |
| <u>\$ 1,481</u> | <i>Appropriation Increase</i> | | |
| | Commonwealth Office of Digital Experience | | Office of the Budget |
| \$ 2,831 | —to continue current program. | \$ 771 | —to continue current program. |
| 500 | —to meet federal infrastructure matching requirements. | | |
| 6,900 | —Initiative—for additional projects to improve citizen and user digital experience with Commonwealth systems. | \$ 20,000 | Transfer to Enterprise Systems Lifecycle |
| <u>\$ 10,231</u> | <i>Appropriation Increase</i> | | —to continue replacement of the Commonwealth’s ERP system at the end of its supported lifecycle. |
| | Enhanced Enterprise Cybersecurity | | Transfer to Enterprise and Technology (EA) |
| \$ 10,000 | —Initiative—to strengthen and expand existing cybersecurity measures. | \$ (65,000) | —nonrecurring funding reduction. |
| | Office of State Inspector General | | Law Enforcement Activities |
| \$ 242 | —to continue current program. | \$ (6,100) | —funding reduction. |

Program: Executive Direction, continued

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Office of Administration..... | \$ 16,225 | \$ 18,224 | \$ 19,705 | \$ 19,591 | \$ 19,591 | \$ 19,591 | \$ 19,591 |
| Commonwealth Office of Digital Experience..... | - | 8,238 | 18,469 | 18,469 | 18,469 | 18,469 | 18,469 |
| Enhanced Enterprise Cybersecurity..... | - | - | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Office of State Inspector General..... | 6,000 | 6,184 | 6,426 | 6,593 | 6,593 | 6,593 | 6,593 |
| State Inspector General-Welfare Fraud..... | 12,850 | 13,420 | 13,159 | 13,501 | 13,501 | 13,501 | 13,501 |
| Office of the Budget..... | 28,535 | 26,108 | 26,879 | 27,578 | 27,578 | 27,578 | 27,578 |
| Transfer to Enterprise Systems Lifecycle..... | - | - | 20,000 | 11,369 | - | - | - |
| Transfer to Enterprise and Technology (EA)..... | - | 65,000 | - | - | - | - | - |
| Transfer to School Environmental Repairs Program (EA)..... | 75,000 | - | - | - | - | - | - |
| Audit of the Auditor General . | 99 | - | - | 99 | - | - | 99 |
| Law Enforcement Activities... | 4,000 | 9,100 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| TOTAL GENERAL FUND..... | \$ 142,709 | \$ 146,274 | \$ 117,638 | \$ 110,200 | \$ 98,732 | \$ 98,732 | \$ 98,831 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|-----------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Office of Administration: | | | | | | | |
| Maintain and improve the timeliness of filling positions in the Commonwealth's workforce. | | | | | | | |
| Average time to hire (days)..... | 75 | 72 | 76 | 72 | 68 | 66 | 65 |
| Maintain and expand the delivery of cost-effective, high-quality human resource services to employees and agencies through the centralized Human Resource Service Center. | | | | | | | |
| Transactions processed by the HR Service Center..... | 90,899 | 83,182 | 98,162 | 98,000 | 118,928 | 117,000 | 120,000 |
| 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. | | | | | | | |
| Average percentage of complaints to the Bureau of Special Investigation that are closed, or an investigation has been initiated within 10 days..... | % 89 | 89 | 90 | 90 | 88 | 90 | 92 |
| Maintain the integrity of public benefits programs through effective enforcement. | | | | | | | |
| Percentage of prosecution cases that resulted in a successful adjudication.... | % 92 | 93 | 93 | 92 | 96 | 96 | 97 |
| Amount of overpaid benefits collected by OSIG from individuals who were ineligible to receive public benefits (in thousands)..... | \$ 22,244 | 23,717 | 26,645 | 23,455 | 24,715 | 24,750 | 25,000 |

Program: Executive Direction, continued

Program Measures, continued:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|----------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| 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 % | | | | | | | |
| | 44 | 37 | 40 | 41 | 44 | 45 | 46 |
| Office of the Budget: | | | | | | | |
| Improve the Commonwealth's accounting and financial reporting system. | | | | | | | |
| Average cycle time for purchase order invoices (days)..... | 34.4 | 36.1 | 35.6 | 35.5 | 36.7 | 35.5 | 35.0 |
| Average cycle time for non-purchase order invoices (days)..... | 32.3 | 34.5 | 36.9 | 37.3 | 36.2 | 35.5 | 35.0 |
| Value of improper payments identified and recovered (in thousands)..... | \$ 5,529 | 4,367 | 10,380 | 3,937 | 3,646 | 2,500 | 2,500 |

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
 \$ 1,058 —to continue current program.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Office of General Counsel | <u>\$ 7,531</u> | <u>\$ 8,684</u> | <u>\$ 9,742</u> | <u>\$ 9,995</u> | <u>\$ 9,995</u> | <u>\$ 9,995</u> | <u>\$ 9,995</u> |

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 Act 222 of 1955, commonly known as the [Pennsylvania Human Relations Act](#) and Act 187 of 1992, commonly known as the [Pennsylvania Fair Educational Opportunities Act](#). The commission uses two primary methods to secure compliance with these laws by [investigating complaints](#) of discrimination that might result in legal proceedings and providing [educational and technical assistance](#) to schools, police organizations, businesses, governmental bodies, as well as individuals to inform the public of their statutory protections, promote voluntary compliance with the laws, and prevent civil tensions. PHRC 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.

Program Recommendations:

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

Human Relations Commission
 \$ 819 —to continue current program.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|----------------------------------|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Human Relations Commission | \$ 10,421 | \$ 11,273 | \$ 12,092 | \$ 12,406 | \$ 12,406 | \$ 12,406 | \$ 12,406 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Reduce case processing time to conclude investigations and resolve cases more quickly. | | | | | | | |
| Percentage of cases still under investigation and > two years old..... % | 23 | 13 | 13 | 14 | 5 | 5 | 5 |
| Percentage of cases closed within one year..... % | 48 | 60 | 25 | 34 | 45 | 50 | 50 |
| Average case age statewide (days)..... | 430 | 386 | 457 | 360 | 325 | 300 | 325 |
| Increase public awareness of civil rights and equal opportunity laws through education outreach. | | | | | | | |
| Community meetings and outreach events | 110 | 115 | 301 | 150 | 175 | 200 | 400 |

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 artistic and cultural resources can best serve the cultural needs and aspirations of Pennsylvanians. PCA works with communities to originate and create their own cultural and artistic progress.

PCA addresses its mission through [grants to the arts](#), partnerships, initiatives that leverage new opportunities, information and technical assistance, and through Commonwealth promotion both nationally and internationally.

PCA’s [Preserving Diverse Cultures Division \(PDC\)](#) is one of the most comprehensive programs serving diverse communities in the nation, supporting 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 (BIPOC).

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](#), PCA adapted its [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, PCA places teaching artists in schools and community settings. [Art Sparks](#), a collaboration with the Pennsylvania Turnpike Commission, places student-created works of public art in service plazas across the 550-mile roadway. 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
 \$ 235 —to continue current program.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Council on the Arts | \$ 993 | \$ 1,053 | \$ 1,288 | \$ 1,321 | \$ 1,321 | \$ 1,321 | \$ 1,321 |
| Grants to the Arts..... | 9,590 | 9,590 | 9,590 | 9,590 | 9,590 | 9,590 | 9,590 |
| TOTAL GENERAL FUND | \$ 10,583 | \$ 10,643 | \$ 10,878 | \$ 10,911 | \$ 10,911 | \$ 10,911 | \$ 10,911 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Strengthen Pennsylvania communities through the arts. | | | | | | | |
| Investment granted to rural and BIPOC communities (in thousands)..... | \$ 934 | 1,762 | 1,788 | 1,767 | 1,791 | 1,736 | 1,736 |

Program: Juvenile Reentry into Communities

Goal: To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.

The [Juvenile Court Judges' Commission \(JCJC\)](#) is responsible for advising juvenile court judges regarding the development and improvement of juvenile probation services throughout the Commonwealth. These services focus on the protection of the community, the imposition of accountability for offenses committed, and the development of competencies to enable children to become responsible and productive members of the community. The provision of statewide juvenile justice training, graduate education, research, statistical information, development and implementation of evidence-based practices, and a statewide quality assurance initiative have significantly improved the Commonwealth's juvenile justice system.

Since 1993, the JCJC has collected outcome measures on all cases closed within juvenile probation departments in the Commonwealth.

The JCJC coordinates the ongoing implementation of [Pennsylvania's Juvenile Justice System Enhancement Strategy](#), 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

\$ 705 —to continue current program.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| GENERAL FUND: | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Juvenile Court Judges' Commission | \$ 3,152 | \$ 3,357 | \$ 4,062 | \$ 4,168 | \$ 4,168 | \$ 4,168 | \$ 4,168 |
| Juvenile Probation Services . | 18,945 | 18,945 | 18,945 | 18,945 | 18,945 | 18,945 | 18,945 |
| TOTAL GENERAL FUND | \$ 22,097 | \$ 22,302 | \$ 23,007 | \$ 23,113 | \$ 23,113 | \$ 23,113 | \$ 23,113 |

Program: Juvenile Reentry into Communities, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Assist those involved in the juvenile justice system to acquire the knowledge and skills they need to become productive, connected, and law-abiding members of their communities. | | | | | | | |
| Percentage of juveniles who successfully completed supervision without a new offense resulting in a Consent Decree, Adjudication of Delinquency, Accelerated Rehabilitation Disposition, Nolo Contendere, or finding of guilt in a criminal proceeding..... % | 86.4 | 88.0 | 88.1 | 88.9 | 90.7 | 92.7 | 93.1 |
| Percentage of juveniles without a judicial finding of technical violations of probation while under supervision % | 84.4 | 84.6 | 86.2 | 87.1 | 87.9 | 91.0 | 91.0 |
| Percentage of juveniles employed or engaged in an educational/vocational activity at case closing % | 92.1 | 91.6 | 92.3 | 93.8 | 92.8 | 94.2 | 95.5 |
| Percentage of juveniles who complete their assigned community service obligations..... % | 97.3 | 96.3 | 95.7 | 96.8 | 96.5 | 97.6 | 97.4 |
| Percentage of juveniles who successfully completed a victim awareness curriculum/program while under supervision % | 97.7 | 97.0 | 96.7 | 97.0 | 97.3 | 97.6 | 97.7 |
| Percentage of juveniles who made full restitution to their victim(s)..... % | 89.2 | 88.2 | 88.3 | 89.3 | 86.0 | 87.8 | 88.3 |
| Percentage of juveniles who paid Crime Victim's Compensation Fund costs in full % | 91.6 | 90.0 | 89.1 | 89.2 | 88.8 | 90.6 | 89.3 |



COMMISSION ON CRIME AND DELINQUENCY

The mission of the [Pennsylvania Commission on Crime and Delinquency \(PCCD\)](#) 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.

PCCD supports programs and practices that promote justice for all citizens and communities of Pennsylvania.

Programs and Goals

Criminal and Juvenile Justice Planning and Coordination: To provide leadership in system-wide coordination and in building collaboration among public servants and private citizens representing all aspects of the criminal and juvenile justice systems and victim services.

Commission on Crime and Delinquency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
|--|-------------------|----------------------|-------------------|

GENERAL FUND:

General Government:

| | | | |
|---|-------------------|-------------------|---------------------|
| Commission on Crime and Delinquency | \$ 23,583 | \$ 24,383 | \$ 24,107 |
| (F)Justice Assistance Grants | 11,500 | 11,500 | 11,500 |
| (F)Justice Assistance Grants-Administration | 1,000 | 1,000 | 1,000 |
| (F)Forensic Science Program | 1,500 | 1,500 | 1,500 |
| (F)Prosecuting Cold Cases Using DNA | 535 | 535 | 535 |
| (F)National Sexual Assault Kit Initiative (SAKI)..... | - | - | 2,500 |
| (F)Comprehensive Opioid Abuse Site-Based Program | 5,000 | 5,000 | 5,000 |
| (F)Residential Substance Abuse Treatment Program | 2,000 | 2,000 | 2,000 |
| (F)Body-Worn Camera Policy and Implementation..... | 1,500 | 1,500 | 1,500 |
| (F)Adam Walsh Implementation Support | 1,000 | 1,000 | 1,000 |
| (F)Smart Probation..... | 700 | 700 | - |
| (F)Byrne Competitive Program..... | 450 | 450 | 450 |
| (F)Statistical Analysis Center | 400 | 400 | 400 |
| (F)Prosecutor and Defender Incentives | 300 | 300 | 600 |
| (F)Building Local Continuums-Youth Success | - | 825 | 825 |
| (F)Plan for Juvenile Justice..... | 170 | 170 | 170 |
| (F)VOCA Crime Victims Assistance..... | 100,000 | 100,000 | 100,000 |
| (F)VOCA Crime Victims Assistance-Administration | 5,000 | 5,000 | 5,000 |
| (F)Crime Victims Compensation Services..... | 8,500 | 8,500 | 8,500 |
| (F)State Opioid Response (EA)..... | 22,826 | 23,328 | 7,254 |
| (F)SUPTRSBG-Substance Use Prevention (EA)..... | 405 | 172 | 241 |
| (F)Children's Justice Act (EA) | 1,049 | 530 | 530 |
| (F)PA Youth Survey (EA) | 75 | - | - |
| (A)Interagency Granting Services | 9,389 | 8,209 | 490 |
| (R)Children's Advocacy Centers | 2,434 | 2,500 | 2,500 |
| (R)First Chance Trust Fund..... | 16 | 1,289 | 1,400 |
| (R)Crime Victim Services and Compensation Fund..... | 14,185 | 16,824 | 23,876 ^a |
| (R)Constables Education and Training | 1,258 | 1,700 | 1,700 |
| (R)Sheriff and Deputy Sheriff Education and Training | 5,445 | 6,000 | 6,400 |
| (R)Firearms Education and Training Commission | 383 | 417 | 417 |
| Subtotal | \$ 220,603 | \$ 225,732 | \$ 211,395 |
| Violence and Delinquency Prevention Programs | 4,338 | 4,338 | 4,338 |
| (F)Juvenile Justice and Delinquency Prevention | 3,000 | 3,000 | 3,000 |
| (F)Violence Against Women-Administration | 600 | 600 | 600 |
| (F)Community Based Violence Intervention and Prevention | - | - | 4,000 |
| (A)Interagency Granting Services | 5,835 | 6,742 | 3,000 |
| Subtotal..... | \$ 13,773 | \$ 14,680 | \$ 14,938 |

Commission on Crime and Delinquency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|--------------------------|--------------------------|--------------------------|
| Office of Safe Schools Advocate | 382 | 382 | 382 |
| Subtotal - State Funds..... | \$ 28,303 | \$ 29,103 | \$ 28,827 |
| Subtotal - Federal Funds..... | 167,510 | 168,010 | 158,105 |
| Subtotal - Augmentations..... | 15,224 | 14,951 | 3,490 |
| Subtotal - Restricted..... | <u>23,721</u> | <u>28,730</u> | <u>36,293</u> |
| Total - General Government..... | <u>\$ 234,758</u> | <u>\$ 240,794</u> | <u>\$ 226,715</u> |
| Grants and Subsidies: | | | |
| Violence Intervention and Prevention | \$ 40,000 | \$ 56,500 | \$ 76,500 |
| (F)Criminal Identification Technology..... | 10,500 | 10,500 | 10,500 |
| (F)NICS Act Record Improvement Program | 1,987 | 1,987 | 1,987 |
| (F)Safer Communities | 10,000 | 10,000 | 10,000 |
| (F)Project Safe Neighborhoods..... | 1,000 | 1,000 | 1,000 |
| (F)STOP School Violence | 500 | 500 | - |
| (F)Targeted Violence and Terrorism Prevention | 500 | 500 | - |
| (F)Violence Against Women..... | 7,000 | 7,000 | 7,000 |
| (F)Assault Services Program | <u>1,500</u> | <u>2,000</u> | <u>2,000</u> |
| Subtotal..... | <u>\$ 72,987</u> | <u>\$ 89,987</u> | <u>\$ 108,987</u> |
| County Probation and Reentry Services | - | - | 36,139 |
| Indigent Defense..... | 7,500 | 7,500 | 7,500 |
| Improvement of Adult Probation Services | 16,222 | 16,222 | - ^b |
| Intermediate Punishment Treatment Programs..... | 18,167 | 18,167 | - ^b |
| Transfer to Nonprofit Security Grant Fund | 5,000 | 10,000 | 10,000 |
| Transfer to School Safety and Security Fund-Targeted Grants..... | - ^c | 20,700 | 11,000 |
| Victims of Juvenile Offenders | 1,300 | 1,300 | 1,300 |
| (R)Adult Use Cannabis-Restorative Justice..... | - | - | 10,000 |
| Subtotal - State Funds..... | \$ 88,189 | \$ 130,389 | \$ 142,439 |
| Subtotal - Federal Funds..... | 32,987 | 33,487 | 32,487 |
| Subtotal - Restricted..... | <u>-</u> | <u>-</u> | <u>10,000</u> |
| Total - Grants and Subsidies..... | <u>\$ 121,176</u> | <u>\$ 163,876</u> | <u>\$ 184,926</u> |
| STATE FUNDS..... | \$ 116,492 | \$ 159,492 | \$ 171,266 |
| FEDERAL FUNDS..... | 200,497 | 201,497 | 190,592 |
| AUGMENTATIONS | 15,224 | 14,951 | 3,490 |
| RESTRICTED..... | <u>23,721</u> | <u>28,730</u> | <u>46,293</u> |
| GENERAL FUND TOTAL | <u>\$ 355,934</u> | <u>\$ 404,670</u> | <u>\$ 411,641</u> |

Commission on Crime and Delinquency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
| OTHER FUNDS: | | | |
| JUSTICE REINVESTMENT FUND: | | | |
| (R)Victim Services (EA)..... | \$ 595 | \$ 250 | \$ - |
| (R)County Probation Grants (EA)..... | 1,863 | 6,363 | 16,556 |
| JUSTICE REINVESTMENT FUND TOTAL..... | \$ 2,458 | \$ 6,613 | \$ 16,556 |
| MEDICAL MARIJUANA PROGRAM FUND: | | | |
| Local Police Enforcement (EA)..... | \$ 7,217 | \$ 333 ^d | \$ 2,749 |
| 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 and Demand Reduction Programs (EA)..... | \$ 4,560 | \$ 4,560 | \$ 4,560 |
| Substance Abuse Education and Demand Reduction-Admin (EA)..... | 240 | 240 | 240 |
| SUBSTANCE ABUSE EDUCATION AND DEMAND REDUCTION FUND TOTAL.. | \$ 4,800 | \$ 4,800 | \$ 4,800 |
| SCHOOL SAFETY AND SECURITY FUND: | | | |
| School Safety and Security (EA)..... | \$ 50,000 | \$ 100,000 | \$ 137,263 |
| Targeted School Safety Grants (EA)..... | 20,700 | - ^e | - ^e |
| (F)COVID-SFR School Mental Health Grants..... | 86,353 | - | - |
| SCHOOL SAFETY AND SECURITY FUND TOTAL..... | \$ 157,053 | \$ 100,000 | \$ 137,263 |
| STATE GAMING FUND: | | | |
| Transfer to Crime Victim Services and Compensation Fund..... | \$ - | \$ - ^f | \$ - |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 116,492 | \$ 159,492 | \$ 171,266 |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND..... | - | - | - |
| FEDERAL FUNDS..... | 200,497 | 201,497 | 190,592 |
| AUGMENTATIONS..... | 15,224 | 14,951 | 3,490 |
| RESTRICTED..... | 23,721 | 28,730 | 46,293 |
| OTHER FUNDS..... | 176,328 | 116,546 | 166,168 |
| TOTAL ALL FUNDS..... | \$ 532,262 | \$ 521,216 | \$ 577,809 |

^a This budget proposes to transfer \$9,000,000 from the Local Police Enforcement (EA) within the Medical Marijuana Program Fund.

^b This budget proposes to transfer funding to County Probation and Reentry Services.

^c Per Act 33 of 2023, transferred from Department of Education.

^d This budget proposes to transfer \$9,000,000 to the (R)Crime Victim Services and Compensation Fund. Note: Amount shown includes recommended supplemental executive authorization of \$164,000.

^e Not added to avoid double counting: 2024-25 Available is \$20,700,000 and 2025-26 Budget is \$11,000,000.

^f Not added to avoid double counting: 2024-25 Available is \$5,000,000.

Commission on Crime and Delinquency

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| CRIMINAL AND JUVENILE JUSTICE PLANNING AND COORDINATION: | | | | | | | |
| GENERAL FUND..... | \$ 116,492 | \$ 159,492 | \$ 171,266 | \$ 187,928 | \$ 187,928 | \$ 187,928 | \$ 177,928 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 200,497 | 201,497 | 190,592 | 190,138 | 184,611 | 183,038 | 183,038 |
| AUGMENTATIONS | 15,224 | 14,951 | 3,490 | 3,490 | 3,490 | 3,490 | 3,490 |
| RESTRICTED..... | 23,721 | 28,730 | 46,293 | 35,020 | 34,922 | 35,129 | 35,129 |
| OTHER FUNDS..... | 176,328 | 116,546 | 166,168 | 111,665 | 111,658 | 110,458 | 110,458 |
| DEPARTMENT TOTAL | <u>\$ 532,262</u> | <u>\$ 521,216</u> | <u>\$ 577,809</u> | <u>\$ 528,241</u> | <u>\$ 522,609</u> | <u>\$ 520,043</u> | <u>\$ 510,043</u> |

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 members of the commission are justice system professionals who are assisted by advisory committees, task forces, planning groups, and PCCD staff.

Criminal Justice

The commission 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 makes resources available to support county probation services. Additionally, [Act 115 of 2019](#) transitioned the responsibility and funding of the [Firearm Education and Training Commission](#) to the commission.

[Executive Order 2024-02](#) reestablished the requirement for 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.

The commission 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, PCCD has served as the Commonwealth's designated state planning agency for juvenile justice and delinquency prevention. The [Juvenile Justice and Delinquency Prevention Committee \(JJJPC\)](#) is comprised of representatives from the Juvenile Court Judges' Commission, juvenile court judges, law enforcement, chief juvenile probation officers, nonprofit prevention and treatment service providers, special education specialists, youth, and other related stakeholders. JJJPC is tasked by law to develop a [comprehensive plan](#) relating to juvenile justice and delinquency prevention for the Commonwealth.

The commission administers the Violence and Delinquency Prevention Program, which provides resources and technical assistance to communities who have implemented evidence-based violence and delinquency prevention programs that address risk and protective factors identified through sources such as the [Pennsylvania Youth Survey](#).

Victims' Services and Child Advocacy

PCCD's Victims' Services has three components: [Victims' Compensation Assistance Program \(VCAP\)](#), [Victims' Services Program \(VSP\)](#), and the [Children's Advocacy Center \(CAC\)](#) initiative.

Commission on Crime and Delinquency

Program: Criminal and Juvenile Justice Planning and Coordination, continued

VCAP responds to financial losses incurred by victims of crime through the Crime Victim Services and Compensation 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, the commission 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.

The commission'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 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. Subsequent laws, including [Act 18 of 2019](#), [Act 67 of 2019](#), [Act 30 of 2020](#), [Act 55 of 2022](#), and [Act 33 of 2023](#) created additional responsibilities for the School Safety and Security Committee.

Program Recommendations:

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

| Commission on Crime and Delinquency | | County Probation and Reentry Services | | |
|---|---|--|--|--|
| \$ (2,000) | —funding reduction. | \$ 18,167 | —transferred from Intermediate Punishment Treatment | |
| (1,750) | —transferred nonnarcotic medication substance use disorder treatment for eligible offenders to County Probation and Reentry Services. | | Programs to allow flexible support to provide treatment services and supervision. | |
| 74 | —to continue current program. | 16,222 | —transferred from Improvement of Adult Probation | |
| 2,200 | —to provide additional support to ensure the safety, well-being, and forever home for children affected by abuse and/or neglect. | 1,750 | Services to allow flexible support to provide treatment services and supervision. | |
| 1,200 | —to implement the provisions of Act 122 of 2024 for statewide sexual assault evidence tracking system. | \$ 36,139 | —transferred from Commission on Crime and Delinquency to allow flexible support to provide treatment services and supervision. | |
| \$ (276) | <i>Appropriation Decrease</i> | | <i>Appropriation Increase</i> | |
| Violence Intervention and Prevention | | Improvement of Adult Probation Services | | |
| \$ 10,000 | —to expand after-school programming. | \$ (16,222) | —transferred to County Probation and Reentry Services. | |
| 10,000 | —to provide additional support for community-led gun violence prevention efforts. | \$ (18,167) | | |
| \$ 20,000 | <i>Appropriation Increase</i> | | Intermediate Punishment Treatment Programs | |
| | | | —transferred to County Probation and Reentry Services. | |

Commission on Crime and Delinquency

Program: Criminal and Juvenile Justice Planning and Coordination, continued

Program Recommendations, continued:

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

Transfer to School Safety and Security

Fund-Targeted Grants

\$ (9,700) —funding reduction.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Commission on Crime and Delinquency | \$ 23,583 | \$ 24,383 | \$ 24,107 | \$ 24,734 | \$ 24,734 | \$ 24,734 | \$ 24,734 |
| Violence and Delinquency Prevention Programs | 4,338 | 4,338 | 4,338 | 4,338 | 4,338 | 4,338 | 4,338 |
| Office of Safe Schools Advocate | 382 | 382 | 382 | 392 | 392 | 392 | 392 |
| Violence Intervention and Prevention | 40,000 | 56,500 | 76,500 | 76,500 | 76,500 | 76,500 | 76,500 |
| County Probation and Reentry Services | - | - | 36,139 | 52,164 | 52,164 | 52,164 | 52,164 |
| Indigent Defense | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 |
| Improvement of Adult Probation Services | 16,222 | 16,222 | - | - | - | - | - |
| Intermediate Punishment Treatment Programs | 18,167 | 18,167 | - | - | - | - | - |
| Transfer to Nonprofit Security Grant Fund | 5,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | - |
| Transfer to School Safety and Security Fund-Targeted Grants | - | 20,700 | 11,000 | 11,000 | 11,000 | 11,000 | 11,000 |
| Victims of Juvenile Offenders | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 |
| TOTAL GENERAL FUND | \$ 116,492 | \$ 159,492 | \$ 171,266 | \$ 187,928 | \$ 187,928 | \$ 187,928 | \$ 177,928 |

Commission on Crime and Delinquency

Program: Criminal and Juvenile Justice Planning and Coordination, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Promote the appropriate use and measure the effectiveness of promising approaches and dispositional alternatives. | | | | | | | |
| Number of individuals diverted from a county or state prison sentence as a result of their participation in the County Intermediate Punishment Program | | | | | | | |
| | 3,646 | 3,633 | 4,378 | 4,793 | 4,662 | 4,900 | 4,900 |
| Number of high-risk offenders under county supervision | | | | | | | |
| | N/A | N/A | 8,789 | 20,540 | 17,964 | 23,000 | 15,000 |
| 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 | | | | | | | |
| | 51 | 62 | 64 | 60 | 63 | 60 | 60 |
| Enhance the quality and the availability of services for victims of crime. | | | | | | | |
| Number of victims served | | | | | | | |
| | 375,688 | 339,178 | 320,395 | 357,122 | 362,693 | 370,000 | 360,000 |



ATTORNEY GENERAL

The mission of the [Pennsylvania Office of Attorney General \(OAG\)](#) is to enforce the laws and defend the interests of the Commonwealth and its diverse citizens.

The [Commonwealth Attorneys Act of 1980](#) 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 state 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; and
- 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)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

| | | | |
|---|------------------|-------------------|-------------------|
| General Government Operations | \$ 52,709 | \$ 53,909 | \$ 63,443 |
| (F)Medicaid Fraud..... | 9,831 | 10,805 | 12,442 |
| (F)Safe Neighborhoods..... | - | - | 320 |
| (F)Project Safe Neighborhoods (EA)..... | 300 | 320 | - |
| (F)Project Safe Neighborhoods-SW Philadelphia (EA)..... | 306 | 306 | - |
| (A)Recovery of Overtime Costs..... | 126 | 100 | 100 |
| (A)Reimbursements | 31 | 35 | 16 |
| (A)Miscellaneous..... | 94 | 186 | 10 |
| (A)Criminal Enforcement..... | - ^a | - | - |
| (R)Public Protection Law Enforcement | 14,418 | 19,961 | 14,600 |
| (R)Judicial Fee Account | 4,370 | 5,000 | 5,000 |
| (R)Collection Administration Account..... | 2,500 | 2,500 | 2,500 |
| (R)Seized/Forfeited Property-U.S. Homeland Security..... | 515 | 1,901 | 132 |
| (R)Coroner's Education Board | 123 | 125 | 16 |
| (R)Home Improvement Consumer Protection..... | 2,713 | 2,913 | 2,940 |
| (R)Investigative Funds-Outside Sources..... | 9,714 | 13,700 | 13,400 |
| Subtotal..... | <u>\$ 97,750</u> | <u>\$ 111,761</u> | <u>\$ 114,919</u> |
| (R)Office of Consumer Advocate | 6,752 | 6,752 | 7,252 |
| Drug Law Enforcement | 59,668 | 59,668 | 62,066 |
| (F)High Intensity Drug Trafficking Areas..... | 5,700 | 5,300 | 5,300 |
| (F)COPS Anti-Heroin Task Force (EA)..... | 1,500 | 1,500 | 1,500 |
| (F)COPS Anti-Methamphetamine Program (EA)..... | 750 | 750 | 1,000 |
| (A)Recovery of Narcotics Investigation Overtime Costs | 263 | 200 | 225 |
| (R)Seized/Forfeited Property-State Court Awarded..... | 8,134 | 13,476 | 13,932 |
| (R)Seized/Forfeited Property-U.S. Department of Justice | 604 | 1,563 | 1,630 |
| (R)Seized/Forfeited Property-U.S. Treasury Department | 158 | 106 | 21 |
| (R)Criminal Enforcement Account..... | 1,323 | 3,298 | 1,772 |
| (R)Community Drug Abuse Prevention Program | 213 | 1,050 | 1,060 |
| Subtotal..... | <u>\$ 78,313</u> | <u>\$ 86,911</u> | <u>\$ 88,506</u> |
| Joint Local-State Firearm Task Force..... | 13,969 | 13,969 | 13,707 |
| Witness Relocation..... | 1,215 | 1,215 | 1,315 |
| Child Predator Interception | 7,018 | 7,018 | 7,226 |
| Tobacco Law Enforcement..... | 1,691 | 1,691 | 1,816 |
| School Safety | 2,346 | 2,557 | 2,650 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|--------------------------|--------------------------|--------------------------|
| Human Trafficking Enforcement and Prevention | - | 1,000 | 1,551 |
| Organized Retail Theft Prevention | - | 2,720 | 2,595 |
| Subtotal - State Funds..... | \$ 138,616 | \$ 143,747 | \$ 156,369 |
| Subtotal - Federal Funds..... | 18,387 | 18,981 | 20,562 |
| Subtotal - Augmentations..... | 514 | 521 | 351 |
| Subtotal - Restricted..... | 51,537 | 72,345 | 64,255 |
| Total - General Government..... | <u>\$ 209,054</u> | <u>\$ 235,594</u> | <u>\$ 241,537</u> |
| Grants and Subsidies: | | | |
| County Trial Reimbursement..... | \$ 200 | \$ 200 | \$ 200 |
| (R)Reimbursement to Counties-Full Time District Attorney (EA) | 8,798 | 9,108 | 9,565 ^b |
| (R)Operation PA Strike..... | - | 1,726 | 2,105 |
| Subtotal - State Funds..... | \$ 200 | \$ 200 | \$ 200 |
| Subtotal - Restricted..... | 8,798 | 10,834 | 11,670 |
| Total - Grants and Subsidies..... | <u>\$ 8,998</u> | <u>\$ 11,034</u> | <u>\$ 11,870</u> |
| STATE FUNDS | \$ 138,816 | \$ 143,947 | \$ 156,569 |
| FEDERAL FUNDS | 18,387 | 18,981 | 20,562 |
| AUGMENTATIONS | 514 | 521 | 351 |
| RESTRICTED | 60,335 | 83,179 | 75,925 |
| GENERAL FUND TOTAL | <u>\$ 218,052</u> | <u>\$ 246,628</u> | <u>\$ 253,407</u> |
| OTHER FUNDS: | | | |
| CIGARETTE FIRE SAFETY AND FIREFIGHTER PROTECTION ACT FUND: | | | |
| Cigarette Fire Safety and Firefighter Protection Enforcement | \$ 50 | \$ 50 | \$ 50 |
| STATE GAMING FUND: | | | |
| (R)Gaming Enforcement | \$ 1,618 | \$ 1,618 | \$ 1,700 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 138,816 | \$ 143,947 | \$ 156,569 |
| MOTOR LICENSE FUND | - | - | - |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS | 18,387 | 18,981 | 20,562 |
| AUGMENTATIONS | 514 | 521 | 351 |
| RESTRICTED | 60,335 | 83,179 | 75,925 |
| OTHER FUNDS | 1,668 | 1,668 | 1,750 |
| TOTAL ALL FUNDS | <u>\$ 219,720</u> | <u>\$ 248,296</u> | <u>\$ 255,157</u> |

^a Not added to the total to avoid double counting: 2023-24 Actual is \$702,000.

^b This budget proposes to expand the fee dedicated to full-time district attorney reimbursement to include traffic reimbursements and raise the fee by \$1 to a total of \$3.50.

Program Funding Summary

(Dollar Amounts in Thousands)

Table with 8 columns: 2023-24 Actual, 2024-25 Available, 2025-26 Budget, 2026-27 Estimated, 2027-28 Estimated, 2028-29 Estimated, 2029-30 Estimated. Rows include GENERAL FUND, MOTOR LICENSE FUND, LOTTERY FUND, FEDERAL FUNDS, AUGMENTATIONS, RESTRICTED, OTHER FUNDS, and DEPARTMENT TOTAL.

Program: Public Protection and Law Enforcement

Goal: 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.

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 [Office of Attorney General \(OAG\)](#) investigates and prosecutes criminal activity and uses statewide investigative grand juries as appropriate. The office works with the Pennsylvania 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 OAG protects the children of Pennsylvania against predators by identifying, investigating, and capturing online child predators using proactive and undercover operations. The office 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 OAG plays an important role [protecting the public](#) from fraud and deceptive business practices; securing and recovering damages owed to the Commonwealth and its people; encouraging free enterprise and competition; and investigating and prosecuting consumer fraud, unfair trade practices, antitrust violations, civil rights violations, and charitable scams. Additionally, the office enforces the [Tobacco Settlement Agreement Act of 2004](#), defends enforcement in arbitration proceedings, and polices the Master Settlement Agreement fully and aggressively.

The OAG represents the Commonwealth in any action brought by, or against, the Commonwealth or its agencies, particularly tort claims. Through its [civil division](#), the office 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 OAG 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 [Drug Strike 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 of 2008](#) requires home improvement contractors to register with the [Bureau of Consumer Protection](#). The office investigates alleged violations regarding home improvement contractors. The [Homeowner Assistance Settlement Act of 2012](#) authorizes the OAG 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)

| | |
|--|--|
| <p>General Government Operations</p> <p>\$ 9,534 —to continue current program.</p> <p>Drug Law Enforcement</p> <p>\$ 2,398 —to continue current program.</p> <p>Joint Local-State Firearm Task Force</p> <p>\$ (262) —to continue current program.</p> <p>Witness Relocation</p> <p>\$ 100 —to continue current program.</p> <p>Child Predator Interception</p> <p>\$ 208 —to continue current program.</p> | <p>Tobacco Law Enforcement</p> <p>\$ 125 —to continue current program.</p> <p>School Safety</p> <p>\$ 93 —to continue current program.</p> <p>Human Trafficking Enforcement and Prevention</p> <p>\$ 551 —to continue current program.</p> <p>Organized Retail Theft Prevention</p> <p>\$ (125) —to continue current program.</p> |
|--|--|

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 52,709 | \$ 53,909 | \$ 63,443 | \$ 71,983 | \$ 71,983 | \$ 71,983 | \$ 71,983 |
| Drug Law Enforcement | 59,668 | 59,668 | 62,066 | 64,706 | 64,706 | 64,706 | 64,706 |
| Joint Local-State Firearm Task Force .. | 13,969 | 13,969 | 13,707 | 14,063 | 14,063 | 14,063 | 14,063 |
| Witness Relocation ... | 1,215 | 1,215 | 1,315 | 1,315 | 1,315 | 1,315 | 1,315 |
| Child Predator Interception | 7,018 | 7,018 | 7,226 | 7,414 | 7,414 | 7,414 | 7,414 |
| Tobacco Law Enforcement | 1,691 | 1,691 | 1,816 | 1,863 | 1,863 | 1,863 | 1,863 |
| School Safety..... | 2,346 | 2,557 | 2,650 | 2,719 | 2,719 | 2,719 | 2,719 |
| Human Trafficking Enforcement and Prevention..... | - | 1,000 | 1,551 | 1,591 | 1,591 | 1,591 | 1,591 |
| Organized Retail Theft Prevention | - | 2,720 | 2,595 | 2,662 | 2,662 | 2,662 | 2,662 |
| County Trial Reimbursement | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| TOTAL GENERAL FUND..... | \$ 138,816 | \$ 143,947 | \$ 156,569 | \$ 168,516 | \$ 168,516 | \$ 168,516 | \$ 168,516 |

Program: Public Protection and Law Enforcement, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|-----------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Curtail drug abuse in the Commonwealth by apprehending illegal drug traffickers. | | | | | | | |
| Drug diversion arrests..... | 206 | 122 | 126 | 130 | 86 | 140 | 140 |
| Total drug arrests..... | 1,301 | 1,153 | 1,032 | 1,404 | 1,447 | 1,260 | 1,260 |
| Increase compliance by estates, charities, nonprofits, and health care conversions with established rules and regulations. | | | | | | | |
| Estates, charities, nonprofits, and health care acquisitions reviewed for compliance with anti-trust rules and regulations | 1,748 | 1,912 | 1,869 | 1,884 | 1,989 | 2,007 | 2,250 |
| 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. | 27,327 | 25,286 | 30,538 | 38,659 | 34,030 | 35,000 | 35,000 |
| Dollar value of recoupment to consumers regarding business practices (in thousands)..... | \$ 4,656 | 6,260 | 8,287 | 9,303 | 9,610 | 9,000 | 9,000 |
| Legal actions resulting from consumer tips, complaints, and other sources (yearly variations reflect case complexity)..... | 97 | 108 | 90 | 67 | 86 | 70 | 70 |
| Dollar value of relief awarded on behalf of consumers related to legal actions (in thousands) (yearly variations reflect case types) | \$ 47,808 | 28,192 | 10,000 | 139,843 | 350,505 | 18,000 | 25,000 |
| Consumer complaints concerning business practices - health care industry | 2,202 | 1,128 | 1,727 | 2,120 | 2,041 | 2,041 | 2,400 |
| Dollar value of recoupment to consumers regarding business practices - health care industry (in thousands) | \$ 1,059 | 749 | 960 | 1,251 | 870 | 870 | 1,500 |
| Increase the number of investigations and arrests related to sexual solicitation of a minor and child pornography. | | | | | | | |
| Child predator arrests | 100 | 80 | 77 | 60 | 95 | 100 | 100 |
| Increase the number of investigations, firearm related arrests, and firearms recovered. | | | | | | | |
| Firearm related arrests | 98 | 169 | 202 | 152 | 234 | 160 | 160 |
| Firearms recovered..... | 297 | 234 | 396 | 516 | 965 | 431 | 431 |



AUDITOR GENERAL

The mission of the [Department of the Auditor General](#) is to serve the people of Pennsylvania by improving government accountability, transparency, and the effective use of taxpayer dollars.

The department is responsible for ensuring that the Commonwealth receives all moneys to which it is entitled and that public money is disbursed legally and properly. In addition, the department examines the accounts of revenue collecting agents to ensure that all money due to 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)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| GENERAL FUND: | | | |
| <i>General Government:</i> | | | |
| Auditor General's Office..... | \$ 43,839 | \$ 43,839 | \$ 46,032 |
| (A)Auditing Service Reimbursements | 12,698 | 16,340 | 16,032 |
| Subtotal..... | \$ 56,537 | \$ 60,179 | \$ 62,064 |
| Board of Claims | 1,935 | 2,005 | 2,010 |
| Subtotal - State Funds..... | \$ 45,774 | \$ 45,844 | \$ 48,042 |
| Subtotal - Augmentations..... | 12,698 | 16,340 | 16,032 |
| Total - General Government..... | \$ 58,472 | \$ 62,184 | \$ 64,074 |
| STATE FUNDS | \$ 45,774 | \$ 45,844 | \$ 48,042 |
| AUGMENTATIONS | 12,698 | 16,340 | 16,032 |
| GENERAL FUND TOTAL | \$ 58,472 | \$ 62,184 | \$ 64,074 |
| OTHER FUNDS: | | | |
| MUNICIPAL PENSION AID FUND: | | | |
| (R)Municipal Pension Aid..... | \$ 377,386 | \$ 408,742 | \$ 411,210 |
| (R)Post-Retirement Adjustments..... | 710 | 621 | 546 |
| MUNICIPAL PENSION AID FUND TOTAL | \$ 378,096 | \$ 409,363 | \$ 411,756 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 45,774 | \$ 45,844 | \$ 48,042 |
| MOTOR LICENSE FUND | - | - | - |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS | - | - | - |
| AUGMENTATIONS | 12,698 | 16,340 | 16,032 |
| RESTRICTED | - | - | - |
| OTHER FUNDS | 378,096 | 409,363 | 411,756 |
| TOTAL ALL FUNDS | \$ 436,568 | \$ 471,547 | \$ 475,830 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| AUDITING: | | | | | | | |
| GENERAL FUND..... | \$ 45,774 | \$ 45,844 | \$ 48,042 | \$ 49,291 | \$ 49,291 | \$ 49,291 | \$ 49,291 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | 12,698 | 16,340 | 16,032 | 16,032 | 16,032 | 16,032 | 16,032 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 58,472 | \$ 62,184 | \$ 64,074 | \$ 65,323 | \$ 65,323 | \$ 65,323 | \$ 65,323 |
| MUNICIPAL PENSION SYSTEMS: | | | | | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 378,096 | 409,363 | 411,756 | 413,726 | 415,706 | 417,695 | 419,694 |
| SUBCATEGORY TOTAL.... | \$ 378,096 | \$ 409,363 | \$ 411,756 | \$ 413,726 | \$ 415,706 | \$ 417,695 | \$ 419,694 |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 45,774 | \$ 45,844 | \$ 48,042 | \$ 49,291 | \$ 49,291 | \$ 49,291 | \$ 49,291 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | 12,698 | 16,340 | 16,032 | 16,032 | 16,032 | 16,032 | 16,032 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 378,096 | 409,363 | 411,756 | 413,726 | 415,706 | 417,695 | 419,694 |
| DEPARTMENT TOTAL | \$ 436,568 | \$ 471,547 | \$ 475,830 | \$ 479,049 | \$ 481,029 | \$ 483,018 | \$ 485,017 |

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 of the Auditor General 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 operates within this program as an independent judicial and administrative body with jurisdiction to hear and determine claims against the Commonwealth.

Program Recommendations:

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

| Auditor General's Office | | Board of Claims | |
|--------------------------|-------------------------------|-----------------|-------------------------------|
| \$ 2,193 | —to continue current program. | \$ 5 | —to continue current program. |

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Auditor General's Office..... | \$ 43,839 | \$ 43,839 | \$ 46,032 | \$ 47,229 | \$ 47,229 | \$ 47,229 | \$ 47,229 |
| Board of Claims | 1,935 | 2,005 | 2,010 | 2,062 | 2,062 | 2,062 | 2,062 |
| TOTAL GENERAL FUND | \$ 45,774 | \$ 45,844 | \$ 48,042 | \$ 49,291 | \$ 49,291 | \$ 49,291 | \$ 49,291 |

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](#), commonly 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 a portion of 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, [Act 100](#) abolished the Public Employee Retirement Commission and the Auditor General absorbed the duties relating to municipal pension reporting and analysis under [Act 205 of 1984](#) and [Act 293 of 1972](#). 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 Adjustments |
|--|---------------------------------------|
| \$ 2,468 —to continue current program. | \$ (75) —to continue current program. |

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---------------------------------------|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| MUNICIPAL PENSION AID FUND: | | | | | | | |
| (R)Municipal Pension Aid | \$ 377,386 | \$ 408,742 | \$ 411,210 | \$ 413,245 | \$ 415,283 | \$ 417,323 | \$ 419,366 |
| (R)Post-Retirement Adjustments | 710 | 621 | 546 | 481 | 423 | 372 | 328 |
| TOTAL MUNICIPAL PENSION AID FUND..... | \$ 378,096 | \$ 409,363 | \$ 411,756 | \$ 413,726 | \$ 415,706 | \$ 417,695 | \$ 419,694 |



TREASURY DEPARTMENT

The mission of the [Pennsylvania Treasury Department](#) is to provide safe, efficient, and effective stewardship of the financial assets entrusted to the department on behalf of the Commonwealth. The department strives to be the leader in financial reporting, transparency, and integrity for the Commonwealth.

The Pennsylvania Treasury is responsible for receiving all Commonwealth monies and depositing such monies in state depositories approved by the [Board of Finance and Revenue](#), managing all securities in its custody to the best advantage of the Commonwealth, pre-auditing all requisitions for the expenditures of funds, and 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)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|---------------------|------------------------|---------------------|
| GENERAL FUND: | | | |
| <i>General Government:</i> | | | |
| General Government Operations | \$ 45,365 | \$ 45,365 | \$ 47,440 |
| (A)Unemployment Compensation Service Reimbursements | 4,229 | 4,450 | 4,450 |
| (A)Administrative Service Fees | 3,373 | 2,960 | 3,180 |
| (A)Unclaimed Property Service Fees | 1,332 | 937 | 900 |
| Subtotal | \$ 54,299 | \$ 53,712 | \$ 55,970 |
| Divestiture Reimbursement | 87 | 2,485 | 150 |
| Intergovernmental Organizations | 1,251 | 1,278 | 1,334 |
| Information Technology Cyber Security | 1,000 | 1,150 | 1,350 |
| Board of Finance and Revenue | 3,384 | 3,646 | 4,294 |
| Subtotal - State Funds | \$ 51,087 | \$ 53,924 | \$ 54,568 |
| Subtotal - Augmentations | 8,934 | 8,347 | 8,530 |
| Total - General Government | \$ 60,021 | \$ 62,271 | \$ 63,098 |
| <i>Grants and Subsidies:</i> | | | |
| Law Enforcement and Emergency Response Death Benefit | 3,330 | 3,330 | 3,330 |
| Transfer to ABLE Fund | 900 | 900 | 1,500 |
| Total - Grants and Subsidies | \$ 4,230 | \$ 4,230 | \$ 4,830 |
| <i>Debt Service:</i> | | | |
| Loan and Transfer Agent | \$ 40 | \$ 40 | \$ 40 |
| General Obligation Debt Service | 1,201,000 | 1,100,000 ^a | 1,417,000 |
| Total - Debt Service | \$ 1,201,040 | \$ 1,100,040 | \$ 1,417,040 |
| STATE FUNDS | \$ 1,256,357 | \$ 1,158,194 | \$ 1,476,438 |
| AUGMENTATIONS | 8,934 | 8,347 | 8,530 |
| GENERAL FUND TOTAL | \$ 1,265,291 | \$ 1,166,541 | \$ 1,484,968 |
| MOTOR LICENSE FUND: | | | |
| <i>General Government:</i> | | | |
| Administration-Refunding Liquid Fuels Taxes | \$ 561 | \$ 591 | \$ 605 |
| <i>Refunds:</i> | | | |
| Refunding Liquid Fuels Taxes-State Share (EA) | \$ 4,500 | \$ 4,500 | \$ 4,500 |
| Refunding Liquid Fuels Taxes-Agriculture (EA) | 5,000 | 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 | 800 | 800 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|---------------------|-----------------------|---------------------|
| Refunding Liquid Fuels Taxes-Snowmobiles and ATVs (EA) | 1,000 | 1,000 | 1,000 |
| Refunding Liquid Fuels Taxes-Boat Fund (EA) | 13,603 | 12,500 | 13,500 |
| Total - Refunds | \$ 29,903 | \$ 28,800 | \$ 29,800 |
| Debt Service: | | | |
| Capital Debt Transportation Projects | \$ 35,873 | \$ 35,920 | \$ 35,942 |
| General Obligation Debt Service | 16,477 | 14,813 | 16,089 |
| (R)Capital Bridge Debt Service (EA) | 72,458 | 71,468 ^b | 71,736 |
| Loan and Transfer Agent | 40 | 40 | 40 |
| Subtotal - State Funds | \$ 52,390 | \$ 50,773 | \$ 52,071 |
| Subtotal - Restricted | 72,458 | 71,468 | 71,736 |
| Total - Debt Service | \$ 124,848 | \$ 122,241 | \$ 123,807 |
| STATE FUNDS | \$ 82,854 | \$ 80,164 | \$ 82,476 |
| RESTRICTED | 72,458 | 71,468 | 71,736 |
| MOTOR LICENSE FUND TOTAL | \$ 155,312 | \$ 151,632 | \$ 154,212 |
| OTHER FUNDS: | | | |
| ACHIEVING A BETTER LIFE EXPERIENCE FUND: | | | |
| General Operations | \$ 1,130 | \$ 1,426 | \$ 1,426 |
| ENVIRONMENTAL STEWARDSHIP FUND: | | | |
| Debt Service for Growing Greener (EA) | \$ 10,538 | \$ 9,938 ^c | \$ 10,001 |
| LIQUID FUELS TAX FUND: | | | |
| Refunding Liquid Fuels Tax-Boat Fund (EA) | \$ 116 | \$ 110 | \$ 116 |
| TUITION ACCOUNT GUARANTEED SAVINGS PROGRAM FUND: | | | |
| Tuition Account Program Bureau | \$ 3,339 | \$ 3,339 | \$ 3,339 |
| (A)Application Fees | 2,563 | 2,581 | 2,696 |
| TUITION ACCOUNT GUARANTEED SAVINGS PROGRAM FUND TOTAL | \$ 5,902 | \$ 5,920 | \$ 6,035 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND | \$ 1,256,357 | \$ 1,158,194 | \$ 1,476,438 |
| MOTOR LICENSE FUND | 82,854 | 80,164 | 82,476 |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS | - | - | - |
| AUGMENTATIONS | 8,934 | 8,347 | 8,530 |
| RESTRICTED | 72,458 | 71,468 | 71,736 |
| OTHER FUNDS | 17,686 | 17,394 | 17,578 |
| TOTAL ALL FUNDS | \$ 1,438,289 | \$ 1,335,567 | \$ 1,656,758 |

^a Reflects recommended appropriation reduction of \$37,000,000.

^b Reflects recommended executive authorization reduction of \$624,000.

^c Reflects recommended executive authorization reduction of \$6,000.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|---------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| DISBURSEMENT, INVESTMENT, AND CASH MANAGEMENT: | | | | | | | |
| GENERAL FUND..... | \$ 55,317 | \$ 58,154 | \$ 59,398 | \$ 60,643 | \$ 60,643 | \$ 60,643 | \$ 60,643 |
| MOTOR LICENSE FUND ... | 30,464 | 29,391 | 30,405 | 30,405 | 30,405 | 30,405 | 30,405 |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | 8,934 | 8,347 | 8,530 | 8,530 | 8,530 | 8,530 | 8,530 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 7,148 | 7,456 | 7,577 | 7,577 | 7,577 | 7,577 | 7,577 |
| SUBCATEGORY TOTAL..... | \$ 101,863 | \$ 103,348 | \$ 105,910 | \$ 107,155 | \$ 107,155 | \$ 107,155 | \$ 107,155 |
| DEBT SERVICE: | | | | | | | |
| GENERAL FUND..... | \$ 1,201,040 | \$ 1,100,040 | \$ 1,417,040 | \$ 1,491,650 | \$ 1,560,276 | \$ 1,645,359 | \$ 1,753,812 |
| MOTOR LICENSE FUND ... | 52,390 | 50,773 | 52,071 | 52,911 | 52,886 | 52,503 | 52,225 |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | 72,458 | 71,468 | 71,736 | 73,882 | 74,121 | 66,537 | 60,180 |
| OTHER FUNDS..... | 10,538 | 9,938 | 10,001 | 10,637 | 10,684 | 10,738 | 10,791 |
| SUBCATEGORY TOTAL..... | \$ 1,336,426 | \$ 1,232,219 | \$ 1,550,848 | \$ 1,629,080 | \$ 1,697,967 | \$ 1,775,137 | \$ 1,877,008 |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 1,256,357 | \$ 1,158,194 | \$ 1,476,438 | \$ 1,552,293 | \$ 1,620,919 | \$ 1,706,002 | \$ 1,814,455 |
| MOTOR LICENSE FUND ... | 82,854 | 80,164 | 82,476 | 83,316 | 83,291 | 82,908 | 82,630 |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | 8,934 | 8,347 | 8,530 | 8,530 | 8,530 | 8,530 | 8,530 |
| RESTRICTED..... | 72,458 | 71,468 | 71,736 | 73,882 | 74,121 | 66,537 | 60,180 |
| OTHER FUNDS..... | 17,686 | 17,394 | 17,578 | 18,214 | 18,261 | 18,315 | 18,368 |
| DEPARTMENT TOTAL | \$ 1,438,289 | \$ 1,335,567 | \$ 1,656,758 | \$ 1,736,235 | \$ 1,805,122 | \$ 1,882,292 | \$ 1,984,163 |

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.

The Treasury Department 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.

Treasury directs, monitors, and safeguards securities, bonds, and other investments owned by the Commonwealth and the state pension funds. The Treasury Department is responsible for [investing](#) funds belonging to nearly all Pennsylvania state agencies as well as many state 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 spouses 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.

Treasury 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.

Treasury 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 | | Information Technology Cyber Security | |
| \$ 2,075 | —to continue current program. | \$ 200 | —to continue current program. |
| Divestiture Reimbursement | | Board of Finance and Revenue | |
| \$ (2,335) | —decrease in program requirements. | \$ 648 | —to continue current program. |
| Intergovernmental Organizations | | Transfer to ABLE Fund | |
| \$ 56 | —to continue current program. | \$ 600 | —to continue current program. |

Program: Disbursement, Investment, and Cash Management, continued

Program Recommendations, continued:

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

MOTOR LICENSE FUND:

Administration - Refunding Liquid Fuels Taxes

\$ 14 —to continue current program.

Refunding Liquid Fuels Taxes - Boat Fund (EA)

\$ 1,000 —to continue current program.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 45,365 | \$ 45,365 | \$ 47,440 | \$ 48,673 | \$ 48,673 | \$ 48,673 | \$ 48,673 |
| Divestiture Reimbursement .. | 87 | 2,485 | 150 | 150 | 150 | 150 | 150 |
| Intergovernmental Organizations..... | 1,251 | 1,278 | 1,334 | 1,334 | 1,334 | 1,334 | 1,334 |
| Information Technology Cyber Security | 1,000 | 1,150 | 1,350 | 1,350 | 1,350 | 1,350 | 1,350 |
| Board of Finance and Revenue | 3,384 | 3,646 | 4,294 | 4,406 | 4,406 | 4,406 | 4,406 |
| Law Enforcement and Emergency Response Death Benefit..... | 3,330 | 3,330 | 3,330 | 3,330 | 3,330 | 3,330 | 3,330 |
| Transfer to ABLE Fund | 900 | 900 | 1,500 | 1,400 | 1,400 | 1,400 | 1,400 |
| TOTAL GENERAL FUND | \$ 55,317 | \$ 58,154 | \$ 59,398 | \$ 60,643 | \$ 60,643 | \$ 60,643 | \$ 60,643 |
| MOTOR LICENSE FUND: | | | | | | | |
| Administration-Refunding Liquid Fuels Taxes..... | \$ 561 | \$ 591 | \$ 605 | \$ 605 | \$ 605 | \$ 605 | \$ 605 |
| Refunding Liquid Fuels Taxes-State Share (EA)..... | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 |
| Refunding Liquid Fuels Taxes-Agriculture (EA) | 5,000 | 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 | 800 | 800 | 800 | 800 | 800 | 800 |
| Refunding Liquid Fuels Taxes-Snowmobiles and ATVs (EA)..... | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Refunding Liquid Fuels Taxes-Boat Fund (EA) | 13,603 | 12,500 | 13,500 | 13,500 | 13,500 | 13,500 | 13,500 |
| TOTAL MOTOR LICENSE FUND | \$ 30,464 | \$ 29,391 | \$ 30,405 | \$ 30,405 | \$ 30,405 | \$ 30,405 | \$ 30,405 |

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: | | | ENVIRONMENTAL STEWARDSHIP FUND: |
| | General Obligation Debt Service | | | Debt Service for Growing Greener (EA) |
| \$ 317,000 | —the net effect on principal and interest requirements. | \$ | 63 | —the net effect on principal and interest requirements. |
| | MOTOR LICENSE FUND: | | | |
| | Capital Debt Transportation Projects | | | |
| \$ 22 | —the net effect on principal and interest requirements. | | | |
| | General Obligation Debt Service | | | |
| \$ 1,276 | —the net effect on principal and interest requirements. | | | |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| GENERAL FUND: | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Loan and Transfer Agent | \$ 40 | \$ 40 | \$ 40 | \$ 40 | \$ 40 | \$ 40 | \$ 40 |
| General Obligation Debt Service | 1,201,000 | 1,100,000 | 1,417,000 | 1,491,610 | 1,560,236 | 1,645,319 | 1,753,772 |
| TOTAL GENERAL FUND | \$ 1,201,040 | \$ 1,100,040 | \$ 1,417,040 | \$ 1,491,650 | \$ 1,560,276 | \$ 1,645,359 | \$ 1,753,812 |

Program: Debt Service, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| MOTOR LICENSE FUND: | | | | | | | |
| Capital Debt Transportation Projects | \$ 35,873 | \$ 35,920 | \$ 35,942 | \$ 37,706 | \$ 37,832 | \$ 37,942 | \$ 38,026 |
| General Obligation Debt Service | 16,477 | 14,813 | 16,089 | 15,165 | 15,014 | 14,521 | 14,159 |
| Loan and Transfer Agent | 40 | 40 | 40 | 40 | 40 | 40 | 40 |
| TOTAL MOTOR LICENSE FUND | \$ 52,390 | \$ 50,773 | \$ 52,071 | \$ 52,911 | \$ 52,886 | \$ 52,503 | \$ 52,225 |
| ENVIRONMENTAL STEWARDSHIP FUND: | | | | | | | |
| Debt Service for Growing Greener (EA)..... | \$ 10,538 | \$ 9,938 | \$ 10,001 | \$ 10,637 | \$ 10,684 | \$ 10,738 | \$ 10,791 |



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)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|--------------------------|--------------------------|--------------------------|
| GENERAL FUND: | | | |
| <i>General Government:</i> | | | |
| (F)Programs for the Aging-Title III-Administration..... | \$ 1,781 | \$ 1,781 | \$ 1,781 |
| (F)Programs for the Aging-Title V-Administration | 127 | 127 | 127 |
| (F)Medical Assistance-Administration | 888 | 888 | 888 |
| (F)Programs for the Aging-Title VII-Administration | 352 | 892 | 946 |
| Subtotal..... | <u>\$ 3,148</u> | <u>\$ 3,688</u> | <u>\$ 3,742</u> |
| Total - General Government..... | <u>\$ 3,148</u> | <u>\$ 3,688</u> | <u>\$ 3,742</u> |
| <i>Grants and Subsidies:</i> | | | |
| (F)Programs for the Aging-Title III..... | \$ 56,800 | \$ 56,800 | \$ 56,800 |
| (F)Programs for the Aging-Nutrition | 10,000 | 10,000 | 10,000 |
| (F)Programs for the Aging-Title V-Employment | 12,269 | 12,269 | 12,269 |
| (F)Programs for the Aging-Title VII-Elder Rights Protection | 8,600 | 8,600 | 8,600 |
| (F)Medical Assistance-Support | 9,000 | 9,000 | 9,000 |
| (F)Medical Assistance-Nursing Home Transition | 700 | - | - |
| (F)Chronic Disease Self-Management Education | 271 | 271 | 271 |
| (F)Pre-Admission Assessment..... | 4,000 | 4,000 | 4,000 |
| (F)Programs for the Aging-Title III-Caregiver Support | 11,000 | 10,000 | 10,000 |
| (F)COVID-Programs for the Aging-Title III-Caregiver Support (EA) | 400 | - | - |
| (F)Overdose Data to Action (EA) | 579 | - | - |
| (F)State Opioid Response (EA)..... | 184 | 124 | 134 |
| Subtotal..... | <u>\$ 113,803</u> | <u>\$ 111,064</u> | <u>\$ 111,074</u> |
| Total - Grants and Subsidies..... | <u>\$ 113,803</u> | <u>\$ 111,064</u> | <u>\$ 111,074</u> |
| GENERAL FUND TOTAL | <u>\$ 116,951</u> | <u>\$ 114,752</u> | <u>\$ 114,816</u> |
| LOTTERY FUND: | | | |
| <i>General Government:</i> | | | |
| General Government Operations | \$ 12,335 | \$ 14,818 | \$ 17,546 |
| (A)Day Care Licensure..... | 9 | 9 | 9 |
| (A)Digital Fingerprint Fees | 138 | 138 | 138 |
| Subtotal..... | <u>\$ 12,482</u> | <u>\$ 14,965</u> | <u>\$ 17,693</u> |
| Subtotal - State Funds..... | 12,335 | 14,818 | 17,546 |
| Subtotal - Augmentations..... | 147 | 147 | 147 |
| Total - General Government..... | <u>\$ 12,482</u> | <u>\$ 14,965</u> | <u>\$ 17,693</u> |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|--------------------------|--------------------------|--------------------------|
| Grants and Subsidies: | | | |
| PENNCARE | \$ 287,848 | \$ 287,848 | \$ 308,555 |
| (A)Attendant Care Patient Fees | 272 | 285 | 321 |
| (A)Adult Protective Services..... | 197 | 197 | 468 |
| Subtotal..... | <u>\$ 288,317</u> | <u>\$ 288,330</u> | <u>\$ 309,344</u> |
| Aging Our Way, PA | - | 2,950 | 5,950 |
| 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 | 170,000 | 150,000 |
| Grants to Senior Centers | 3,000 | 3,000 | 3,000 |
| Subtotal - State Funds..... | \$ 466,951 | \$ 484,901 | \$ 488,608 |
| Subtotal - Augmentations..... | 469 | 482 | 789 |
| Total - Grants and Subsidies..... | <u>\$ 467,420</u> | <u>\$ 485,383</u> | <u>\$ 489,397</u> |
| STATE FUNDS..... | \$ 479,286 | \$ 499,719 | \$ 506,154 |
| AUGMENTATIONS | 616 | 629 | 936 |
| LOTTERY FUND TOTAL | <u>\$ 479,902</u> | <u>\$ 500,348</u> | <u>\$ 507,090</u> |
| OTHER FUNDS: | | | |
| PHARMACEUTICAL ASSISTANCE FUND: | | | |
| PACE Contracted Services (EA)..... | \$ 1,780 ^a | \$ - ^a | \$ - ^a |
| (A)Department of Corrections Claims | 2,250 | 2,250 | 2,250 |
| Administration of PACE (EA)..... | 1,376 | 1,530 | 1,591 |
| (F)Diabetes Prevention (EA)..... | 97 | 110 | 110 |
| PHARMACEUTICAL ASSISTANCE FUND TOTAL | <u>\$ 5,503</u> | <u>\$ 3,890</u> | <u>\$ 3,951</u> |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND | 479,286 | 499,719 | 506,154 |
| FEDERAL FUNDS..... | 116,951 | 114,752 | 114,816 |
| AUGMENTATIONS | 616 | 629 | 936 |
| RESTRICTED..... | - | - | - |
| OTHER FUNDS..... | 5,503 | 3,890 | 3,951 |
| TOTAL ALL FUNDS | <u>\$ 602,356</u> | <u>\$ 618,990</u> | <u>\$ 625,857</u> |

^a Lottery Fund transfer to the Pharmaceutical Assistance Fund not added to avoid double counting: PACE Contracted Services (EA) for 2023-24 Actual is \$156,780,000, 2024-25 Available is \$155,461,000, and 2025-26 Budget is \$149,550,000. The budget assumes \$10,000,000 from the Transfer to Pharmaceutical Assistance Fund appropriation will be lapsed during the 2024-25 fiscal year.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| COMMUNITY SERVICES FOR OLDER PENNSYLVANIANS: | | | | | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | 324,286 | 329,719 | 356,154 | 357,317 | 358,024 | 358,731 | 359,438 |
| FEDERAL FUNDS..... | 116,951 | 114,752 | 114,816 | 114,821 | 114,855 | 114,890 | 114,927 |
| AUGMENTATIONS | 616 | 629 | 936 | 936 | 879 | 879 | 879 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL..... | \$ 441,853 | \$ 445,100 | \$ 471,906 | \$ 473,074 | \$ 473,758 | \$ 474,500 | \$ 475,244 |
| PHARMACEUTICAL ASSISTANCE: | | | | | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | 155,000 | 170,000 | 150,000 | 150,000 | 150,000 | 150,000 | 155,000 |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 5,503 | 3,890 | 3,951 | 5,401 | 7,678 | 9,700 | 7,002 |
| SUBCATEGORY TOTAL..... | \$ 160,503 | \$ 173,890 | \$ 153,951 | \$ 155,401 | \$ 157,678 | \$ 159,700 | \$ 162,002 |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | 479,286 | 499,719 | 506,154 | 507,317 | 508,024 | 508,731 | 514,438 |
| FEDERAL FUNDS..... | 116,951 | 114,752 | 114,816 | 114,821 | 114,855 | 114,890 | 114,927 |
| AUGMENTATIONS | 616 | 629 | 936 | 936 | 879 | 879 | 879 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 5,503 | 3,890 | 3,951 | 5,401 | 7,678 | 9,700 | 7,002 |
| DEPARTMENT TOTAL | \$ 602,356 | \$ 618,990 | \$ 625,857 | \$ 628,475 | \$ 631,436 | \$ 634,200 | \$ 637,246 |

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 them in 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 [Area Agencies on Aging \(AAA\)](#) is to inform individuals of available services. AAAs sponsor senior community centers throughout the Commonwealth that provide a full range of social, nutritional, recreational, and educational activities. The centers serve congregate meals at lunchtime to provide older Pennsylvanians a hot, nutritionally balanced meal. The agencies also arrange transportation services to 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 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 apprise them of available resources, supports, and choices across the continuum of care.

The Department of Aging conducts assessments of individuals to determine unmet needs and refers them to the appropriate program for services which provide assistance 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 providing services in a consistent and efficient manner. The department's [OPTIONS](#) program of home and community-based services helps provide eligible consumers assistance in maintaining independence at the highest level of functioning in the community and helps delay the need for more costly care services or settings. 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.

AAAs also provide [protective services](#) 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 | | Aging Our Way, PA | |
|--------------------------------------|--|--------------------------|---|
| \$ 728 | —to continue current program. | \$ 3,000 | —Initiative—to transform the infrastructure and |
| 2,000 | —Initiative—to improve oversight and accountability of the | | coordination of services for Pennsylvania's older |
| | AAA network. | | adults. |
| <hr/> | | | |
| \$ 2,728 | <i>Appropriation Increase</i> | | |
| | | | |
| PENNCARE | | | |
| \$ 707 | —to continue current program. | | |
| 20,000 | —Initiative—to provide operational resources to AAA | | |
| | network to meet increased service needs of older | | |
| | adults. | | |
| <hr/> | | | |
| \$ 20,707 | <i>Appropriation Increase</i> | | |

Program: Community Services for Older Pennsylvanians, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| LOTTERY FUND: | | | | | | | |
| General Government Operations | \$ 12,335 | \$ 14,818 | \$ 17,546 | \$ 18,002 | \$ 18,002 | \$ 18,002 | \$ 18,002 |
| PENNCARE | 287,848 | 287,848 | 308,555 | 309,262 | 309,969 | 310,676 | 311,383 |
| Aging Our Way, PA... Pre-Admission Assessment | - | 2,950 | 5,950 | 5,950 | 5,950 | 5,950 | 5,950 |
| Caregiver Support..... | 12,103 | 12,103 | 12,103 | 12,103 | 12,103 | 12,103 | 12,103 |
| Alzheimer's Outreach Grants to Senior Centers | 250 | 250 | 250 | 250 | 250 | 250 | 250 |
| | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| TOTAL LOTTERY FUND | \$ 324,286 | \$ 329,719 | \$ 356,154 | \$ 357,317 | \$ 358,024 | \$ 358,731 | \$ 359,438 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Ensure that older Pennsylvanians who are in need of protective or ombudsman services are receiving those services. | | | | | | | |
| Reports of need | 36,693 | 38,339 | 44,314 | 53,840 | 58,532 | 61,594 | 66,439 |
| Percentage of investigative reports of need substantiated | % 33.9 | 37.8 | 37.5 | 35.0 | 34.1 | 35.9 | 36.1 |
| Percentage of facility complaints resolved to resident satisfaction by ombudsman | % 83 | 83 | 65 | 66 | 64 | 66 | 68 |
| Increase services and support for caregivers in the Caregiver Support Program and develop a tool to better assess caregiver needs across the Commonwealth. | | | | | | | |
| Families receiving caregiver support | 4,000 | 4,805 | 5,072 | 5,008 | 4,900 | 5,283 | 5,452 |
| Ensure the department's services, programs, and supports reach older Pennsylvanians who need them. | | | | | | | |
| Congregate meals served..... | 102,850 | 54,893 | 64,045 | 71,787 | 77,254 | 85,701 | 93,184 |

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 parolees' pharmacy benefits including the coordination of benefits with PACE and participation in the federal 340B prescription program. The [PACE Application Center](#) and the [Pennsylvania Patient Assistance Clearinghouse](#) are available to all adult Pennsylvanians to assist in the application of 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

\$ (20,000) —decrease in Lottery Fund transfer needed to support the PACE program.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| LOTTERY FUND: | | | | | | | |
| Transfer to Pharmaceutical Assistance Fund | \$ 155,000 | \$ 170,000 | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 155,000 |

Program: Pharmaceutical Assistance, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Ensure that eligible older Pennsylvanians who need help in paying for medications are enrolled in PACE/PACENET. | | | | | | | |
| Older Pennsylvanians enrolled (average) in PACE..... | 70,312 | 61,934 | 55,616 | 49,703 | 44,602 | 39,861 | 35,624 |
| Total prescriptions per year - PACE | 1,429,657 | 1,178,720 | 1,042,800 | 868,481 | 772,552 | 597,314 | 493,783 |
| Older Pennsylvanians enrolled (average) in PACENET..... | 154,371 | 147,046 | 149,490 | 152,802 | 153,415 | 154,029 | 154,645 |
| Total prescriptions per year - PACENET | 3,398,782 | 3,043,557 | 2,969,712 | 3,004,508 | 2,853,519 | 2,710,227 | 2,574,130 |



AGRICULTURE

The mission of the Pennsylvania [Department of Agriculture](#) is 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; and
- Conserving farmland and natural resources for the prosperity of Pennsylvania.

Pennsylvania's farm families are the stewards of millions of acres of farmland. In total, production agriculture and agribusiness industries' contributions to Pennsylvania's economy make Pennsylvania farmers and agribusinesses the leading economic drivers in our state.

In addition to production agriculture, the industry also raises revenue and creates jobs through support services such as food processing, marketing, transportation, and farm equipment.

Programs and Goals

Protection and Development of Agricultural Industries: To facilitate agriculture's continued economic vitality and ensure 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)

| | 2023-24 | 2024-25 | 2025-26 |
|---|------------------|------------------|------------------|
| | ACTUAL | AVAILABLE | BUDGET |
| GENERAL FUND: | | | |
| General Government: | | | |
| General Government Operations | \$ 43,361 | \$ 48,604 | \$ 49,799 |
| (F)Plant Pest Detection System | 1,300 | 1,300 | 1,300 |
| (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-Resilient Food Systems Infrastructure Program (EA) | 26,537 | 272 | 290 |
| (F)Pesticide Control..... | 1,000 | 1,000 | 1,000 |
| (F)Agricultural Risk Protection..... | 1,000 | 1,000 | 1,000 |
| (F)Commodity Supplemental Food | 4,000 | 4,000 | 4,000 |
| (F)Organic Cost Distribution..... | 650 | 650 | 650 |
| (F)Animal Disease Control | 4,000 | 4,000 | 4,000 |
| (F)Food Establishment Inspections..... | 5,000 | 5,000 | 5,000 |
| (F)Integrated Pest Management | 250 | 250 | 250 |
| (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 | 5,000 | 5,000 | 5,000 |
| (F)Animal Identification..... | 2,000 | 2,000 | 2,000 |
| (F)Specialty Crops..... | 3,500 | 3,500 | 3,500 |
| (F)Emerald Ash Borer Mitigation | 800 | 800 | 800 |
| (F)Farmland Protection | 6,000 | 6,000 | 6,000 |
| (F)Crop Insurance | 2,000 | 2,000 | 2,000 |
| (F)Spotted Lanternfly..... | 12,000 | 12,000 | 12,000 |
| (F)Animal Feed Regulatory Program | 2,000 | 2,000 | 2,000 |
| (F)Conservation Partnership Farmland Preservation..... | 6,500 | 6,500 | 6,500 |
| (F)Invasive Plant Suppression (EA) | 33 | - | - |
| (F)Chesapeake Bay Pollution Abatement (EA)..... | 300 | - | - |
| (A)Lime Fees | 30 | 23 | 23 |
| (A)Commercial Feed Inspections | 905 | 700 | 700 |
| (A)Milk Plant Inspections..... | 19 | 20 | 20 |
| (A)Pesticide Regulation..... | - | 475 | 475 |
| (A)Training Rides and Attractions | 30 | 25 | 25 |
| (A)Apiary Registration and Fees | 23 | 25 | 25 |
| (A)Consumer Fireworks License | 1,023 | 750 | 750 |
| (A)Taxidermy Permit Registrations | 89 | 100 | 100 |
| (A)Vet Lab Diagnostic Fees | 953 | 700 | 700 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|-------------------|-------------------|-------------------|
| | ACTUAL | AVAILABLE | BUDGET |
| (A)Domestic Animal Dealer License..... | 83 | 65 | 65 |
| (A)Food Site Inspection, License, and Registration Fees | 17 | 20 | 20 |
| (A)Certificates of Free Sale | 122 | 115 | 115 |
| (A)Interagency Services | 266 | 390 | 390 |
| (A)Departmental Services | - ^a | - | - |
| (A)Transfer from Environmental Stewardship Fund | - ^b | - | - |
| (R)Adult Use Cannabis-Revolving Loan Fund | - | - | 25,000 |
| (R)Adult Use Cannabis-Operations and Technical Assistance..... | - | - | 15,000 |
| (R)Dog Law Administration | 4,838 | 9,409 | 10,460 |
| (R)Pesticide Regulation..... | 3,887 | 6,191 | 6,228 |
| (R)Agriculture Farm Operations | 530 | 481 | 489 |
| (R)Plant Pest Management..... | 422 | 543 | 587 |
| (R)Agronomic Regulatory Account..... | 505 | 983 | 988 |
| (R)Fruit and Vegetable Inspection and Grading..... | 130 | - | - |
| (R)Cervidae Livestock Operations | 25 | 117 | 70 |
| (R)National School Lunch | 338 | 60 | 60 |
| Subtotal..... | <u>\$ 180,076</u> | <u>\$ 165,678</u> | <u>\$ 207,989</u> |
| Agricultural Preparedness and Response | 34,000 | 34,000 | 11,000 |
| (R)Rapid Response Disaster Readiness | - ^c | - ^c | - ^c |
| Agricultural Excellence | 3,300 | 4,100 | 3,300 |
| Agricultural Business and Workforce Investment | 4,800 | 4,800 | 4,800 |
| (F)Community Mental Health Services (EA) | 39 | - | - |
| (R)Agricultural Business Development Center Fund | - ^d | - ^d | - ^d |
| (R)Specialty Crop Block Grant Fund | - ^e | - ^e | - ^e |
| Farmers' Market Food Coupons | 2,079 | 2,579 | 2,579 |
| (F)Farmers' Market Food Coupons | 4,000 | 4,000 | 4,000 |
| (F)COVID-WIC Farmers' Market Nutrition (EA) | 101 | - | - |
| (F)Senior Farmers' Market Nutrition..... | 2,200 | 2,200 | 2,200 |
| (F)COVID-Senior Farmers' Market Nutrition (EA)..... | 4,407 | 4,380 | - |
| Agricultural Research | 2,187 | 2,187 | 2,187 |
| Agricultural Promotion, Education, and Exports | 303 | 303 | 303 |
| Agricultural Innovation Development..... | - | 10,000 | 25,000 |
| Hardwoods Research and Promotion..... | 725 | 725 | 725 |
| Subtotal - State Funds..... | \$ 90,755 | \$ 107,298 | \$ 99,693 |
| Subtotal - Federal Funds..... | 133,227 | 106,462 | 102,100 |
| Subtotal - Augmentations..... | 3,560 | 3,408 | 3,408 |
| Subtotal - Restricted..... | <u>10,675</u> | <u>17,784</u> | <u>58,882</u> |
| Total - General Government..... | <u>\$ 238,217</u> | <u>\$ 234,952</u> | <u>\$ 264,083</u> |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| Grants and Subsidies: | | | |
| Livestock and Consumer Health Protection | \$ 1,000 | \$ 1,000 | \$ 1,000 |
| Animal Health and Diagnostic Commission | 11,350 | 11,350 | 6,000 |
| Livestock Show | 215 | 215 | 215 |
| Open Dairy Show | 215 | 215 | 215 |
| Youth Shows | 169 | 169 | 169 |
| State Food Purchase | 26,688 | 26,688 | 34,688 |
| (F)Local Food for Schools..... | 6,808 | 2,000 | 2,000 |
| (F)COVID-Local Food Purchase Assistance (EA) | 14,725 | - | - |
| Food Marketing and Research | 494 | 494 | 494 |
| (F)Market Improvement..... | 250 | 250 | 250 |
| Fresh Food Financing Initiative | 2,000 | 2,000 | 2,000 |
| Transfer to Nutrient Management Fund | 6,200 | 6,200 | 6,200 |
| Transfer to Conservation District Fund | 2,669 | 2,669 | 2,669 |
| Transfer to Agricultural College Land Scrip Fund | 57,710 | 57,710 | 60,596 |
| Transfer to Farm Products Show Fund | 5,000 | 5,000 | 5,000 |
| PA Preferred Program Trademark Licensing | 2,905 | 2,905 | 2,905 |
| (R)PA Preferred Trademark Licensing Fund..... | - | - | - |
| Payments to Pennsylvania Fairs | - | 4,000 | - |
| Veterinary Training and Services Grants | - | - | 33,353 |
| University of Pennsylvania-Veterinary Activities | 100 | 31,560 | - |
| University of Pennsylvania-Center for Infectious Disease | 100 | 1,793 | - |
| (R)PA Malt and Brewed Beverages Industry Promotion Board (EA) | - | 1,000 | 1,000 |
| (R)PA Wine Marketing and Research Program Board (EA) | - | 1,000 | 1,000 |
| (R)PA Distilled Spirits Industry Promotion Board (EA)..... | - | 1,000 | 1,000 |
| Subtotal - State Funds..... | \$ 116,815 | \$ 153,968 | \$ 155,504 |
| Subtotal - Federal Funds..... | 21,783 | 2,250 | 2,250 |
| Subtotal - Restricted..... | - | 3,000 | 3,000 |
| Total - Grants and Subsidies..... | \$ 138,598 | \$ 159,218 | \$ 160,754 |
| STATE FUNDS..... | \$ 207,570 | \$ 261,266 | \$ 255,197 |
| FEDERAL FUNDS..... | 155,010 | 108,712 | 104,350 |
| AUGMENTATIONS | 3,560 | 3,408 | 3,408 |
| RESTRICTED | 10,675 | 20,784 | 61,882 |
| GENERAL FUND TOTAL | \$ 376,815 | \$ 394,170 | \$ 424,837 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|------------------------|------------------------|
| <u>MOTOR LICENSE FUND:</u> | | | |
| <i>General Government:</i> | | | |
| Weights and Measures Administration | \$ 5,817 | \$ 5,908 | \$ 5,908 |
| <i>Grants and Subsidies:</i> | | | |
| Dirt, Gravel, and Low Volume Roads | \$ 28,000 | \$ 28,000 | \$ 28,000 |
| MOTOR LICENSE FUND TOTAL | \$ 33,817 | \$ 33,908 | \$ 33,908 |
| <u>OTHER FUNDS:</u> | | | |
| AGRICULTURAL COLLEGE LAND SCRIP FUND: | | | |
| (R)Agricultural Research Programs and Extension Services | \$ - ^g | \$ - ^g | \$ - ^g |
| AGRICULTURAL CONSERVATION EASEMENT PURCHASE FUND: | | | |
| Purchase of County Easements (EA) | \$ 40,000 | \$ 40,000 | \$ 40,000 ^h |
| CLEAN STREAMS FUND: | | | |
| SCC Agriculture Conservation Assistance Program (EA) | \$ - | \$ 43,498 | \$ 38,896 |
| (F)COVID-SFR SCC Agriculture Conservation Assistance Program | 968 | 669 | - |
| Transfer to Nutrient Management Fund | - | 6,107 | 5,440 |
| CLEAN STREAMS FUND TOTAL | \$ 968 | \$ 50,274 | \$ 44,336 |
| CONSERVATION DISTRICT FUND: | | | |
| Conservation District Grants (EA) | \$ 5,173 | \$ 5,173 | \$ 5,173 |
| ENVIRONMENTAL STEWARDSHIP FUND: | | | |
| Transfer to Agricultural Conservation Easement Program (EA) | \$ 12,739 | \$ 12,807 ⁱ | \$ 13,038 |
| FARM PRODUCTS SHOW FUND: | | | |
| General Operations (EA) | \$ 14,671 | \$ 16,523 | \$ 17,636 |
| NUTRIENT MANAGEMENT FUND: | | | |
| Planning, Loans, Grants, and Technical Assistance (EA) | \$ 4,780 | \$ 3,280 | \$ 3,280 |
| (F)COVID-SFR NM Planning, Grants, and Technical Assistance | 179 | 489 | - |
| Nutrient Management-Administration (EA) | 1,463 | 1,909 | 2,322 |
| NUTRIENT MANAGEMENT FUND TOTAL | \$ 6,422 | \$ 5,678 | \$ 5,602 |
| PA RACE HORSE DEVELOPMENT TRUST FUND: | | | |
| (R)Animal Health and Diagnostic Commission | \$ - | \$ - | \$ 5,350 |
| (R)Payments to Pennsylvania Fairs | 4,000 | - | 4,000 |
| (R)Pennsylvania Veterinary Lab | 5,309 | 5,309 | 5,309 |
| PA RACE HORSE DEVELOPMENT TRUST FUND TOTAL | \$ 9,309 | \$ 5,309 | \$ 14,659 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| STATE RACING FUND: | | | |
| State Racing Commission | \$ 6,825 | \$ 7,680 | \$ 8,155 |
| Equine Toxicology and Research Laboratory | 12,000 | 14,845 | 14,962 |
| Horse Racing Promotion | 2,042 | 2,195 | 1,871 |
| (R)Sire Stakes Fund..... | 9,374 | 8,889 | 6,834 |
| (R)Breeders' Fund..... | 19,914 | 15,000 | 15,000 |
| (R)PA Standardbred Breeders Development Fund..... | 5,828 | 7,600 | 7,600 |
| STATE RACING FUND TOTAL | \$ 55,983 | \$ 56,209 | \$ 54,422 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 207,570 | \$ 261,266 | \$ 255,197 |
| MOTOR LICENSE FUND | 33,817 | 33,908 | 33,908 |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS..... | 155,010 | 108,712 | 104,350 |
| AUGMENTATIONS | 3,560 | 3,408 | 3,408 |
| RESTRICTED | 10,675 | 20,784 | 61,882 |
| OTHER FUNDS..... | 145,265 | 191,973 | 194,866 |
| TOTAL ALL FUNDS | \$ 555,897 | \$ 620,051 | \$ 653,611 |

^a Not added to avoid double counting: 2023-24 Actual is \$4,741,000.

^b Not added to avoid double counting: 2023-24 Actual is \$318,475.

^c Transfer from Agricultural Preparedness and Response not added to avoid double counting. Rapid Response Disaster Readiness for 2023-24 Actual is \$7,282,836, 2024-25 Available is \$34,000,000, and 2025-26 Budget is \$11,000,000.

^d Transfer from Agricultural Business and Workforce Investment not added to avoid double counting. Agricultural Business Development Center Fund for 2023-24 Actual is \$1,945,678, 2024-25 Available is \$2,000,000, and 2025-26 Budget is \$2,000,000.

^e Transfer from Agricultural Business and Workforce Investment not added to avoid double counting. Specialty Crop Block Grant Fund for 2023-24 Actual is \$348,207, 2024-25 Available is \$500,000, and 2025-26 Budget is \$500,000.

^f Transfer from PA Preferred Program Trademark Licensing not added to avoid double counting. PA Preferred Trademark Licensing Fund for 2023-24 Actual is \$2,845,701, 2024-25 Available is \$2,905,000, and 2025-26 Budget is \$2,905,000.

^g General Fund transfer to Agricultural College Land Scrip Fund not added to avoid double counting. Agricultural Research Programs and Extension Services for 2023-24 Actual is \$57,710,000, 2024-25 Available is \$57,710,000, and 2025-26 Budget is \$60,596,000.

^h This budget proposes increasing the administrative allowance from 2.5 to 4 percent of funds received from the Environmental Stewardship Fund.

ⁱ Includes recommended supplemental executive authorization of \$2,253,000.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| PROTECTION AND DEVELOPMENT OF AGRICULTURAL INDUSTRIES: | | | | | | | |
| GENERAL FUND..... | \$ 178,803 | \$ 231,999 | \$ 217,930 | \$ 219,633 | \$ 219,633 | \$ 219,633 | \$ 219,633 |
| MOTOR LICENSE FUND ... | 33,817 | 33,908 | 33,908 | 33,908 | 33,908 | 33,908 | 33,908 |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 80,732 | 80,360 | 80,360 | 80,360 | 80,360 | 80,360 | 80,360 |
| AUGMENTATIONS | 3,560 | 3,408 | 3,408 | 3,408 | 3,408 | 3,408 | 3,408 |
| RESTRICTED | 10,675 | 20,784 | 61,882 | 37,272 | 37,272 | 37,272 | 37,272 |
| OTHER FUNDS..... | 89,282 | 135,764 | 140,444 | 137,365 | 137,293 | 137,238 | 137,273 |
| SUBCATEGORY TOTAL.... | \$ 396,869 | \$ 506,223 | \$ 537,932 | \$ 511,946 | \$ 511,874 | \$ 511,819 | \$ 511,854 |
| HORSE RACING REGULATION: | | | | | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 55,983 | 56,209 | 54,422 | 54,227 | 51,831 | 51,698 | 51,651 |
| SUBCATEGORY TOTAL.... | \$ 55,983 | \$ 56,209 | \$ 54,422 | \$ 54,227 | \$ 51,831 | \$ 51,698 | \$ 51,651 |
| EMERGENCY FOOD ASSISTANCE: | | | | | | | |
| GENERAL FUND..... | \$ 28,767 | \$ 29,267 | \$ 37,267 | \$ 37,267 | \$ 37,267 | \$ 37,267 | \$ 37,267 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 74,278 | 28,352 | 23,990 | 21,990 | 21,700 | 21,700 | 21,700 |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 103,045 | \$ 57,619 | \$ 61,257 | \$ 59,257 | \$ 58,967 | \$ 58,967 | \$ 58,967 |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 207,570 | \$ 261,266 | \$ 255,197 | \$ 256,900 | \$ 256,900 | \$ 256,900 | \$ 256,900 |
| MOTOR LICENSE FUND ... | 33,817 | 33,908 | 33,908 | 33,908 | 33,908 | 33,908 | 33,908 |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 155,010 | 108,712 | 104,350 | 102,350 | 102,060 | 102,060 | 102,060 |
| AUGMENTATIONS | 3,560 | 3,408 | 3,408 | 3,408 | 3,408 | 3,408 | 3,408 |
| RESTRICTED | 10,675 | 20,784 | 61,882 | 37,272 | 37,272 | 37,272 | 37,272 |
| OTHER FUNDS..... | 145,265 | 191,973 | 194,866 | 191,592 | 189,124 | 188,936 | 188,924 |
| DEPARTMENT TOTAL | \$ 555,897 | \$ 620,051 | \$ 653,611 | \$ 625,430 | \$ 622,672 | \$ 622,484 | \$ 622,472 |

Program: Protection and Development of Agricultural Industries

Goal: To facilitate agriculture's continued economic vitality and ensure the health and safety of consumers, animals, and plants while protecting the environment through agricultural stewardship of natural resources.

The [Department of Agriculture](#) facilitates continued economic vitality of agricultural industries in the Commonwealth. The department ensures the health and safety of consumers, plants, and animals, reflecting agriculture'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 department also ensures agricultural stewardship of natural resources, and reflects ongoing commitments to the preservation of land and improvements to the quality of soil and water essential to agriculture's continued success.

Increase Market Opportunities and Transition to More Profitable Enterprises

The department helps farmers, food processors, and other agribusinesses build awareness of Pennsylvania agricultural products and reach domestic and international markets and consumers. The [PA Preferred®](#) program offers marketing and promotional support for members who grow or process locally produced agricultural products.

The [PA Specialty Crops Grant](#) program supplements federal funding received from the United States Department of Agriculture. This program supports transition to organic production and processing and 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.

Finally, the Department of Agriculture 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 [Agricultural Business Development Center](#) builds technical assistance capacity and helps farmers find technical assistance providers who can help them with their business, finances, marketing, and other planning, including succession planning. Priority is placed on the farms that are in the [Farmland Preservation](#) program with easements requiring that the land stay in agricultural production in perpetuity.

Strengthen the Agricultural Workforce

The [Farm to School](#) program and the [Agriculture and Youth](#) program aid youth exploring agricultural opportunities and careers. 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 ensure the safety of Pennsylvania's food supply.

Celebrating Agriculture

The Department of Agriculture also supports Pennsylvania's county and community fairs, and it operates the [Pennsylvania Farm Show Complex and Exposition Center](#). The complex hosts the state's 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 and Future Farmers of America chapters.

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 ensure the integrity of the horse and harness racing industries and weighing and measuring devices.

As part of the Department of Agriculture's work to preserve the integrity of Pennsylvania's [food system](#), it inspects 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.

Program: Protection and Development of Agricultural Industries, continued

The [PA Rapid Response Disaster Readiness Account](#) assists 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 of Agriculture 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 of Agriculture 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 of Agriculture 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 of Agriculture 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. The department works to protect this land and future farms from the threat of development and to keep these operations in production agriculture.

The Department of Agriculture 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.

The State Conservation Commission operates the [Resource Enhancement and Protection \(REAP\)](#) tax credit program as well as the [AgriLink 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: Protection and Development of Agricultural Industries, continued

Program Recommendations:

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

| | |
|--|--|
| <p>General Government Operations</p> <p>\$ 1,195 —to continue current program.</p> <p>Agricultural Preparedness and Response</p> <p>\$ (25,000) —funding reduction.</p> <p style="padding-left: 20px;">2,000 —Initiative—for increased testing capacity in western Pennsylvania.</p> <hr style="width: 100px; margin-left: 0;"/> <p>\$ (23,000) <i>Appropriation Decrease</i></p> <p>Agricultural Excellence</p> <p>\$ (800) —funding reduction.</p> <p>Agricultural Innovation Development</p> <p>\$ 13,000 —Initiative—for increased support and attraction of innovative agricultural businesses, including energy and conservation.</p> <p style="padding-left: 20px;">2,000 —Initiative—for a county-based digester pilot program.</p> <hr style="width: 100px; margin-left: 0;"/> <p>\$ 15,000 <i>Appropriation Increase</i></p> <p>Animal Health and Diagnostic Commission</p> <p>\$ (5,350) —funding shift to PA Race Horse Development Trust Fund.</p> | <p>Transfer to Agricultural College Land Scrip Fund</p> <p>\$ 2,886 —Initiative—to invest in higher education and improve programs related to agriculture.</p> <p>Payments to Pennsylvania Fairs</p> <p>\$ (4,000) —funding shift to PA Race Horse Development Trust Fund.</p> <p>Veterinary Training and Services Grants</p> <p>\$ 33,353 —Initiative—to provide grants to support veterinary activities and animal-related services.</p> <p>University of Pennsylvania-Veterinary Activities</p> <p>\$ (31,560) —funding reduction.</p> <p>University of Pennsylvania-Center for Infectious Disease</p> <p>\$ (1,793) —funding reduction.</p> |
|--|--|

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 43,361 | \$ 48,604 | \$ 49,799 | \$ 51,502 | \$ 51,502 | \$ 51,502 | \$ 51,502 |
| Agricultural Preparedness and Response | 34,000 | 34,000 | 11,000 | 11,000 | 11,000 | 11,000 | 11,000 |
| Agricultural Excellence | 3,300 | 4,100 | 3,300 | 3,300 | 3,300 | 3,300 | 3,300 |
| Agricultural Business and Workforce Investment | 4,800 | 4,800 | 4,800 | 4,800 | 4,800 | 4,800 | 4,800 |
| Agricultural Research | 2,187 | 2,187 | 2,187 | 2,187 | 2,187 | 2,187 | 2,187 |
| Agricultural Promotion, Education, and Exports | 303 | 303 | 303 | 303 | 303 | 303 | 303 |

Program: Protection and Development of Agricultural Industries, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Agricultural Innovation Development..... | - | 10,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Hardwoods Research and Promotion | 725 | 725 | 725 | 725 | 725 | 725 | 725 |
| Livestock and Consumer Health Protection | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Animal Health and Diagnostic Commission | 11,350 | 11,350 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| 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 |
| Fresh Food Financing Initiative..... | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Transfer to Nutrient Management Fund..... | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 |
| Transfer to Conservation District Fund..... | 2,669 | 2,669 | 2,669 | 2,669 | 2,669 | 2,669 | 2,669 |
| Transfer to Agricultural College Land Scrip Fund | 57,710 | 57,710 | 60,596 | 60,596 | 60,596 | 60,596 | 60,596 |
| Transfer to Farm Products Show Fund..... | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| PA Preferred Program Trademark Licensing | 2,905 | 2,905 | 2,905 | 2,905 | 2,905 | 2,905 | 2,905 |
| Payments to Pennsylvania Fairs | - | 4,000 | - | - | - | - | - |
| Veterinary Training and Services Grants | - | - | 33,353 | 33,353 | 33,353 | 33,353 | 33,353 |
| University of Pennsylvania-Veterinary Activities | 100 | 31,560 | - | - | - | - | - |
| University of Pennsylvania-Center for Infectious Disease | 100 | 1,793 | - | - | - | - | - |
| TOTAL GENERAL FUND | \$ 178,803 | \$ 231,999 | \$ 217,930 | \$ 219,633 | \$ 219,633 | \$ 219,633 | \$ 219,633 |
| MOTOR LICENSE FUND: | | | | | | | |
| Weights and Measures Administration | \$ 5,817 | \$ 5,908 | \$ 5,908 | \$ 5,908 | \$ 5,908 | \$ 5,908 | \$ 5,908 |
| 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 | \$ 33,908 | \$ 33,908 | \$ 33,908 | \$ 33,908 | \$ 33,908 | \$ 33,908 |

Program: Protection and Development of Agricultural Industries, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|----------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Decrease threats to animal and human health in Pennsylvania through inspections and laboratory testing. | | | | | | | |
| Tests conducted by the Pennsylvania Animal Diagnostic Lab System to support access to markets (domestic and international) (in thousands) | 629 | 615 | 613 | 595 | 600 | 620 | 630 |
| Annual percentage completion of required regulatory inspections conducted by the Bureau of Animal Health and Diagnostic Services..... % | N/A | 79 | 80 | 65 | 80 | 82 | 82 |
| Enforcing all dog-related laws and regulations to protect the public's health and safety. | | | | | | | |
| Percentage of dogs licensed compared to the estimated total dog population in Pennsylvania | 49 | 43 | 43 | 41 | 46 | 50 | 55 |
| Reduce foodborne illness threats through more efficient inspections. | | | | | | | |
| Retail food facility inspections conducted annually to prevent foodborne illnesses..... | 42,996 | 46,023 | 47,087 | 46,388 | 46,500 | 46,500 | 40,000 |
| Retail food safety inspections conducted per food inspector | 494 | 476 | 523 | 510 | 510 | 510 | 500 |
| Decrease the risk to Pennsylvania consumers when engaging in commercial transactions. | | | | | | | |
| Percentage of weighing and measuring devices inspected within their approved time interval | 49 | 65 | 61 | 64 | 70 | 72 | 67 |
| Preserve 200 farms (approx. 16,000 acres) annually. | | | | | | | |
| New farm acres protected..... | 14,605 | 14,760 | 14,885 | 13,069 | 14,000 | 14,000 | 14,000 |
| Decrease nutrient runoff and conserve Pennsylvania's natural resources through increased opportunities and incentives in addition to best management practices. | | | | | | | |
| Farm acres covered by approved Nutrient Management Plans (in thousands) | 240 | 242 | 248 | 265 | 270 | 275 | 275 |
| Ensure agricultural stewardship of natural resources. | | | | | | | |
| Best management practices implemented as a result of the Resource Enhancement and Protection program | 725 | 645 | 650 | 839 | 1,350 | 2,220 | 2,220 |
| 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 | \$ 1,891 | 1,981 | 2,000 | 2,050 | 1,989 | 1,989 | 1,970 |
| Facilitate introduction of industrial hemp as a viable food and fiber crop. | | | | | | | |
| Permits issued to grow hemp | 510 | 426 | 275 | 215 | 220 | 250 | 260 |

Program: Protection and Development of Agricultural Industries, continued

Program Measures, continued:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | 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. | | | | | | | |
| Trained and accredited agricultural consultants, agricultural support service personnel, and municipal staff.. | 1,790 | 3,200 | 2,300 | 2,390 | 4,000 | 5,000 | 5,250 |
| Training hours provided to accredited agricultural consultants, agricultural support service personnel, and municipal staff..... | 11,972 | 12,424 | 12,824 | 13,100 | 18,000 | 20,000 | 18,000 |
| Facilitate agriculture's continued economic vitality. | | | | | | | |
| Newly preserved farms with a transition, succession, or business plan | 60 | 17 | 50 | 8 | 25 | 25 | 25 |
| Percent increase in the number of certified or transitioning to certified organic operations | % N/A | 3 | 4 | 9 | 10 | 15 | 8 |
| Percent increase in the number of people participating as gardeners and/or volunteers in the funded programs..... | % N/A | 10 | 12 | 14 | 16 | 18 | 18 |
| Broaden workforce development and education opportunities. | | | | | | | |
| Youth events held at the Pennsylvania Farm Show Complex & Expo Center annually | 8 | 0 | 8 | 10 | 11 | 12 | 17 |
| 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 | % 62 | 64 | 75 | 44 | 25 | 20 | 20 |
| Dollar value of the economic impact of the Pennsylvania Farm Show Complex & Expo Center (in millions) | \$ 250 | 0 | 250 | 250 | 255 | 275 | 300 |

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 racehorses 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 | | Horse Racing Promotion |
| \$ 475 | —to continue current program. | \$ (324) | —to continue current program. |
| | Equine Toxicology and Research Laboratory | | |
| \$ 117 | —to continue current program. | | |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| STATE RACING FUND: | | | | | | | |
| State Racing Commission | \$ 6,825 | \$ 7,680 | \$ 8,155 | \$ 8,318 | \$ 8,318 | \$ 8,318 | \$ 8,318 |
| Equine Toxicology and Research Laboratory..... | 12,000 | 14,845 | 14,962 | 15,096 | 15,096 | 15,096 | 15,096 |
| Horse Racing Promotion..... | 2,042 | 2,195 | 1,871 | 1,854 | 1,837 | 1,822 | 1,808 |
| (R)Sire Stakes Fund | 9,374 | 8,889 | 6,834 | 6,359 | 6,308 | 6,301 | 6,319 |
| (R)Breeders' Fund | 19,914 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| (R)PA Standardbred Breeders Development Fund | 5,828 | 7,600 | 7,600 | 7,600 | 5,272 | 5,161 | 5,110 |
| TOTAL STATE RACING FUND..... | \$ 55,983 | \$ 56,209 | \$ 54,422 | \$ 54,227 | \$ 51,831 | \$ 51,698 | \$ 51,651 |

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 of Agriculture 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](#), [The Emergency Food Assistance Program](#), and the [Farmers Market Nutrition Programs](#) (FMNPs) reach eligible residents and the programs function efficiently and effectively. The Department of Agriculture also manages 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 some 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 |
| \$ 4,000 | —Initiative—to reduce food insecurity and increase access to healthy meals. |
| 4,000 | —Initiative—to provide additional funding for the Pennsylvania Agricultural Surplus System. |
| <hr/> | |
| \$ 8,000 | <i>Appropriation Increase</i> |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|------------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Farmers' Market Food Coupons | \$ 2,079 | \$ 2,579 | \$ 2,579 | \$ 2,579 | \$ 2,579 | \$ 2,579 | \$ 2,579 |
| State Food Purchase | 26,688 | 26,688 | 34,688 | 34,688 | 34,688 | 34,688 | 34,688 |
| TOTAL GENERAL FUND | \$ 28,767 | \$ 29,267 | \$ 37,267 | \$ 37,267 | \$ 37,267 | \$ 37,267 | \$ 37,267 |

Program: Emergency Food Assistance, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Providing all Pennsylvanians with access to healthy, nutritious food, which will improve their well-being, health, and independence. | | | | | | | |
| Pounds of food distributed annually through the Pennsylvania Agricultural Surplus System (in millions) | 2.3 | 8.2 | 2.5 | 4.2 | 5.1 | 5.1 | 6.5 |
| Dollar value of Senior Farmers Market Nutrition Program vouchers redeemed (in millions)..... \$ | 2.5 | 2.4 | 2.4 | 2.5 | 4.5 | 4.5 | 3.5 |
| Dollar value of Women, Infants, and Children Farmers Market Nutrition Program vouchers redeemed (in millions)..... \$ | 1.2 | 0.9 | 0.9 | 1.0 | 1.8 | 1.8 | 1.8 |
| Capitalize on branding and marketing opportunities. | | | | | | | |
| Producers from whom product is sourced annually for the Pennsylvania Agricultural Surplus System..... ^a | 66 | 70 | 90 | 103 | 107 | 115 | 125 |

^a Method of data collection has changed for this budget.



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)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
|--|-------------------|----------------------|-------------------|

GENERAL FUND:

General Government:

| | | | |
|------------------------------------|----------|----------|----------|
| (R)Securities Operations (EA)..... | \$ 9,290 | \$ 9,900 | \$ 9,786 |
|------------------------------------|----------|----------|----------|

OTHER FUNDS:

BANKING TRUST FUND:

| | | | |
|---|-----------|-----------|-----------|
| General Government Operations | \$ 23,532 | \$ 26,343 | \$ 27,481 |
| Transfer to Institution Resolution Account (EA) | 5,000 | 5,000 | 5,000 |

| | | | |
|--------------------------------------|------------------|------------------|------------------|
| BANKING TRUST FUND TOTAL..... | \$ 28,532 | \$ 31,343 | \$ 32,481 |
|--------------------------------------|------------------|------------------|------------------|

DEPARTMENT TOTAL - ALL FUNDS

| | | | |
|------------------------------|------------------|------------------|------------------|
| GENERAL FUND..... | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND..... | - | - | - |
| FEDERAL FUNDS..... | - | - | - |
| AUGMENTATIONS..... | - | - | - |
| RESTRICTED..... | 9,290 | 9,900 | 9,786 |
| OTHER FUNDS..... | 28,532 | 31,343 | 32,481 |
| TOTAL ALL FUNDS | \$ 37,822 | \$ 41,243 | \$ 42,267 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|--|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
|--|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|

FINANCIAL SERVICES INDUSTRY REGULATION:

| | | | | | | | |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND..... | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS..... | - | - | - | - | - | - | - |
| RESTRICTED..... | 9,290 | 9,900 | 9,786 | 10,040 | 10,040 | 10,040 | 10,040 |
| OTHER FUNDS..... | 28,532 | 31,343 | 32,481 | 32,670 | 32,170 | 32,170 | 32,170 |
| DEPARTMENT TOTAL | \$ 37,822 | \$ 41,243 | \$ 42,267 | \$ 42,710 | \$ 42,210 | \$ 42,210 | \$ 42,210 |

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.

Program Recommendations:

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

| | |
|--|--|
| <p>GENERAL FUND: (R)Securities Operations (EA)</p> <p>\$ (114) —to continue current program.</p> | <p>BANKING TRUST FUND: General Government Operations</p> <p>\$ 1,138 —to continue current program.</p> |
|--|--|

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| GENERAL FUND: | | | | | | | |
| (R)Securities Operations (EA) | \$ 9,290 | \$ 9,900 | \$ 9,786 | \$ 10,040 | \$ 10,040 | \$ 10,040 | \$ 10,040 |
| BANKING TRUST FUND: | | | | | | | |
| General Government Operations | \$ 23,532 | \$ 26,343 | \$ 27,481 | \$ 27,670 | \$ 27,170 | \$ 27,170 | \$ 27,170 |
| Transfer to Institution Resolution Account (EA)..... | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| TOTAL BANKING TRUST FUND | \$ 28,532 | \$ 31,343 | \$ 32,481 | \$ 32,670 | \$ 32,170 | \$ 32,170 | \$ 32,170 |

Program: Financial Services Industry Regulation, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Complete independent depository examinations in a timely manner. | | | | | | | |
| Average days for turnaround of independent depository institution examinations..... | 25 | 23 | 27 | 26 | 34 | 30 | 30 |
| Develop a highly skilled workforce. | | | | | | | |
| Percentage of eligible depository and non-depository examiners with the highest certification available for their level of experience..... % | 98.3 | 100.0 | 100.0 | 99.0 | 98.0 | 90.0 | 90.0 |
| Examine non-depository licensees on a regular basis. | | | | | | | |
| Percentage of all non-depository licensees examined % | 24.0 | 25.1 | 24.6 | 23.4 | 29.8 | 20.0 | 20.0 |
| Examine Securities Investment Adviser registrants on an annual basis. | | | | | | | |
| Percentage of Securities Investment Adviser registrants examined annually. % | 16.8 | 23.0 | 15.4 | 15.4 | 17.9 | 20.0 | 20.0 |
| Respond to consumer complaints in a timely and fair manner. | | | | | | | |
| Average days to respond to consumer complaints..... | 4 | 4 | 2 | 3 | 3 | 10 | 10 |



COMMUNITY AND ECONOMIC DEVELOPMENT

The mission of the [Department of Community and Economic Development \(DCED\)](#) is to encourage the shared prosperity of all Pennsylvanians by supporting good stewardship and sustainable development initiatives across our Commonwealth. With a keen eye toward diversity and inclusiveness, we act as advisors and advocates, 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 reignite Pennsylvania's economy by investing the resources needed to attract and retain businesses, support expansion efforts, and position the Commonwealth as a national leader in economic development.

Pennsylvania Innovation Economy: To capitalize on our leadership in research and development by creating access to capital and technical assistance for entrepreneurs to commercialize new and emerging innovations. This commercial activity provides job growth in key sectors such as Life Sciences, Robotics and Technology, Agriculture, Manufacturing, and Energy, all while strengthening the resilience and interconnectivity of our supply chains and deepening cross-sector collaboration across the Commonwealth.

Pennsylvania Worldwide: To leverage Pennsylvania's international business connections — managed and facilitated by DCED — to increase exports sales in markets around the world and bring more foreign investment into the Commonwealth. These efforts will create more jobs in Pennsylvania and enable economic growth.

Pennsylvania Assets: To launch new business and tourism brands and marketing campaigns to build 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 champion and promote all Pennsylvania regions by supporting tailored, flexible regional strategies, investing in downtowns and main streets, and building local leadership capacity to make Pennsylvania a top state to live, work, play, and innovate and hence achieve equitable regional growth while increasing job creation, wages, and labor force participation across the Commonwealth.

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

| | | | |
|--|------------------|-------------------|-------------------|
| General Government Operations | \$ 32,544 | \$ 37,058 | \$ 37,303 |
| (F)DOE-Weatherization Administration | 6,000 | 6,000 | 6,000 |
| (F)IIJA-DOE-Weatherization Administration | 5,500 | 5,500 | 12,000 |
| (F)SCDBG-Administration | 4,000 | 4,000 | 4,000 |
| (F)SCDBG-Disaster Recovery Administration | 1,500 | 2,500 | 2,500 |
| (F)SCDBG-Neighborhood Stabilization Administration | 800 | 800 | 800 |
| (F)SCDBG/HUD Special Projects | 2,000 | 2,000 | 2,000 |
| (F)COVID-CDBG Administration (EA)..... | 3,243 | 390 | 1,000 |
| (F)CSBG-Administration..... | 1,607 | 1,607 | 1,607 |
| (F)LIHEABG-Administration | 2,000 | 2,000 | 2,000 |
| (F)EMG Solutions Administration | 1,000 | 1,000 | 1,000 |
| (F)COVID-ESG Administration (EA)..... | 50 | - | - |
| (F)Economic Adjustment Assistance..... | 5,000 | 2,000 | 2,000 |
| (F)ARC-Technical Assistance | 1,000 | 1,000 | 1,000 |
| (F)Continuum of Care Planning Grant | 2,000 | 2,000 | 4,000 |
| (F)Federal Grant Initiatives..... | 10,000 | 30,000 | 30,000 |
| (F)ARC-Area Development | 6,000 | 15,000 | 15,000 |
| (F)Recovery Housing Administration..... | 1,000 | 1,000 | 1,000 |
| (F)PRO Housing..... | - | 20,000 | 20,000 |
| (A)Commonwealth Financing Authority..... | 5,349 | 5,300 | 5,300 |
| (A)Pennsylvania Industrial Development Authority | 1,670 | 1,630 | 1,630 |
| (A)Pennsylvania Economic Development Financing Authority | 641 | 700 | 700 |
| (A)Governmental Transfers..... | 5 | 5 | 5 |
| (A)Local Match | 74 | 80 | 80 |
| (A)Community Development Bank..... | 46 | 55 | 55 |
| (A)Application Fees | 51 | 60 | 60 |
| Subtotal..... | <u>\$ 93,080</u> | <u>\$ 141,685</u> | <u>\$ 151,040</u> |
| (R)Small Business Advocate-Utilities | 2,126 | 2,262 | 2,243 |
| Center for Local Government Services | 4,735 | 5,304 | 7,285 |
| (A)Reimbursements | 5 | 5 | 5 |
| Office of Open Records..... | 3,895 | 4,051 | 5,572 |
| BusinessPA..... | - | - | 8,892 |
| Office of International Business Development | 7,173 | 7,173 | 4,525 |
| (F)SBA State Trade and Export Promotion | 1,500 | 1,500 | 2,000 |
| Marketing to Attract Tourists..... | 31,365 | 55,787 | 19,315 |
| (A)Travel Advertisements..... | 60 | 60 | 60 |

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|------------------------|
| (R)Marketing to Attract Tourists | 7,000 | 10,000 | 56,500 ^a |
| Marketing to Attract Business | 2,064 | 2,081 | 4,320 |
| (A)Non COPA Reimbursements..... | 13 | 15 | 15 |
| Base Realignment and Closure | 556 | 567 | 608 |
| Subtotal - State Funds..... | \$ 82,332 | \$ 112,021 | \$ 87,820 |
| Subtotal - Federal Funds..... | 54,200 | 98,297 | 107,907 |
| Subtotal - Augmentations..... | 7,914 | 7,910 | 7,910 |
| Subtotal - Restricted..... | 9,126 | 12,262 | 58,743 |
| Total - General Government..... | \$ 153,572 | \$ 230,490 | \$ 262,380 |
| Grants and Subsidies: | | | |
| Transfer to Municipalities Financial Recovery Revolving Fund | \$ 5,500 | \$ 5,500 | \$ 15,500 |
| Transfer to Ben Franklin Tech. Development Authority Fund | 17,000 | 17,000 | 17,000 |
| PA Innovation..... | - | - | 50,000 |
| Invent Penn State..... | - | 2,350 | - |
| Intergovernmental Cooperation Authority-3rd Class Cities | 100 | 100 | 100 |
| Pennsylvania First..... | 33,000 | 38,000 | 33,000 |
| Workforce and Economic Development Network..... | - | - | 12,500 |
| Regional Economic Competitiveness Challenge | - | - | 3,500 |
| Municipal Assistance Program | 2,000 | 2,000 | 2,000 |
| Keystone Communities | 37,666 | 45,343 | - |
| Main Street Matters..... | - | 20,000 | 20,008 |
| (F)Community Services Block Grant..... | 50,000 | 50,000 | 50,000 |
| (F)LIHEABG-Weatherization Program..... | 60,000 | 60,000 | 60,000 |
| (F)DOE-Weatherization..... | 26,000 | 26,000 | 26,000 |
| (F)IJA-DOE-Weatherization Program | 80,000 | 80,000 | 150,000 |
| (F)IJA-CWTP-Weatherization Assistance Program (EA)..... | - | 800 | 800 |
| (F)SCDBG-Disaster Recovery Grant | 56,000 | 70,000 | 70,000 |
| (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 | 40,000 | 40,000 |
| (F)Recovery Housing Program..... | 5,000 | 5,000 | 5,000 |
| (F)COVID-State Small Business Credit Initiative (EA)..... | 6,580 | 20 | 200 |
| (F)COVID-Broadband Capital Projects | 1,890 | 1,110 | 5,000 |
| (F)COVID-SFR Whole Home Repairs Program..... | 1,718 | 2,282 | 1,000 |
| (F)IJA-Broadband Equity, Access, and Deployment..... | 330,000 | 1,000,000 | 1,160,000 ^b |
| (F)IJA-State Digital Equity Capacity..... | 14,438 | 40,000 | 50,000 ^b |
| (F)IJA-EPA Brownfields Revolving Loan Fund | - | 10,000 | 10,000 |
| (F)IRA-Industrial Decarbonization | 10,000 | 10,000 | 10,000 |
| (R)Election Integrity..... | 44,456 | 45,314 | 45,892 |

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|---------------------|----------------------|---------------------|
| Appalachian Regional Commission..... | 750 | 750 | 750 |
| Partnerships for Regional Economic Performance..... | 10,880 | 10,880 | 10,880 |
| Manufacturing PA | 13,000 | 13,000 | 13,000 |
| Strategic Management Planning Program | 3,617 | 3,617 | 3,617 |
| Tourism-Accredited Zoos | 1,000 | 1,500 | 1,000 |
| Infrastructure Technology Assistance Program | 2,500 | 2,500 | 2,500 |
| 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 | - | - | 875 |
| America250PA..... | 5,000 | 2,500 | 2,500 |
| Regional Events Security and Support | 7,500 | - | 15,000 |
| Food Access Initiative | 1,000 | 1,000 | 1,000 |
| Local Government Emergency Housing Support..... | - | 2,500 | 2,500 |
| Housing Stock Restoration..... | - | - | 50,000 |
| First-Time Homebuyer Grants | - | - | 10,000 |
| Community and Economic Assistance | 81,408 | 86,510 | - |
| Workforce Development..... | 8,000 | 15,000 | - |
| Veterans Small Business Assistance | - | - | 1,000 |
| Historically Disadvantaged Business Assistance..... | 20,000 | 20,000 | 20,000 |
| Foundations in Industry | 3,000 | 3,000 | 5,000 |
| Local Municipal Relief | 45,050 | 50,650 | - |
| PA SITES Debt Service..... | - | 15,404 | 38,198 |
| Hospital and Health System Emergency Relief | 50,000 | 17,500 | - |
| Whole Home Repairs | - | - | - |
| (R)Industrial Sites Environmental Assessment Fund | 296 | 3,000 | 3,000 |
| (R)Industrialized Housing | 383 | 450 | 450 |
| Subtotal - State Funds..... | \$ 358,671 | \$ 387,304 | \$ 342,128 |
| Subtotal - Federal Funds..... | 684,626 | 1,418,212 | 1,661,000 |
| Subtotal - Restricted..... | 45,135 | 48,764 | 49,342 |
| Total - Grants and Subsidies..... | \$ 1,088,432 | \$ 1,854,280 | \$ 2,052,470 |
| STATE FUNDS | \$ 441,003 | \$ 499,325 | \$ 429,948 |
| FEDERAL FUNDS..... | 738,826 | 1,516,509 | 1,768,907 |
| AUGMENTATIONS..... | 7,914 | 7,910 | 7,910 |
| RESTRICTED | 54,261 | 61,026 | 108,085 |
| GENERAL FUND TOTAL | \$ 1,242,004 | \$ 2,084,770 | \$ 2,314,850 |

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24
ACTUAL

2024-25
AVAILABLE

2025-26
BUDGET

OTHER FUNDS:

BEN FRANKLIN TECHNOLOGY DEVELOPMENT AUTHORITY FUND:

Ben Franklin Technology..... \$ 17,500 \$ 17,500 \$ 17,500^d

HOME INVESTMENT TRUST FUND:

(F)Affordable Housing Act Administration \$ 4,000 \$ 4,000 \$ 4,000

(F)COVID-HOME Investment Partnership Non-Entitlement (EA) 21,150 400 3,000

HOME INVESTMENT TRUST FUND TOTAL **\$ 25,150 \$ 4,400 \$ 7,000**

INDUSTRIAL SITES CLEANUP FUND:

Industrial Sites Cleanup-Administration (EA) \$ 314 \$ 314 \$ 314

Industrial Sites Cleanup-Projects (EA) 5,500 5,500 5,500

INDUSTRIAL SITES CLEANUP FUND TOTAL **\$ 5,814 \$ 5,814 \$ 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) 11,000 11,000 11,000

MACHINERY AND EQUIPMENT LOAN FUND TOTAL **\$ 11,778 \$ 11,778 \$ 11,778**

MINORITY BUSINESS DEVELOPMENT FUND:

General Operations (EA) \$ 350 \$ 400 \$ 400

Minority Business Development Loans (EA) 1,000 1,000 1,000

MINORITY BUSINESS DEVELOPMENT FUND TOTAL **\$ 1,350 \$ 1,400 \$ 1,400**

MUNICIPALITIES FINANCIAL RECOVERY REVOLVING AID FUND:

Distressed Community Assistance (EA) \$ 12,600 \$ 11,100 \$ 21,100

SMALL BUSINESS FIRST FUND:

Administration (EA) \$ 1,958 \$ 1,958 \$ 1,958

Loans (EA) 20,000 20,000 20,000

Community Economic Development Loans (EA) 3,000 3,000 3,000

SMALL BUSINESS FIRST FUND TOTAL **\$ 24,958 \$ 24,958 \$ 24,958**

TOBACCO SETTLEMENT FUND:

Life Sciences Greenhouses \$ 3,000 \$ 3,000 \$ 3,000

WORKERS' COMPENSATION ADMINISTRATION FUND:

(R)Small Business Advocate-Workers' Compensation \$ 550 \$ 550 \$ 550

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|------------------------------|---------------------|----------------------|---------------------|
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 441,003 | \$ 499,325 | \$ 429,948 |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND..... | - | - | - |
| FEDERAL FUNDS..... | 738,826 | 1,516,509 | 1,768,907 |
| AUGMENTATIONS..... | 7,914 | 7,910 | 7,910 |
| RESTRICTED..... | 54,261 | 61,026 | 108,085 |
| OTHER FUNDS..... | 103,700 | 81,500 | 94,100 |
| TOTAL ALL FUNDS..... | \$ 1,345,704 | \$ 2,166,270 | \$ 2,408,950 |

^a This budget proposes to transfer \$46.5 million from the Medical Marijuana Program Fund to the Tourism Promotion Fund.

^b Estimate based on current federal guidance. Official allocations for additional funding pending.

^c The 2023-24 appropriation for Whole Home Repairs was lapsed during the fiscal year.

^d This budget proposal reflects a change in the administrative allowance of the appropriation to 6 percent.

Community and Economic Development

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|-------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| JOB CREATION, WORKFORCE TRAINING, BUSINESS GROWTH, AND ATTRACTION: | | | | | | | |
| GENERAL FUND..... | \$ 90,439 | \$ 122,513 | \$ 145,073 | \$ 144,929 | \$ 144,921 | \$ 144,912 | \$ 144,902 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 378,700 | 1,092,797 | 1,259,907 | 1,096,907 | 836,907 | 586,907 | 336,907 |
| AUGMENTATIONS | 7,836 | 7,830 | 7,830 | 8,005 | 8,155 | 8,310 | 8,435 |
| RESTRICTED..... | 2,422 | 5,262 | 5,243 | 5,243 | 5,243 | 5,243 | 5,243 |
| OTHER FUNDS..... | 44,450 | 44,500 | 44,500 | 44,514 | 44,514 | 44,114 | 44,114 |
| SUBCATEGORY TOTAL.... | \$ 523,847 | \$ 1,272,902 | \$ 1,462,553 | \$ 1,299,598 | \$ 1,039,740 | \$ 789,486 | \$ 539,601 |
| PENNSYLVANIA INNOVATION ECONOMY: | | | | | | | |
| GENERAL FUND..... | \$ 43,980 | \$ 46,330 | \$ 94,855 | \$ 64,855 | \$ 64,855 | \$ 64,855 | \$ 64,855 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 1,500 | 1,500 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 20,500 | 20,500 | 20,500 | 20,500 | 20,500 | 20,500 | 20,500 |
| SUBCATEGORY TOTAL.... | \$ 65,980 | \$ 68,330 | \$ 117,355 | \$ 87,355 | \$ 87,355 | \$ 87,355 | \$ 87,355 |
| PENNSYLVANIA WORLDWIDE: | | | | | | | |
| GENERAL FUND..... | \$ 7,173 | \$ 7,173 | \$ 4,525 | \$ 4,643 | \$ 4,643 | \$ 4,643 | \$ 4,643 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 7,173 | \$ 7,173 | \$ 4,525 | \$ 4,643 | \$ 4,643 | \$ 4,643 | \$ 4,643 |
| PENNSYLVANIA ASSETS: | | | | | | | |
| GENERAL FUND..... | \$ 39,429 | \$ 61,868 | \$ 27,135 | \$ 27,749 | \$ 25,249 | \$ 25,249 | \$ 25,249 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | 73 | 75 | 75 | 75 | 75 | 75 | 75 |
| RESTRICTED..... | 7,000 | 10,000 | 56,500 | 10,000 | 10,000 | 10,000 | 10,000 |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 46,502 | \$ 71,943 | \$ 83,710 | \$ 37,824 | \$ 35,324 | \$ 35,324 | \$ 35,324 |

Community and Economic Development

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| PENNSYLVANIA COMMUNITIES: | | | | | | | |
| GENERAL FUND..... | \$ 259,982 | \$ 261,441 | \$ 158,360 | \$ 133,796 | \$ 133,796 | \$ 133,696 | \$ 133,696 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 358,626 | 422,212 | 507,000 | 430,000 | 350,000 | 350,000 | 350,000 |
| AUGMENTATIONS | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| RESTRICTED..... | 44,839 | 45,764 | 46,342 | 500 | 500 | 500 | 500 |
| OTHER FUNDS..... | 38,750 | 16,500 | 29,100 | 15,700 | 15,600 | 15,500 | 15,300 |
| SUBCATEGORY TOTAL.... | \$ 702,202 | \$ 745,922 | \$ 740,807 | \$ 580,001 | \$ 499,901 | \$ 499,701 | \$ 499,501 |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 441,003 | \$ 499,325 | \$ 429,948 | \$ 375,972 | \$ 373,464 | \$ 373,355 | \$ 373,345 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 738,826 | 1,516,509 | 1,768,907 | 1,528,907 | 1,188,907 | 938,907 | 688,907 |
| AUGMENTATIONS | 7,914 | 7,910 | 7,910 | 8,085 | 8,235 | 8,390 | 8,515 |
| RESTRICTED..... | 54,261 | 61,026 | 108,085 | 15,743 | 15,743 | 15,743 | 15,743 |
| OTHER FUNDS..... | 103,700 | 81,500 | 94,100 | 80,714 | 80,614 | 80,114 | 79,914 |
| DEPARTMENT TOTAL | \$ 1,345,704 | \$ 2,166,270 | \$ 2,408,950 | \$ 2,009,421 | \$ 1,666,963 | \$ 1,416,509 | \$ 1,166,424 |

Program: Job Creation, Workforce Training, Business Growth, and Attraction

Goal: To reignite Pennsylvania's economy by investing the resources needed to attract and retain businesses, support expansion efforts, and position the Commonwealth as a national leader in economic development.

Pennsylvania First

The [Department of Community and Economic Development \(DCED\)](#) runs [Pennsylvania First \(PA First\)](#), a comprehensive program that offers grants for job creation and retention, infrastructure projects, and workforce development by providing the Commonwealth the flexibility necessary to rapidly respond to companies' needs, increasing investment in the state, and enabling Pennsylvania to compete more effectively with other states. [Eligible uses](#) for PA First funding include job training; land and building acquisition and construction; purchase and upgrade of machinery and equipment; construction and rehabilitation of infrastructure; working capital; and environmental assessment and remediation.

Workforce and Economic Development Network (WEDnetPA)

[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 [numerous partners](#), including several 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](#) over one million Pennsylvania workers.

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 PIDA's 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 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, a statewide public-private network, 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.

Community and Economic Development

Program: Job Creation, Workforce Training, Business Growth, and Attraction, continued

Program Recommendations:

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

| | | | |
|--------------------------------------|---|--|---|
| General Government Operations | | Workforce and Economic Development Network | |
| \$ 5,629 | —to continue current program. | \$ 10,000 | —program transfer from Pennsylvania First. |
| <u>(5,384)</u> | —Initiative—program transfer to BusinessPA. | 2,500 | —Initiative—to increase assistance to employers for incumbent worker training. |
| \$ 245 | <i>Appropriation Increase</i> | <u>\$ 12,500</u> | <i>Appropriation Increase</i> |
| Office of Open Records | | Regional Economic Competitiveness Challenge | |
| \$ 418 | —to continue current program. | \$ 3,500 | —Initiative—to provide planning grants for Pennsylvania regions to establish locally-driven economic growth strategies. |
| 1,103 | —to ensure transparent, timely, and effective administration of the Right-to-Know Law. | | |
| <u>\$ 1,521</u> | <i>Appropriation Increase</i> | | |
| Pennsylvania First | | Workforce Development | |
| \$ 1,000 | —to continue to provide adaptive equipment and opportunities for children with special needs. | \$ (15,000) | —program elimination. |
| (10,000) | —program transfer to Workforce and Economic Development Network. | \$ 2,000 | Foundations in Industry |
| 4,000 | —Initiative—to provide additional financial assistance to facilitate increased economic investment. | | —Initiative—to support internships at Pennsylvania companies. |
| <u>\$ (5,000)</u> | <i>Appropriation Decrease</i> | <u>\$ 22,794</u> | PA SITES Debt Service |
| | | | —estimated principal and interest payments for PA SITES. |

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 32,544 | \$ 37,058 | \$ 37,303 | \$ 38,273 | \$ 38,273 | \$ 38,273 | \$ 38,273 |
| Office of Open Records | 3,895 | 4,051 | 5,572 | 4,679 | 4,679 | 4,679 | 4,679 |
| Pennsylvania First | 33,000 | 38,000 | 33,000 | 33,000 | 33,000 | 33,000 | 33,000 |
| Workforce and Economic Development Network..... | - | - | 12,500 | 12,500 | 12,500 | 12,500 | 12,500 |
| Regional Economic Competitiveness Challenge..... | - | - | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 |
| Infrastructure and Facilities Improvement Grants | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |

Community and Economic Development

Program: Job Creation, Workforce Training, Business Growth, and Attraction, continued

Appropriations within this Program, continued:

| | | | | | | | |
|---------------------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Workforce Development | 8,000 | 15,000 | - | - | - | - | - |
| Foundations in Industry | 3,000 | 3,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| PA SITES Debt Service | - | 15,404 | 38,198 | 37,977 | 37,969 | 37,960 | 37,950 |
| TOTAL GENERAL FUND | \$ 90,439 | \$ 122,513 | \$ 145,073 | \$ 144,929 | \$ 144,921 | \$ 144,912 | \$ 144,902 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|-----------|-----------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | 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 | 15,686 | 16,157 | 2,966 | 2,738 | 3,447 | 3,550 | 3,657 |
| Jobs pledged to be retained | 39,439 | 40,622 | 6,183 | 7,023 | 10,234 | 10,541 | 10,857 |
| Private funds leveraged (in thousands) \$ | 4,043,580 | 4,164,887 | 445,099 | 532,631 | 892,687 | 919,467 | 947,051 |
| Businesses assisted | 3,774 | 3,887 | 3,254 | 3,492 | 2,858 | 2,944 | 3,032 |
| Trainings provided to PA workers (WEDnetPA, PREP, LGTP, and CSBG) | 86,482 | 89,076 | 82,228 | 84,273 | 88,868 | 91,534 | 94,280 |

Program: Pennsylvania Innovation Economy

Goal: To capitalize on our leadership in research and development by creating access to capital and technical assistance for entrepreneurs to commercialize new and emerging innovations. This commercial activity provides job growth in key sectors such as Life Sciences, Robotics and Technology, Agriculture, Manufacturing, and Energy, all while strengthening the resilience and interconnectivity of our supply chains and deepening cross-sector collaboration across the Commonwealth.

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 and capital 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.

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, Local Development Districts, and the Small Business Development Centers. 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. The PREP network will focus on providing technical assistance to advance the key sectors prioritized in Pennsylvania.

[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, Pennsylvania's colleges, universities, technical schools, and nonprofit organizations that provide critical training and workforce development opportunities. Manufacturing PA also promotes innovative problem solving by matching higher education with the business community.

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 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

Community and Economic Development

Program: Pennsylvania Innovation Economy, continued

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.

Program Recommendations:

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

| PA Innovation | | Invent Penn State | |
|---------------|--|-------------------|---|
| \$ 30,000 | —Initiative—to spur life sciences job growth and innovation. | \$ (2,350) | —program elimination. |
| 20,000 | —Initiative—to support entrepreneurs scaling their products, innovation, and research, in conjunction with federal investment. | \$ 875 | Public Television Technology —Initiative—to restore program funding and further promote public television services. |
| \$ 50,000 | <i>Appropriation Increase</i> | | |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| GENERAL FUND: | | | | | | | |
| Transfer to Ben Franklin Tech. Development Authority Fund | \$ 17,000 | \$ 17,000 | \$ 17,000 | \$ 17,000 | \$ 17,000 | \$ 17,000 | \$ 17,000 |
| PA Innovation | - | - | 50,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Invent Penn State | - | 2,350 | - | - | - | - | - |
| Partnerships for Regional Economic Performance | 10,880 | 10,880 | 10,880 | 10,880 | 10,880 | 10,880 | 10,880 |
| Manufacturing PA | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 |
| Infrastructure Technology Assistance Program..... | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Super Computer Center..... | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| Powdered Metals | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Public Television Technology | - | - | 875 | 875 | 875 | 875 | 875 |
| TOTAL GENERAL FUND | \$ 43,980 | \$ 46,330 | \$ 94,855 | \$ 64,855 | \$ 64,855 | \$ 64,855 | \$ 64,855 |

Program Measures:

| | 2019-20 Actual | 2020-21 Actual | 2021-22 Actual | 2022-23 Actual | 2023-24 Actual | 2024-25 Estimated | 2025-26 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 | 2,602 | 2,362 | 3,180 | 2,779 | 2,663 | 2,922 | 2,939 |
| Jobs retained | 16,632 | 16,773 | 13,698 | 13,730 | 10,934 | 11,345 | 11,370 |
| New technology companies established..... | 104 | 93 | 93 | 133 | 127 | 170 | 175 |
| Businesses assisted | 29,375 | 10,253 | 28,752 | 28,962 | 27,118 | 27,932 | 28,769 |
| Private funds leveraged (in thousands) \$ | 717,262 | 823,875 | 1,200,339 | 1,573,444 | 1,387,150 | 1,735,675 | 1,749,685 |

Community and Economic Development

Program: Pennsylvania Worldwide

Goal: To leverage Pennsylvania's international business connections — managed and facilitated by DCED — to increase exports sales in markets around the world and bring more foreign investment into the Commonwealth. These efforts will create more jobs in Pennsylvania and enable economic growth.

Office of International Business Development

The [Office of International Business Development \(OIBD\)](#) maintains a network of authorized trade and investment representatives around the world. With this network and regional partners across Pennsylvania, the office pursues three goals. First, OIBD works to help Pennsylvania companies to export to new markets by providing customized assistance to ensure companies are ready to export, and then providing in-market research, vetted business connections, and other assistance to facilitate their business. Second, OIBD works to promote Pennsylvania as a place to do business by informing international audiences of Pennsylvania's strengths and serving as a business concierge helping international companies to conduct site searches, research business opportunities, and ultimately establish a presence and grow in Pennsylvania. Third, OIBD works to connect Pennsylvania companies, universities, cultural institutions, and communities to global partners for mutually beneficial information exchanges and business opportunities.

Program Recommendations:

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

| Office of International Business Development | |
|--|---|
| \$ 37 | —to continue current program. |
| (2,685) | —Initiative—program transfer to BusinessPA. |
| \$ (2,648) | <i>Appropriation Decrease</i> |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| GENERAL FUND: | | | | | | | |
| Office of International Business Development..... | \$ 7,173 | \$ 7,173 | \$ 4,525 | \$ 4,643 | \$ 4,643 | \$ 4,643 | \$ 4,643 |

Program Measures:

| | 2019-20 Actual | 2020-21 Actual | 2021-22 Actual | 2022-23 Actual | 2023-24 Actual | 2024-25 Estimated | 2025-26 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)..... | \$ 42,651 | 35,073 | 67,415 | 40,852 | 36,947 | 40,000 | 40,000 |
| Amount of export sales facilitated (in thousands)..... | \$ 541,124 | 434,697 | 549,774 | 584,605 | 613,840 | 626,116 | 638,639 |
| Jobs supported through Foreign Investment, Export Development, and International Company Retention | 7,302 | 7,620 | 8,888 | 12,641 | 17,099 | 17,250 | 17,500 |
| Foreign direct investments (FDI): | | | | | | | |
| Projects completed | 16 | 23 | 24 | 20 | 23 | 23 | 24 |
| Businesses assisted | 707 | 606 | 548 | 643 | 721 | 740 | 760 |

Program: Pennsylvania Assets

Goal: To launch new business and tourism brands and marketing campaigns to build 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 billions of dollars annually into the Commonwealth's economy and generating tax revenues each year which allow for investments in 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](#), [X](#), [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 is a priority for any location seeking industry growth and economic stability. The Pennsylvania Marketing Office encourages business decision makers to locate or stay in the state by promoting the competitive advantages of doing business in Pennsylvania. The office also promotes DCED's many programs for technical assistance, financial support, and workforce training resources for businesses.

The [Marketing to Attract Business](#) program provides necessary funding to support the office's business marketing initiatives. This includes the PA Gets It Done microsite and content, [DCED](#) and [Business One-Stop Shop](#) websites, proactive media relations, DCED's social media channels (including [LinkedIn](#), [X](#), and [Facebook](#)), paid advertising, and targeted events. The office collaborates with local and regional economic development organizations, community partners, and workforce development professionals to maximize the reach of collective marketing efforts.

Program Recommendations:

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

| | Marketing to Attract Tourists | | Tourism-Accredited Zoos |
|--------------------------------------|--|----------|--------------------------------|
| \$ (36,472) | —funding reduction. | \$ (500) | —funding reduction. |
| Marketing to Attract Business | | | |
| \$ 62 | —to continue current program | | |
| 3,000 | —Initiative—to enhance site selection and business attraction marketing. | | |
| (823) | —Initiative—program transfer to BusinessPA. | | |
| \$ 2,239 | <i>Appropriation Increase</i> | | |

In addition, funding for Marketing to Attract Tourists includes \$56,500,000 from the Tourism Promotion restricted account.

Community and Economic Development

Program: Pennsylvania Assets, continued

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| GENERAL FUND: | | | | | | | |
| Marketing to Attract Tourists | \$ 31,365 | \$ 55,787 | \$ 19,315 | \$ 19,817 | \$ 19,817 | \$ 19,817 | \$ 19,817 |
| Marketing to Attract Business | 2,064 | 2,081 | 4,320 | 4,432 | 4,432 | 4,432 | 4,432 |
| Tourism-Accredited Zoos | 1,000 | 1,500 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| America250PA | 5,000 | 2,500 | 2,500 | 2,500 | - | - | - |
| TOTAL GENERAL FUND | \$ 39,429 | \$ 61,868 | \$ 27,135 | \$ 27,749 | \$ 25,249 | \$ 25,249 | \$ 25,249 |

Program Measures:

| | 2019-20 Actual | 2020-21 Actual | 2021-22 Actual | 2022-23 Actual | 2023-24 Actual | 2024-25 Estimated | 2025-26 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. | | | | | | | |
| Hotel rooms sold (in thousands) | 27,074 | 23,701 | 31,573 | 32,677 | 32,591 | 33,122 | 33,695 |
| Travelers' expenditures (in thousands). \$ | 37,120,000 | 33,463,000 | 41,684,000 | 46,120,000 | 47,341,000 | 48,486,000 | 49,863,000 |
| Corporate, Personal, Sales & Use, State & Local Hotel, Local Property, and Excise tax revenues generated (in thousands) | \$ 3,950,000 | 4,720,000 | 4,422,000 | 4,730,000 | 4,855,000 | 4,972,000 | 5,113,000 |

Program: Pennsylvania Communities

Goal: To champion and promote all Pennsylvania regions by supporting tailored, flexible regional strategies, investing in downtowns and main streets, and building local leadership capacity to make Pennsylvania a top state to live, work, play, and innovate and hence achieve equitable regional growth while increasing job creation, wages, and labor force participation across the Commonwealth.

Main Street Matters

[Main Street Matters](#) is designed to support our downtown cores and surrounding neighborhoods with tools to create healthy, vibrant, and welcoming communities. The program offers designation opportunities and financial resources to assist communities in achieving revitalization goals and making physical improvements.

The program offers four designation types and several grant types. Any community may apply and receive designation or grant funding in whatever order the community deems appropriate depending on its local needs and circumstances. Priority is given to communities administering designated programs. Designation also offers some benefits that may assist a community in non-financial ways, such as providing a roadmap and a process to guide a community's revitalization efforts. These partnerships create more attractive places to live and encourage business, job expansion, and retention in Pennsylvania.

Strategic Management Planning Program

To assist municipalities interested in improving their fiscal position, the [Strategic Management Planning Program \(STMP\)](#) provides financial assistance to municipal and county governments for the development and implementation of five-year financial management plans and departmental operational overviews. The STMP plans supply both short-term and long-term strategies to promote best management practices and ultimately avert financial distress.

[The Governor'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 STMP, provides tools that aid in keeping governments from filing for financial assistance under [Act 47 of 1987](#), commonly known as the Municipalities Financial Recovery Act.

Municipalities Financial Recovery Program – Act 47

[The Governor's 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.

Municipal Assistance Program

The [Municipal Assistance Program \(MAP\)](#) was created to help local governments plan for and effectively implement a variety of services, improvements, and soundly managed development. MAP provides funding for two 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; and
- Community planning – comprehensive plans; community revitalization plans; zoning and subdivision ordinances; and Transit Revitalization Investment District planning studies.

Transportation Projects

Funding is transferred annually to the [Commonwealth Financing Authority \(CFA\)](#) 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 CFA is matched by local funding.

Program: Pennsylvania Communities, continued

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 upgrades and weatherization readiness measures to their single-family home or multi-family unit. 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. Weatherization services primarily involve diagnostic assessment of air leakage, health and safety repairs, electric baseload measures, and client energy education.

Low-Income Heating and Energy Assistance Crisis Interface Program

The U.S. Department of Health and Human Services provides annual funding to the Department of Human Services (DHS) to administer a cash-grant heating bill supplement program, known as the [Low Income Heating and Energy Assistance Program \(LIHEAP\)](#). DHS provides 15 percent of their annual allocation to DCED to administer the LIHEAP-Crisis Programs through the WAP network of public and nonprofit agencies operating in all 67 counties of the Commonwealth. The program provides primarily direct crisis heating services including furnace repair and replacements throughout Pennsylvania's winter months, as well as weatherization and deferral work, and cooling and maintenance work throughout the year to low-income families.

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.

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. 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.

Community and Economic Development

Program: Pennsylvania Communities, continued

Program Recommendations:

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

| | | | |
|-------------|---|-------------|---|
| | Center for Local Government Services | | Regional Events Security and Support |
| \$ 981 | —to continue current program. | \$ 15,000 | —Initiative—to ensure a safe semiquincentennial celebration across Pennsylvania. |
| 1,000 | —Initiative—to improve zoning, regulation, code enforcement, and other practices that are barriers to housing creation and development. | | |
| <hr/> | | | |
| \$ 1,981 | <i>Appropriation Increase</i> | \$ 50,000 | Housing Stock Restoration |
| | | | —Initiative—for counties to improve or maintain existing housing in communities. |
| | BusinessPA | | First-Time Homebuyer Grants |
| \$ 8,892 | —Initiative—to implement the department's economic development strategy by aligning resources to move at the speed of business. | \$ 10,000 | —Initiative—to assist Pennsylvanians with closing costs when purchasing their first home. |
| | | | Community and Economic Assistance |
| | Base Realignment and Closure | \$ (86,510) | —program elimination. |
| \$ 41 | —to continue current program. | | |
| | Transfer to Municipalities Financial Recovery Revolving Fund | \$ 1,000 | Veterans Small Business Assistance |
| \$ 10,000 | —Initiative—to provide additional resources for communities that require Act 47 support. | | —Initiative—to support veterans to establish and grow small businesses. |
| | | \$ (50,650) | Local Municipal Relief |
| \$ (45,343) | Keystone Communities | | —program elimination. |
| | —program elimination. | | |
| | Main Street Matters | \$ (17,500) | Hospital and Health System Emergency Relief |
| \$ 8 | —to continue current program. | | —program elimination. |

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|----------|-----------|----------|-----------|-----------|-----------|-----------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Center for Local Government Services | \$ 4,735 | \$ 5,304 | \$ 7,285 | \$ 7,474 | \$ 7,474 | \$ 7,474 | \$ 7,474 |
| BusinessPA | \$ - | \$ - | \$ 8,892 | \$ 9,123 | \$ 9,123 | \$ 9,123 | \$ 9,123 |
| Base Realignment and Closure | 556 | 567 | 608 | 624 | 624 | 624 | 624 |
| Transfer to Municipalities Financial Recovery Revolving Fund | 5,500 | 5,500 | 15,500 | 5,500 | 5,500 | 5,500 | 5,500 |

Community and Economic Development

Program: Pennsylvania Communities, continued

Appropriations within this Program, continued:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Intergovernmental Cooperation Authority-3rd Class Cities..... | 100 | 100 | 100 | 100 | 100 | - | - |
| Municipal Assistance Program | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Keystone Communities..... | 37,666 | 45,343 | - | - | - | - | - |
| Main Street Matters .. | - | 20,000 | 20,008 | 20,008 | 20,008 | 20,008 | 20,008 |
| Appalachian Regional Commission | 750 | 750 | 750 | 750 | 750 | 750 | 750 |
| Strategic Management Planning Program | 3,617 | 3,617 | 3,617 | 3,617 | 3,617 | 3,617 | 3,617 |
| Rural Leadership Training..... | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Regional Events Security and Support | 7,500 | - | 15,000 | - | - | - | - |
| Food Access Initiative..... | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Local Government Emergency Housing Support | - | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Housing Stock Restoration | - | - | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| First-Time Homebuyer Grants ... | - | - | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Community and Economic Assistance | 81,408 | 86,510 | - | - | - | - | - |
| Veterans Small Business Assistance. | - | - | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Historically Disadvantaged Business Assistance. | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Local Municipal Relief..... | 45,050 | 50,650 | - | - | - | - | - |
| Hospital and Health System Emergency Relief..... | 50,000 | 17,500 | - | - | - | - | - |
| TOTAL GENERAL FUND | \$ 259,982 | \$ 261,441 | \$ 158,360 | \$ 133,796 | \$ 133,796 | \$ 133,696 | \$ 133,696 |

Community and Economic Development

Program: Pennsylvania Communities, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Provide resources and technical assistance to 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 | 28 | 28 | 26 | 25 | 44 | 44 | 44 |
| Designated distressed communities in Act 47 | 16 | 16 | 16 | 13 | 9 | 6 | 9 |
| Municipal Assistance Program: Number of local governments assisted. | 240 | 250 | 27 | 21 | 36 | 65 | 65 |
| Homes weatherized | 1,366 | 2,026 | 1,814 | 1,948 | 2,435 | 3,888 | 5,000 |



CONSERVATION AND NATURAL RESOURCES

The mission of the [Department of Conservation and Natural Resources \(DCNR\)](#) is to conserve and sustain Pennsylvania's natural resources for present and future generations' use and enjoyment.

Programs and Goals

Parks and Forests Management: To manage state park and forest lands for their long-term use and enjoyment; provide the resources and expertise to help conserve and protect all the Commonwealth's natural resources; and help create and sustain economically vibrant communities through quality recreational resources and investments.

Conservation and Natural Resources

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24
ACTUAL

2024-25
AVAILABLE

2025-26
BUDGET

GENERAL FUND:

General Government:

| | | | |
|--|-------------------|-------------------|-------------------|
| General Government Operations | \$ 29,465 | \$ 33,031 | \$ 35,997 |
| (F)Land and Water Conservation Fund | 14,000 | 20,000 | 20,000 |
| (F)Building Resilient Infrastructure and Communities | 10,000 | 10,000 | - |
| (F)Highlands Conservation Program | 24,500 | 24,500 | 24,500 |
| (F)Chesapeake Bay Gateway Network | 600 | 600 | 600 |
| (F)Topographic and Geologic Survey Grants | 3,500 | 3,500 | 3,100 |
| (F)U.S. Endowment-Healthy Watershed | 200 | 200 | - |
| (F)Federal Sentinel Landscape Program | - | 300 | 300 |
| (F)PA Recreation Trails (EA)..... | 8,500 | 8,500 | 8,300 |
| (F)Hydraulic and Hydrological Study (EA) | - | 238 | 2,713 |
| (A)IRA Direct Pay Tax Credit Reimbursement | - | 555 | - |
| (A)Department Services | 80 | 38 | 528 |
| (A)Internet Record Imaging System | 87 | 120 | 120 |
| (A)Water Well Drillers | 26 | 30 | 30 |
| Subtotal..... | <u>\$ 90,958</u> | <u>\$ 101,612</u> | <u>\$ 96,188</u> |
| State Parks Operations | 60,787 | 71,967 | 81,150 |
| (F)Mental Health Training..... | 150 | 150 | - |
| (F)Federal Lands Access Program | 400 | 400 | 400 |
| (F)Pennsylvania Parks and Forest Foundation | 650 | 650 | - |
| (F)IIJA-Spring Garden Dam Removal (EA)..... | 750 | 750 | 750 |
| (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 | 35,259 | 34,700 | 34,000 |
| (A)State Parks Services | 6,308 | 9,088 | 9,099 |
| (A)Sale of Vehicles-Parks | 91 | 42 | 42 |
| (R)State Park Resource Restoration..... | 185 | 100 | 550 |
| Subtotal..... | <u>\$ 112,730</u> | <u>\$ 125,997</u> | <u>\$ 134,141</u> |
| State Forests Operations | 44,431 | 51,435 | 56,949 |
| (F)Forest Fire Protection and Control..... | 4,000 | 3,200 | 3,200 |
| (F)IIJA-Forest Fire Protection and Control | - | 800 | 800 |
| (F)IIJA-Forest Fire Protection and Control (EA)..... | 800 | - | - |
| (F)IIJA-Community Wildfire Defense Grant Program | 400 | 900 | 900 |
| (F)Forest Management and Processing..... | 55,600 | 21,600 | 21,600 |
| (F)IIJA-Forest Management and Processing | - | 34,000 | 34,000 |
| (F)IIJA-Forest Management and Processing (EA) | 34,000 | - | - |
| (F)Aid to Volunteer Fire Companies..... | 1,750 | 350 | 542 |
| (F)IIJA-Aid to Volunteer Fire Companies | - | 1,800 | 1,800 |
| (F)IIJA-Aid to Volunteer Fire Companies (EA) | 1,400 | - | - |
| (F)National Fish and Wildlife Foundation | 16,500 | 10,000 | 10,000 |

Conservation and Natural Resources

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| (F)Wetland Protection Fund | 400 | 400 | 400 |
| (F)EPA Chesapeake Bay Grant | 12,000 | 10,000 | 8,000 |
| (F)USDA Good Neighbor Agreement..... | 800 | 800 | 800 |
| (F)Cooperative Endangered Species | 40 | 60 | 60 |
| (F)Wetlands Program Development (EA) | 250 | 250 | 250 |
| (A)Timber Sales | 15,412 | 20,000 | 20,000 |
| (A)Forest Fire Extinction..... | 5,337 | 3,000 | 2,500 |
| (A)State Forests Services | 1,296 | 690 | 676 |
| (A)Sale of Vehicles-Forests..... | 67 | 60 | 60 |
| (A)Tickets and Fines | 36 | 25 | 25 |
| (R)Forest Regeneration (EA) | 4,000 | 4,200 | 4,500 |
| (R)Forestry Research..... | 9 | 250 | 250 |
| Subtotal..... | <u>\$ 198,528</u> | <u>\$ 163,820</u> | <u>\$ 167,312</u> |
| Forest Pest Management | 3,000 | 4,500 | 5,000 |
| (F)Forest Insect and Disease Control | 4,500 | 1,000 | 1,000 |
| (F)IIJA-Forest Insect and Disease Control | - | 1,100 | 1,410 |
| (F)IIJA-Forest Insect and Disease Control (EA)..... | 1,100 | - | - |
| (R)Good Neighbor Forest Restoration Services | 108 | 800 | 800 |
| Subtotal..... | <u>\$ 8,708</u> | <u>\$ 7,400</u> | <u>\$ 8,210</u> |
| Parks, Forests, and Recreation Projects..... | 900 | 900 | 900 |
| Infrastructure and Trail Connections..... | - | - | 5,000 |
| (R)ATV Management (EA) | 5,621 | 5,532 | 5,532 |
| (R)Snowmobile Management (EA)..... | 552 | 400 | 400 |
| Subtotal - State Funds..... | <u>\$ 138,583</u> | <u>\$ 161,833</u> | <u>\$ 184,996</u> |
| Subtotal - Federal Funds..... | 204,940 | 164,198 | 153,575 |
| Subtotal - Augmentations | 63,999 | 68,348 | 67,080 |
| Subtotal - Restricted..... | <u>10,475</u> | <u>11,282</u> | <u>12,032</u> |
| Total - General Government..... | <u>\$ 417,997</u> | <u>\$ 405,661</u> | <u>\$ 417,683</u> |
| Grants and Subsidies: | | | |
| Heritage Parks..... | \$ 5,000 | \$ 5,000 | \$ 5,000 |
| Annual Fixed Charges-Flood Lands | 70 | 70 | 70 |
| Annual Fixed Charges-Project 70 | 88 | 88 | 88 |
| Annual Fixed Charges-Forest Lands | 7,962 | 7,962 | 7,962 |
| Annual Fixed Charges-Park Lands | 415 | 415 | 415 |
| (R)Monsanto Settlement | - | 3,000 | 2,750 |
| (R)Keystone Tree Account | 130 | 200 | 200 |

Conservation and Natural Resources

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|--------------------------|---------------------------|--------------------------|
| Subtotal - State Funds..... | \$ 13,535 | \$ 13,535 | \$ 13,535 |
| Subtotal - Restricted..... | 130 | 3,200 | 2,950 |
| Total - Grants and Subsidies..... | <u>\$ 13,665</u> | <u>\$ 16,735</u> | <u>\$ 16,485</u> |
| STATE FUNDS..... | \$ 152,118 | \$ 175,368 | \$ 198,531 |
| FEDERAL FUNDS..... | 204,940 | 164,198 | 153,575 |
| AUGMENTATIONS..... | 63,999 | 68,348 | 67,080 |
| RESTRICTED..... | <u>10,605</u> | <u>14,482</u> | <u>14,982</u> |
| GENERAL FUND TOTAL..... | <u>\$ 431,662</u> | <u>\$ 422,396</u> | <u>\$ 434,168</u> |
| <u>MOTOR LICENSE FUND:</u> | | | |
| <i>General Government:</i> | | | |
| Dirt and Gravel Roads..... | \$ 7,000 | \$ 7,000 | \$ 7,000 |
| <i>Grants and Subsidies:</i> | | | |
| (R)Forestry Bridges-Excise Tax (EA)..... | \$ 9,364 | \$ 9,281 | \$ 9,140 |
| STATE FUNDS..... | \$ 7,000 | \$ 7,000 | \$ 7,000 |
| RESTRICTED..... | <u>9,364</u> | <u>9,281</u> | <u>9,140</u> |
| MOTOR LICENSE FUND TOTAL..... | <u>\$ 16,364</u> | <u>\$ 16,281</u> | <u>\$ 16,140</u> |
| <u>OTHER FUNDS:</u> | | | |
| CLEAN STREAMS FUND: | | | |
| Transfer to Keystone Tree Account (EA)..... | \$ | \$ ^a | \$ ^a |
| ENVIRONMENTAL EDUCATION FUND: | | | |
| General Operations (EA)..... | \$ 218 | \$ 294 | \$ 356 |
| ENVIRONMENTAL STEWARDSHIP FUND: | | | |
| Parks and Forest Facility Rehabilitation (EA)..... | \$ 13,579 | \$ 13,652 ^b | \$ 13,902 |
| Community Conservation Grants (EA)..... | 6,841 | 6,878 ^c | 7,004 |
| Natural Diversity Conservation Grants (EA)..... | <u>325</u> | <u>325</u> | <u>325</u> |
| ENVIRONMENTAL STEWARDSHIP FUND TOTAL..... | <u>\$ 20,745</u> | <u>\$ 20,855</u> | <u>\$ 21,231</u> |
| KEYSTONE RECREATION, PARK, AND CONSERVATION FUND: | | | |
| Parks and Forest Facility Rehabilitation (EA)..... | \$ 35,339 | \$ 38,431 ^d | \$ 44,792 |
| Grants for Local Recreation (EA)..... | 29,448 | 32,026 ^e | 37,327 |
| Grants to Land Trusts (EA)..... | <u>11,780</u> | <u>12,810^f</u> | <u>14,931</u> |
| KEYSTONE RECREATION, PARK, AND CONSERVATION FUND TOTAL..... | <u>\$ 76,567</u> | <u>\$ 83,267</u> | <u>\$ 97,050</u> |
| OIL AND GAS LEASE FUND: | | | |
| General Government Operations..... | \$ 19,178 | \$ 20,790 | \$ 21,156 |
| State Parks Operations..... | 32,169 | 25,500 | 25,500 |
| State Forests Operations..... | 25,233 | 21,500 | 21,500 |
| Parks, Forests, and Recreation Projects..... | 112,000 | - | - |
| Transfer to Marcellus Legacy Fund (EA)..... | <u>15,000</u> | <u>15,000</u> | <u>15,000</u> |
| OIL AND GAS LEASE FUND TOTAL..... | <u>\$ 203,580</u> | <u>\$ 82,790</u> | <u>\$ 83,156</u> |

Conservation and Natural Resources

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| STATE GAMING FUND: | | | |
| Payments in Lieu of Taxes (EA)..... | \$ 8,111 | \$ 12,100 | \$ 12,100 |
| WILD RESOURCE CONSERVATION FUND: | | | |
| General Operations (EA)..... | \$ 132 | \$ 132 | \$ 132 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 152,118 | \$ 175,368 | \$ 198,531 |
| MOTOR LICENSE FUND..... | 7,000 | 7,000 | 7,000 |
| LOTTERY FUND..... | - | - | - |
| FEDERAL FUNDS..... | 204,940 | 164,198 | 153,575 |
| AUGMENTATIONS..... | 63,999 | 68,348 | 67,080 |
| RESTRICTED..... | 19,969 | 23,763 | 24,122 |
| OTHER FUNDS..... | 309,353 | 199,438 | 214,025 |
| TOTAL ALL FUNDS..... | \$ 757,379 | \$ 638,115 | \$ 664,333 |

^a Not added to the total to avoid double counting: 2024-25 Available is \$693,000 and 2025-26 Budget is \$272,000.

^b Includes recommended supplemental executive authorization of \$2,439,000.

^c Includes recommended supplemental executive authorization of \$1,230,000.

^d Includes recommended supplemental executive authorization of \$6,047,000.

^e Includes recommended supplemental executive authorization of \$5,040,000.

^f Includes recommended supplemental executive authorization of \$2,015,000.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|--------------------------------------|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| PARKS AND FORESTS MANAGEMENT: | | | | | | | |
| GENERAL FUND..... | \$ 152,118 | \$ 175,368 | \$ 198,531 | \$ 209,374 | \$ 208,374 | \$ 209,374 | \$ 210,374 |
| MOTOR LICENSE FUND... | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| LOTTERY FUND..... | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 204,940 | 164,198 | 153,575 | 153,575 | 153,575 | 153,575 | 153,575 |
| AUGMENTATIONS..... | 63,999 | 68,348 | 67,080 | 66,080 | 63,080 | 62,080 | 64,080 |
| RESTRICTED..... | 19,969 | 23,763 | 24,122 | 24,015 | 23,882 | 23,776 | 22,377 |
| OTHER FUNDS..... | 309,353 | 199,438 | 214,025 | 221,514 | 230,157 | 238,545 | 242,738 |
| DEPARTMENT TOTAL..... | \$ 757,379 | \$ 638,115 | \$ 664,333 | \$ 681,558 | \$ 686,068 | \$ 694,350 | \$ 700,144 |

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 over two million acres of [state parks](#) and [state forest](#) land across the Commonwealth. Pennsylvania's state parks protect many natural, aesthetic, geologic, scenic, and historical treasures that make the Commonwealth unique and diverse. 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 two 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 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 multi-billion dollar outdoor recreation industry, which draws out-of-state visitors and tourism dollars to Pennsylvania, providing income for local businesses and communities.

The department maintains thousands of structures, 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. The department 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. In addition, state forests alone sequester millions of 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, combating invasive species, and learning planning and design skills. Promoting conservation as a career creates a pipeline of young people interested in restoration, recreation, and 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. The department 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. DCNR, 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.

Conservation and Natural Resources

Program: Parks and Forests Management, continued

Program Recommendations:

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

| | |
|---|---|
| <p>General Government Operations</p> <p>\$ 3,410 —to continue current program.</p> <p style="padding-left: 20px;">(444) —to reflect change in other revenue.</p> <hr style="width: 100px; margin-left: 0;"/> <p>\$ 2,966 <i>Appropriation Increase</i></p> <p>State Parks Operations</p> <p>\$ 8,494 —to continue current program.</p> <p style="padding-left: 20px;">689 —to reflect change in other revenue.</p> <hr style="width: 100px; margin-left: 0;"/> <p>\$ 9,183 <i>Appropriation Increase</i></p> <p>State Forests Operations</p> <p>\$ 5,000 —to continue current program.</p> <p style="padding-left: 20px;">514 —to reflect change in other revenue.</p> <hr style="width: 100px; margin-left: 0;"/> <p>\$ 5,514 <i>Appropriation Increase</i></p> | <p>Forest Pest Management</p> <p>\$ 500 —to continue current program.</p> <p>Infrastructure and Trail Connections</p> <p>\$ 5,000 —Initiative—for infrastructure improvement and trail connections between established trails.</p> |
|---|---|

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 29,465 | \$ 33,031 | \$ 35,997 | \$ 38,735 | \$ 38,735 | \$ 38,735 | \$ 39,735 |
| State Parks Operations... | 60,787 | 71,967 | 81,150 | 84,696 | 84,696 | 84,696 | 84,696 |
| State Forests Operations | 44,431 | 51,435 | 56,949 | 61,508 | 64,508 | 65,508 | 65,508 |
| Forest Pest Management | 3,000 | 4,500 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Parks, Forests, and Recreation Projects | 900 | 900 | 900 | 900 | 900 | 900 | 900 |
| Infrastructure and Trail Connections | - | - | 5,000 | 5,000 | 1,000 | 1,000 | 1,000 |
| Heritage Parks | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Annual Fixed Charges-Flood Lands | 70 | 70 | 70 | 70 | 70 | 70 | 70 |
| Annual Fixed Charges-Project 70 | 88 | 88 | 88 | 88 | 88 | 88 | 88 |
| Annual Fixed Charges-Forest Lands | 7,962 | 7,962 | 7,962 | 7,962 | 7,962 | 7,962 | 7,962 |
| Annual Fixed Charges-Park Lands | 415 | 415 | 415 | 415 | 415 | 415 | 415 |
| TOTAL GENERAL FUND | \$ 152,118 | \$ 175,368 | \$ 198,531 | \$ 209,374 | \$ 208,374 | \$ 209,374 | \$ 210,374 |

Conservation and Natural Resources

Program: Parks and Forests Management, continued

Appropriations within this Program, continued:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| MOTOR LICENSE FUND: | | | | | | | |
| Dirt and Gravel Roads | \$ 7,000 | \$ 7,000 | \$ 7,000 | \$ 7,000 | \$ 7,000 | \$ 7,000 | \$ 7,000 |
| OIL AND GAS LEASE FUND: | | | | | | | |
| General Government Operations | \$ 19,178 | \$ 20,790 | \$ 21,156 | \$ 19,400 | \$ 19,400 | \$ 19,400 | \$ 18,400 |
| State Parks Operations... | 32,169 | 25,500 | 25,500 | 24,100 | 24,100 | 24,100 | 22,100 |
| State Forests Operations | 25,233 | 21,500 | 21,500 | 19,500 | 19,500 | 19,500 | 19,500 |
| Parks, Forests, and Recreation Projects | 112,000 | - | - | - | - | - | - |
| TOTAL OIL AND GAS LEASE FUND | \$ 188,580 | \$ 67,790 | \$ 68,156 | \$ 63,000 | \$ 63,000 | \$ 63,000 | \$ 60,000 |

Program Measures:

| | 2019-20 Actual | 2020-21 Actual | 2021-22 Actual | 2022-23 Actual | 2023-24 Actual | 2024-25 Estimated | 2025-26 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..... | 2,324 | 6,946 | 7,907 | 10,839 | 11,590 | 11,300 | 9,900 |
| Miles of trail improved/constructed in communities..... ^a | 39.8 | 23.6 | 32.1 | 41.0 | 49.2 | 102.6 | 102.6 |
| Total community grant funding (in millions)..... | \$ 52.5 | 50.9 | 66.6 | 128.0 | 54.2 | 72.7 | 55.0 |
| Promote responsible stewardship of the Commonwealth's natural resources. | | | | | | | |
| Youth trained and employed through the Pennsylvania Outdoor Corps | 711 | 772 | 899 | 1,039 | 1,217 | 1,330 | 1,520 |
| Enhance the stewardship and management of state parks and forests, operating effectively and efficiently. | | | | | | | |
| Annual state park visits (in millions)..... | 40.7 | 46.6 | 39.4 | 38.3 | 38.5 | 38.6 | 38.7 |
| Green energy savings..... | \$ 47,682 | 373,207 | 389,717 | 486,736 | 1,502,485 | 1,588,958 | 1,648,361 |

^a Method of data collection has changed for this budget, as trails within State Parks and Forests are no longer included in these calculations.



CORRECTIONS

The [Pennsylvania Department of Corrections \(DOC\)](#) operates as one team, embraces diversity, and commits to enhancing public safety. As a leader in the corrections field, the department aims to reduce criminal behavior by providing individualized treatment and education to incarcerated individuals, resulting in successful community reintegration through accountability and positive change.

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. DOC 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 optimize safety and security in prison, reduce recidivism, strive for operational excellence, and promote engaged, collaborative, and effective staff.

Reentry Into Communities: To optimize safety and security in the community, reduce recidivism, strive for operational excellence, and promote engaged, collaborative, and effective staff.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | | | |
|--|---------|-----------|---------|
| | 2023-24 | 2024-25 | 2025-26 |
| | ACTUAL | AVAILABLE | BUDGET |

GENERAL FUND:

General Government:

| | | | |
|--|-------------------|-------------------|-------------------|
| General Government Operations | \$ 39,931 | \$ 40,735 | \$ 41,976 |
| (A)County Training | 126 | 125 | 125 |
| (A)IRA Direct Pay Tax Credit Reimbursement | - | 36 | - |
| (A)Miscellaneous | - | 276 | 276 |
| Subtotal | <u>\$ 40,057</u> | <u>\$ 41,172</u> | <u>\$ 42,377</u> |
| State Field Supervision | 179,123 | 184,210 | 192,489 |
| (F)Smart Supervision | 800 | 800 | 468 |
| (A)State Parole Supervision Fees | 3,977 | 4,100 | 4,100 |
| (A)Interstate Supervision Fees | 76 | 86 | 86 |
| Subtotal | <u>\$ 183,976</u> | <u>\$ 189,196</u> | <u>\$ 197,143</u> |
| Pennsylvania Parole Board | 12,967 | 13,373 | 13,825 |
| Sexual Offenders Assessment Board | 7,349 | 8,031 | 8,646 |
| Board of Pardons | 2,700 | 2,880 | 3,044 |
| Office of Victim Advocate | 3,489 | 3,809 | 4,419 |
| (F)OVA Post Conviction Victims Rights and Services (EA) | 584 | 564 | 564 |
| (F)OVA STOP Grant Training and Technical Assistance (EA) | 66 | 66 | 66 |
| (F)SORNA Notifications (EA) | 130 | 68 | 68 |
| (F)SORNA Awareness Grant (EA) | 152 | 50 | 50 |
| Subtotal | <u>\$ 4,421</u> | <u>\$ 4,557</u> | <u>\$ 5,167</u> |
| Subtotal - State Funds | <u>\$ 245,559</u> | <u>\$ 253,038</u> | <u>\$ 264,399</u> |
| Subtotal - Federal Funds | 1,732 | 1,548 | 1,216 |
| Subtotal - Augmentations | <u>4,179</u> | <u>4,623</u> | <u>4,587</u> |
| Total - General Government | <u>\$ 251,470</u> | <u>\$ 259,209</u> | <u>\$ 270,202</u> |

Institutional:

| | | | |
|---|-------------------|-------------------|-------------------|
| Medical Care | \$ 357,965 | \$ 410,408 | \$ 424,627 |
| (F)Adult Reentry Education, Employment, and Treatment | 750 | 600 | 50 |
| (F)PREA Program-Strategic Support for PREA Implementation | 200 | 179 | 179 |
| (F)Pay for Success | 1,000 | 900 | 900 |
| (F)State Opioid Response (EA) | 12,878 | 16,008 | 5,700 |
| (A)Medical Reimbursements | 517 | 525 | 500 |
| Subtotal | <u>\$ 373,310</u> | <u>\$ 428,620</u> | <u>\$ 431,956</u> |
| Correctional Education and Training | 47,537 | 50,871 | 51,578 |
| (F)Correctional Education | 915 | 832 | 859 |
| Subtotal | <u>\$ 48,452</u> | <u>\$ 51,703</u> | <u>\$ 52,437</u> |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|----------------------------|----------------------------|----------------------------|
| State Correctional Institutions | 2,316,609 | 2,439,267 | 2,556,124 |
| (F)COVID-SFR State Correctional Institutions | - | 86,795 | - |
| (F)Reimbursement for Incarcerated Aliens | 5,000 | 2,500 | 2,500 |
| (F)Naloxone Reentry Tracking Program | 550 | 200 | 200 |
| (F)Criminal Justice and Mental Health Collaboration | 550 | 550 | 550 |
| (F)Second Chance Act | 380 | 31 | - |
| (F)SUPTRSBG-Substance Use Prevention (EA) | 1,965 | 1,965 | 1,965 |
| (F)RSAT-State Incarcerated Individuals (EA) | 660 | 599 | 599 |
| (F)PREA Compliance (EA) | 172 | 172 | - |
| (A)Institutional Reimbursements | 114 | 666 | 1,017 |
| (A)Social Security | 129 | 242 | 144 |
| (R)Rockview Farm Program (EA) | 289 | 285 | 250 |
| Subtotal | <u>\$ 2,326,418</u> | <u>\$ 2,533,272</u> | <u>\$ 2,563,349</u> |
| Subtotal - State Funds | <u>\$ 2,722,111</u> | <u>\$ 2,900,546</u> | <u>\$ 3,032,329</u> |
| Subtotal - Federal Funds | 25,020 | 111,331 | 13,502 |
| Subtotal - Augmentations | 760 | 1,433 | 1,661 |
| Subtotal - Restricted | <u>289</u> | <u>285</u> | <u>250</u> |
| Total - Institutional | <u>\$ 2,748,180</u> | <u>\$ 3,013,595</u> | <u>\$ 3,047,742</u> |
| Grants and Subsidies: | | | |
| (R)County Parole Supervision Fees | \$ 14,054 | \$ 6,350 | \$ - ^a |
| STATE FUNDS | \$ 2,967,670 | \$ 3,153,584 | \$ 3,296,728 |
| FEDERAL FUNDS | 26,752 | 112,879 | 14,718 |
| AUGMENTATIONS | 4,939 | 6,056 | 6,248 |
| RESTRICTED | <u>14,343</u> | <u>6,635</u> | <u>250</u> |
| GENERAL FUND TOTAL | <u>\$ 3,013,704</u> | <u>\$ 3,279,154</u> | <u>\$ 3,317,944</u> |
| OTHER FUNDS: | | | |
| MANUFACTURING FUND: | | | |
| General Operations (EA) | \$ 103,068 | \$ 103,173 | \$ 103,965 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND | \$ 2,967,670 | \$ 3,153,584 | \$ 3,296,728 |
| MOTOR LICENSE FUND | - | - | - |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS | 26,752 | 112,879 | 14,718 |
| AUGMENTATIONS | 4,939 | 6,056 | 6,248 |
| RESTRICTED | 14,343 | 6,635 | 250 |
| OTHER FUNDS | <u>103,068</u> | <u>103,173</u> | <u>103,965</u> |
| TOTAL ALL FUNDS | <u>\$ 3,116,772</u> | <u>\$ 3,382,327</u> | <u>\$ 3,421,909</u> |

^a Per Act 34 of 2023, counties retain all supervision fees collected.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|----------------------------------|---------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| INCARCERATED INDIVIDUALS: | | | | | | | |
| GENERAL FUND..... | \$ 2,762,042 | \$ 2,941,281 | \$ 3,074,305 | \$ 3,031,203 | \$ 3,031,203 | \$ 3,028,568 | \$ 3,028,568 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 25,020 | 111,331 | 13,502 | 14,502 | 9,477 | 7,802 | 7,802 |
| AUGMENTATIONS | 886 | 1,870 | 2,062 | 2,062 | 2,062 | 2,062 | 2,062 |
| RESTRICTED | 289 | 285 | 250 | 250 | 250 | 250 | 250 |
| OTHER FUNDS..... | 103,068 | 103,173 | 103,965 | 106,668 | 106,668 | 106,668 | 106,668 |
| SUBCATEGORY TOTAL..... | \$ 2,891,305 | \$ 3,157,940 | \$ 3,194,084 | \$ 3,154,685 | \$ 3,149,660 | \$ 3,145,350 | \$ 3,145,350 |
| REENTRY INTO COMMUNITIES: | | | | | | | |
| GENERAL FUND..... | \$ 205,628 | \$ 212,303 | \$ 222,423 | \$ 228,206 | \$ 228,206 | \$ 228,206 | \$ 228,206 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 1,732 | 1,548 | 1,216 | 748 | 748 | 748 | 748 |
| AUGMENTATIONS | 4,053 | 4,186 | 4,186 | 4,186 | 4,186 | 4,186 | 4,186 |
| RESTRICTED | 14,054 | 6,350 | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL..... | \$ 225,467 | \$ 224,387 | \$ 227,825 | \$ 233,140 | \$ 233,140 | \$ 233,140 | \$ 233,140 |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 2,967,670 | \$ 3,153,584 | \$ 3,296,728 | \$ 3,259,409 | \$ 3,259,409 | \$ 3,256,774 | \$ 3,256,774 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 26,752 | 112,879 | 14,718 | 15,250 | 10,225 | 8,550 | 8,550 |
| AUGMENTATIONS | 4,939 | 6,056 | 6,248 | 6,248 | 6,248 | 6,248 | 6,248 |
| RESTRICTED | 14,343 | 6,635 | 250 | 250 | 250 | 250 | 250 |
| OTHER FUNDS..... | 103,068 | 103,173 | 103,965 | 106,668 | 106,668 | 106,668 | 106,668 |
| DEPARTMENT TOTAL | \$ 3,116,772 | \$ 3,382,327 | \$ 3,421,909 | \$ 3,387,825 | \$ 3,382,800 | \$ 3,378,490 | \$ 3,378,490 |

Program: Incarcerated Individuals

Goal: To optimize safety and security in prison, reduce recidivism, strive for operational excellence, and promote engaged, collaborative, and effective staff.

The [Department of Corrections \(DOC\)](#) 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, DOC 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, DOC emphasizes the safety and security of its staff, volunteers, incarcerated individuals, 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 service needs 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. The department also offers renal dialysis, geriatric services, infectious care treatment, and other necessary services. Institutions also provide mental health services, including special needs units in most institutions and licensed mental health units in six institutions.

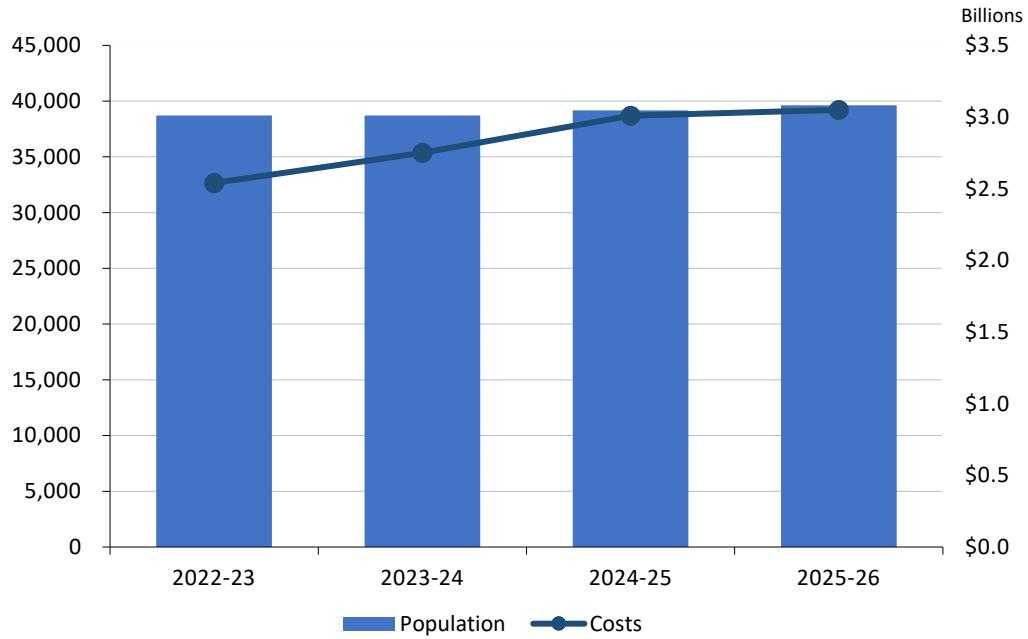
Individual Programs and Reentry

DOC provides programming which will enable individuals to leave prison better prepared to adjust to life in the community. In order to increase public safety, use of secure parole violator centers for certain reentrants is necessary. These centers provide the means to reduce the number of technical parole violators returning to a state correctional institution yet maintain a secure environment for parolees at 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 develops 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 participate in structured alcohol and drug treatment programs while in an institution, followed by treatment in the community. Employment in institutional jobs and [correctional industries](#) provide individuals with the opportunity to learn responsibility as well as work habits and skills that can be used to find employment after release.

Community Corrections

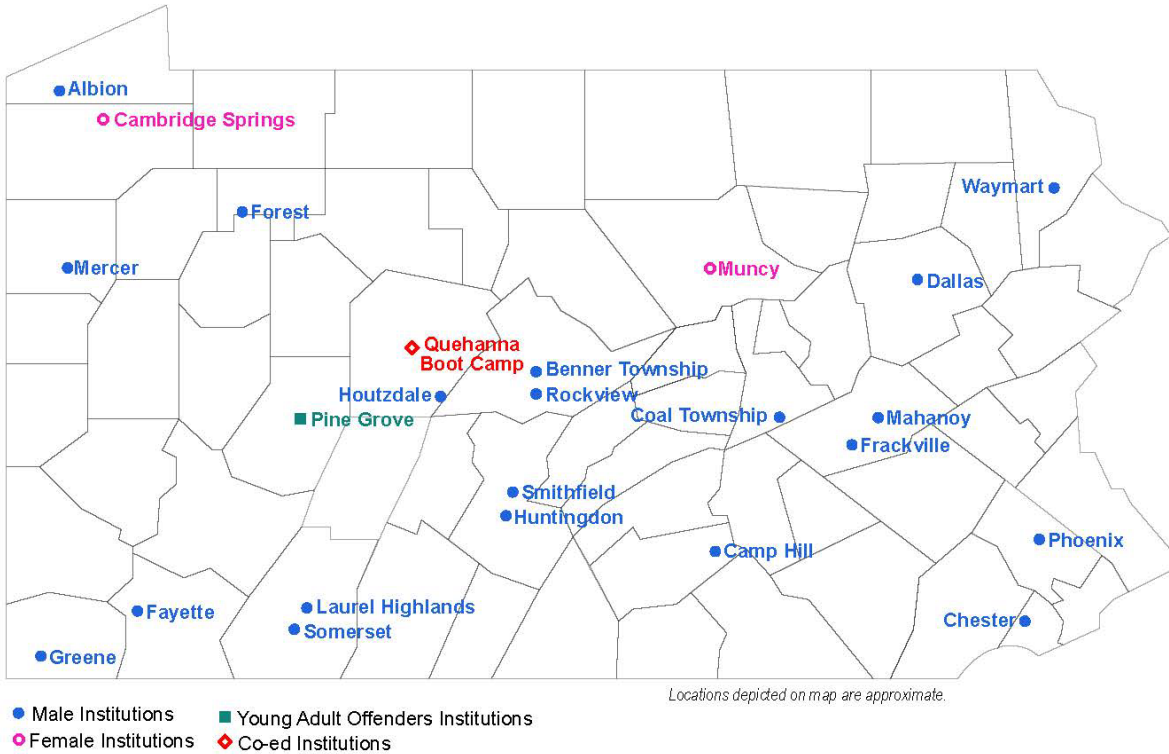
The last step in reentry treatment is [community corrections](#). Community corrections centers permit highly screened individuals, who meet established criteria, to live in housing in the community. At these centers, reentrants receive 24-hour supervision and can utilize counseling services while working or attending school. The centers also offer alcohol and drug treatment services, employment assistance, specialized counseling for hard-to-place individuals, and other services.

State Correctional Institutions Population and Operating Costs



The cost of operating the state correctional institution system is estimated to increase from \$2.54 billion in 2022-23 to \$3.05 billion in 2025-26. Since July 2023, the population has increased from 38,713 to a projected 39,624 by June 2026.

Locations



Program: Incarcerated Individuals, continued

Population by Institution

| Institutions | Population | Population | Projected | Projected | Projected |
|-------------------------------------|---------------|---------------|-------------------------|---------------------------|-------------------------------------|
| | July 2023 | July 2024 | Population July 2025 | Bed Capacity July 2025 | Percent of Capacity July 2025 |
| Albion | 2,062 | 2,022 | 2,044 | 2,184 | 93.6% |
| Benner Township | 1,782 | 1,831 | 1,851 | 2,146 | 86.3% |
| Cambridge Springs | 799 | 845 | 854 | 1,160 | 73.6% |
| Camp Hill | 1,640 | 1,998 | 2,020 | 2,522 | 80.1% |
| Chester | 1,103 | 1,049 | 1,061 | 1,120 | 94.7% |
| Coal Township | 1,914 | 1,840 | 1,860 | 1,916 | 97.1% |
| Dallas | 1,897 | 1,929 | 1,951 | 1,819 | 107.3% |
| Fayette | 1,790 | 1,896 | 1,917 | 2,163 | 88.6% |
| Forest | 2,002 | 2,192 | 2,216 | 2,340 | 94.7% |
| Frackville | 1,069 | 1,080 | 1,092 | 1,118 | 97.7% |
| Greene | 1,632 | 1,565 | 1,583 | 1,830 | 86.5% |
| Houtzdale | 2,135 | 2,095 | 2,118 | 2,255 | 93.9% |
| Huntingdon | 1,930 | 1,808 | 1,828 | 1,869 | 97.8% |
| Laurel Highlands | 1,351 | 1,428 | 1,444 | 1,174 | 123.0% |
| Mahanoy | 2,127 | 2,106 | 2,130 | 2,159 | 98.7% |
| Mercer | 1,192 | 1,216 | 1,230 | 1,137 | 108.2% |
| Muncy | 1,055 | 1,034 | 1,046 | 1,509 | 69.3% |
| Phoenix | 2,863 | 2,815 | 2,846 | 3,187 | 89.3% |
| Pine Grove | 986 | 830 | 839 | 1,047 | 80.1% |
| Quehanna Boot Camp | 387 | 365 | 369 | 552 | 66.8% |
| Rockview | 2,032 | 2,164 | 2,188 | 2,213 | 98.9% |
| Smithfield | 1,132 | 1,034 | 1,045 | 1,243 | 84.1% |
| Somerset | 1,625 | 1,854 | 1,875 | 2,034 | 92.2% |
| Waymart | 1,001 | 970 | 981 | 749 | 131.0% |
| Community Centers | 1,203 | 1,197 | 1,147 | 1,147 | 100.0% |
| Other Jurisdictions - Federal | 4 | 4 | 4 | 4 | 100.0% |
| Total | 38,713 | 39,167 | 39,539 | 42,597 | 92.8% |

^a Excess community correction facility capacity may be used for parolees, but is not required. Capacity shown reflects this alternative usage of the space.

Program: Incarcerated Individuals, continued

Expenditures by Institution: (Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
|--------------------------|-------------------|----------------------|-------------------|---------------------------|-------------------|----------------------|-------------------|
| Albion | | | | Greene | | | |
| State Funds | \$ 97,701 | \$ 100,836 | \$ 104,973 | State Funds | \$ 114,874 | \$ 119,486 | \$ 123,529 |
| Federal Funds..... | - | 7 | - | Federal Funds.... | - | - | - |
| Augmentations.... | 33 | 33 | 32 | Augmentations... | 25 | 26 | 27 |
| TOTAL..... | \$ 97,734 | \$ 100,876 | \$ 105,005 | TOTAL..... | \$ 114,899 | \$ 119,512 | \$ 123,556 |
| Benner Township | | | | Houtzdale | | | |
| State Funds | \$ 94,476 | \$ 100,656 | \$ 105,128 | State Funds | \$ 101,570 | \$ 108,069 | \$ 112,629 |
| Federal Funds..... | - | - | - | Federal Funds.... | - | 110 | 137 |
| Augmentations.... | 24 | 17 | 16 | Augmentations... | 16 | 20 | 18 |
| TOTAL..... | \$ 94,500 | \$ 100,673 | \$ 105,144 | TOTAL..... | \$ 101,586 | \$ 108,199 | \$ 112,784 |
| Cambridge Springs | | | | Huntingdon | | | |
| State Funds | \$ 64,629 | \$ 65,576 | \$ 67,637 | State Funds | \$ 105,090 | \$ 105,759 | \$ 112,463 |
| Federal Funds..... | - | - | - | Federal Funds.... | 187 | - | - |
| Augmentations.... | 26 | 34 | 32 | Augmentations... | 15 | 20 | 19 |
| TOTAL..... | \$ 64,655 | \$ 65,610 | \$ 67,669 | TOTAL..... | \$ 105,292 | \$ 105,779 | \$ 112,482 |
| Camp Hill | | | | Laurel Highlands | | | |
| State Funds | \$ 147,794 | \$ 153,301 | \$ 163,579 | State Funds | \$ 103,346 | \$ 107,273 | \$ 110,651 |
| Federal Funds..... | 15 | 15 | 10 | Federal Funds.... | - | - | - |
| Augmentations.... | 44 | 89 | 85 | Augmentations... | 15 | 19 | 17 |
| TOTAL..... | \$ 147,853 | \$ 153,405 | \$ 163,674 | TOTAL..... | \$ 103,361 | \$ 107,292 | \$ 110,668 |
| Chester | | | | Mahanoy | | | |
| State Funds | \$ 72,883 | \$ 81,241 | \$ 82,052 | State Funds | \$ 106,502 | \$ 112,760 | \$ 115,968 |
| Federal Funds..... | - | - | - | Federal Funds.... | - | 7 | - |
| Augmentations.... | 21 | 10 | 11 | Augmentations... | 39 | 39 | 39 |
| TOTAL..... | \$ 72,904 | \$ 81,251 | \$ 82,063 | TOTAL..... | \$ 106,541 | \$ 112,806 | \$ 116,007 |
| Coal Township | | | | Mercer | | | |
| State Funds | \$ 85,412 | \$ 92,301 | \$ 94,308 | State Funds | \$ 79,816 | \$ 84,842 | \$ 87,707 |
| Federal Funds..... | 15 | 15 | 10 | Federal Funds.... | - | - | - |
| Augmentations.... | 32 | 39 | 39 | Augmentations... | 18 | 14 | 15 |
| TOTAL..... | \$ 85,459 | \$ 92,355 | \$ 94,357 | TOTAL..... | \$ 79,834 | \$ 84,856 | \$ 87,722 |
| Dallas | | | | Muncy | | | |
| State Funds | \$ 114,827 | \$ 119,539 | \$ 123,691 | State Funds | \$ 97,987 | \$ 105,617 | \$ 111,389 |
| Federal Funds..... | - | 20 | - | Federal Funds.... | 15 | 22 | 7 |
| Augmentations.... | 23 | 27 | 23 | Augmentations... | 29 | 48 | 41 |
| TOTAL..... | \$ 114,850 | \$ 119,586 | \$ 123,714 | TOTAL..... | \$ 98,031 | \$ 105,687 | \$ 111,437 |
| Fayette | | | | Phoenix | | | |
| State Funds | \$ 123,464 | \$ 126,232 | \$ 133,726 | State Funds | \$ 178,653 | \$ 190,758 | \$ 195,163 |
| Federal Funds..... | - | 20 | - | Federal Funds.... | - | 15 | - |
| Augmentations.... | 20 | 20 | 20 | Augmentations... | 44 | 459 | 809 |
| TOTAL..... | \$ 123,484 | \$ 126,272 | \$ 133,746 | TOTAL..... | \$ 178,697 | \$ 191,232 | \$ 195,972 |
| Forest | | | | Pine Grove | | | |
| State Funds | \$ 112,515 | \$ 121,852 | \$ 127,017 | State Funds | \$ 76,229 | \$ 78,460 | \$ 81,718 |
| Federal Funds..... | - | 20 | - | Federal Funds.... | 459 | 417 | 489 |
| Augmentations.... | 29 | 29 | 27 | Augmentations... | 10 | 13 | 10 |
| TOTAL..... | \$ 112,544 | \$ 121,901 | \$ 127,044 | TOTAL..... | \$ 76,698 | \$ 78,890 | \$ 82,217 |
| Frackville | | | | Quehanna Boot Camp | | | |
| State Funds | \$ 67,090 | \$ 73,003 | \$ 76,895 | State Funds | \$ 36,590 | \$ 37,242 | \$ 37,385 |
| Federal Funds..... | - | - | - | Federal Funds.... | 15 | 15 | 6 |
| Augmentations.... | 13 | 13 | 12 | Augmentations... | 13 | 14 | 14 |
| TOTAL..... | \$ 67,103 | \$ 73,016 | \$ 76,907 | TOTAL..... | \$ 36,618 | \$ 37,271 | \$ 37,405 |

Program: Incarcerated Individuals, continued

Expenditures by Institution: (Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
|--------------------|-------------------|----------------------|-------------------|--------------------------------------|-------------------------|-------------------------|-------------------------|
| Rockview | | | | Community Centers | | | |
| State Funds | \$ 113,957 | \$ 122,232 | \$ 124,407 | State Funds | \$ 98,680 | \$ 101,846 | \$ 93,441 |
| Federal Funds..... | - | - | - | Federal Funds.... | 550 | - | - |
| Augmentations.... | 341 | 380 | 346 | Augmentations... | - | 50 | 50 |
| TOTAL..... | <u>\$ 114,298</u> | <u>\$ 122,612</u> | <u>\$ 124,753</u> | TOTAL..... | <u>\$ 99,230</u> | <u>\$ 101,896</u> | <u>\$ 93,491</u> |
| Smithfield | | | | Training Academy | | | |
| State Funds | \$ 90,763 | \$ 93,189 | \$ 97,458 | State Funds | \$ 7,136 | \$ 7,040 | \$ 6,455 |
| Federal Funds..... | - | 86,795 | - | Federal Funds.... | - | - | - |
| Augmentations.... | 41 | 24 | 30 | Augmentations... | - | - | - |
| TOTAL..... | <u>\$ 90,804</u> | <u>\$ 180,008</u> | <u>\$ 97,488</u> | TOTAL..... | <u>\$ 7,136</u> | <u>\$ 7,040</u> | <u>\$ 6,455</u> |
| Somerset | | | | Central Office | | | |
| State Funds | \$ 104,172 | \$ 107,901 | \$ 111,967 | State Funds | \$ 207,380 ^a | \$ 251,152 ^a | \$ 293,835 ^a |
| Federal Funds..... | 15 | 15 | 5 | Federal Funds.... | 23,563 | 23,712 | 12,656 |
| Augmentations.... | 14 | 21 | 19 | Augmentations... | 150 | 242 | 144 |
| TOTAL..... | <u>\$ 104,201</u> | <u>\$ 107,937</u> | <u>\$ 111,991</u> | TOTAL..... | <u>\$ 231,093</u> | <u>\$ 275,106</u> | <u>\$ 306,635</u> |
| Waymart | | | | Other Jurisdictions - Federal | | | |
| State Funds | \$ 116,517 | \$ 126,151 | \$ 131,077 | State Funds | \$ 2,058 | \$ 6,232 | \$ 6,081 |
| Federal Funds..... | 186 | 126 | 182 | Federal Funds.... | - | - | - |
| Augmentations.... | 14 | 18 | 16 | Augmentations... | - | - | - |
| TOTAL..... | <u>\$ 116,717</u> | <u>\$ 126,295</u> | <u>\$ 131,275</u> | TOTAL..... | <u>\$ 2,058</u> | <u>\$ 6,232</u> | <u>\$ 6,081</u> |

^a Expenditures include annual maintenance costs for closed institutions.

Program Recommendations:

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

| | | |
|---|--|--|
| General Government Operations | | Correctional Education and Training |
| \$ 1,241 —to continue current program. | | \$ 707 —to continue current program. |
| Medical Care | | State Correctional Institutions |
| \$ 14,219 —to continue current program. | | \$ 86,795 —to replace federal funding received in 2024-25 COVID-19 response. |
| | | 39,985 —to continue current program. |
| | | (9,923) —closure of two community corrections centers. |
| | | \$116,857 <i>Appropriation Increase</i> |

Program: Incarcerated Individuals, continued

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 39,931 | \$ 40,735 | \$ 41,976 | \$ 43,067 | \$ 43,067 | \$ 43,067 | \$ 43,067 |
| Medical Care..... | 357,965 | 410,408 | 424,627 | 435,667 | 435,667 | 435,667 | 435,667 |
| Correctional Education and Training..... | 47,537 | 50,871 | 51,578 | 52,919 | 52,919 | 52,919 | 52,919 |
| State Correctional Institutions..... | 2,316,609 | 2,439,267 | 2,556,124 | 2,499,550 | 2,499,550 | 2,496,915 | 2,496,915 |
| TOTAL GENERAL FUND | \$ 2,762,042 | \$ 2,941,281 | \$ 3,074,305 | \$ 3,031,203 | \$ 3,031,203 | \$ 3,028,568 | \$ 3,028,568 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Reduce violence rates. | | | | | | | |
| In-institution violence rate (on staff and on other persons combined) per 1,000 | 58.7 | 35.0 | 43.9 | 51.0 | 60.3 | 57.3 | 54.4 |
| Decrease population. | | | | | | | |
| Population..... | 42,101 | 37,748 | 37,498 | 38,713 | 39,167 | 39,589 | 39,624 |
| Reduce recidivism. | | | | | | | |
| One-year recidivism rate..... % | 40.0 | 36.7 | 30.4 | 31.5 | 33.7 | 34.7 | 35.7 |
| Three-year recidivism rate..... % | 64.7 | 62.8 | 60.2 | 58.4 | 54.8 | 57.8 | 59.8 |

Program: Reentry into Communities

Goal: To optimize safety and security in the community, reduce recidivism, strive for operational excellence, and promote engaged, collaborative, and effective staff.

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 DOC’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 \(SOAB\)](#) is responsible for conducting court-ordered assessments of convicted sexual offenders. SOAB provides the assessments to district attorneys and assists in determining those offenders who may be found by the court to be sexually violent predators. In addition, SOAB is responsible for 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)

| | |
|--|---|
| <p>State Field Supervision</p> <p>\$ 8,279 —to continue current program.</p> <p>Pennsylvania Parole Board</p> <p>\$ 452 —to continue current program.</p> | <p>Sexual Offenders Assessment Board</p> <p>\$ 249 —to continue current program.</p> <p>366 —Initiative—to increase reimbursement rate per assessment from \$350 to \$500.</p> <hr style="width: 50%; margin-left: 0;"/> <p>\$ 615 <i>Appropriation Increase</i></p> |
|--|---|

Program: Reentry into Communities, continued

Program Recommendations, continued:

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

Board of Pardons

\$ 164 —to continue current program.

Office of Victim Advocate

\$ 610 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| State Field Supervision | \$ 179,123 | \$ 184,210 | \$ 192,489 | \$ 197,494 | \$ 197,494 | \$ 197,494 | \$ 197,494 |
| Pennsylvania Parole Board | 12,967 | 13,373 | 13,825 | 14,184 | 14,184 | 14,184 | 14,184 |
| Sexual Offenders Assessment Board..... | 7,349 | 8,031 | 8,646 | 8,871 | 8,871 | 8,871 | 8,871 |
| Board of Pardons..... | 2,700 | 2,880 | 3,044 | 3,123 | 3,123 | 3,123 | 3,123 |
| Office of Victim Advocate | 3,489 | 3,809 | 4,419 | 4,534 | 4,534 | 4,534 | 4,534 |
| TOTAL GENERAL FUND..... | \$ 205,628 | \$ 212,303 | \$ 222,423 | \$ 228,206 | \$ 228,206 | \$ 228,206 | \$ 228,206 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Increase the number of individuals identified as appropriate for parole based on reduced risk of committing another crime. | | | | | | | |
| State parolees and probationers supervised at fiscal year end | 41,219 | 39,800 | 36,749 | 33,782 | 31,485 | 29,193 | 28,047 |
| Decrease the percentage of supervised individuals who return to prison upon release from prison. | | | | | | | |
| One-year parole recommitment rate..... % | 15 | 14 | 14 | 18 | 19 | 19 | 19 |
| Three-year parole recommitment rate .. % | 41 | 39 | 37 | 36 | 35 | 37 | 39 |



DRUG AND ALCOHOL PROGRAMS

The mission of the [Department of Drug and Alcohol Programs \(DDAP\)](#) 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.*

Drug and Alcohol Programs

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|---------------------|
| GENERAL FUND: | | | |
| General Government: | | | |
| General Government Operations | \$ 3,406 | \$ 3,501 | \$ 3,624 |
| (F)SUPTRSBG-Administration and Operation | 8,785 | 10,733 ^a | 11,964 |
| (F)COVID-SUPTRSBG-Administration and Operation (EA) | 671 | 425 | 290 |
| (F)Substance Use Special Projects-Administration and Operation..... | 3,995 | 3,885 | 3,885 |
| (F)State Opioid Response Administration..... | 9,104 | 9,104 | 9,104 |
| (F)Recovery House Assistance (EA)..... | 1,710 | 1,889 | 1,700 |
| (R)Recovery House Certification (EA) | 70 | 70 | 194 |
| Subtotal..... | \$ 27,741 | \$ 29,607 | \$ 30,761 |
| Subtotal - State Funds..... | \$ 3,406 | \$ 3,501 | \$ 3,624 |
| Subtotal - Federal Funds..... | 24,265 | 26,036 | 26,943 |
| Subtotal - Augmentations..... | - | - | - |
| Subtotal - Restricted..... | 70 | 70 | 194 |
| Total - General Government..... | \$ 27,741 | \$ 29,607 | \$ 30,761 |
| Grants and Subsidies: | | | |
| Assistance to Drug and Alcohol Programs | \$ 44,732 | \$ 44,732 | \$ 44,732 |
| (F)SUPTRSBG-Drug and Alcohol Services | 80,615 | 81,560 | 78,815 |
| (F)Substance Use Special Projects Grants..... | 21,250 | 21,250 | 21,250 |
| (F)State Opioid Response..... | 154,249 | 154,259 | 154,259 |
| (R)Opioid Settlements | 13,575 | 24,114 | 20,240 ^b |
| Subtotal..... | \$ 314,421 | \$ 325,915 | \$ 319,296 |
| Subtotal - State Funds..... | \$ 44,732 | \$ 44,732 | \$ 44,732 |
| Subtotal - Federal Funds..... | 256,114 | 257,069 | 254,324 |
| Subtotal - Restricted..... | 13,575 | 24,114 | 20,240 |
| Total - Grants and Subsidies..... | \$ 314,421 | \$ 325,915 | \$ 319,296 |
| STATE FUNDS..... | \$ 48,138 | \$ 48,233 | \$ 48,356 |
| FEDERAL FUNDS..... | 280,379 | 283,105 | 281,267 |
| AUGMENTATIONS | - | - | - |
| RESTRICTED..... | 13,645 | 24,184 | 20,434 |
| GENERAL FUND TOTAL | \$ 342,162 | \$ 355,522 | \$ 350,057 |
| OTHER FUNDS: | | | |
| COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND: | | | |
| Drug and Alcohol Treatment Services (EA) | \$ 11,603 | \$ 11,050 | \$ 9,354 |
| (R)Compulsive and Problem Gambling Treatment (EA)..... | 5,800 | 6,800 | 8,275 |
| COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND TOTAL | \$ 17,403 | \$ 17,850 | \$ 17,629 |

Drug and Alcohol Programs

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|-----------------------|-------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | ACTUAL | AVAILABLE | BUDGET |
| MEDICAL MARIJUANA PROGRAM FUND: | | | |
| Prevention and Treatment Services (EA)..... | \$ 5,662 | \$ 7,240 ^c | \$ 5,499 |
| STATE STORES FUND: | | | |
| Alcohol Use Disorder Programs (EA)..... | \$ 5,215 | \$ 4,842 | \$ 4,842 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 48,138 | \$ 48,233 | \$ 48,356 |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND..... | - | - | - |
| FEDERAL FUNDS..... | 280,379 | 283,105 | 281,267 |
| AUGMENTATIONS..... | - | - | - |
| RESTRICTED..... | 13,645 | 24,184 | 20,434 |
| OTHER FUNDS..... | 28,280 | 29,932 | 27,970 |
| TOTAL ALL FUNDS..... | \$ 370,442 | \$ 385,454 | \$ 378,027 |

^a Includes recommended supplemental appropriation of \$1,000,000.

^b Potential additional settlement payments to the Commonwealth not reflected in total.

^c Includes recommended supplemental executive authorization of \$328,000.

Program Funding Summary

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| DRUG AND ALCOHOL MISUSE PREVENTION AND TREATMENT: | | | | | | | |
| GENERAL FUND..... | \$ 48,138 | \$ 48,233 | \$ 48,356 | \$ 48,450 | \$ 48,450 | \$ 48,450 | \$ 48,450 |
| MOTOR LICENSE FUND..... | - | - | - | - | - | - | - |
| LOTTERY FUND..... | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 280,379 | 283,105 | 281,267 | 281,267 | 281,267 | 280,977 | 280,977 |
| AUGMENTATIONS..... | - | - | - | - | - | - | - |
| RESTRICTED..... | 13,645 | 24,184 | 20,434 | 13,590 | 11,036 | 12,162 | 12,463 |
| OTHER FUNDS..... | 28,280 | 29,932 | 27,970 | 28,200 | 28,115 | 28,313 | 28,520 |
| DEPARTMENT TOTAL..... | <u>\$ 370,442</u> | <u>\$ 385,454</u> | <u>\$ 378,027</u> | <u>\$ 371,507</u> | <u>\$ 368,868</u> | <u>\$ 369,902</u> | <u>\$ 370,410</u> |

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, 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 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 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 also licenses drug and alcohol recovery houses, which 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 |
| \$ 123 | —to continue current program. |

Drug and Alcohol Programs

Program: Drug and Alcohol Misuse Prevention and Treatment, continued

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations..... | \$ 3,406 | \$ 3,501 | \$ 3,624 | \$ 3,718 | \$ 3,718 | \$ 3,718 | \$ 3,718 |
| Assistance to Drug and Alcohol Programs | 44,732 | 44,732 | 44,732 | 44,732 | 44,732 | 44,732 | 44,732 |
| TOTAL GENERAL FUND | \$ 48,138 | \$ 48,233 | \$ 48,356 | \$ 48,450 | \$ 48,450 | \$ 48,450 | \$ 48,450 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Provide drug and alcohol treatment services. | | | | | | | |
| Pennsylvania's Get Help Now hotline calls..... | 13,714 | 18,834 | 17,808 | 15,225 | 15,500 | 17,582 | 17,000 |
| Percentage of Pennsylvania's Get Help Now hotline calls resulting in services .. % | 55.1 | 63.9 | 68.8 | 70.5 | 70.0 | 71.0 | 72.5 |
| Individuals admitted to treatment..... | 28,290 | 17,713 | 18,431 | 16,685 | 16,500 | 22,400 | 25,000 |
| Licensure and/or federal certification surveys completed. | | | | | | | |
| Licensed inpatient drug and alcohol treatment facilities..... | 228 | 224 | 221 | 213 | 213 | 213 | 202 |
| Inpatient capacity..... | 10,955 | 11,219 | 11,141 | 10,803 | 10,803 | 10,626 | 10,475 |
| Licensed outpatient drug and alcohol treatment facilities..... | 643 | 622 | 616 | 610 | 610 | 597 | 579 |
| Outpatient capacity..... | 118,835 | 123,323 | 124,694 | 124,343 | 124,343 | 125,486 | 125,827 |



EDUCATION

The mission of the [Pennsylvania Department of Education \(PDE\)](#) 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.

PDE 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. PDE 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)

| | 2023-24 | 2024-25 | 2025-26 |
|--|------------------|--------------------|--------------------|
| | ACTUAL | AVAILABLE | BUDGET |
| GENERAL FUND: | | | |
| General Government: | | | |
| General Government Operations | \$ 39,500 | \$ 42,804 | \$ 45,773 |
| (F)Adult Basic Education-Administration..... | 2,000 | 2,400 | 2,400 |
| (F)Education of Exceptional Children..... | 13,000 | 13,000 | 13,000 |
| (F)Special Education-State Personnel Development..... | 2,500 | 2,800 | 2,900 |
| (F)ESEA-Title I-Administration | 12,333 | 12,333 | 12,333 |
| (F)State Approving Agency (Veterans Affairs) | 1,800 | 2,100 | 2,100 |
| (F)Food and Nutrition Service | 21,000 | 21,000 | 21,000 |
| (F)Migrant Education-Administration..... | 700 | 700 | 750 |
| (F)Career and Technical Education-Administration | 4,100 | 4,300 | 4,300 |
| (F)Improving Teacher Quality-Title II-Administration/State | 7,400 | 7,400 | 7,400 |
| (F)Jacob K Javits Gifted and Talented Students Education..... | - | 760 | 760 |
| (F)Homeless Assistance | 5,000 | 6,500 | 6,500 |
| (F)Preschool Grant..... | 960 | 960 | 960 |
| (F)School Health Education Programs..... | 299 | 299 | 200 |
| (F)Preschool Development Grants..... | 16,000 | 16,000 | 16,000 |
| (F)Medical Assistance-Nurses' Aide Training | 335 | 335 | 335 |
| (F)State and Community Highway Safety | 2,269 | 2,480 | 2,480 |
| (F)Title IV-21st Century Community Learning Centers-Admin..... | 4,000 | 4,000 | 4,000 |
| (F)National Assessment of Educational Progress..... | 180 | 450 | 450 |
| (F)Migrant Education Coordination Program | 130 | 130 | 130 |
| (F)Student Support and Academic Enrichment-Administration..... | 4,569 | 8,750 | 8,750 |
| (F)Troops to Teachers..... | 400 | - | - |
| (F)Emergency Impact Aid Program..... | 2,000 | - | - |
| (F)Refugee School Impact Development (EA)..... | 13,206 | 13,206 | 11,200 |
| (A)Teacher Certification Fees | 2,136 | 2,287 | 2,409 |
| (A)PlanCon..... | 538 | 501 | 522 |
| (A)Approved Private Schools | 1,079 | 1,129 | 1,231 |
| (A)EPSDT Administration..... | 350 | 350 | 350 |
| (A)Services to Nonpublic Schools-Administration..... | 989 | 1,018 | 1,018 |
| (A)Nonpublic Textbook Administration..... | 1,505 | 1,548 | 1,548 |
| (A)Alternative Education..... | - | 10 | 10 |
| (A)SARA Reciprocity | 174 | 176 | 176 |
| (A)Higher Education Fees | 370 | 373 | 373 |
| (A)Management Services..... | 44 | - | - |
| (A)Menstrual Products Program..... | - | 3,000 ^a | 3,000 ^a |
| (R)Private Licensed Schools | 557 | 960 | 1,063 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-----------------------------|----------------------|---------------------|
| (R)Empowerment School Districts | 6,774 | 7,000 | 7,000 |
| Subtotal..... | \$ 168,197 | \$ 181,059 | \$ 182,421 |
| Recovery Schools..... | 275 | 275 | 292 |
| Information and Technology Improvement..... | 3,940 | 4,166 | 4,973 |
| (F)Statewide Longitudinal Data Systems | 5,110 | 5,110 | 1,400 |
| (F)Longitudinal Data to Support Education Policy | 500 | 1,006 | 1,006 |
| PA Assessment..... | 48,000 | 48,000 | 52,000 |
| (F)Title VI-Part A State Assessments..... | 15,000 | 16,000 | 16,000 |
| State Library..... | 2,484 | 2,664 | 3,245 |
| (F)LSTA-Library Development | 8,500 | 8,500 | 8,500 |
| (A)Key 93 Administrative Costs..... | - ^b | - ^b | - |
| Subtotal - State Funds..... | \$ 94,199 | \$ 97,909 | \$ 106,283 |
| Subtotal - Federal Funds..... | 143,291 | 150,519 | 144,854 |
| Subtotal - Augmentations..... | 7,185 | 10,392 | 10,637 |
| Subtotal - Restricted..... | 7,331 | 7,960 | 8,063 |
| Total - General Government..... | \$ 252,006 | \$ 266,780 | \$ 269,837 |
| Institutional: | | | |
| Youth Development Centers-Education | \$ 11,230 | \$ 13,747 | \$ 14,360 |
| Subtotal..... | \$ 11,230 | \$ 13,747 | \$ 14,360 |
| Grants and Subsidies: | | | |
| Support of Public Schools: | | | |
| Basic Education Funding..... | \$ 7,872,444 | \$ 8,157,444 | \$ 8,232,444 |
| Cyber Charter Transition | - | 100,000 | - |
| Level-Up Supplement | 100,000 ^c | - | - |
| Dual Enrollment Payments | - | 7,000 | 7,000 |
| Transfer to Public School Facility Improvement Grant Program..... | - | 100,000 | 125,000 |
| Ready to Learn Block Grant | 295,500 | 821,500 | 1,347,500 |
| School Safety and Security Transfer-Physical and Mental Hlth | 50,000 | 100,000 | 100,000 |
| Pre-K Counts | 302,284 | 317,284 | 334,313 |
| Head Start Supplemental Assistance | 88,178 | 90,878 | 90,878 |
| Mobile Science and Math Education Programs..... | 7,164 | 7,164 | - |
| Teacher Professional Development..... | 5,044 | 5,044 | 7,544 |
| (R)Teacher Information and Professional Education (EA) | - | - ^d | - |
| Teacher Stipend..... | 10,000 ^e | - | - |
| Adult and Family Literacy | 16,310 | 16,310 | 22,728 |
| (F)Adult Basic Education-Local | 23,500 | 24,200 | 24,200 |
| Career and Technical Education | 119,138 | 144,138 | 149,626 |
| (F)Career and Technical Education Act-Local | 49,000 | 51,000 | 51,000 |
| Career and Technical Education Equipment Grants..... | 15,000 | 20,000 | 20,000 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|----------------------------|-----------------------------|----------------------|
| | ACTUAL | AVAILABLE | BUDGET |
| Authority Rentals and Sinking Fund Requirements | 217,007 | 217,007 | 221,074 |
| Pupil Transportation | 693,945 | 702,315 | 725,837 |
| Nonpublic and Charter School Pupil Transportation | 72,255 | 73,396 | 67,390 |
| Special Education | 1,386,815 | 1,486,815 | 1,526,815 |
| (F)Individuals with Disabilities Education-Local..... | 595,612 | 600,000 | 600,000 |
| Early Intervention | 365,995 | 415,160 ^f | 429,725 |
| (F)Individuals with Disabilities Education..... | 16,000 | 16,000 | 30,000 |
| Tuition for Orphans and Children Placed in Private Homes | 45,321 | 45,463 | 39,752 |
| Payments in Lieu of Taxes | 173 | 180 | 178 |
| Education of Migrant Laborers' Children | 853 | 1,024 | 1,075 |
| PA Chartered Schools for the Deaf and Blind | 68,833 | 73,051 | 79,893 |
| Special Education-Approved Private Schools | 142,200 | 148,848 | 162,264 |
| School Food Services | 92,500 | 98,792 | 109,577 |
| (F)Food and Nutrition-Local..... | 1,725,820 | 1,725,820 | 1,725,820 |
| (F)COVID-Food and Nutrition Emergency Relief (EA)..... | 41,525 | - | - |
| (F)COVID-Food and Nutrition-P-EBT Administration (EA)..... | 1,267 | - | - |
| (F)Local Food for Schools (EA)..... | 4,808 | 4,808 | - |
| School Employees' Social Security | 621,770 | 644,455 | 666,511 |
| School Employees' Retirement | 3,002,000 | 3,089,000 | 3,239,000 |
| (F)ESEA-Title I-Local..... | 1,685,000 | 1,685,000 | 1,685,000 |
| (F)Improving Teacher Quality-Title II-Local..... | 100,000 | 105,000 | 105,000 |
| (F)Title IV-21st Century Community Learning Centers-Local..... | 91,000 | 91,000 | 91,000 |
| (F)Title III-Language Instruction for LEP and Immigrant Student..... | 32,000 | 38,000 | 38,000 |
| (F)Title VI-Rural and Low Income School-Local..... | 1,830 | 1,830 | 1,830 |
| (F)Student Support and Academic Enrichment-Local..... | 102,000 | 120,000 | 120,000 |
| (F)America's School Infrastructure Grant..... | 1,000 | 1,000 | 1,000 |
| (F)TANFBG-Teenage Parenting Education (EA)..... | 13,784 | 13,784 | 13,784 |
| (F)COVID-ESSER Performance Monitoring..... | 16,205 | - | - |
| (R)School Environmental Repairs Program..... | - | 37,911 | - |
| Subtotal..... | <u>\$ 20,091,080</u> | <u>\$ 21,397,621</u> | <u>\$ 22,192,758</u> |
| Other Grants and Subsidies: | | | |
| Services to Nonpublic Schools | \$ 98,969 | \$ 101,839 | \$ 101,839 |
| Textbooks, Materials, and Equipment for Nonpublic Schools | 30,106 | 30,979 | 30,979 |
| Public Library Subsidy | 70,470 | 70,470 | 70,470 |
| 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 | 39,450 | 44,120 | - |
| Safe School Initiative | 22,000 ^g | 1,614 | 1,614 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| Trauma-Informed Education | 750 | 750 | - |
| Safe Driving Course | 1,099 | 1,099 | 1,099 |
| Subtotal..... | \$ 268,482 | \$ 256,509 | \$ 211,639 |
| Higher Education-Other Grants and Subsidies: | | | |
| Community Colleges | \$ 261,640 | \$ 277,338 | \$ 290,338 |
| Transfer to Community College Capital Fund | 54,161 | 54,161 | 54,161 |
| Regional Community Colleges Services | 2,221 | 2,221 | 2,221 |
| Northern PA Regional College | 7,280 | 7,717 | 7,717 |
| Community Education Councils | 2,489 | 2,489 | 2,489 |
| Hunger-Free Campus Initiative | 1,000 | 1,000 | 1,000 |
| Parent Pathways | 1,661 | 1,661 | 1,661 |
| Sexual Assault Prevention | 1,500 | 1,500 | 1,500 |
| State-Related University Performance Funding | - | - | 60,000 |
| Subtotal..... | \$ 331,952 | \$ 348,087 | \$ 421,087 |
| State System of Higher Education: | | | |
| State Universities | 585,618 | 620,755 | 661,104 |
| Facility Transition | 85,000 | - | - |
| Subtotal..... | \$ 670,618 | \$ 620,755 | \$ 661,104 |
| Thaddeus Stevens College of Technology: | | | |
| Thaddeus Stevens College of Technology | 19,838 | 22,476 | 23,578 |
| Subtotal..... | \$ 19,838 | \$ 22,476 | \$ 23,578 |
| The Pennsylvania State University: | | | |
| General Support | 242,096 | 242,096 | 242,096 |
| Pennsylvania College of Technology | 29,971 | 33,971 | 35,670 |
| Subtotal..... | \$ 272,067 | \$ 276,067 | \$ 277,766 |
| University of Pittsburgh: | | | |
| General Support | 151,507 | 151,507 | 151,507 |
| Rural Education Outreach | 3,346 | 3,791 | 3,791 |
| Subtotal..... | \$ 154,853 | \$ 155,298 | \$ 155,298 |
| Temple University: | | | |
| General Support | 158,206 | 158,206 | 158,206 |
| Subtotal..... | \$ 158,206 | \$ 158,206 | \$ 158,206 |
| Lincoln University: | | | |
| General Support | 18,401 | 20,848 | 21,890 |
| Subtotal..... | \$ 18,401 | \$ 20,848 | \$ 21,890 |
| Subtotal - State Funds..... | \$ 17,485,146 | \$ 18,740,514 | \$ 19,636,692 |
| Subtotal - Federal Funds..... | 4,500,351 | 4,477,442 | 4,486,634 |
| Subtotal - Restricted..... | - | 37,911 | - |
| Total - Grants and Subsidies..... | \$ 21,985,497 | \$ 23,255,867 | \$ 24,123,326 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|----------------------|------------------------|-----------------------|
| STATE FUNDS..... | \$ 17,590,575 | \$ 18,852,170 | \$ 19,757,335 |
| FEDERAL FUNDS..... | 4,643,642 | 4,627,961 | 4,631,488 |
| AUGMENTATIONS..... | 7,185 | 10,392 | 10,637 |
| RESTRICTED..... | 7,331 | 45,871 | 8,063 |
| GENERAL FUND TOTAL..... | \$ 22,248,733 | \$ 23,536,394 | \$ 24,407,523 |
| OTHER FUNDS: | | | |
| COMMUNITY COLLEGE CAPITAL FUND: | | | |
| Community College Capital..... | \$ - ^h | \$ 11,811 ^h | \$ 1,039 ^h |
| GOV. CASEY ORGAN AND TISSUE DONATION AWARENESS TRUST FUND: | | | |
| Organ Donation Awareness (EA)..... | \$ 238 | \$ 238 | \$ 358 |
| KEYSTONE RECREATION, PARK, AND CONSERVATION FUND: | | | |
| Local Libraries Rehabilitation and Development (EA)..... | \$ 4,712 | \$ 5,124 ⁱ | \$ 5,972 |
| SSHE-Deferred Maintenance (EA)..... | 21,203 | 23,059 ^j | 26,875 |
| KEYSTONE RECREATION, PARK, AND CONSERVATION FUND TOTAL..... | \$ 25,915 | \$ 28,183 | \$ 32,847 |
| PROPERTY TAX RELIEF FUND: | | | |
| Property Tax Relief Payments (EA)..... | \$ 777,200 | \$ 931,500 | \$ 1,052,400 |
| SCHOOL SAFETY AND SECURITY FUND | | | |
| (F)COVID-SFR School-Based MH Training and Pathways to Cert..... | \$ 4,681 | \$ - | \$ - |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 17,590,575 | \$ 18,852,170 | \$ 19,757,335 |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND..... | - | - | - |
| FEDERAL FUNDS..... | 4,643,642 | 4,627,961 | 4,631,488 |
| AUGMENTATIONS..... | 7,185 | 10,392 | 10,637 |
| RESTRICTED..... | 7,331 | 45,871 | 8,063 |
| OTHER FUNDS..... | 808,034 | 971,732 | 1,086,644 |
| TOTAL ALL FUNDS..... | \$ 23,056,767 | \$ 24,508,126 | \$ 25,494,167 |

^a Funds from the Department of Health for the Menstrual Products Program distributed through the department in accordance with Act 55 of 2024.

^b Not added to avoid double counting: 2023-24 Actual is \$119,000 and 2024-25 Available is \$127,000.

^c In 2023-24, \$100,000,000 was transferred to the Commonwealth Financing Authority and directed for school facilities per Act 34 of 2023.

^d Transfer from Enterprise and Technology not added to avoid double counting. Teacher Information and Professional Education for 2024-25 Available is \$6,000,000.

^e In 2023-24, \$10,000,000 was transferred to a restricted account in the Pennsylvania Higher Education Assistance Agency.

^f Includes recommended supplemental appropriation of \$16,297,000.

^g Per Act 33 of 2023, \$20,700,000 was transferred to the Commission on Crime and Delinquency.

^h General Fund Transfer to Community College Capital Fund not added to avoid double counting. Community College Capital for 2023-24 Actual is \$52,297,337, 2024-25 Available is \$65,972,000, and 2025-26 Budget is \$55,200,000.

ⁱ Includes recommended supplemental executive authorization of \$806,000.

^j Includes recommended supplemental executive authorization of \$3,629,000.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| EDUCATION SUPPORT SERVICES: | | | | | | | |
| GENERAL FUND..... | \$ 43,440 | \$ 46,970 | \$ 50,746 | \$ 52,065 | \$ 52,065 | \$ 52,065 | \$ 52,065 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 119,791 | 126,019 | 120,354 | 120,354 | 120,354 | 120,354 | 119,594 |
| AUGMENTATIONS | 7,185 | 10,392 | 10,637 | 10,637 | 10,637 | 10,637 | 10,637 |
| RESTRICTED..... | 7,331 | 7,960 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 177,747 | \$ 191,341 | \$ 189,800 | \$ 191,119 | \$ 191,119 | \$ 191,119 | \$ 190,359 |
| PREK-12 EDUCATION: | | | | | | | |
| GENERAL FUND..... | \$ 15,842,608 | \$ 17,124,691 | \$ 17,908,307 | \$ 18,079,132 | \$ 18,228,011 | \$ 18,357,106 | \$ 18,487,225 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 4,515,351 | 4,493,442 | 4,502,634 | 4,488,634 | 4,488,634 | 4,488,634 | 4,488,634 |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | 37,911 | - | - | - | - | - |
| OTHER FUNDS..... | 782,119 | 943,549 | 1,053,797 | 1,053,431 | 1,053,298 | 1,052,904 | 1,052,904 |
| SUBCATEGORY TOTAL.... | \$ 21,140,078 | \$ 22,599,593 | \$ 23,464,738 | \$ 23,621,197 | \$ 23,769,943 | \$ 23,898,644 | \$ 24,028,763 |
| LIBRARY SERVICES: | | | | | | | |
| GENERAL FUND..... | \$ 78,592 | \$ 78,772 | \$ 79,353 | \$ 79,437 | \$ 79,437 | \$ 79,437 | \$ 79,437 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 8,500 | 8,500 | 8,500 | 8,500 | 8,500 | 8,500 | 8,500 |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 4,712 | 5,124 | 5,972 | 6,767 | 7,302 | 7,826 | 8,269 |
| SUBCATEGORY TOTAL.... | \$ 91,804 | \$ 92,396 | \$ 93,825 | \$ 94,704 | \$ 95,239 | \$ 95,763 | \$ 96,206 |
| HIGHER EDUCATION: | | | | | | | |
| GENERAL FUND..... | \$ 1,625,935 | \$ 1,601,737 | \$ 1,718,929 | \$ 1,718,929 | \$ 1,718,929 | \$ 1,718,929 | \$ 1,718,929 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 21,203 | 23,059 | 26,875 | 30,453 | 32,861 | 35,216 | 37,211 |
| SUBCATEGORY TOTAL.... | \$ 1,647,138 | \$ 1,624,796 | \$ 1,745,804 | \$ 1,749,382 | \$ 1,751,790 | \$ 1,754,145 | \$ 1,756,140 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 17,590,575 | \$ 18,852,170 | \$ 19,757,335 | \$ 19,929,563 | \$ 20,078,442 | \$ 20,207,537 | \$ 20,337,656 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 4,643,642 | 4,627,961 | 4,631,488 | 4,617,488 | 4,617,488 | 4,617,488 | 4,616,728 |
| AUGMENTATIONS | 7,185 | 10,392 | 10,637 | 10,637 | 10,637 | 10,637 | 10,637 |
| RESTRICTED..... | 7,331 | 45,871 | 8,063 | 8,063 | 8,063 | 8,063 | 8,063 |
| OTHER FUNDS..... | 808,034 | 971,732 | 1,086,644 | 1,090,651 | 1,093,461 | 1,095,946 | 1,098,384 |
| DEPARTMENT TOTAL | <u>\$23,056,767</u> | <u>\$24,508,126</u> | <u>\$25,494,167</u> | <u>\$25,656,402</u> | <u>\$25,808,091</u> | <u>\$25,939,671</u> | <u>\$26,071,468</u> |

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.

The Education Support Services program 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](#), the [State Board of Higher 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 | | Information and Technology Improvement | |
|-------------------------------|--|--|-------------------------------|
| \$ 2,709 | —to continue current program. | \$ 807 | —to continue current program. |
| 260 | —to implement provisions of Act 135 of 2024. | | |
| \$ 2,969 | <i>Appropriation Increase</i> | | |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 39,500 | \$ 42,804 | \$ 45,773 | \$ 46,963 | \$ 46,963 | \$ 46,963 | \$ 46,963 |
| Information and Technology Improvement | 3,940 | 4,166 | 4,973 | 5,102 | 5,102 | 5,102 | 5,102 |
| TOTAL GENERAL FUND | \$ 43,440 | \$ 46,970 | \$ 50,746 | \$ 52,065 | \$ 52,065 | \$ 52,065 | \$ 52,065 |

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 PreK-12 students at thousands of schools throughout the Commonwealth. Each school district is a local governing unit, elected or appointed pursuant to state statute and local ordinance, and separate from the Commonwealth. Both the Commonwealth and local school districts contribute to the financing of public elementary and secondary education, with state funding provided to the school districts, including federal education funding, to supplement the funds raised locally.

The [Basic Education Funding appropriation](#) is the largest subsidy the Commonwealth provides to local school districts. To increase academic achievement, school districts 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. PDE 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 intermediate units also provide professional development and technical assistance to school districts.

Early Childhood Learning

High-quality early learning for Pennsylvania's youngest students facilitates their short-term and long-term academic and social success. [Early childhood](#) programs supported through the department appropriations include:

- [Early Intervention \(EI\)](#) programs 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 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

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](#) offers academic standards in 12 subject areas. The following core standards are benchmark measures that define what students should know and be able to do at specified grade levels beginning in grade three. They include [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 \(PSSAs\)](#) test students on 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 which are 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 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 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 can 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)

| | | | |
|----|---|--|---|
| | Recovery Schools | | Mobile Science and Math Education Programs |
| \$ | 17 | —to continue current program. | \$ (7,164) —program elimination. |
| | PA Assessment | | Teacher Professional Development |
| \$ | 4,000 | —to continue current program. | \$ 2,500 —Initiative—for professional development opportunities for educators and school leaders. |
| | Youth Development Centers-Education | | Adult and Family Literacy |
| \$ | 613 | —to continue current program. | \$ 418 —to continue current program. |
| | Basic Education Funding | | 6,000 —Initiative—to increase quality and capacity of education for adult learners. |
| \$ | 75,000 | —Initiative—to continue sustained investment in school district basic education programs. | \$ 6,418 <i>Appropriation Increase</i> |
| | Cyber Charter Transition | | Career and Technical Education |
| \$ | (100,000) | —program elimination. | \$ 5,488 —to continue current program. |
| | Transfer to Public School Facility Improvement Grant Program | | Authority Rentals and Sinking Fund Requirements |
| \$ | 25,000 | —Initiative—to provide resources for facility improvement projects in public schools. | \$ 4,067 —to provide reimbursement for existing school construction projects and charter leases to reduce reliance on debt. |
| | Ready to Learn Block Grant | | Pupil Transportation |
| \$ | 526,000 | —Initiative—to provide an additional adequacy adjustment for K-12 education. | \$ 23,522 —to continue current program. |
| | Pre-K Counts | | Nonpublic and Charter School Pupil Transportation |
| \$ | 2,029 | —to continue current program. | \$ (6,006) —to continue current program. |
| | 15,000 | —Initiative—to invest in high-quality early childhood education for 3- and 4-year-olds by increasing the cost per child. | Special Education |
| | | | \$ 40,000 —Initiative—to provide increased resources for school district special education instruction. |
| \$ | 17,029 | <i>Appropriation Increase</i> | |

Program: PreK–12 Education, continued

Program Recommendations, continued:

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

| | |
|--|--|
| <p>Early Intervention</p> <p>\$ 14,565 —to continue to provide services to additional children from ages 3 through 5.</p> <p>Tuition for Orphans and Children Placed in Private Homes</p> <p>\$ (5,711) —to continue current program.</p> <p>Payments in Lieu of Taxes</p> <p>\$ (2) —to continue current program.</p> <p>Education of Migrant Laborers' Children</p> <p>\$ 51 —to continue current program.</p> <p>PA Chartered Schools for the Deaf and Blind</p> <p>\$ 6,842 —to continue current program.</p> | <p>Special Education-Approved Private Schools</p> <p>\$ 13,416 —to continue current program.</p> <p>School Food Services</p> <p>\$ 10,785 —to continue current program.</p> <p>School Employees' Social Security</p> <p>\$ 22,056 —to continue current program.</p> <p>School Employees' Retirement</p> <p>\$ 150,000 —to continue current program.</p> <p>Job Training and Education Programs</p> <p>\$ (44,120) —program elimination.</p> <p>Trauma-Informed Education</p> <p>\$ (750) —program elimination.</p> |
|--|--|

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Recovery Schools | \$ 275 | \$ 275 | \$ 292 | \$ 292 | \$ 292 | \$ 292 | \$ 292 |
| PA Assessment ... | 48,000 | 48,000 | 52,000 | 53,352 | 53,352 | 53,352 | 53,352 |
| Youth Development Centers-Education | 11,230 | 13,747 | 14,360 | 14,733 | 14,733 | 14,733 | 14,733 |
| Basic Education Funding | 7,872,444 | 8,157,444 | 8,232,444 | 8,232,444 | 8,232,444 | 8,232,444 | 8,232,444 |
| Cyber Charter Transition | - | 100,000 | - | - | - | - | - |
| Level-Up Supplement..... | 100,000 | - | - | - | - | - | - |
| Dual Enrollment Payments..... | - | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| Transfer to Public School Facility Improvement Grant Program | - | 100,000 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 |
| Ready to Learn Block Grant | 295,500 | 821,500 | 1,347,500 | 1,347,500 | 1,347,500 | 1,347,500 | 1,347,500 |

Program: PreK–12 Education, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| School Safety and Security Transfer-Physical and Mental Hlth..... | 50,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Pre-K Counts | 302,284 | 317,284 | 334,313 | 334,313 | 334,313 | 334,313 | 334,313 |
| Head Start Supplemental Assistance | 88,178 | 90,878 | 90,878 | 90,878 | 90,878 | 90,878 | 90,878 |
| Mobile Science and Math Education Programs | 7,164 | 7,164 | - | - | - | - | - |
| Teacher Professional Development..... | 5,044 | 5,044 | 7,544 | 7,544 | 7,544 | 7,544 | 7,544 |
| Teacher Stipend .. | 10,000 | - | - | - | - | - | - |
| Adult and Family Literacy | 16,310 | 16,310 | 22,728 | 22,728 | 22,728 | 22,728 | 22,728 |
| Career and Technical Education | 119,138 | 144,138 | 149,626 | 149,626 | 149,626 | 149,626 | 149,626 |
| Career and Technical Education Equipment Grants | 15,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Authority Rentals and Sinking Fund Requirements | 217,007 | 217,007 | 221,074 | 208,988 | 198,886 | 183,989 | 167,077 |
| Pupil Transportation..... | 693,945 | 702,315 | 725,837 | 738,176 | 750,725 | 763,488 | 776,467 |
| Nonpublic and Charter School Pupil Transportation..... | 72,255 | 73,396 | 67,390 | 67,390 | 67,390 | 67,390 | 67,390 |
| Special Education | 1,386,815 | 1,486,815 | 1,526,815 | 1,526,815 | 1,526,815 | 1,526,815 | 1,526,815 |
| Early Intervention. | 365,995 | 415,160 | 429,725 | 429,725 | 429,725 | 429,725 | 429,725 |
| Tuition for Orphans and Children Placed in Private Homes | 45,321 | 45,463 | 39,752 | 39,752 | 39,752 | 39,752 | 39,752 |
| Payments in Lieu of Taxes | 173 | 180 | 178 | 178 | 178 | 178 | 178 |
| Education of Migrant Laborers' Children | 853 | 1,024 | 1,075 | 1,075 | 1,075 | 1,075 | 1,075 |
| PA Chartered Schools for the Deaf and Blind | 68,833 | 73,051 | 79,893 | 82,580 | 82,580 | 82,580 | 82,580 |
| Special Education-Approved Private Schools | 142,200 | 148,848 | 162,264 | 167,721 | 167,721 | 167,721 | 167,721 |

Program: PreK–12 Education, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| School Food Services | 92,500 | 98,792 | 109,577 | 109,577 | 109,577 | 109,577 | 109,577 |
| School Employees' Social Security | 621,770 | 644,455 | 666,511 | 689,172 | 712,604 | 736,833 | 761,885 |
| School Employees' Retirement | 3,002,000 | 3,089,000 | 3,239,000 | 3,377,000 | 3,500,000 | 3,607,000 | 3,716,000 |
| Services to Nonpublic Schools | 98,969 | 101,839 | 101,839 | 101,839 | 101,839 | 101,839 | 101,839 |
| Textbooks, Materials, and Equipment for Nonpublic Schools | 30,106 | 30,979 | 30,979 | 30,979 | 30,979 | 30,979 | 30,979 |
| Job Training and Education Programs | 39,450 | 44,120 | - | - | - | - | - |
| Safe School Initiative | 22,000 | 1,614 | 1,614 | 1,656 | 1,656 | 1,656 | 1,656 |
| Trauma-Informed Education | 750 | 750 | - | - | - | - | - |
| Safe Driving Course | 1,099 | 1,099 | 1,099 | 1,099 | 1,099 | 1,099 | 1,099 |
| TOTAL GENERAL FUND | \$ 15,842,608 | \$ 17,124,691 | \$ 17,908,307 | \$ 18,079,132 | \$ 18,228,011 | \$ 18,357,106 | \$ 18,487,225 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|--------------------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Improve access to high-quality early learning programs for all Pennsylvania children and families. | | | | | | | |
| Students in state-funded Head Start Supplemental | 6,497 | 6,458 | 5,699 ^a | 6,574 | 6,574 | 6,574 | 6,574 |
| Students in PA Pre-K Counts programs | 25,318 | 25,178 | 27,906 | 30,423 | 30,459 | 30,459 | 30,459 |
| Children participating in Early Intervention | 59,960 | 57,347 | 59,106 | 64,195 | 69,287 | 72,820 | 76,320 |
| 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 | % 49.8 | 52.0 | 35.7 | 38.3 | 40.2 | 41.7 | 43.7 |
| Percentage of students proficient or advanced in English language arts | % 66.1 | 67.6 | 54.1 | 54.5 | 53.9 | 56.0 | 58.0 |
| Percentage of students proficient or advanced in science | % 67.8 | 69.2 | 54.4 | 58.9 | 59.2 | 62.6 | 64.6 |
| Increase collaboration between early childhood, K-12, and postsecondary education as well as business and industry partners to align instruction with Pennsylvania's current and emerging workforce needs and emphasize the value of career and technical skills. | | | | | | | |
| Students enrolled in PDE-approved career and technical education (CTE) programs of study | 68,105 | 65,536 | 68,659 | 70,032 | 71,433 | 72,801 | 75,941 |

^a Actual year measure data has been updated due to masking and vaccination requirements.

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 local public libraries. Nearly two-thirds of the Public Library Subsidy goes directly to libraries and library systems. The other third is split between state resource centers, 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 Pennsylvania schools, public libraries, college and university collections, special libraries, and intermediate unit materials. 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 several 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 | |
| \$ | 581 | —to continue current program. |

Program: Library Services, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| State Library | \$ 2,484 | \$ 2,664 | \$ 3,245 | \$ 3,329 | \$ 3,329 | \$ 3,329 | \$ 3,329 |
| Public Library Subsidy | 70,470 | 70,470 | 70,470 | 70,470 | 70,470 | 70,470 | 70,470 |
| 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 | \$ 78,592 | \$ 78,772 | \$ 79,353 | \$ 79,437 | \$ 79,437 | \$ 79,437 | \$ 79,437 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Meet the critical learning and information needs of Pennsylvania residents by increasing use of POWER Library's online reference resources, especially those for elementary and secondary school students. | | | | | | | |
| Use of POWER Library online reference resources offered (in thousands) | 8,125 | 7,704 | 7,596 | 7,517 | 8,497 | 8,500 | 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) | 4,852 | 5,110 | 3,097 | 2,912 | 3,742 | 3,800 | 3,800 |
| 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. | | | | | | | |
| Internet sessions by the public in public libraries (in thousands) | 14,569 | 6,356 | 5,243 | 7,535 | 10,391 | 10,000 | 10,000 |
| 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. | | | | | | | |
| Recorded or braille items borrowed or downloaded through Library Services for Visually Impaired and Disabled program (in thousands) | 1,515 | 1,281 | 1,229 | 1,127 | 1,342 | 1,400 | 1,400 |
| Increase awareness of the State Library of Pennsylvania's extensive research resources and services among Commonwealth employees and the public by increasing library use. | | | | | | | |
| Items accessed from the State Library of Pennsylvania | 109,184 | 182,052 | 97,766 | 72,439 | 194,439 | 200,000 | 200,000 |

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 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

The [State System of Higher Education](#) distributes funding to its universities 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

PDE 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. Pennsylvania focuses on increasing pathways to postsecondary education and training connecting to statewide and regional workforce needs, especially science, technology, engineering, mathematics, and computer science.

Support for Minority Students

PDE and the [United States Department of Education's Office for 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 [Cheyney University Honors Academy](#) at Cheyney University.

Support Services

The department provides leadership and support services to all sectors of higher education. This budget implements the State Board of Higher Education enacted by Act 69 of 2024. Along with the development and implementation of a strategic plan, the board will lead and coordinate efforts by institutions of higher education in the Commonwealth to meet workforce and economic development needs statewide and improve access and affordability of postsecondary education. The department acts as a liaison with the national accrediting agencies, the State Board of Education, the State Board of Private Licensed Schools, and other governing boards. Additionally, the department awards teaching certificates to those seeking certification in Pennsylvania.

Program: Higher Education, continued

Program Recommendations:

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

| | | | |
|---|--|---|--|
| Community Colleges | | Thaddeus Stevens College of Technology | |
| \$ 13,000 | —Initiative—to invest in higher education and improve college access and completion. | \$ 1,102 | —Initiative—to invest in higher education and improve college access and completion. |
| State-Related University Performance Funding | | The Pennsylvania State University Pennsylvania College of Technology | |
| \$ 60,000 | —Initiative—for performance funding grants to state-related universities per Act 69 of 2024. | \$ 1,699 | —Initiative—to invest in higher education and improve college access and completion. |
| State System of Higher Education | | Lincoln University | |
| \$ 40,349 | —Initiative—to invest in higher education and improve college access and completion. | \$ 1,042 | —Initiative—to invest in higher education and improve college access and completion. |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------|------------|------------|------------|------------|------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Community Colleges. | \$ 261,640 | \$ 277,338 | \$ 290,338 | \$ 290,338 | \$ 290,338 | \$ 290,338 | \$ 290,338 |
| Transfer to Community College Capital Fund | 54,161 | 54,161 | 54,161 | 54,161 | 54,161 | 54,161 | 54,161 |
| Regional Community Colleges Services | 2,221 | 2,221 | 2,221 | 2,221 | 2,221 | 2,221 | 2,221 |
| Northern PA Regional College | 7,280 | 7,717 | 7,717 | 7,717 | 7,717 | 7,717 | 7,717 |
| Community Education Councils ... | 2,489 | 2,489 | 2,489 | 2,489 | 2,489 | 2,489 | 2,489 |
| Hunger-Free Campus Initiative | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Parent Pathways..... | 1,661 | 1,661 | 1,661 | 1,661 | 1,661 | 1,661 | 1,661 |
| Sexual Assault Prevention..... | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| State-Related University Performance Funding | - | - | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| State System of Higher Education | 585,618 | 620,755 | 661,104 | 661,104 | 661,104 | 661,104 | 661,104 |
| Facility Transition..... | 85,000 | - | - | - | - | - | - |

Program: Higher Education, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Thaddeus Stevens College of Technology | 19,838 | 22,476 | 23,578 | 23,578 | 23,578 | 23,578 | 23,578 |
| The Pennsylvania State University | 272,067 | 276,067 | 277,766 | 277,766 | 277,766 | 277,766 | 277,766 |
| University of Pittsburgh..... | 154,853 | 155,298 | 155,298 | 155,298 | 155,298 | 155,298 | 155,298 |
| Temple University | 158,206 | 158,206 | 158,206 | 158,206 | 158,206 | 158,206 | 158,206 |
| Lincoln University..... | 18,401 | 20,848 | 21,890 | 21,890 | 21,890 | 21,890 | 21,890 |
| TOTAL GENERAL FUND | \$ 1,625,935 | \$ 1,601,737 | \$ 1,718,929 | \$ 1,718,929 | \$ 1,718,929 | \$ 1,718,929 | \$ 1,718,929 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Increase postsecondary access, affordability, and completion through improved alignment between K-12 and higher education in the Commonwealth. | | | | | | | |
| Percentage of students enrolled in postsecondary education within 16 months of graduating from a Pennsylvania public high school..... % | 64.0 | 61.0 | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 |
| Percentage of Pennsylvania high school graduates who earn a degree within six years of graduation | 43.1 | 44.0 | 44.6 | 45.1 | 45.7 | 43.0 | 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..... % | 64.0 | 64.0 | 59.7 | 61.2 | 61.2 | 60.7 | 61.1 |
| Percentage of full-time, first-time students at community colleges earning a degree within 150 percent of normal time | 22.0 | 22.0 | 20.6 | 20.5 | 20.7 | 20.6 | 20.6 |
| Percentage of Pennsylvania residents with a postsecondary degree or credential | 51.4 | 53.0 | 54.7 | 54.7 | 55.9 | 52.7 | 53.6 |



HIGHER EDUCATION ASSISTANCE AGENCY

The mission of the [Pennsylvania Higher Education Assistance Agency \(PHEAA\)](#) is to provide affordable access to higher education for Pennsylvania students and families.

The agency provides financial aid to postsecondary students in the form of grants, scholarships, loans, and employment opportunities through the coordination of state and federal aid programs. In addition, the agency provides institutional assistance grants to private institutions enrolling students who participate in the Pennsylvania State Grant Program.

Programs and Goals

Financial Assistance to Students: To provide financial assistance to Commonwealth residents in order to promote access to postsecondary education.

Financial Aid to Institutions: To assist independent, postsecondary institutions to maintain enrollments and stabilize their educational costs; thereby, promoting access to institutions in all sectors for Pennsylvania students and assisting at-risk students by providing institutional funds for support services.

Higher Education Assistance Agency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|---|--------------------------|--------------------------|--------------------------|
| | ACTUAL | AVAILABLE | BUDGET |
| <u>GENERAL FUND:</u> | | | |
| <i>Grants and Subsidies:</i> | | | |
| Grants to Students | \$ 347,267 | \$ 401,348 | \$ 402,003 |
| (A)Grants to Students Supplement | 12,000 | 15,000 | 15,000 |
| (A)Transfer from SciTech and GI Bill Restricted Account | 8,551 | - | - |
| Pennsylvania Internship Program Grants | 468 | 468 | 468 |
| Ready to Succeed Scholarships | 23,939 | 59,939 | 59,939 |
| Matching Payments for Student Aid | 13,646 | 13,646 | 13,646 |
| Institutional Assistance Grants | 26,521 | 26,521 | 26,521 |
| Higher Education for the Disadvantaged | 5,000 | 7,500 | 7,500 |
| Higher Education of Blind or Deaf Students | 51 | 51 | 51 |
| Bond-Hill Scholarships | 832 | 1,832 | 1,832 |
| Cheyney University Honors Academy | 3,980 | 5,480 | 5,480 |
| (A)Cheyney University Honors Academy Supplement | 500 | 500 | 500 |
| Targeted Industry Cluster Scholarship Program | 8,652 | 11,652 | 11,652 |
| Student Teacher Stipend | - | ^a 20,000 | 40,000 |
| Grow PA Scholarships | - | 25,000 | 25,000 |
| Subtotal - State Funds | \$ 430,356 | \$ 573,437 | \$ 594,092 |
| Subtotal - Augmentations | 21,051 | 15,500 | 15,500 |
| Total - Grants and Subsidies | <u>\$ 451,407</u> | <u>\$ 588,937</u> | <u>\$ 609,592</u> |
| STATE FUNDS | \$ 430,356 | \$ 573,437 | \$ 594,092 |
| FEDERAL FUNDS | - | - | - |
| AUGMENTATIONS | 21,051 | 15,500 | 15,500 |
| GENERAL FUND TOTAL | <u>\$ 451,407</u> | <u>\$ 588,937</u> | <u>\$ 609,592</u> |
| <u>OTHER FUNDS:</u> | | | |
| HIGHER EDUCATION ASSISTANCE FUND: | | | |
| (R)Educational Training Vouchers Program | \$ 1,632 | \$ 1,485 | \$ - |
| (R)Public Defender and District Attorney Loan Forgiveness | 135 | 183 | 175 |
| (R)Active Volunteer Tuition and Loan Assistance Program | 1,000 | 1,000 | 1,000 |
| HIGHER EDUCATION ASSISTANCE FUND TOTAL | <u>\$ 2,767</u> | <u>\$ 2,668</u> | <u>\$ 1,175</u> |

Higher Education Assistance Agency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| SCHOOL SAFETY AND SECURITY FUND: | | | |
| (F)COVID-SFR School Based MH Internship Grant Program | 5,000 | - | - |
| SCHOOL SAFETY AND SECURITY FUND TOTAL..... | \$ 5,000 | \$ - | \$ - |
| | | | |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 430,356 | \$ 573,437 | \$ 594,092 |
| MOTOR LICENSE FUND | - | - | - |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS | - | - | - |
| AUGMENTATIONS | 21,051 | 15,500 | 15,500 |
| RESTRICTED | - | - | - |
| OTHER FUNDS | 7,767 | 2,668 | 1,175 |
| TOTAL ALL FUNDS | \$ 459,174 | \$ 591,605 | \$ 610,767 |

^a In 2023-24, \$10,000,000 in funding for the program was appropriated in the Pennsylvania Department of Education but transferred to a restricted account in PHEAA.

Higher Education Assistance Agency

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|--|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| FINANCIAL ASSISTANCE TO STUDENTS: | | | | | | | |
| GENERAL FUND..... | \$ 398,835 | \$ 539,416 | \$ 560,071 | \$ 560,071 | \$ 560,071 | \$ 560,071 | \$ 560,071 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | 21,051 | 15,500 | 15,500 | 15,500 | 15,500 | 15,500 | 15,500 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 7,767 | 2,668 | 1,175 | 1,175 | 1,175 | 1,175 | 1,175 |
| SUBCATEGORY TOTAL..... | \$ 427,653 | \$ 557,584 | \$ 576,746 | \$ 576,746 | \$ 576,746 | \$ 576,746 | \$ 576,746 |
| FINANCIAL AID TO INSTITUTIONS: | | | | | | | |
| GENERAL FUND..... | \$ 31,521 | \$ 34,021 | \$ 34,021 | \$ 34,021 | \$ 34,021 | \$ 34,021 | \$ 34,021 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL..... | \$ 31,521 | \$ 34,021 | \$ 34,021 | \$ 34,021 | \$ 34,021 | \$ 34,021 | \$ 34,021 |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 430,356 | \$ 573,437 | \$ 594,092 | \$ 594,092 | \$ 594,092 | \$ 594,092 | \$ 594,092 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | 21,051 | 15,500 | 15,500 | 15,500 | 15,500 | 15,500 | 15,500 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 7,767 | 2,668 | 1,175 | 1,175 | 1,175 | 1,175 | 1,175 |
| DEPARTMENT TOTAL | \$ 459,174 | \$ 591,605 | \$ 610,767 | \$ 610,767 | \$ 610,767 | \$ 610,767 | \$ 610,767 |

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 based 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 Scholarship](#) 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 that students earn through both on- 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 University Honors Academy](#) 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 | | Student Teacher Stipend | |
|---------------------------|---|--------------------------------|---|
| \$ 655 | —to maintain the maximum student aid grant. | \$ 20,000 | —Initiative—for stipends for student teachers to increase the educator workforce. |

Higher Education Assistance Agency

Program: Financial Assistance to Students, continued

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Grants to Students.... | \$ 347,267 | \$ 401,348 | \$ 402,003 | \$ 402,003 | \$ 402,003 | \$ 402,003 | \$ 402,003 |
| Pennsylvania Internship Program Grants | 468 | 468 | 468 | 468 | 468 | 468 | 468 |
| Ready to Succeed Scholarships | 23,939 | 59,939 | 59,939 | 59,939 | 59,939 | 59,939 | 59,939 |
| Matching Payments for Student Aid | 13,646 | 13,646 | 13,646 | 13,646 | 13,646 | 13,646 | 13,646 |
| Higher Education of Blind or Deaf Students..... | 51 | 51 | 51 | 51 | 51 | 51 | 51 |
| Bond-Hill Scholarships | 832 | 1,832 | 1,832 | 1,832 | 1,832 | 1,832 | 1,832 |
| Cheyney University Honors Academy | 3,980 | 5,480 | 5,480 | 5,480 | 5,480 | 5,480 | 5,480 |
| Targeted Industry Cluster Scholarship Program | 8,652 | 11,652 | 11,652 | 11,652 | 11,652 | 11,652 | 11,652 |
| Student Teacher Stipend..... | - | 20,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| Grow PA Scholarships | - | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| TOTAL GENERAL FUND | \$ 398,835 | \$ 539,416 | \$ 560,071 | \$ 560,071 | \$ 560,071 | \$ 560,071 | \$ 560,071 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Increase enrollment and graduation rates at Pennsylvania's colleges and universities. | | | | | | | |
| Applications for PA State Grants | 507,062 | 489,300 | 469,252 | 455,005 | 470,965 | 447,417 | 447,417 |
| PA State Grant recipients | 132,910 | 118,723 | 104,952 | 107,212 | 110,306 | 113,200 | 113,200 |
| Ready to Succeed Scholarship recipients | 3,633 | 3,436 | 3,514 | 12,279 | 10,784 | 29,353 | 29,353 |
| Develop a strong workforce in targeted industries in Pennsylvania through access to financial assistance for postsecondary education. | | | | | | | |
| PA Targeted Industry program recipients | 1,525 | 1,765 | 1,864 | 2,296 | 2,283 | 2,940 | 2,940 |

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.

[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.

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) | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Institutional Assistance Grants..... | \$ 26,521 | \$ 26,521 | \$ 26,521 | \$ 26,521 | \$ 26,521 | \$ 26,521 | \$ 26,521 |
| Higher Education for the Disadvantaged.... | 5,000 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 |
| TOTAL GENERAL FUND..... | \$ 31,521 | \$ 34,021 | \$ 34,021 | \$ 34,021 | \$ 34,021 | \$ 34,021 | \$ 34,021 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Support programs at institutions through the development and preservation of a planned system of postsecondary education across the Commonwealth (through the Institutional Assistance Grants Program). | | | | | | | |
| Institutions aided through Institutional Assistance Grants program | 88 | 89 | 89 | 89 | 89 | 84 | 84 |
| Support programs at institutions that help economically and educationally underserved students succeed in postsecondary education. | | | | | | | |
| Institutional programs aided through Act 101 program | 33 | 34 | 35 | 35 | 36 | 38 | 38 |



EMERGENCY MANAGEMENT AGENCY

The mission of the [Pennsylvania Emergency Management Agency \(PEMA\)](#) is to help 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. PEMA, through the [Office of the State Fire Commissioner \(OSFC\)](#), provides grants and 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.*

Emergency Management Agency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
|--|-------------------|----------------------|-------------------|

GENERAL FUND:

General Government:

| | | | |
|--|-------------------|-------------------------------|-------------------|
| General Government Operations | \$ 15,721 | \$ 14,786 ^a | \$ 21,912 |
| (F)Civil Preparedness..... | 70,000 | 100,000 | 100,000 |
| (F)IIJA-State and Local Cybersecurity | 15,905 | 25,000 | 21,000 |
| (F)Hazardous Materials Planning and Training..... | 2,500 | 2,500 | 2,500 |
| (F)Domestic Preparedness-First Responders (EA) | 100,000 | 100,000 | 100,000 |
| (A)Miscellaneous..... | 268 | 116 | 30 |
| (R)Radiological Emergency Response Planning | 1,320 | 1,100 | 1,100 |
| (R)Radiation Emergency Response Fund | 708 | 600 | 600 |
| (R)Radiation Transportation Emergency Response Fund | 46 | 180 | 180 |
| Subtotal..... | \$ 206,468 | \$ 244,282 | \$ 247,322 |
| State Fire Commissioner | 3,080 | 4,614 ^b | 5,031 |
| (F)Fire Prevention | 40 | 20 | 20 |
| (F)Firefighters Assistance Program (EA) | 500 | 500 | 500 |
| (A)Fire and Emergency Medical Services Programs | 1,458 | 1,401 | 1,401 |
| (A)Arson Fines | 2 | - | - |
| (R)Online Training Educator and Reimbursement | 341 | 450 | 250 |
| (R)Emergency Services Training Center Capital Grants | 493 | 500 | 500 |
| (R)Career Fire Department Capital Grants | 490 | 500 | 500 |
| (R)Public Safety Campaign | - | 250 | 250 |
| (R)Bomb Squad Reimbursement | - | 500 | 500 |
| Subtotal..... | \$ 6,404 | \$ 8,735 | \$ 8,952 |
| Subtotal - State Funds..... | \$ 18,801 | \$ 19,400 | \$ 26,943 |
| Subtotal - Federal Funds..... | 188,945 | 228,020 | 224,020 |
| Subtotal - Augmentations..... | 1,728 | 1,517 | 1,431 |
| Subtotal - Restricted..... | 3,398 | 4,080 | 3,880 |
| Total - General Government..... | \$ 212,872 | \$ 253,017 | \$ 256,274 |

Grants and Subsidies:

| | | | |
|--|--------------|---------------|--------------|
| Disaster Relief | - | 10,000 | - |
| (F)Disaster Relief (EA) | 75,000 | 50,000 | 50,000 |
| (F)COVID-PA Disaster Relief (EA)..... | 200,000 | 800,000 | 200,000 |
| (F)SCDBG-Disaster Recovery (EA) | 4,320 | 13,587 | 9,813 |
| Hazard Mitigation | 2,000 | 1,000 | - |
| (F)Hazard Mitigation (EA)..... | 100,000 | 80,000 | 80,000 |
| Emergency Management Assistance Compact | - | 4,000 | - |
| State Disaster Assistance | 5,000 | 5,000 | 5,000 |
| Firefighters Memorial Flags | 10 | 10 | 10 |

Emergency Management Agency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| Red Cross Extended Care Program | 350 | 350 | 350 |
| Search and Rescue | 250 | 250 | 250 |
| Urban Search and Rescue | - | 6,000 | - |
| | | | |
| (R)Fire and Emergency Medical Services Grant Program | 7,574 ° | 7,551 ° | 6,500 ° |
| Subtotal - State Funds | \$ 7,610 | \$ 26,610 | \$ 5,610 |
| Subtotal - Federal Funds | 379,320 | 943,587 | 339,813 |
| Subtotal - Restricted | 7,574 | 7,551 | 6,500 |
| Total - Grants and Subsidies | \$ 394,504 | \$ 977,748 | \$ 351,923 |
| STATE FUNDS | \$ 26,411 | \$ 46,010 | \$ 32,553 |
| FEDERAL FUNDS | 568,265 | 1,171,607 | 563,833 |
| AUGMENTATIONS | 1,728 | 1,517 | 1,431 |
| RESTRICTED | 10,972 | 11,631 | 10,380 |
| GENERAL FUND TOTAL | \$ 607,376 | \$ 1,230,765 | \$ 608,197 |
| | | | |
| <u>OTHER FUNDS:</u> | | | |
| FIRE AND EMERGENCY MEDICAL SERVICES LOAN FUND: | | | |
| Fire and Emergency Services Loans | \$ 13,651 | \$ 15,000 | \$ 15,000 |
| HAZARDOUS MATERIAL RESPONSE FUND: | | | |
| General Operations | \$ 160 | \$ 34 | \$ 100 |
| Hazardous Materials Response Team | 160 | 33 | 100 |
| Grants to Counties | 1,120 | 833 | 775 |
| Public and Facility Owner Education | 160 | - | 25 |
| HAZARDOUS MATERIAL RESPONSE FUND TOTAL | \$ 1,600 | \$ 900 | \$ 1,000 |
| PROPERTY TAX RELIEF FUND: | | | |
| Transfer to Fire and Emergency Medical Services Grant Pgrm (EA) | \$ 5,000 | \$ 5,000 | \$ 5,000 |
| Supplemental Grants to Fire Companies (EA) | - | - | 30,000 |
| PROPERTY TAX RELIEF FUND TOTAL | \$ 5,000 | \$ 5,000 | \$ 35,000 |
| STATE GAMING FUND: | | | |
| Transfer to Fire and Emergency Medical Services Grant Pgrm (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 |
| 911 FUND: | | | |
| General Operations (EA) | \$ 6,711 | \$ 7,040 | \$ 7,861 |
| Emergency Services Grants (EA) | 358,862 | 387,255 | 385,166 |
| 911 FUND TOTAL | \$ 365,573 | \$ 394,295 | \$ 393,027 |

Emergency Management Agency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|-------------------------------------|---------------------|----------------------|---------------------|
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND | \$ 26,411 | \$ 46,010 | \$ 32,553 |
| MOTOR LICENSE FUND | - | - | - |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS | 568,265 | 1,171,607 | 563,833 |
| AUGMENTATIONS | 1,728 | 1,517 | 1,431 |
| RESTRICTED | 10,972 | 11,631 | 10,380 |
| OTHER FUNDS | 412,324 | 441,695 | 470,527 |
| TOTAL ALL FUNDS | \$ 1,019,700 | \$ 1,672,460 | \$ 1,078,724 |

^a Reflects recommended appropriation reduction of \$1,156,000.

^b Includes recommended supplemental appropriation of \$1,156,000.

^c Not added to the total to avoid double counting: Transfers to (R)Fire and Emergency Medical Services Grant Program from the Property Tax Relief Fund for 2023-24 Actual is \$5,000,000; 2024-25 Available is \$5,000,000; and 2025-26 Budget is \$5,000,000; and from the State Gaming Fund for 2023-24 Actual is \$25,000,000; 2024-25 Available is \$25,000,000; and 2025-26 Budget is \$25,000,000. Balance shown represents the Fireworks Tax transfers within each year.

Emergency Management Agency

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| EMERGENCY MANAGEMENT: | | | | | | | |
| GENERAL FUND..... | \$ 22,971 | \$ 41,036 | \$ 27,162 | \$ 22,982 | \$ 24,482 | \$ 25,682 | \$ 26,982 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 567,725 | 1,171,087 | 563,313 | 563,313 | 563,313 | 542,313 | 542,313 |
| AUGMENTATIONS | 268 | 116 | 30 | 30 | 30 | 30 | 30 |
| RESTRICTED..... | 2,074 | 1,880 | 1,880 | 1,880 | 1,880 | 1,880 | 1,880 |
| OTHER FUNDS..... | 367,923 | 395,945 | 424,777 | 436,668 | 275,078 | 114,066 | 31,850 |
| SUBCATEGORY TOTAL.... | \$ 960,961 | \$ 1,610,064 | \$ 1,017,162 | \$ 1,024,873 | \$ 864,783 | \$ 683,971 | \$ 603,055 |
| FIRE PREVENTION AND SAFETY: | | | | | | | |
| GENERAL FUND..... | \$ 3,440 | \$ 4,974 | \$ 5,391 | \$ 5,569 | \$ 5,569 | \$ 5,569 | \$ 5,569 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 540 | 520 | 520 | 520 | 520 | 520 | 520 |
| AUGMENTATIONS | 1,460 | 1,401 | 1,401 | 1,401 | 1,401 | 1,401 | 1,401 |
| RESTRICTED..... | 8,898 | 9,751 | 8,500 | 8,500 | 8,500 | 8,500 | 8,500 |
| OTHER FUNDS..... | 44,401 | 45,750 | 45,750 | 45,750 | 45,750 | 45,750 | 45,750 |
| SUBCATEGORY TOTAL.... | \$ 58,739 | \$ 62,396 | \$ 61,562 | \$ 61,740 | \$ 61,740 | \$ 61,740 | \$ 61,740 |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 26,411 | \$ 46,010 | \$ 32,553 | \$ 28,551 | \$ 30,051 | \$ 31,251 | \$ 32,551 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 568,265 | 1,171,607 | 563,833 | 563,833 | 563,833 | 542,833 | 542,833 |
| AUGMENTATIONS | 1,728 | 1,517 | 1,431 | 1,431 | 1,431 | 1,431 | 1,431 |
| RESTRICTED..... | 10,972 | 11,631 | 10,380 | 10,380 | 10,380 | 10,380 | 10,380 |
| OTHER FUNDS..... | 412,324 | 441,695 | 470,527 | 482,418 | 320,828 | 159,816 | 77,600 |
| DEPARTMENT TOTAL | \$ 1,019,700 | \$ 1,672,460 | \$ 1,078,724 | \$ 1,086,613 | \$ 926,523 | \$ 745,711 | \$ 664,795 |

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.

PEMA'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. The agency 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 PEMA'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 levels who are responsible for carrying out all aspects of the statewide emergency management program.

PEMA's 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 [911 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 several [state and federal grant programs](#). The agency 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, the agency 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 and Public Assistance 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, the agency wholly, or in conjunction with other state agencies, coordinates a number of statewide specialized response teams such as:

- 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](#).

Emergency Management Agency

Program: Emergency Management, continued

Program Recommendations:

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

| | |
|--|---|
| <p>General Government Operations</p> <p>\$ 7,039 —to continue current program.</p> <p style="padding-left: 20px;">87 —to meet federal infrastructure matching requirements.</p> <p><u>\$ 7,126</u> <i>Appropriation Increase</i></p> <p>Disaster Relief</p> <p>\$ (10,000) —nonrecurring program costs.</p> | <p>Hazard Mitigation</p> <p>\$ (1,000) —nonrecurring program costs.</p> <p>Emergency Management Assistance Compact</p> <p>\$ (4,000) —nonrecurring program costs.</p> <p>Urban Search and Rescue</p> <p>\$ (6,000) —program elimination.</p> |
|--|---|

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 15,721 | \$ 14,786 | \$ 21,912 | \$ 16,232 | \$ 16,232 | \$ 16,232 | \$ 16,232 |
| Disaster Relief | - | 10,000 | - | - | - | 1,200 | 2,500 |
| Hazard Mitigation..... | 2,000 | 1,000 | - | 1,500 | 3,000 | 3,000 | 3,000 |
| Emergency Management Assistance Compact..... | - | 4,000 | - | - | - | - | - |
| State Disaster Assistance..... | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Search and Rescue | 250 | 250 | 250 | 250 | 250 | 250 | 250 |
| Urban Search and Rescue ... | - | 6,000 | - | - | - | - | - |
| TOTAL GENERAL FUND | <u>\$ 22,971</u> | <u>\$ 41,036</u> | <u>\$ 27,162</u> | <u>\$ 22,982</u> | <u>\$ 24,482</u> | <u>\$ 25,682</u> | <u>\$ 26,982</u> |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |

Provide support to local leaders in the five mission areas of prevention, protection, mitigation, response, and recovery.

| | | | | | | | | |
|--|---|----|----|----|----|----|----|----|
| Percentage of compliant county emergency management coordinators . | % | 75 | 80 | 85 | 78 | 85 | 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 | % | 45 | 71 | 52 | 69 | 75 | 75 | 75 |
| Businesses participating in private sector integration program..... | | 456 | 345 | 400 | 450 | 470 | 548 | 548 |
| Percentage of counties that adopt Hazard Mitigation (HM) plans | % | 85 | 90 | 90 | 95 | 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 \(OSFC\)](#) 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 State Fire Commissioner is 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 Pennsylvanians; 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. Each program strives to provide 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 aids 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 from the State Gaming Fund and the Property Tax Relief Fund to provide grants to fire companies and EMS companies to assist in maintaining or improving their capability to provide fire, ambulance, and rescue services. The fireworks tax generates additional funding that 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. OSFC aids fire departments and surviving relatives immediately following such deaths.

Program Recommendations:

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

GENERAL FUND:

State Fire Commissioner

\$ 417 —to continue current program.

PROPERTY TAX RELIEF FUND:

Supplemental Grants to Fire Companies (EA)

\$ 30,000 —Initiative—to increase support for fire companies.

Emergency Management Agency

Program: Fire Prevention and Safety, continued

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| State Fire Commissioner | \$ 3,080 | \$ 4,614 | \$ 5,031 | \$ 5,209 | \$ 5,209 | \$ 5,209 | \$ 5,209 |
| Firefighters Memorial Flags .. | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Red Cross Extended Care Program | 350 | 350 | 350 | 350 | 350 | 350 | 350 |
| TOTAL GENERAL FUND | \$ 3,440 | \$ 4,974 | \$ 5,391 | \$ 5,569 | \$ 5,569 | \$ 5,569 | \$ 5,569 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|-----------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Improve fire department effectiveness and service delivery and promote and enhance the safety of first responders through participation in firefighter certification programs and training opportunities. | | | | | | | |
| Fire and emergency medical services loans awarded (in thousands)..... | \$ 10,894 | 7,640 | 8,995 | 6,127 | 13,651 | 15,000 | 15,000 |
| Fire company grants awarded..... | 2,008 | 1,979 | 1,691 | 1,882 | 1,950 | 2,000 | 2,000 |
| Firefighter certifications issued..... | 3,126 | 796 | 2,588 | 2,823 | 3,182 | 3,200 | 3,200 |
| Fire casualties | 111 | 129 | 150 | 183 | 172 | 170 | 140 |
| Total firefighters trained | 2,979 | 252 | 1,521 | 1,425 | 1,652 | 1,650 | 1,650 |



ENVIRONMENTAL PROTECTION

The mission of the [Department of Environmental Protection \(DEP\)](#) 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 works as a partner 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 ensure DEP's mission 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)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
|--|-------------------|----------------------|-------------------|

GENERAL FUND:

General Government:

| | | | |
|---|-------------------|-------------------|-------------------|
| General Government Operations | \$ 20,221 | \$ 30,111 | \$ 32,928 |
| (F)IIJA-Assistance for Small and Disadvantaged Communities..... | 103,189 | 103,189 | 103,189 |
| (F)IIJA-Orphan Well Plugging | 105,000 | 105,000 | 175,000 |
| (F)IIJA-CWTP-Orphan Well Plugging (EA) | - | 1,000 | 2,000 |
| (F)IIJA-DOE-Energy Programs | 22,300 | 22,300 | 22,300 |
| (F)IIJA-Electric Grid Resilience | 16,250 | 269,250 | 269,250 |
| (F)IIJA-Energy Efficiency and Conservation | 4,000 | 4,000 | 4,000 |
| (F)IIJA-Methane Emissions Reduction Grants | 20,000 | 20,000 | 20,000 |
| (A)Reimbursement-EDP Services..... | - | - | - |
| (R)Safe Drinking Water Account | 12,339 | 13,039 | 14,094 |
| (R)Radiation Protection Fund..... | 14,917 | 16,845 | 16,400 |
| (R)Clean Water Fund | 24,851 | 29,481 | 26,990 |
| (R)Solid Waste Abatement Fund..... | 2,028 | 1,339 | 714 |
| (R)Well Plugging Account | 28,701 | 30,089 | 35,489 |
| (R)Abandoned Well Plugging | 2 | 190 | 190 |
| (R)Orphan Well Plugging | 255 | 994 | 326 |
| (R)Alternative Fuels..... | 5,133 | 7,277 | 7,186 |
| (R)Industrial Land Recycling | 238 | 661 | 676 |
| (R)Waste Transportation Safety Account..... | 3,837 | 9,999 | 8,581 |
| (R)Electronics Material Recycling Account | 525 | 580 | 602 |
| (R)Natural Resource Damage Settlements..... | - | 1,688 | 1,688 |
| Subtotal..... | \$ 383,786 | \$ 667,032 | \$ 741,603 |

| | | | |
|---|---------------|---------------|---------------|
| Environmental Program Management | 39,714 | 42,510 | 44,030 |
| (F)IRA-Solar for All | - | 156,120 | 166,120 |
| (F)IRA-CWTP-Solar for All (EA)..... | - | - | 1,000 |
| (F)Coastal Zone Management | 4,700 | 4,700 | 4,700 |
| (F)IIJA-Coastal Zone Management..... | 8,454 | 8,454 | 8,454 |
| (F)IRA-Coastal Zone Management | - | 376 | 376 |
| (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 | 7,000 | 7,000 | 7,000 |
| (F)Water Pollution Control Grants-Management..... | 5,500 | 5,500 | 5,500 |
| (F)Air Pollution Control Grants-Management..... | 4,200 | 4,200 | 4,200 |
| (F)Surface Mine Conservation-Management..... | 6,500 | 6,500 | 6,500 |
| (F)Wetland Protection Fund | 840 | 840 | 840 |
| (F)Diagnostic X-ray Equipment Testing | 1,300 | 1,300 | 1,300 |
| (F)Water Quality Management Planning Grants | 1,150 | 1,150 | 1,330 |
| (F)IIJA-Water Quality Management Planning Grants..... | 1,000 | 1,000 | 2,000 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|---|---------|-----------|---------|
| | ACTUAL | AVAILABLE | BUDGET |
| (F)Small Operators Assistance | 300 | 300 | 300 |
| (F)Indoor Radon Abatement..... | 700 | 700 | 950 |
| (F)Non-Point Source Implementation..... | 14,800 | 14,800 | 14,800 |
| (F)Hydroelectric Power Conservation Fund | 51 | 51 | - |
| (F)Survey Studies..... | 6,000 | 6,000 | 6,000 |
| (F)National Dam Safety..... | 1,500 | 1,500 | 1,500 |
| (F)IIJA-National Dam Safety Program | 100 | 100 | 550 |
| (F)State Energy Program | 15,000 | 15,000 | 15,000 |
| (F)Surface Mine Conservation | 680 | 680 | 680 |
| (F)Multipurpose Grants to States and Tribes | 600 | 600 | 600 |
| (F)Environmental Justice..... | 1,000 | 1,000 | 1,000 |
| (F)Coal Combustion Residuals Grant | 209 | 209 | 500 |
| (F)IIJA-Energy Efficiency Revolving Loan Fund | 3,700 | 3,700 | 3,700 |
| (F)IIJA-Resilient and Efficient Codes Implementation..... | 3,000 | 3,000 | 3,000 |
| (F)IIJA-Energy Auditor Training Grant | 2,000 | 2,000 | 2,000 |
| (F)IIJA-Solid Waste Infrastructure for Recycling | 1,101 | 1,101 | 1,101 |
| (F)IIJA-Environmental Justice Programs..... | 10,000 | 10,000 | 10,000 |
| (F)IIJA-DOE-Clean Energy Demonstration Projects | 150,000 | 150,000 | 150,000 |
| (F)IIJA-Advanced Energy Manufacturing | 50,000 | 50,000 | 50,000 |
| (F)IIJA-Hydroelectricity Development Programs | 25,000 | 25,000 | 25,000 |
| (F)IRA-Energy Performance-Homes Program | 26,000 | 135,000 | 135,000 |
| (F)IRA-CWTP-Energy Performance-Homes Program (EA) | - | 800 | 800 |
| (F)IRA-Energy Performance-Electric Appliance..... | 26,000 | 140,000 | 140,000 |
| (F)IRA-CWTP-Energy Performance-Electric Appliance (EA)..... | - | 800 | 588 |
| (F)IRA-Clean Air Act Grant..... | 400 | 30,300 | 30,300 |
| (F)IRA-DOE-Planning Grants and Other Capacity Bldg. | 20,000 | 65,000 | 71,000 |
| (F)IRA-CWTP-DOE-Planning Grants and Other Capacity Bldg. (EA) | - | - | 2,000 |
| (F)IRA-EPA-Planning Grants and Other Capacity Bldg. | 20,000 | 520,000 | 520,000 |
| (F)IRA-CWTP-EPA-Planning Grants and Other Capacity Bldg. (EA) | - | - | 10,000 |
| (F)IRA-EPA-Green Bank and Energy Financing Initiatives..... | 100,000 | 100,000 | 100,000 |
| (F)IRA-DOE-Clean Energy Demonstration Projects | 150,000 | 150,000 | 150,000 |
| (F)IRA-Transmission Siting and Economic Development Program | - | 50,000 | 50,000 |
| (F)IRA-Assistance for Latest and Zero Building Energy Code | - | 8,800 | 8,800 |
| (F)Abandoned Mine Reclamation (EA) | 100,000 | 100,000 | 100,000 |
| (F)IIJA-Abandoned Mine Reclamation (EA)..... | 469,904 | 469,904 | 714,986 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
| (F)IIJA-CWTP-Abandoned Mine Reclamation (EA) | - | 3,000 | 500 |
| (F)Abandoned Mine Land Economic Revitalization (EA) | - | 28,671 | 28,671 |
| (F)Homeland Security Initiative (EA) | 1,000 | 1,000 | 1,000 |
| (F)Building Resilient Infrastructure and Communities (EA) | 280 | 280 | 280 |
| (F)Nuclear and Chemical Security (EA) | 7 | - | - |
| (A)Payments-Department Services | - | - | - |
| (A)Safe Drinking Water Administration | - | - | - |
| (A)Water Pollution Control Administration | - | - | - |
| (A)Vehicle Sales-EPM | 13 | - | - |
| (R)Sewage Facilities Program Administration (EA) | 652 | 862 | 862 |
| (R)Used Tire Pile Remediation (EA) | - | 501 | 501 |
| Subtotal | \$ 1,284,055 | \$ 2,334,009 | \$ 2,609,019 |
| Chesapeake Bay Agricultural Source Abatement | 3,629 | 3,672 | 5,863 |
| (F)Chesapeake Bay Pollution Abatement | 20,000 | 20,000 | 23,000 |
| (F)IIJA-Chesapeake Bay | 6,933 | 6,933 | 15,933 |
| Subtotal | \$ 30,562 | \$ 30,605 | \$ 44,796 |
| Environmental Protection Operations | 116,450 | 125,881 | 132,069 |
| (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 | 6,000 | 6,800 | 6,800 |
| (F)Surface Mine Control and Reclamation | 13,344 | 13,344 | 15,000 |
| (F)Training and Education of Underground Coal Miners | 1,700 | 1,700 | 1,700 |
| (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 | 200 |
| (F)IIJA-USDA Good Neighbor Authority | 2,000 | 5,700 | 18,500 |
| (F)IIJA-NFWF America the Beautiful Challenge | 7,500 | 7,500 | - |
| (F)IIJA-Brownfields | 4,000 | 4,000 | 6,000 |
| (F)IIJA-10 Percent Drinking Water Set Asides Offset (EA) | 7,360 | 7,360 | 7,360 |
| (F)IIJA-2 Percent Drinking Water Set Asides Offset (EA) | 6,452 | 6,452 | 6,452 |
| (F)IIJA-15 Percent Drinking Water Set Asides Offset (EA) | 1,857 | 1,857 | 1,857 |
| (F)IIJA-DW Set-Aside Emerging Contam. Small or Disadvantage (EA) | 400 | 400 | 2,800 |
| (F)Technical Assistance to Small Systems (EA) | 1,750 | 1,750 | 1,750 |
| (F)Assistance to State Programs (EA) | 7,000 | 8,000 | 8,000 |
| (F)Local Assistance and Source Water Protection (EA) | 11,268 | 11,268 | 11,268 |
| (F)Hazardous Materials Emergency Preparedness (EA) | 55 | 55 | 150 |
| (A)Reimbursement-Laboratory Services | 10,301 | 15,930 | 16,395 |
| (A)Lab Accreditation | 1,548 | 1,580 | 1,580 |
| (A)Reimbursement-Department Services | - | - | - |
| (A)PADOT ISTEPA Program | 1,306 | 1,051 | 1,051 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| (A)Clean Air Administration..... | - | - | - |
| (A)Solid Waste Abatement..... | - | - | - |
| (A)Safe Drinking Water Administration..... | - | - | - |
| (A)Water Pollution Control Administration..... | - | - | - |
| (A)Vehicle Sales-EPO..... | - | 100 | - |
| Subtotal..... | \$ 224,491 | \$ 244,928 | \$ 262,932 |
| Black Fly Control and Research..... | 7,712 | 8,435 | 9,209 |
| (A)County Contributions..... | 1,294 | 1,250 | 1,250 |
| Subtotal..... | \$ 9,006 | \$ 9,685 | \$ 10,459 |
| Vector Borne Disease Management..... | 6,285 | 6,548 | 7,491 |
| (F)Zika Vector Control Response (EA)..... | 100 | 100 | 100 |
| (A)Tick and Lyme Testing..... | 821 | 700 | - |
| Subtotal..... | \$ 7,206 | \$ 7,348 | \$ 7,591 |
| Transfer to Well Plugging Account..... | - | 6,000 | 19,026 |
| Environmental Hearing Board..... | 2,864 | 3,041 | 3,064 |
| Subtotal - State Funds..... | \$ 196,875 | \$ 226,198 | \$ 253,680 |
| Subtotal - Federal Funds..... | 1,636,334 | 2,942,294 | 3,310,235 |
| Subtotal - Augmentations..... | 15,283 | 20,611 | 20,276 |
| Subtotal - Restricted..... | 93,478 | 113,545 | 114,299 |
| Total - General Government..... | \$ 1,941,970 | \$ 3,302,648 | \$ 3,698,490 |
| Grants and Subsidies: | | | |
| Delaware River Master..... | \$ 38 | \$ 38 | \$ 38 |
| Susquehanna River Basin Commission..... | 740 | 740 | 740 |
| Interstate Commission on the Potomac River..... | 23 | 23 | 23 |
| Delaware River Basin Commission..... | 217 | 217 | 217 |
| Ohio River Valley Water Sanitation Commission..... | 68 | 68 | 68 |
| Chesapeake Bay Commission..... | 325 | 370 | 370 |
| Transfer to Conservation District Fund..... | 7,516 | 7,516 | 7,516 |
| Interstate Mining Commission..... | 15 | 15 | 15 |
| (R)Environmental Mitigation Trust Agreement Account..... | 11,725 | 20,000 | 25,000 |
| (R)Monsanto Settlement..... | - | - | 50 |
| (R)PCB Community Fund..... | - | 8,000 | - |
| Subtotal - State Funds..... | \$ 8,942 | \$ 8,987 | \$ 8,987 |
| Subtotal - Restricted..... | 11,725 | 28,000 | 25,050 |
| Total - Grants and Subsidies..... | \$ 20,667 | \$ 36,987 | \$ 34,037 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|---------------------|------------------------|---------------------|
| STATE FUNDS | \$ 205,817 | \$ 235,185 | \$ 262,667 |
| FEDERAL FUNDS | 1,636,334 | 2,942,294 | 3,310,235 |
| AUGMENTATIONS | 15,283 | 20,611 | 20,276 |
| RESTRICTED | 105,203 | 141,545 | 139,349 |
| GENERAL FUND TOTAL | \$ 1,962,637 | \$ 3,339,635 | \$ 3,732,527 |
| OTHER FUNDS: | | | |
| ACID MINE DRAINAGE ABATEMENT AND TREATMENT FUND: | | | |
| Acid Mine Drainage Abatement and Treatment Fund (EA) | \$ - | \$ 1,221 | \$ 1,088 |
| (F)Acid Mine Drainage Abatement and Treatment (EA) | 9,982 | 4,008 | 4,236 |
| (F)I/JA-STREAM Act Set-Aside (EA) | - | 6,500 | 7,150 |
| ACID MINE DRAINAGE ABATEMENT AND TREATMENT FUND TOTAL | \$ 9,982 | \$ 11,729 | \$ 12,474 |
| CLEAN AIR FUND: | | | |
| Major Emission Facilities (EA) | \$ 24,595 | \$ 27,073 | \$ 28,036 |
| Mobile and Area Facilities (EA) | 13,966 | 14,539 | 13,647 |
| Western Pennsylvania Oil and Gas Project (EA) | - | 1,085 | 313 |
| CLEAN AIR FUND TOTAL | \$ 38,561 | \$ 42,697 | \$ 41,996 |
| CLEAN STREAMS FUND: | | | |
| Storm Water Management Grants (EA) | \$ - | \$ 2,443 | \$ 2,176 |
| Transfer to Acid Mine Drainage Abatement and Treatment Fund (EA) | - | - | - |
| CLEAN STREAMS FUND TOTAL | \$ - | \$ 2,443 | \$ 2,176 |
| COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND: | | | |
| General Operations (EA) | \$ 3,666 | \$ 3,775 | \$ 3,864 |
| Payment of Claims (EA) | 5,040 | 3,040 | 4,040 |
| COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND TOTAL | \$ 8,706 | \$ 6,815 | \$ 7,904 |
| COAL LANDS IMPROVEMENT FUND: | | | |
| Coal Lands Restoration (EA) | \$ 220 | \$ 25 | \$ 13 |
| CONSERVATION DISTRICT FUND: | | | |
| Conservation District Grants (EA) | \$ 9,875 | \$ 10,093 | \$ 10,084 |
| ENERGY DEVELOPMENT FUND: | | | |
| Energy Development-Administration (EA) | \$ 135 | \$ 538 | \$ 223 |
| Energy Development Loans/Grants (EA) | 1,750 | 441 | - |
| ENERGY DEVELOPMENT FUND TOTAL | \$ 1,885 | \$ 979 | \$ 223 |
| ENVIRONMENTAL EDUCATION FUND: | | | |
| General Operations (EA) | \$ 1,388 | \$ 1,472 | \$ 1,421 |
| ENVIRONMENTAL STEWARDSHIP FUND: | | | |
| Watershed Protection and Restoration (EA) | \$ 32,193 | \$ 32,364 ^k | \$ 32,947 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| HAZARDOUS SITES CLEANUP FUND: | | | |
| General Operations (EA)..... | \$ 23,378 | \$ 23,893 | \$ 23,500 |
| Hazardous Sites Cleanup (EA) | 9,000 | 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 (EA) | 15,000 | 15,000 | 15,000 |
| HAZARDOUS SITES CLEANUP FUND TOTAL | \$ 52,403 | \$ 52,918 | \$ 52,525 |
| MINE SAFETY FUND: | | | |
| General Operations (EA)..... | \$ 96 | \$ 51 | \$ 51 |
| NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND: | | | |
| General Operations (EA)..... | \$ 3,200 | \$ 3,998 | \$ 2,403 |
| NUTRIENT MANAGEMENT FUND: | | | |
| Education, Research, and Technical Assistance (EA) | \$ 2,100 | \$ 2,713 | \$ 2,876 |
| RECYCLING FUND: | | | |
| Recycling Coordinator Reimbursement (EA) | \$ 2,200 | \$ 2,000 | \$ 2,000 |
| Reimbursement for Municipal Inspection (EA) | 275 | 150 | 150 |
| Reimburse-Host Municipality Permit Applications Review (EA) | 10 | 10 | 10 |
| Administration of Recycling Program (EA) | 1,372 | 1,392 | 1,356 |
| County Planning Grants (EA) | 1,000 | 500 | 500 |
| Municipal Recycling Grants (EA) | 20,000 | 19,000 | 19,500 |
| Municipal Recycling Performance Program (EA) | 15,000 | 18,000 | 18,000 |
| Public Education/Technical Assistance (EA) | 3,392 | 5,213 | 4,594 |
| (R)Household Hazardous Waste..... | 1,864 | 1,500 | 1,500 |
| RECYCLING FUND TOTAL | \$ 45,113 | \$ 47,765 | \$ 47,610 |
| REMINING FINANCIAL ASSURANCE FUND: | | | |
| Remining Financial Assurance (EA)..... | \$ 417 | \$ 620 | \$ 760 |
| STORAGE TANK FUND: | | | |
| General Operations (EA)..... | \$ 4,788 | \$ 5,897 | \$ 6,121 |
| (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 | 4,910 | 7,000 | 7,000 |
| STORAGE TANK FUND TOTAL | \$ 14,438 | \$ 17,637 | \$ 17,861 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|---------------------|----------------------|---------------------|
| SURFACE MINING CONSERVATION & RECLAMATION FUND: | | | |
| General Operations (EA)..... | \$ 3,652 | \$ 3,867 | \$ 3,867 |
| 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)..... | \$ 4,306 | \$ 5,080 | \$ 5,108 |
| Pollution Prevention Program (EA) | 100 | 100 | 100 |
| UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL | \$ 4,406 | \$ 5,180 | \$ 5,208 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 205,817 | \$ 235,185 | \$ 262,667 |
| MOTOR LICENSE FUND | - | - | - |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS..... | 1,636,334 | 2,942,294 | 3,310,235 |
| AUGMENTATIONS | 15,283 | 20,611 | 20,276 |
| RESTRICTED | 105,203 | 141,545 | 139,349 |
| OTHER FUNDS | 234,635 | 249,366 | 248,399 |
| TOTAL ALL FUNDS | \$ 2,197,272 | \$ 3,589,001 | \$ 3,980,926 |

^a Not added to the total to avoid double counting: 2023-24 Actual is \$9,983,000, 2024-25 Available is \$17,127,000, and 2025-26 Budget is \$15,766,000.

^b Not added to the total to avoid double counting: 2023-24 Actual is \$1,075,684, 2024-25 Available is \$1,087,000, and 2025-26 Budget is \$12,000.

^c Not added to the total to avoid double counting: 2023-24 Actual is \$781,988, 2024-25 Available is \$912,000, and 2025-26 Budget is \$800,000.

^d Not added to the total to avoid double counting: 2023-24 Actual is \$636,157, 2024-25 Available is \$445,000, and 2025-26 Budget is \$650,000.

^e Not added to the total to avoid double counting: 2023-24 Actual is \$5,410,270, 2024-25 Available is \$5,297,000, and 2025-26 Budget is \$0.

^f Not added to the total to avoid double counting: 2023-24 Actual is \$3,860,000, 2024-25 Available is \$3,860,000, and 2025-26 Budget is \$0.

^g Not added to the total to avoid double counting: 2023-24 Actual is \$500,000, 2024-25 Available is \$500,000, and 2025-26 Budget is \$0.

^h Not added to the total to avoid double counting: 2023-24 Actual is \$590,182, 2024-25 Available is \$815,000, and 2025-26 Budget is \$635,000.

ⁱ Not added to the total to avoid double counting: 2023-24 Actual is \$144,369, 2024-25 Available is \$140,000, and 2025-26 Budget is \$140,000.

^j Not added to the total to avoid double counting: 2024-25 Available is \$1,221,000 and 2025-26 Budget is \$1,088,000.

^k Includes recommended supplemental executive authorization of \$5,694,000.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|---------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| ENVIRONMENTAL SUPPORT SERVICES: | | | | | | | |
| GENERAL FUND..... | \$ 23,085 | \$ 33,152 | \$ 35,992 | \$ 36,981 | \$ 36,981 | \$ 36,981 | \$ 36,981 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 270,739 | 524,739 | 595,739 | 530,739 | 530,739 | 530,739 | 530,739 |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | 92,826 | 112,182 | 112,936 | 116,677 | 118,441 | 120,240 | 122,072 |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL..... | \$ 386,650 | \$ 670,073 | \$ 744,667 | \$ 684,397 | \$ 686,161 | \$ 687,960 | \$ 689,792 |
| ENVIRONMENTAL PROTECTION AND MANAGEMENT: | | | | | | | |
| GENERAL FUND..... | \$ 182,732 | \$ 202,033 | \$ 226,675 | \$ 232,577 | \$ 232,577 | \$ 232,577 | \$ 232,577 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 1,365,595 | 2,417,555 | 2,714,496 | 2,690,580 | 2,691,580 | 2,692,080 | 2,693,080 |
| AUGMENTATIONS | 15,283 | 20,611 | 20,276 | 20,440 | 20,440 | 20,440 | 20,440 |
| RESTRICTED..... | 12,377 | 29,363 | 26,413 | 34,313 | 26,863 | 26,863 | 26,863 |
| OTHER FUNDS..... | 234,635 | 249,366 | 248,399 | 209,963 | 205,855 | 204,646 | 202,698 |
| SUBCATEGORY TOTAL..... | \$ 1,810,622 | \$ 2,918,928 | \$ 3,236,259 | \$ 3,187,873 | \$ 3,177,315 | \$ 3,176,606 | \$ 3,175,658 |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 205,817 | \$ 235,185 | \$ 262,667 | \$ 269,558 | \$ 269,558 | \$ 269,558 | \$ 269,558 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 1,636,334 | 2,942,294 | 3,310,235 | 3,221,319 | 3,222,319 | 3,222,819 | 3,223,819 |
| AUGMENTATIONS | 15,283 | 20,611 | 20,276 | 20,440 | 20,440 | 20,440 | 20,440 |
| RESTRICTED..... | 105,203 | 141,545 | 139,349 | 150,990 | 145,304 | 147,103 | 148,935 |
| OTHER FUNDS..... | 234,635 | 249,366 | 248,399 | 209,963 | 205,855 | 204,646 | 202,698 |
| DEPARTMENT TOTAL | \$ 2,197,272 | \$ 3,589,001 | \$ 3,980,926 | \$ 3,872,270 | \$ 3,863,476 | \$ 3,864,566 | \$ 3,865,450 |

Program: Environmental Support Services

Goal: To provide administrative and technical support for the Commonwealth's environmental protection programs.

The Environmental Support Services 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](#).

The department 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 for the people of Pennsylvania 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)

| | |
|---|--|
| <p style="text-align: center;">General Government Operations</p> <p>\$ 2,817 —to continue current program.</p> | <p style="text-align: center;">Environmental Hearing Board</p> <p>\$ 23 —to continue current program.</p> |
|---|--|

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 20,221 | \$ 30,111 | \$ 32,928 | \$ 33,837 | \$ 33,837 | \$ 33,837 | \$ 33,837 |
| Environmental Hearing Board..... | 2,864 | 3,041 | 3,064 | 3,144 | 3,144 | 3,144 | 3,144 |
| TOTAL GENERAL FUND | \$ 23,085 | \$ 33,152 | \$ 35,992 | \$ 36,981 | \$ 36,981 | \$ 36,981 | \$ 36,981 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Meet or exceed Permit Decision Guarantee timeframes. Close 100 percent of new permit applications within their designed time frames by fiscal year end. | | | | | | | |
| Percentage of permits processed on time (active in Permit Decision Guarantee)..... % | 94 | 94 | 93 | 94 | 99 | 99 | 100 |
| Total Authorizations Received | 39,632 | 40,698 | 40,309 | 42,774 | 41,213 | 41,432 | 41,806 |
| Total Authorizations Disposed | 39,928 | 38,701 | 41,051 | 39,865 | 43,591 | 41,502 | 41,653 |
| Responding to critical citizen complaints promptly. | | | | | | | |
| Percent of Priority 1 environmental complaint responses on time | 96 | 98 | 92 | 96 | 90 | 95 | 96 |

Program: Environmental Protection and Management

Goal: To ensure DEP's mission 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.

The Environmental Protection and Management 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 efforts to begin to address the increasing threat of climate change. The agency is 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 thousands of public water systems serving all Pennsylvanians and provides consultative services for 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 of 1974](#), 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 streams and rivers as well as 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 (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, phosphorus, 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 of 1970](#) and the [Pennsylvania Air Pollution Control Act of 1960](#) 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.

The department oversees the [Land Recycling](#) program to encourage cleanup of contaminated, vacant, or otherwise underutilized properties and return them to productive use. DEP 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 in those communities that have historically been disenfranchised, are fully involved in the decisions that affect their environment and that all communities are not disproportionately burdened with environmental hazards.

The department 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.

The department'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 nuclear power plant reactors. While the department's major focus is the response to spills on 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. The department [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)

| | |
|---|--|
| <p>Environmental Program Management</p> <p>\$ 1,520 —to continue current program.</p> <p>Chesapeake Bay Agricultural Source Abatement</p> <p>\$ 2,191 —to continue current program.</p> <p>Environmental Protection Operations</p> <p>\$ 6,188 —to continue current program.</p> <p>Black Fly Control and Research</p> <p>\$ 774 —to continue current program.</p> | <p>Vector Borne Disease Management</p> <p>\$ 943 —to continue current program.</p> <p>Transfer to Well Plugging Account</p> <p>\$ 5,000 —to replace nonrecurring transfer from the Waste Transportation Safety Account.</p> <p style="text-align: center;"><u>8,026</u></p> <p>\$ 13,026 —to continue well plugging activities. <i>Appropriation Increase</i></p> |
|---|--|

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| GENERAL FUND: | | | | | | | |
| Environmental Program Management | \$ 39,714 | \$ 42,510 | \$ 44,030 | \$ 45,430 | \$ 45,430 | \$ 45,430 | \$ 45,430 |
| Chesapeake Bay Agricultural Source Abatement..... | 3,629 | 3,672 | 5,863 | 6,220 | 6,220 | 6,220 | 6,220 |
| Environmental Protection Operations | 116,450 | 125,881 | 132,069 | 135,780 | 135,780 | 135,780 | 135,780 |
| Black Fly Control and Research..... | 7,712 | 8,435 | 9,209 | 9,448 | 9,448 | 9,448 | 9,448 |
| Vector Borne Disease Management | 6,285 | 6,548 | 7,491 | 7,686 | 7,686 | 7,686 | 7,686 |
| Transfer to Well Plugging Account..... | - | 6,000 | 19,026 | 19,026 | 19,026 | 19,026 | 19,026 |
| Delaware River Master | 38 | 38 | 38 | 38 | 38 | 38 | 38 |
| Susquehanna River Basin Commission | 740 | 740 | 740 | 740 | 740 | 740 | 740 |
| Interstate Commission on the Potomac River | 23 | 23 | 23 | 23 | 23 | 23 | 23 |
| Delaware River Basin Commission | 217 | 217 | 217 | 217 | 217 | 217 | 217 |
| Ohio River Valley Water Sanitation Commission | 68 | 68 | 68 | 68 | 68 | 68 | 68 |

Environmental Protection

Program: Environmental Protection and Management, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Chesapeake Bay Commission | 325 | 370 | 370 | 370 | 370 | 370 | 370 |
| Transfer to Conservation District Fund | 7,516 | 7,516 | 7,516 | 7,516 | 7,516 | 7,516 | 7,516 |
| Interstate Mining Commission | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| TOTAL GENERAL FUND | \$ 182,732 | \$ 202,033 | \$ 226,675 | \$ 232,577 | \$ 232,577 | \$ 232,577 | \$ 232,577 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Improve the state of the environment. | | | | | | | |
| Percentage of population in counties monitoring below the 2015 Ambient Ozone Standard | % | 76 | 83 | 83 | 95 | 95 | 79 |
| Tons of municipal solid waste recycled (in millions) | | 5.3 | 5.3 | 6.2 | 5.4 | 5.3 | 5.6 |
| Ensure that the public's drinking water is safe. Conduct 90 percent of community water system sanitary surveys (full inspections) that are due during each fiscal year. | | | | | | | |
| Percentage of community water system inspections conducted on time | % | 79 | 74 | 85 | 83 | 90 | 95 |
| Total violations recorded | | 30,526 | 31,943 | 32,976 | 35,697 | 37,906 | 35,526 |
| Total violations resolved | | 27,215 | 23,576 | 26,741 | 29,455 | 31,371 | 29,189 |
| Total inspections conducted | | 89,399 | 93,641 | 97,079 | 106,531 | 105,025 | 102,878 |
| Eliminate health and safety hazards on abandoned mine lands. | | | | | | | |
| Cumulative acres of abandoned mine land (AML) reclaimed since the inception of the AML program in 1977 .. | | 33,115 | 33,589 | 33,785 | 34,241 | 34,538 | 34,940 |



ETHICS COMMISSION

The mission of the [State Ethics Commission](#) is to promote public confidence in state and local government through its enforcement of the [Pennsylvania Public Official and Employee 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

Ethics Enforcement: *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)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

| | | | |
|------------------------------|----------|----------|----------|
| State Ethics Commission..... | \$ 3,356 | \$ 3,730 | \$ 3,804 |
|------------------------------|----------|----------|----------|

Program Funding Summary

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26 2026-27 2027-28 2028-29 2029-30
 Actual Available Budget Estimated Estimated Estimated Estimated

ETHICS ENFORCEMENT:

| | | | | | | | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| GENERAL FUND..... | \$ 3,356 | \$ 3,730 | \$ 3,804 | \$ 3,903 | \$ 3,903 | \$ 3,903 | \$ 3,903 |
| MOTOR LICENSE FUND... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 3,356 | \$ 3,730 | \$ 3,804 | \$ 3,903 | \$ 3,903 | \$ 3,903 | \$ 3,903 |

Program: Ethics Enforcement

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 and 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 Statement 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 Medical Marijuana 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 such restrictions.

Program Recommendations:

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

State Ethics Commission
\$ 74 —to continue current program.

Appropriations within this Program:

Table with 7 columns: Year (2023-24 to 2029-30) and rows for State Ethics Commission. Values range from \$3,356 to \$3,903.



FISH AND BOAT COMMISSION

The mission of the [Pennsylvania Fish and Boat Commission \(PFBC\)](#) 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 provide recreational fishing and boating opportunities for both Pennsylvanians and out-of-state visitors.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
|--|-------------------|----------------------|-------------------|

OTHER FUNDS:

BOAT FUND:

| | | | |
|--|-----------|-----------|-----------|
| General Operations (EA)..... | \$ 23,663 | \$ 25,228 | \$ 26,228 |
| (F)Miscellaneous Boat Grants (EA)..... | 6,225 | 5,400 | 5,400 |
| (R)Improvement of Hazardous Dams..... | 7,059 | 10,224 | 8,730 |

| | | | |
|------------------------------|------------------|------------------|------------------|
| BOAT FUND TOTAL | \$ 36,947 | \$ 40,852 | \$ 40,358 |
|------------------------------|------------------|------------------|------------------|

FISH FUND:

| | | | |
|---|-----------|-----------|-----------|
| General Operations (EA)..... | \$ 39,745 | \$ 42,000 | \$ 44,000 |
| (F)I/JA-Delaware River Basin Conservation Act (EA)..... | 750 | 750 | 750 |
| (F)Miscellaneous Fish Grants (EA)..... | 12,232 | 11,363 | 12,125 |
| (R)Monsanto Settlement | 8 | 7,806 | 7,516 |

| | | | |
|------------------------------|------------------|------------------|------------------|
| FISH FUND TOTAL | \$ 52,735 | \$ 61,919 | \$ 64,391 |
|------------------------------|------------------|------------------|------------------|

STATE GAMING FUND:

| | | | |
|-------------------------------------|-------|-------|-------|
| Payments in Lieu of Taxes (EA)..... | \$ 45 | \$ 45 | \$ 45 |
|-------------------------------------|-------|-------|-------|

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..... | 90,727 | 103,816 | 105,794 |
| TOTAL ALL FUNDS | \$ 90,727 | \$ 103,816 | \$ 105,794 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|--|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
|--|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|

RECREATIONAL FISHING AND BOATING:

| | | | | | | | |
|-------------------------------|------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND... | - | - | - | - | - | - | - |
| LOTTERY FUND..... | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS..... | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 90,727 | 103,816 | 105,794 | 99,354 | 99,354 | 99,354 | 99,354 |
| DEPARTMENT TOTAL | \$ 90,727 | \$ 103,816 | \$ 105,794 | \$ 99,354 | \$ 99,354 | \$ 99,354 | \$ 99,354 |

Program: Recreational Fishing and Boating

Goal: To provide recreational fishing and boating opportunities for both Pennsylvanians and out-of-state visitors.

Founded in 1866, the [Pennsylvania Fish and Boat Commission \(PFBC\)](#) 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 Pennsylvania's aquatic resources. High-quality streams, clean water, and healthy habitats ensure that the commission can carry out the other part of its mission: providing recreational [fishing](#) and [boating](#) opportunities for both Pennsylvanians and out-of-state visitors.

The PFBC 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)

| | |
|---|---|
| <p>BOAT FUND: General Operations (EA)</p> <p>\$ 1,000 —to continue current program.</p> | <p>FISH FUND: General Operations (EA)</p> <p>\$ 2,000 —to continue current program.</p> |
|---|---|

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| BOAT FUND: | | | | | | | |
| General Operations (EA) | \$ 23,663 | \$ 25,228 | \$ 26,228 | \$ 26,910 | \$ 26,910 | \$ 26,910 | \$ 26,910 |
| FISH FUND: | | | | | | | |
| General Operations (EA) | \$ 39,745 | \$ 42,000 | \$ 44,000 | \$ 45,144 | \$ 45,144 | \$ 45,144 | \$ 45,144 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Promote opportunities for recreational fishing and boating. | | | | | | | |
| Fishing licenses sold..... | 777,087 | 934,259 | 865,973 | 793,663 | 761,167 | 765,000 | 765,000 |
| Actively registered boats..... | 301,088 | 301,236 | 308,140 | 298,899 | 288,216 | 300,000 | 300,000 |
| Total pounds of fish stocked and/or distributed | 2,109,138 | 2,241,002 | 2,234,515 | 2,131,918 | 2,141,108 | 2,150,000 | 2,150,000 |



GAME COMMISSION

The mission of the [Pennsylvania Game Commission \(PGC\)](#) 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)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

OTHER FUNDS:

GAME FUND:

| | | | |
|---|------------|------------|------------|
| General Operations (EA)..... | \$ 246,093 | \$ 232,863 | \$ 232,863 |
| (F)Pittman-Robertson Act (EA) | 40,000 | 30,000 | 30,000 |
| (F)Miscellaneous Wildlife Grants (EA) | 2,035 | 1,137 | 1,137 |
| (R)Natural Propagation of Wildlife (EA) | 9,000 | 9,000 | 9,000 |
| Land Acquisition and Development (EA) | 5,600 | 6,000 | 6,000 |
| (R)Monsanto Settlement | - | 200 | 500 |

| | | | |
|-----------------------------|-------------------|-------------------|-------------------|
| GAME FUND TOTAL..... | \$ 302,728 | \$ 279,200 | \$ 279,500 |
|-----------------------------|-------------------|-------------------|-------------------|

STATE GAMING FUND:

| | | | |
|-------------------------------------|----------|----------|----------|
| Payments in Lieu of Taxes (EA)..... | \$ 9,676 | \$ 9,676 | \$ 9,676 |
|-------------------------------------|----------|----------|----------|

DEPARTMENT TOTAL - ALL FUNDS

| | | | |
|------------------------------|-------------------|-------------------|-------------------|
| GENERAL FUND..... | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND..... | - | - | - |
| FEDERAL FUNDS..... | - | - | - |
| AUGMENTATIONS..... | - | - | - |
| RESTRICTED..... | - | - | - |
| OTHER FUNDS..... | 312,404 | 288,876 | 289,176 |
| TOTAL ALL FUNDS | \$ 312,404 | \$ 288,876 | \$ 289,176 |

Program Funding Summary

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26 2026-27 2027-28 2028-29 2029-30
 Actual Available Budget Estimated Estimated Estimated Estimated

WILDLIFE MANAGEMENT:

| | | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND..... | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS..... | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 312,404 | 288,876 | 289,176 | 277,176 | 277,176 | 277,176 | 277,176 |
| DEPARTMENT TOTAL | \$ 312,404 | \$ 288,876 | \$ 289,176 | \$ 277,176 | \$ 277,176 | \$ 277,176 | \$ 277,176 |

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 [Pennsylvania Game Commission \(PGC\)](#) 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 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 administers [Pennsylvania 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. PGC 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 State Game Lands, [Hunter Access Cooperator properties](#), and other areas actively managed by the commission.

PGC manages and protects [hundreds of 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 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 PGC’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)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GAME FUND: | | | | | | | |
| General Operations (EA) | \$ 246,093 | \$ 232,863 | \$ 232,863 | \$ 220,863 | \$ 220,863 | \$ 220,863 | \$ 220,863 |
| (R)Natural Propagation of Wildlife (EA) | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 |
| Land Acquisition and Development (EA) | 5,600 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| TOTAL GAME FUND..... | \$ 260,693 | \$ 247,863 | \$ 247,863 | \$ 235,863 | \$ 235,863 | \$ 235,863 | \$ 235,863 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Ensure the propagation and preservation of wildlife through land and game management. | | | | | | | |
| Hunting licenses sold..... | 860,798 | 887,211 | 861,966 | 848,720 | 853,484 | 860,642 | 860,642 |
| Citations for violation of game laws | 6,910 | 6,810 | 6,820 | 7,224 | 5,907 | 6,025 | 6,146 |



GAMING CONTROL BOARD

The mission of the [Pennsylvania Gaming Control Board \(PGCB\)](#) is to protect 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 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)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
|--|-------------------|----------------------|-------------------|

OTHER FUNDS:

STATE GAMING FUND:

| | | | |
|--|-----------|-----------|-----------|
| (R)Administration..... | \$ 44,059 | \$ 50,122 | \$ 53,323 |
| (R)General Operations..... | 8,100 | 7,100 | 7,100 |
| Local Law Enforcement Grants (EA)..... | 1,000 | 2,000 | 2,000 |

| | | | |
|-------------------------------------|------------------|------------------|------------------|
| STATE GAMING FUND TOTAL..... | \$ 53,159 | \$ 59,222 | \$ 62,423 |
|-------------------------------------|------------------|------------------|------------------|

VIDEO GAMING FUND:

| | | | |
|--|--------|--------|--------|
| (R)Video Gaming Administration..... | \$ 475 | \$ 475 | \$ 475 |
| (R)Skill Games Administration..... | - | - | 6,000 |
| (R)Testing and Certification (EA)..... | - | 50 | 50 |

| | | | |
|-------------------------------------|---------------|---------------|-----------------|
| VIDEO GAMING FUND TOTAL..... | \$ 475 | \$ 525 | \$ 6,525 |
|-------------------------------------|---------------|---------------|-----------------|

FANTASY CONTEST FUND:

| | | | |
|--|--------|--------|--------|
| (R)Fantasy Contest Administration..... | \$ 280 | \$ 280 | \$ 280 |
| (R)Application and Licensure (EA)..... | 20 | 60 | 60 |

| | | | |
|--|---------------|---------------|---------------|
| FANTASY CONTEST FUND TOTAL..... | \$ 300 | \$ 340 | \$ 340 |
|--|---------------|---------------|---------------|

DEPARTMENT TOTAL - ALL FUNDS

| | | | |
|-----------------------------|------------------|------------------|------------------|
| GENERAL FUND..... | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND..... | - | - | - |
| FEDERAL FUNDS..... | - | - | - |
| AUGMENTATIONS..... | - | - | - |
| RESTRICTED..... | - | - | - |
| OTHER FUNDS..... | 53,934 | 60,087 | 69,288 |
| TOTAL ALL FUNDS..... | \$ 53,934 | \$ 60,087 | \$ 69,288 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|--|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
|--|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|

GAMING REGULATION:

| | | | | | | | |
|-----------------------|--------|--------|--------|--------|--------|--------|--------|
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND... | - | - | - | - | - | - | - |
| LOTTERY FUND..... | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS..... | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 53,934 | 60,087 | 69,288 | 89,493 | 89,493 | 89,493 | 89,493 |

| | | | | | | | |
|------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| DEPARTMENT TOTAL..... | \$ 53,934 | \$ 60,087 | \$ 69,288 | \$ 89,493 | \$ 89,493 | \$ 89,493 | \$ 89,493 |
|------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|

Program: Gaming Regulation

Goal: To protect the interest of the public by ensuring the integrity 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 throughout the state, employees of the [Pennsylvania Gaming Control Board \(PGCB\)](#) 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 Pennsylvanians’ interests through enforcement and investigations. The PGCB 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 board maintains an [Office of Compulsive and Problem Gambling](#).

The PGCB promotes and ensures [diversity](#) in all aspects of casino operations and works with the casino industry to maximize employment opportunities for all Pennsylvania residents.

The 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 PGCB is tasked with regulatory authority of satellite casinos, sports wagering, fantasy contests, video gaming terminals at truck stops, and interactive gaming pursuant to [Act 42 of 2017](#).

Several state agencies provide support to the 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 Pennsylvania Attorney General provide criminal law enforcement oversight of the gaming industry.

Program Recommendations:

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

| STATE GAMING FUND: | VIDEO GAMING FUND: |
|--|--|
| Administration | Skill Games Administration |
| \$ 3,201 –to continue current program. | \$ 6,000 –to administer legalized skill games in the Commonwealth. |

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| STATE GAMING FUND: | | | | | | | |
| (R)Administration | \$ 44,059 | \$ 50,122 | \$ 53,323 | \$ 54,709 | \$ 54,709 | \$ 54,709 | \$ 54,709 |
| (R)General Operations | 8,100 | 7,100 | 7,100 | 7,100 | 7,100 | 7,100 | 7,100 |
| Local Law Enforcement Grants (EA) | 1,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| TOTAL STATE GAMING FUND | \$ 53,159 | \$ 59,222 | \$ 62,423 | \$ 63,809 | \$ 63,809 | \$ 63,809 | \$ 63,809 |

Program: Gaming Regulation, continued

Appropriations within this Program, continued:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------------|-----------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| VIDEO GAMING FUND: | | | | | | | |
| (R)Video Gaming Administration | \$ 475 | \$ 475 | \$ 475 | \$ 487 | \$ 487 | \$ 487 | \$ 487 |
| (R)Skill Games Administration | - | - | 6,000 | 24,800 | 24,800 | 24,800 | 24,800 |
| (R)Testing and Certification (EA) | - | 50 | 50 | 50 | 50 | 50 | 50 |
| TOTAL VIDEO GAMING FUND | \$ 475 | \$ 525 | \$ 6,525 | \$ 25,337 | \$ 25,337 | \$ 25,337 | \$ 25,337 |
| FANTASY CONTEST FUND: | | | | | | | |
| (R)Fantasy Contest Administration | \$ 280 | \$ 280 | \$ 280 | \$ 287 | \$ 287 | \$ 287 | \$ 287 |
| (R)Application and Licensure (EA) | 20 | 60 | 60 | 60 | 60 | 60 | 60 |
| TOTAL FANTASY CONTEST FUND | \$ 300 | \$ 340 | \$ 340 | \$ 347 | \$ 347 | \$ 347 | \$ 347 |



GENERAL SERVICES

The mission of the [Department of General Services \(DGS\)](#) 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)

| | | |
|---------|-----------|---------|
| 2023-24 | 2024-25 | 2025-26 |
| ACTUAL | AVAILABLE | BUDGET |

GENERAL FUND:

General Government:

| | | | |
|--|-------------------|-------------------|-------------------|
| General Government Operations | \$ 60,036 | \$ 71,212 | \$ 79,466 |
| (F)COVID-Epidemiology Lab Surveillance Response PPE (EA) | 12,020 | - | - |
| (A)Capital Programs | 23,551 | 27,000 | 29,080 |
| (A)Shared Services-Procurement | 11,269 | 12,320 | 13,624 |
| (A)COSTARS Program | 2,217 | 2,700 | 2,700 |
| (A)Metrology Fees | 490 | 600 | 600 |
| (A)Contract Administration Fees | 318 | 327 | 400 |
| (A)E-Verify | 17 | 25 | 25 |
| (A)Federal Surplus Property | 1,297 | 1,413 | 1,623 |
| (A)State Surplus Property | 1,283 | 1,200 | 1,273 |
| (A)Recycling Program | 323 | 100 | 20 |
| (A)Licenses and Fees | 72 | 263 | 680 |
| (A)Real Estate Services | 3,590 | 956 | 1,012 |
| (A)Annex | 92 | 90 | 90 |
| (A)State Building Use | 165 | 170 | 170 |
| (A)State Construction Notices | 23 | 25 | 25 |
| (A)Media Center Reimbursements | 315 | 400 | 425 |
| (A)Newsroom Services | 2 | 5 | 5 |
| (A)Employee Liability Self Insurance Program | 174 | 175 | 175 |
| (A)Administrative Services | 93 | 115 | 95 |
| (R)Temporary Fleet Vehicles | 2,032 | 1,500 | 1,500 |
| (R)Emergency Medical Supplies Replenishment | - | 400 | 480 |
| (R)DMVA Readiness Center | - | - | 10,000 |
| Subtotal | <u>\$ 119,379</u> | <u>\$ 120,996</u> | <u>\$ 143,468</u> |
| Capitol Police Operations | 16,519 | 17,567 | 18,608 |
| (A)Capitol Police Services | 1,200 | 1,200 | 1,200 |
| Subtotal | <u>\$ 17,719</u> | <u>\$ 18,767</u> | <u>\$ 19,808</u> |
| Rental, Relocation, and Municipal Charges | 27,794 | 29,981 | 27,458 |
| (A)Agency Rental Charges-Harristown Rents | 4,612 | 4,800 | 4,900 |
| (A)Real Estate Lease Reimbursements | 27,338 | 27,249 | 26,350 |
| Subtotal | <u>\$ 59,744</u> | <u>\$ 62,030</u> | <u>\$ 58,708</u> |
| Space Optimization and Utilization Improvements | - | - | 17,830 |
| Utility Costs | 27,272 | 27,461 | 24,900 |
| (A)Annex | 84 | 150 | 90 |
| (A)Energy Management | 672 | 275 | 675 |
| Subtotal | <u>\$ 28,028</u> | <u>\$ 27,886</u> | <u>\$ 25,665</u> |
| Excess Insurance Coverage | 3,637 | 3,637 | 4,200 |
| Transfer to State Insurance Fund | 1,500 | 1,500 | 1,500 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---------------------------------------|--------------------------|--------------------------|--------------------------|
| Capitol Fire Protection | 5,000 | 5,000 | 5,000 |
| Subtotal - State Funds..... | \$ 141,758 | \$ 156,358 | \$ 178,962 |
| Subtotal - Federal Funds..... | 12,020 | - | - |
| Subtotal - Augmentations..... | 79,197 | 81,558 | 85,237 |
| Subtotal - Restricted..... | 2,032 | 1,900 | 11,980 |
| Total - General Government..... | <u>\$ 235,007</u> | <u>\$ 239,816</u> | <u>\$ 276,179</u> |
| STATE FUNDS..... | 141,758 | 156,358 | 178,962 |
| FEDERAL FUNDS..... | 12,020 | - | - |
| AUGMENTATIONS | 79,197 | 81,558 | 85,237 |
| RESTRICTED..... | 2,032 | 1,900 | 11,980 |
| GENERAL FUND TOTAL | <u>\$ 235,007</u> | <u>\$ 239,816</u> | <u>\$ 276,179</u> |
| <u>MOTOR LICENSE FUND:</u> | | | |
| <i>General Government:</i> | | | |
| Tort Claims Payments | 9,000 | 9,000 | 9,000 |
| Total - General Government..... | <u>\$ 9,000</u> | <u>\$ 9,000</u> | <u>\$ 9,000</u> |
| MOTOR LICENSE FUND TOTAL | <u>\$ 9,000</u> | <u>\$ 9,000</u> | <u>\$ 9,000</u> |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 141,758 | \$ 156,358 | \$ 178,962 |
| MOTOR LICENSE FUND..... | 9,000 | 9,000 | 9,000 |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS..... | 12,020 | - | - |
| AUGMENTATIONS | 79,197 | 81,558 | 85,237 |
| RESTRICTED..... | 2,032 | 1,900 | 11,980 |
| OTHER FUNDS..... | - | - | - |
| TOTAL ALL FUNDS | <u>\$ 244,007</u> | <u>\$ 248,816</u> | <u>\$ 285,179</u> |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| FACILITY, PROPERTY, AND COMMODITY MANAGEMENT: | | | | | | | |
| GENERAL FUND..... | \$ 141,758 | \$ 156,358 | \$ 178,962 | \$ 178,888 | \$ 178,954 | \$ 178,872 | \$ 173,953 |
| MOTOR LICENSE FUND ... | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 12,020 | - | - | - | - | - | - |
| AUGMENTATIONS | 79,197 | 81,558 | 85,237 | 84,801 | 84,801 | 84,801 | 84,801 |
| RESTRICTED..... | 2,032 | 1,900 | 11,980 | 1,980 | 1,980 | 1,980 | 1,980 |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 244,007 | \$ 248,816 | \$ 285,179 | \$ 274,669 | \$ 274,735 | \$ 274,653 | \$ 269,734 |

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. The department 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

DGS 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 department operates the Scranton and Reading state office buildings.

The [Pennsylvania 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 department facilitates [Act 29 of 1996](#), commonly known as the Guaranteed Energy Savings Act. Through a progressive contracting process, DGS reduces utility costs for owned facilities across the Commonwealth and restructures operation and maintenance costs of high voltage, HVAC, and plumbing equipment located in Harrisburg facilities.

Capital Programs

The Office of Capital Programs is comprised of several bureaus that manage every aspect of planning, design, bidding, and construction of the Commonwealth's non-highway capital projects. Such projects range from dams and sewage treatment plants to buildings such as prisons, offices, and laboratories. These bureaus maximize efficiency, monitor performance, and reduce change order rates, which ultimately increases the number of construction projects completed on time and on budget.

Procurement

DGS [procures](#) contracts for services, information technology, equipment, and supplies for the Commonwealth and establishes procurement policy for all state agencies.

The department 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](#).

DGS provides [transportation services](#) to all state agencies, managing a fleet of more than 11,000 passenger vehicles. The department manages all maintenance and repairs and works to reduce the overall fleet maintenance cost.

DGS administers both [state](#) and [federal](#) surplus property programs. The department sells property no longer used by Commonwealth agencies, boards, and commissions to the general public through 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

DGS implements programs and policies that promote contracting opportunities for [small, diverse, or veteran-owned businesses](#). They assist these businesses in navigating the state contracting process, completing certification requirements, and ensuring contract compliance. The department is also an active partner to other agency programs that provide support services and training to small, diverse businesses.

Program: Facility, Property, and Commodity Management, continued

Administration

DGS 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 department also hosts an online storefront, [PAPublisher](#), through which agency customers can order personalized products. DGS also provides direct distribution, eliminating an agency's need to print and store large quantities of product.

The department 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 more than 400 leases on behalf of other Commonwealth agencies, including commercial, office, warehouse, police stations, and hangar space. DGS manages over 19 million square feet of leased and owned space.

The department 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, DGS 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 department 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, and marketing campaign strategy and development services, as well as 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, CMS works closely with agencies to deliver up-to-date content and creative messaging solutions.

Program Recommendations:

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

| | | | |
|----------------------|--|------------|--|
| GENERAL FUND: | | | Rental, Relocation, and Municipal Charges |
| | General Government Operations | \$ (2,523) | —to continue current program. |
| \$ 6,672 | —to continue current program. | | |
| 1,213 | —Initiative—to provide additional resources and equipment to assist Commonwealth agencies with in-house media products and services. | \$ 17,830 | Space Optimization and Utilization Improvements |
| 369 | —Initiative—to expand and promote contracting opportunities for small and diverse businesses. | | —Initiative—to complete renovations and upgrades which will enable the Commonwealth to reduce its real estate footprint. |
| \$ 8,254 | <i>Appropriation Increase</i> | | Utility Costs |
| | | \$ (2,561) | —to continue current program. |
| | Capitol Police Operations | | Excess Insurance Coverage |
| \$ 1,041 | —to continue current program. | \$ 563 | —to continue current program. |

Program: Facility, Property, and Commodity Management, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 60,036 | \$ 71,212 | \$ 79,466 | \$ 82,430 | \$ 82,430 | \$ 82,430 | \$ 82,430 |
| Capitol Police Operations | 16,519 | 17,567 | 18,608 | 19,092 | 19,092 | 19,092 | 19,092 |
| Rental, Relocation, and Municipal Charges | 27,794 | 29,981 | 27,458 | 24,016 | 24,232 | 24,800 | 22,431 |
| Space Optimization and Utilization Improvements | - | - | 17,830 | 17,750 | 17,600 | 16,950 | 14,400 |
| Utility Costs | 27,272 | 27,461 | 24,900 | 24,900 | 24,900 | 24,900 | 24,900 |
| Excess Insurance Coverage Transfer to State Insurance Fund | 3,637 | 3,637 | 4,200 | 4,200 | 4,200 | 4,200 | 4,200 |
| Capitol Fire Protection | 1,500 | 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 | \$ 141,758 | \$ 156,358 | \$ 178,962 | \$ 178,888 | \$ 178,954 | \$ 178,872 | \$ 173,953 |
| MOTOR LICENSE FUND: | | | | | | | |
| Tort Claims Payments | \$ 9,000 | \$ 9,000 | \$ 9,000 | \$ 9,000 | \$ 9,000 | \$ 9,000 | \$ 9,000 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|-----------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Generate procurement savings for the Commonwealth. | | | | | | | |
| DGS procurement related savings (in thousands) | \$ 57,996 | 63,371 | 105,493 | 34,768 | 60,165 | 55,000 | 58,000 |
| Increase participation of and opportunity for small diverse businesses and small businesses. | | | | | | | |
| Percentage of Commonwealth contract spending awarded to small and small diverse businesses | % 17 | 20 | 19 | 21 | 22 | 23 | 23 |
| Reduce energy consumption and associated energy costs in state-owned facilities. | | | | | | | |
| DGS energy use (in BTU per square foot) | 76,090 | 74,080 | 70,080 | 65,562 | 57,829 | 59,000 | 59,000 |



HEALTH

The mission of the [Department of Health \(DOH\)](#) 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)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| GENERAL FUND: | | | |
| General Government: | | | |
| General Government Operations | \$ 31,145 | \$ 32,048 | \$ 34,246 |
| (F)WIC-Administration and Operation | 43,268 | 43,268 | 43,268 |
| (F)Health Assessment | 815 | 844 | 674 |
| (F)PHHSBG-Administration and Operation | 5,150 | 5,150 | 5,150 |
| (F)MCHSBG-Administration and Operation | 16,659 | 16,659 | 16,659 |
| (F)Adult Blood Lead Epidemiology | 14 | - | - |
| (F)EMS for Children | 321 | 321 | 321 |
| (F)TB-Administration and Operation | 2,323 | 3,520 | 1,819 |
| (F)Lead-Administration and Operation | 1,170 | 1,170 | 1,100 |
| (F)AIDS Health Education-Administration and Operation | 7,858 | 5,225 | 7,068 |
| (F)Primary Care Cooperative Agreements | 555 | 566 | 510 |
| (F)HIV/AIDS Surveillance | 622 | 660 | 661 |
| (F)HIV Care-Administration and Operation | 665 | 373 | 798 |
| (F)Cancer Prevention and Control | 8,091 | 8,091 | 7,879 |
| (F)Environmental Public Health Tracking | 2,678 | 2,297 | 2,691 |
| (F)Strengthening Public Health Infrastructure | - | 459 | - |
| (F)Special Preparedness Initiatives | 485 | 400 | 400 |
| (F)State Loan Repayment Program | 1,500 | 1,500 | 1,300 |
| (F)Public Health Emergency Preparedness and Response (EA) | 59,655 | 59,655 | 59,655 |
| (F)COVID-Public Health Emergency Preparedness and Response (EA) | 808 | - | - |
| (F)COVID-Strengthening Public Health (EA) | 4,352 | 8,000 | 8,454 |
| (F)COVID-Health Equity (EA) | - | 40 | - |
| (F)SUPTRSBG-DDAP Support Services (EA) | 124 | 128 | 134 |
| (F)Learning Management System (EA) | 28 | 23 | 26 |
| (F)Food Safety Rapid Response Team (EA) | 20 | 39 | 20 |
| (F)BioWatch Training (EA) | 30 | - | - |
| (A)Miscellaneous | 548 | 108 | 49 |
| (R)EMS Training Fund | - ^a | - ^a | - ^a |
| Subtotal | <u>\$ 188,884</u> | <u>\$ 190,544</u> | <u>\$ 192,882</u> |
| Quality Assurance | 29,347 | 30,738 | 33,766 |
| (F)Medicare-Health Service Agency Certification | 14,100 | 14,100 | 14,100 |
| (F)COVID-Medicare-Health Service Agency Certification (EA) | 112 | - | - |
| (F)Medicaid Certification | 11,300 | 11,300 | 11,300 |
| (F)COVID-Medicaid Certification (EA) | 81 | - | - |
| (A)Indoor Tanning Regulation Fund | 150 | 117 | 117 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
| (A)Temporary HSA Registration Fees..... | 255 | 325 | 325 |
| (A)Publication Fees..... | - | 1 | 1 |
| (R)Nursing Home Oversight..... | - | 634 | - |
| (R)Survey Info System and Nursing Facilities System Upgrades..... | 460 | 310 | 310 |
| (R)Long-Term Care Infection Prevention and Control (EA)..... | 39 | 876 | - |
| Subtotal..... | <u>\$ 55,844</u> | <u>\$ 58,401</u> | <u>\$ 59,919</u> |
| Long-Term Care Transformation Office..... | - | - | 7,500 |
| Health Promotion and Disease Prevention..... | 2,321 | 5,000 | 5,000 |
| Health Innovation..... | 798 | 798 | 852 |
| Achieving Better Care-MAP Program..... | 3,117 | 3,117 | 3,180 |
| (F)Prescription Drug Monitoring..... | 20,255 | 20,255 | 13,866 |
| (F)State Opioid Response Programs (EA)..... | 1,033 | 938 | - |
| Subtotal..... | <u>\$ 24,405</u> | <u>\$ 24,310</u> | <u>\$ 17,046</u> |
| (F)Cooperative Health Statistics..... | 2,442 | 3,243 | 3,322 |
| (F)Health Statistics..... | 93 | 98 | 102 |
| (F)Behavioral Risk Factor Surveillance System..... | 755 | 755 | 755 |
| (F)COVID-Behavioral Risk Factor Surveillance System (EA)..... | 12 | - | - |
| (R)County Coroner/Medical Examiner Distribution (EA)..... | 943 | 924 | 924 |
| (R)Vital Statistics Improvement Administration (EA)..... | 16,446 | 16,585 | 18,873 |
| (A)VitalChek Revenue..... | - | 2,029 | 2,029 |
| (A)Reimbursement for Microfilming..... | - | 550 | 550 |
| Subtotal..... | <u>\$ 20,691</u> | <u>\$ 24,184</u> | <u>\$ 26,555</u> |
| State Laboratory..... | 5,143 | 5,685 | 6,472 |
| (F)Epidemiology and Laboratory Surveillance and Response..... | 7,511 | 12,011 | 6,722 |
| (F)COVID-Epidemiology and Laboratory Surveillance and Response (EA)..... | 32,745 | 5,700 | 4,038 |
| (F)Clinical Laboratory Improvement..... | 721 | 799 | 767 |
| (A)Licensure for Clinical Laboratories..... | 2,069 | 2,197 | 2,197 |
| (A)Drug Abuse Proficiency..... | 692 | 425 | 425 |
| (A)Alcohol Proficiency Testing..... | 157 | 92 | 92 |
| (A)Erythrocyte Protoporphyrin Testing..... | 27 | 16 | 16 |
| (A)Blood Lead Specimen Testing..... | 71 | 1 | 1 |
| (A)Blood Lead Testing..... | 133 | 42 | 42 |
| (A)PA Limited Survey Proficiency Testing..... | 2 | - | - |
| Subtotal..... | <u>\$ 49,271</u> | <u>\$ 26,968</u> | <u>\$ 20,772</u> |
| State Health Care Centers..... | 28,086 | 31,157 | 33,697 |
| (F)Disease Control Immunization Program..... | 16,549 | 18,090 | 16,014 |
| (F)COVID-Disease Control Immunization (EA)..... | 2,196 | 2,800 | 2,988 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------------|-------------------|
| (F)PHHSBG-Block Program Services | 8,055 | 8,055 | 8,055 |
| (F)Preventive Health Special Projects | 3,223 | 3,223 | 2,789 |
| (F)Collaborative Chronic Disease Programs | 5,922 | 5,922 | 4,422 |
| (F)Sexual Violence Prevention and Education..... | 3,743 | 3,743 | 1,857 |
| (F)Live Healthy..... | 5,086 | 5,086 | 4,953 |
| (F)Refugee Health Program (EA)..... | 364 | 404 | 202 |
| (A)Reimbursement for Health Center Services..... | - | 1,320 | - |
| (R)E-cigarette Settlement..... | 1,840 | 3,419 | 3,902 |
| Subtotal..... | <u>\$ 75,064</u> | <u>\$ 83,219</u> | <u>\$ 78,879</u> |
| Sexually Transmitted Disease Screening and Treatment..... | 1,822 | 1,822 | 1,994 |
| (F)Survey and Follow-Up-Sexually Transmitted Diseases..... | 3,306 | 4,253 | 3,783 |
| (F)COVID-Strengthening STD Prevention and Control (EA) | 2,759 | 3,100 | 2,553 |
| Subtotal..... | <u>\$ 7,887</u> | <u>\$ 9,175</u> | <u>\$ 8,330</u> |
| Subtotal - State Funds..... | <u>\$ 101,779</u> | <u>\$ 110,365</u> | <u>\$ 126,707</u> |
| Subtotal - Federal Funds..... | 299,554 | 282,263 | 261,175 |
| Subtotal - Augmentations..... | 4,104 | 7,223 | 5,844 |
| Subtotal - Restricted..... | <u>19,728</u> | <u>22,748</u> | <u>24,009</u> |
| Total - General Government..... | <u>\$ 425,165</u> | <u>\$ 422,599</u> | <u>\$ 417,735</u> |
| Grants and Subsidies: | | | |
| Diabetes Programs | \$ 112 | \$ 112 | \$ 112 |
| Primary Health Care Practitioner | 8,350 | 8,350 | 23,350 |
| Community-Based Health Care Subsidy | 2,000 | 2,000 | 2,000 |
| Newborn Screening | 7,092 | 7,329 | 7,329 |
| Cancer Screening Services | 2,563 | 2,563 | 2,563 |
| AIDS Programs and Special Pharmaceutical Services | 10,436 | 10,436 | 10,436 |
| (F)AIDS Ryan White and HIV Care | 71,142 | 76,223 | 46,337 |
| (F)Housing for Persons with AIDS | 4,769 | 4,796 | 5,018 |
| (F)AIDS Health Education Program | 3,266 | 1,642 | 1,642 |
| (R)Ryan White HIV/AIDS Program Rebates | 106,521 | 82,285 | 157,383 |
| Subtotal..... | <u>\$ 196,134</u> | <u>\$ 175,382</u> | <u>\$ 220,816</u> |
| Regional Cancer Institutes | 2,000 | 2,000 | 2,000 |
| School District Health Services..... | 34,620 | 37,620 ^b | 37,620 |
| Local Health Departments | 35,785 | 36,609 | 35,854 |
| Local Health-Environmental | 2,697 | 2,697 | 2,697 |
| Maternal and Child Health Services..... | 1,438 | 1,447 | 1,447 |
| (F)Women, Infants, and Children | 277,910 | 277,910 | 277,910 |
| (F)MCHSBG-Program Services | 20,833 | 20,833 | 20,833 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|----------------------------|----------------------------|----------------------------|
| (F)Teenage Pregnancy Prevention | 4,677 | 4,677 | 4,677 |
| (F)Abstinence Education | 4,605 | 4,605 | 3,731 |
| (F)Family Health Special Projects | 2,500 | 3,379 | 3,929 |
| (F)MCH Lead Poisoning Prevention and Abatement | 2,370 | 2,370 | 2,400 |
| (F)Screening Newborns | 1,567 | 1,783 | 1,797 |
| (F)COVID-Screening Newborns (EA)..... | 80 | - | - |
| (F)Newborn Hearing Screening and Intervention | 477 | 477 | 337 |
| (F)Traumatic Brain Injury..... | 592 | 592 | 485 |
| Subtotal..... | <u>\$ 317,049</u> | <u>\$ 318,073</u> | <u>\$ 317,546</u> |
| Tuberculosis Screening and Treatment | 913 | 921 | 1,057 |
| (F)Tuberculosis Control Program | 600 | 1,000 | 1,152 |
| Subtotal..... | <u>\$ 1,513</u> | <u>\$ 1,921</u> | <u>\$ 2,209</u> |
| Renal Dialysis | 6,678 | 6,678 | 6,678 |
| Services for Children with Special Needs | 1,728 | 1,728 | 1,728 |
| Adult Cystic Fibrosis and Other Chronic Respiratory Illness | 795 | 795 | 795 |
| Cooley's Anemia | 106 | 106 | 106 |
| Hemophilia | 1,017 | 1,017 | 1,017 |
| Lupus | 106 | 106 | 106 |
| Sickle Cell | 1,335 | 1,335 | 1,335 |
| Regional Poison Control Centers | 742 | 742 | 742 |
| Trauma Prevention | 488 | 488 | 488 |
| Epilepsy Support Services | 583 | 583 | 583 |
| Bio-Technology Research | 10,600 | 11,200 | - |
| Tourette's Syndrome | 159 | 159 | 159 |
| Amyotrophic Lateral Sclerosis Support Services | 1,501 | 1,501 | 1,501 |
| Neurodegenerative Disease Research | - | - | 5,000 |
| Lyme Disease | 3,180 | 3,180 | 3,180 |
| (R)Pediatric Cancer Research Fund..... | - | 1,000 | 1,000 |
| Subtotal - State Funds..... | <u>\$ 137,024</u> | <u>\$ 141,702</u> | <u>\$ 149,883</u> |
| Subtotal - Federal Funds..... | <u>395,388</u> | <u>400,287</u> | <u>370,248</u> |
| Subtotal - Restricted..... | <u>106,521</u> | <u>83,285</u> | <u>158,383</u> |
| Total - Grants and Subsidies..... | <u>\$ 638,933</u> | <u>\$ 625,274</u> | <u>\$ 678,514</u> |
| STATE FUNDS | <u>\$ 238,803</u> | <u>\$ 252,067</u> | <u>\$ 276,590</u> |
| FEDERAL FUNDS | <u>694,942</u> | <u>682,550</u> | <u>631,423</u> |
| AUGMENTATIONS | <u>4,104</u> | <u>7,223</u> | <u>5,844</u> |
| RESTRICTED | <u>126,249</u> | <u>106,033</u> | <u>182,392</u> |
| GENERAL FUND TOTAL | <u>\$ 1,064,098</u> | <u>\$ 1,047,873</u> | <u>\$ 1,096,249</u> |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|---------------------|------------------------|---------------------|
| OTHER FUNDS: | | | |
| EMERGENCY MEDICAL SERVICES OPERATING FUND: | | | |
| Emergency Medical Services | \$ 11,450 | \$ 12,242 | \$ 18,871 |
| Catastrophic Medical and Rehabilitation | 4,100 | 4,200 | 5,000 |
| Transfer to EMS Training Fund (EA) | 150 | 150 | 150 |
| EMERGENCY MEDICAL SERVICES OPERATING FUND TOTAL | \$ 15,700 | \$ 16,592 | \$ 24,021 |
| GOV. CASEY ORGAN & TISSUE DONATION AWARENESS TRUST FUND: | | | |
| General Operations (EA) | \$ 82 | \$ 139 | \$ 139 |
| Hospital and Other Medical Costs (EA) | 95 | 95 | 143 |
| Grants to Certified Procurement Organizations (EA) | 475 | 475 | 715 |
| Project Make-A-Choice (EA) | 143 | 143 | 215 |
| GOV. CASEY ORGAN & TISSUE DONATION AWARENESS TRUST FUND TOTAL ... | \$ 795 | \$ 852 | \$ 1,212 |
| MEDICAL MARIJUANA PROGRAM FUND: | | | |
| General Operations (EA) | \$ 22,646 | \$ 44,718 ^c | \$ 21,996 |
| Patient Financial Hardship Program (EA) | 8,493 | 27,233 ^d | 8,248 |
| Medical Marijuana Research (EA) | 16,985 | 21,426 ^e | 16,496 |
| MEDICAL MARIJUANA PROGRAM FUND TOTAL | \$ 48,124 | \$ 93,377 | \$ 46,740 |
| TOBACCO SETTLEMENT FUND: | | | |
| Health Research-Health Priorities (EA) | \$ 44,356 | \$ 41,975 | \$ 39,176 |
| Health Research-National Cancer Institute (EA) | 3,520 | 3,331 | 3,109 |
| Tobacco Use Prevention and Cessation (EA) | 15,841 | 14,991 | 13,991 |
| TOBACCO SETTLEMENT FUND TOTAL | \$ 63,717 | \$ 60,297 | \$ 56,276 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND | \$ 238,803 | \$ 252,067 | \$ 276,590 |
| MOTOR LICENSE FUND | - | - | - |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS | 694,942 | 682,550 | 631,423 |
| AUGMENTATIONS | 4,104 | 7,223 | 5,844 |
| RESTRICTED | 126,249 | 106,033 | 182,392 |
| OTHER FUNDS | 128,336 | 171,118 | 128,249 |
| TOTAL ALL FUNDS | \$ 1,192,434 | \$ 1,218,991 | \$ 1,224,498 |

^a Transfer from Emergency Medical Services Operating Fund not added to avoid double counting: 2023-24 Actual is \$100,000, 2024-25 Available is \$150,000, and 2025-26 Budget is \$150,000.

^b Funds for the Menstrual Products Program distributed through the Pennsylvania Department of Education in accordance with Act 55 of 2024.

^c Includes recommended supplemental executive authorization of \$1,313,000.

^d Includes recommended supplemental executive authorization of \$492,000.

^e This budget proposes to transfer \$46,500,000 to the Tourism Promotion Fund in 2025-26. Note: amount shown includes recommended supplemental executive authorization of \$985,000.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| HEALTH SUPPORT SERVICES: | | | | | | | |
| GENERAL FUND..... | \$ 68,752 | \$ 71,588 | \$ 85,164 | \$ 88,269 | \$ 88,269 | \$ 88,269 | \$ 88,269 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 245,049 | 223,491 | 209,380 | 209,380 | 209,380 | 196,888 | 196,888 |
| AUGMENTATIONS | 4,104 | 3,324 | 3,265 | 3,265 | 3,265 | 3,265 | 3,265 |
| RESTRICTED..... | 499 | 1,820 | 310 | 310 | 310 | 310 | 310 |
| OTHER FUNDS..... | 22,796 | 44,868 | 22,146 | 21,471 | 21,263 | 21,262 | 21,262 |
| SUBCATEGORY TOTAL.... | \$ 341,200 | \$ 345,091 | \$ 320,265 | \$ 322,695 | \$ 322,487 | \$ 309,994 | \$ 309,994 |
| HEALTH RESEARCH: | | | | | | | |
| GENERAL FUND..... | \$ 12,712 | \$ 13,312 | \$ 7,112 | \$ 7,112 | \$ 7,112 | \$ 7,112 | \$ 7,112 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 3,302 | 4,096 | 4,179 | 4,179 | 4,179 | 4,179 | 4,179 |
| AUGMENTATIONS | - | 2,579 | 2,579 | 2,579 | 2,579 | 2,579 | 2,579 |
| RESTRICTED..... | 17,389 | 18,509 | 20,797 | 20,797 | 20,797 | 20,797 | 20,797 |
| OTHER FUNDS..... | 64,861 | 66,732 | 58,781 | 58,276 | 58,231 | 58,232 | 58,232 |
| SUBCATEGORY TOTAL.... | \$ 98,264 | \$ 105,228 | \$ 93,448 | \$ 92,943 | \$ 92,898 | \$ 92,899 | \$ 92,899 |
| PREVENTIVE HEALTH: | | | | | | | |
| GENERAL FUND..... | \$ 142,684 | \$ 152,512 | \$ 169,659 | \$ 170,573 | \$ 170,573 | \$ 170,573 | \$ 170,573 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 446,591 | 454,963 | 417,864 | 417,864 | 412,323 | 412,323 | 412,323 |
| AUGMENTATIONS | - | 1,320 | - | - | - | - | - |
| RESTRICTED..... | 108,361 | 85,704 | 161,285 | 86,378 | 86,978 | 87,664 | 88,449 |
| OTHER FUNDS..... | 15,841 | 14,991 | 13,991 | 13,991 | 13,991 | 13,991 | 13,991 |
| SUBCATEGORY TOTAL.... | \$ 713,477 | \$ 709,490 | \$ 762,799 | \$ 688,806 | \$ 683,865 | \$ 684,551 | \$ 685,336 |
| HEALTH TREATMENT SERVICES: | | | | | | | |
| GENERAL FUND..... | \$ 14,655 | \$ 14,655 | \$ 14,655 | \$ 14,655 | \$ 14,655 | \$ 14,655 | \$ 14,655 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 24,838 | 44,527 | 33,331 | 32,756 | 32,662 | 26,904 | 26,935 |
| SUBCATEGORY TOTAL.... | \$ 39,493 | \$ 59,182 | \$ 47,986 | \$ 47,411 | \$ 47,317 | \$ 41,559 | \$ 41,590 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 238,803 | \$ 252,067 | \$ 276,590 | \$ 280,609 | \$ 280,609 | \$ 280,609 | \$ 280,609 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 694,942 | 682,550 | 631,423 | 631,423 | 625,882 | 613,390 | 613,390 |
| AUGMENTATIONS | 4,104 | 7,223 | 5,844 | 5,844 | 5,844 | 5,844 | 5,844 |
| RESTRICTED..... | 126,249 | 106,033 | 182,392 | 107,485 | 108,085 | 108,771 | 109,556 |
| OTHER FUNDS..... | 128,336 | 171,118 | 128,249 | 126,494 | 126,147 | 120,389 | 120,420 |
| DEPARTMENT TOTAL | <u>\$ 1,192,434</u> | <u>\$ 1,218,991</u> | <u>\$ 1,224,498</u> | <u>\$ 1,151,855</u> | <u>\$ 1,146,567</u> | <u>\$ 1,129,003</u> | <u>\$ 1,129,819</u> |

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.

The [Department of Health \(DOH\)](#) conducts identification, surveillance and investigation of health issues, including communicable diseases, environmental conditions, occupational hazards, infection control, and health risk behaviors. It publishes guidelines and recommendations for disease prevention, providing professional consultation and technical support to health care providers, institutions, agencies, county health departments, and municipalities.

The [Prescription Drug Monitoring Program tracks](#) controlled substance prescriptions, ensuring safe prescribing, and facilitating patient treatment.

The department [surveys and inspects](#) health care facilities for compliance with state and federal standards, and occasionally, as a requirement for Medicare and Medicaid. The surveys cover sanitation, fire safety, health, and care standards.

[Act 41 of 2014](#), the Indoor Tanning Regulation Act, mandates registration, safety measures, and staff training for indoor tanning establishments, with the department authorized to conduct inspections.

The [Healthcare-Associated Infection Prevention/Antimicrobial Stewardship Program](#) aids health care facilities in reducing infections through effective identification, reporting, and facility-specific infection control plans. It develops best practices for monitoring, surveillance, and response; maintaining a reporting program benchmarking and performance monitoring.

The [state public health lab](#), operated by the department, supports disease prevention through investigatory, diagnostic, and confirmatory testing. It performs over 200,000 tests each year, including COVID-19, tuberculosis, measles, and botulism. The lab also monitors public health concerns and informs patient care best practices.

The lab is integral to Commonwealth preparedness, overseeing licensing, performance standards, and compliance while monitoring over 10,000 laboratories. DOH administers proficiency testing programs for blood lead, erythrocyte protoporphyrin, alcohol, and drugs of abuse.

Program Recommendations:

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

| | | | |
|--------------------------------------|---|---|--|
| General Government Operations | | Long-Term Care Transformation Office | |
| \$ 1,204 | —to continue current program. | \$ 7,500 | —Initiative—to provide state resources for the |
| 994 | —Initiative—to support the PA Viral Hepatitis Elimination Plan. | | Long-Term Care Transformation Office to continue |
| | | | to support Pennsylvania's long-term care facilities. |
| \$ 2,198 | <i>Appropriation Increase</i> | | |
| Quality Assurance | | Achieving Better Care-MAP Program | |
| \$ 2,812 | —to continue current program. | \$ 63 | —to continue current program. |
| 216 | —Initiative—to implement Act 109 of 2024. | | |
| \$ 3,028 | <i>Appropriation Increase</i> | | |
| | | State Laboratory | |
| | | \$ 787 | —to continue current program. |

Program: Health Support Services, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 31,145 | \$ 32,048 | \$ 34,246 | \$ 35,136 | \$ 35,136 | \$ 35,136 | \$ 35,136 |
| Quality Assurance..... | 29,347 | 30,738 | 33,766 | 35,730 | 35,730 | 35,730 | 35,730 |
| Long-Term Care Transformation Office | - | - | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 |
| Achieving Better Care-MAP Program .. | 3,117 | 3,117 | 3,180 | 3,263 | 3,263 | 3,263 | 3,263 |
| State Laboratory | 5,143 | 5,685 | 6,472 | 6,640 | 6,640 | 6,640 | 6,640 |
| TOTAL GENERAL FUND..... | \$ 68,752 | \$ 71,588 | \$ 85,164 | \$ 88,269 | \$ 88,269 | \$ 88,269 | \$ 88,269 |

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.

DOH coordinates health data collection, analysis, and dissemination. Annual [health reports](#) and an interactive health [statistics tool](#) are available on the department’s website. The department manages a central repository with over 23.5 million records of [births, deaths, and other vital statistics](#) in the Commonwealth. Operation automation allows public access to Pennsylvania birth records from 1921 to present at central and branch offices. The system processes more than 500,000 requests yearly and aids in detecting fraudulent record usage, child support enforcement, and reporting missing children. Birth and death records, stored digitally or on microfilm, are accessible if needed. Birth certificate requests have increased with enhanced federal requirements for air travel and entry into federal buildings.

Previously, Vital Statistics had a dedicated appropriation, the program is now entirely supported by federal funds as well as revenue from death certificates.

DOH’s Diabetes Programs strive to improve the lives of those with diabetes, reduce disparities, and prevent type 2 diabetes through statewide services, funded by state and federal sources, with outcomes tracked via diverse data sources. DOH’s Regional Cancer Institutes engage in diverse activities, including facilitating cancer screenings, reducing barriers to treatment, providing education, and conducting research.

Program Recommendations:

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

| | |
|--|---|
| <p>Bio-Technology Research</p> <p>\$ (11,200) —program elimination.</p> | <p>Neurodegenerative Disease Research</p> <p>\$ 5,000 —Initiative—to provide research grants related to neurodegenerative illnesses.</p> |
|--|---|

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Diabetes Programs ... | \$ 112 | \$ 112 | \$ 112 | \$ 112 | \$ 112 | \$ 112 | \$ 112 |
| Regional Cancer Institutes | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Bio-Technology Research | 10,600 | 11,200 | - | - | - | - | - |
| Neurodegenerative Disease Research | - | - | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| TOTAL GENERAL FUND..... | \$ 12,712 | \$ 13,312 | \$ 7,112 | \$ 7,112 | \$ 7,112 | \$ 7,112 | \$ 7,112 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Coordinate the collection and analysis of health statistics and information. | | | | | | | |
| Drug-related overdose deaths | 4,479 | 5,176 | 5,356 | 5,158 | 4,719 | 4,483 | 4,260 |

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.

The department provides public health [services](#) via district offices, [state health centers](#), [county and municipal health departments](#), community-based organizations, and public health clinical providers. These include programs for communicable disease prevention, family health, chronic disease prevention, environmental health, and intervention services. County and municipal health departments deliver individual and environmental public health services funded through department awarded grants and contracts.

Women and Infant Programs

DOH integrates home visiting, Centering Pregnancy, and innovative inter-conception care programs to improve pregnancy outcomes, reduce infant mortality, and support child development.

The department administers a [newborn screening](#) program to minimize health risks and provide follow-up services for abnormal results.

For women's health the department offers the [Breast and Cervical Cancer Early Detection Program](#), providing screenings for breast and cervical cancers. Eligible individuals diagnosed with cancer are referred to the Department of Human Services for treatment programs based on specific criteria.

State health center community health nurses conduct public education and participate in local advisory teams focusing on women's, infants', and children's health and safety.

DOH manages the federally funded Special Supplemental Nutrition Program for [Women, Infants, and Children \(WIC\)](#), serving those at risk due to medical conditions or low income.

The [Maternal Mortality Review Committee \(MMRC\)](#) assesses maternal deaths, aiming to determine preventability related to pregnancy.

Children's Programs

DOH's [immunization program](#) provides vaccines to reduce vaccine-preventable diseases in the Commonwealth. The program supports surveillance, consultation during outbreaks, and educational programs. The initiative assesses childhood immunization levels, conducts childcare and school immunization reporting, and guides school districts to maintain children's health. Local state health centers conduct public and provider education for disease prevention, improving immunization rates, and decreasing disease transmission.

The department addresses [lead poisoning](#) through federally funded activities. The Lead Hazard Control program identifies and eliminates hazards in eligible homes. DOH conducts surveillance of childhood blood lead levels to identify community trends. State health center staff provide parent education and case management for children under 7 with elevated levels. The Childhood Lead Poisoning Prevention program educates families, communities, and contractors, promoting prevention in children under 6 and blood lead testing.

The [School Health](#) program supports health services in elementary and secondary schools, reimbursing districts for nursing and dental services. State health center nurses offer technical assistance during disease investigations in students and staff.

Other Health Promotion and Disease and Injury Prevention Programs

DOH promotes adult immunizations, offering vaccines through health centers, county and municipal health departments, and clinics. The infectious disease surveillance system investigates reported cases, identifying sources and implementing control measures.

The department addresses chronic diseases, conducting programs such as hepatitis C testing and coordinating HIV prevention services.

The [Sexually Transmitted Diseases \(STD\)](#) program aims to prevent STDs and their complications through testing and risk-reduction information.

The [Tuberculosis \(TB\)](#) program focuses on reducing TB incidence, offering outpatient examination, diagnosis, and treatment.

State health centers provide public STD, HIV, and TB testing, alongside community outreach and provider education.

DOH collaborates to transform patient care in [rural health care](#) settings, aiming for improved outcomes and reduced costs.

Program: Preventive Health, continued

The [Tobacco Prevention and Control](#) program combats tobacco-related diseases through community efforts, youth prevention, cessation programs, awareness education, a [Quitline](#), and [Clean Indoor Air Act](#) enforcement.

DOH initiatives tackle tick- and mosquito-transmitted infections through educational programs.

The department also combats the [opioid epidemic](#) with increased naloxone availability and use of the [Opioid Data Dashboard](#).

Federally funded programs address [cancer prevention](#), [oral health](#), [diabetes](#), [heart disease](#), [stroke prevention](#), and [obesity](#). The [Asthma Control Program](#) offers education and triggers identification, while the [Violence and Injury Prevention Program](#) targets intentional and unintentional injuries. DOH funds organizations to address childhood injuries, motor vehicle safety, fall prevention, traumatic brain injury, suicide prevention, and adverse childhood experiences.

Program Recommendations:

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

| | |
|--|--|
| <p>Health Innovation</p> <p>\$ 54 —to continue current program.</p> | <p>Primary Health Care Practitioner</p> <p>\$ 10,000 —Initiative—to expand the program to address workforce shortages in behavioral health.</p> |
| <p>State Health Care Centers</p> <p>\$ 2,540 —to continue current program.</p> | <p>5,000 —Initiative—to expand the program to address workforce shortages in rural communities.</p> |
| <p>Sexually Transmitted Disease Screening and Treatment</p> <p>\$ 172 —to continue current program.</p> | <p>\$ 15,000 <i>Appropriation Increase</i></p> |
| | <p>Local Health Departments</p> <p>\$ (755) —to continue current program.</p> |
| | <p>Tuberculosis Screening and Treatment</p> <p>\$ 136 —to continue current program.</p> |

Program: Preventive Health, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Health Promotion and Disease Prevention..... | \$ 2,321 | \$ 5,000 | \$ 5,000 | \$ 5,000 | \$ 5,000 | \$ 5,000 | \$ 5,000 |
| Health Innovation..... | 798 | 798 | 852 | 874 | 874 | 874 | 874 |
| State Health Care Centers | 28,086 | 31,157 | 33,697 | 34,573 | 34,573 | 34,573 | 34,573 |
| Sexually Transmitted Disease Screening and Treatment | 1,822 | 1,822 | 1,994 | 2,010 | 2,010 | 2,010 | 2,010 |
| Primary Health Care Practitioner..... | 8,350 | 8,350 | 23,350 | 23,350 | 23,350 | 23,350 | 23,350 |
| Community-Based Health Care Subsidy..... | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Newborn Screening | 7,092 | 7,329 | 7,329 | 7,329 | 7,329 | 7,329 | 7,329 |
| Cancer Screening Services | 2,563 | 2,563 | 2,563 | 2,563 | 2,563 | 2,563 | 2,563 |
| AIDS Programs and Special Pharmaceutical Services | 10,436 | 10,436 | 10,436 | 10,436 | 10,436 | 10,436 | 10,436 |
| School District Health Services | 34,620 | 37,620 | 37,620 | 37,620 | 37,620 | 37,620 | 37,620 |
| Local Health Departments | 35,785 | 36,609 | 35,854 | 35,854 | 35,854 | 35,854 | 35,854 |
| Local Health-Environmental..... | 2,697 | 2,697 | 2,697 | 2,697 | 2,697 | 2,697 | 2,697 |
| Maternal and Child Health Services..... | 1,438 | 1,447 | 1,447 | 1,447 | 1,447 | 1,447 | 1,447 |
| Tuberculosis Screening and Treatment | 913 | 921 | 1,057 | 1,057 | 1,057 | 1,057 | 1,057 |
| Epilepsy Support Services | 583 | 583 | 583 | 583 | 583 | 583 | 583 |
| Lyme Disease | 3,180 | 3,180 | 3,180 | 3,180 | 3,180 | 3,180 | 3,180 |
| TOTAL GENERAL FUND..... | \$ 142,684 | \$ 152,512 | \$ 169,659 | \$ 170,573 | \$ 170,573 | \$ 170,573 | \$ 170,573 |

Program: Preventive Health, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|------------------|---------|------------------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Meet and maintain Healthy People 2030 objectives for vaccination rates among school-age children. | | | | | | | |
| Kindergarten immunization rate for measles, mumps, and rubella (MMR) vaccine..... % | 96.4 | 95.5 | 95.1 | 94.0 | 95.0 | 95.5 | 95.5 |
| Percentage of school districts with required school nurse to student ratio .. % | 98.3 | 98.5 | 99.1 | 98.9 | 98.8 | 98.7 | 98.7 |
| 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) | 33.2 | 32.7 | 33.0 | 33.0 | 33.0 | 33.0 | 34.0 |
| Percentage of adults with diabetes..... % | 10.8 | 11.4 | 11.1 | 11.2 | 11.2 | 11.2 | 11.2 |
| Neonatal abstinence syndrome (per 1,000 births)..... | 12.9 | 13.1 | 10.9 | 8.7 | 6.7 | 6.7 | 6.7 |
| Other communicable disease programs and incidences reported. | | | | | | | |
| Percentage of newly HIV diagnosed individuals linked to care within 30 days % | 82.5 | 82.3 | 81.3 | 81.4 | 85.3 | 85.5 | 86.8 |
| Individuals who test HIV negative referred to Pre-exposure Prophylaxis (PrEP) services | 3,412.0 | 2,268.0 | 2,849.0 | 3,243.0 | 2,541.0 | 2,500.0 | 2,500.0 |
| Percentage of initiation of TB treatment % | 90.2 | 83.8 | 89.5 | 92.5 | 92.5 | 93.0 | 96.0 |
| Percentage of completion of TB treatment..... % | 90.2 | 89.6 | 90.2 | 81.7 | 72.7 | 95.0 | 95.0 |
| Percentage of initiation of latent tuberculosis infection (LTBI) for immigrants and refugees | 66.7 | 60.0 | 57.9 | 62.5 | 68.3 | 87.0 | 87.0 |
| Percentage of completion of latent tuberculosis infection (LTBI) for immigrants and refugees | 68.2 | 66.7 | 72.7 | 82.9 | 62.5 | 87.0 | 87.0 |
| 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 | 17.0 | 16.0 | 14.0 | 15.0 | 14.0 | 13.0 | 12.0 |
| Percentage of adults (age 18+) who vape | N/A | N/A | 3.0 | 3.0 | 2.8 | 2.4 | 1.0 |
| Percentage of teens who smoke | 6.6 | N/A ^a | 4.2 | N/A ^a | 3.7 | 3.5 | 3.2 |
| Percentage of teens who vape | 24.4 | N/A ^a | 19.2 | N/A ^a | 18.0 | 17.5 | 17.0 |

^a Data on teens who smoke/vape only available every other year.

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 coordinates specialized medical services for Commonwealth patients.

The [Chronic Renal Disease Program](#) (CRDP) provides care for eligible adults with end-stage renal disease, assisting with dialysis, transplantation, medications, medical management, inpatient and outpatient services, home dialysis supplies, and transportation.

The Specialty Care program offers services for health conditions including cystic fibrosis, Cooley’s anemia, hemophilia, sickle cell, spina bifida, and home ventilator care. Services include client engagement, system functionality, peer supports, mental health screenings, and rehabilitative services. DOH makes referrals to Medical Assistance or the Children’s Health Insurance Program to optimize state funds.

DOH leads the Commonwealth’s [Emergency Medical Services \(EMS\)](#) system, overseeing planning, coordination, development, and evaluation through regional and statewide councils. DOH provides regulatory oversight and develops treatment protocols.

The [Head Injury Program](#) provides case management and post-acute head injury rehabilitation services through contractual agreements, funded by the Emergency Medical Services Operating Fund.

DOH oversees the Commonwealth’s [Medical Marijuana Program](#). Patients with eligible conditions have access to medical marijuana through a safe delivery method. The department provides resources for patients, 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.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Renal Dialysis | \$ 6,678 | \$ 6,678 | \$ 6,678 | \$ 6,678 | \$ 6,678 | \$ 6,678 | \$ 6,678 |
| Services for Children with Special Needs | 1,728 | 1,728 | 1,728 | 1,728 | 1,728 | 1,728 | 1,728 |
| Adult Cystic Fibrosis and Other Chronic Respiratory Illness | 795 | 795 | 795 | 795 | 795 | 795 | 795 |
| Cooley’s Anemia | 106 | 106 | 106 | 106 | 106 | 106 | 106 |
| Hemophilia | 1,017 | 1,017 | 1,017 | 1,017 | 1,017 | 1,017 | 1,017 |
| Lupus | 106 | 106 | 106 | 106 | 106 | 106 | 106 |
| Sickle Cell | 1,335 | 1,335 | 1,335 | 1,335 | 1,335 | 1,335 | 1,335 |
| Regional Poison Control Centers | 742 | 742 | 742 | 742 | 742 | 742 | 742 |
| Trauma Prevention | 488 | 488 | 488 | 488 | 488 | 488 | 488 |
| Tourette’s Syndrome | 159 | 159 | 159 | 159 | 159 | 159 | 159 |
| Amyotrophic Lateral Sclerosis Support Services | 1,501 | 1,501 | 1,501 | 1,501 | 1,501 | 1,501 | 1,501 |
| TOTAL GENERAL FUND | \$ 14,655 | \$ 14,655 | \$ 14,655 | \$ 14,655 | \$ 14,655 | \$ 14,655 | \$ 14,655 |



HEALTH CARE COST CONTAINMENT COUNCIL

The mission of the [Pennsylvania Health Care Cost Containment Council \(PHC4\)](#) is to empower Pennsylvanians through transparency, providing access to data, research, analysis, and reporting focused on the cost, utilization, and quality of health care delivery in the Commonwealth.

The council collects, analyzes, and reports data about the quality of health care in Pennsylvania for use by purchasers of health care benefits, health care providers, and other stakeholders. The council is governed by a 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)

| | 2023-24 | 2024-25 | 2025-26 |
|--|---------|-----------|---------|
| | ACTUAL | AVAILABLE | BUDGET |

GENERAL FUND:

General Government:

| | | | | | | |
|--|-----------|--------------|-----------|--------------|-----------|--------------|
| Health Care Cost Containment Council..... | \$ | 3,167 | \$ | 3,167 | \$ | 8,379 |
| (A)Sale of Datasets and Customized Reports | | 850 | | 950 | | 950 |
| Subtotal - State Funds..... | \$ | 3,167 | \$ | 3,167 | \$ | 8,379 |
| Subtotal - Augmentations..... | | 850 | | 950 | | 950 |
| Total - General Government..... | \$ | 4,017 | \$ | 4,117 | \$ | 9,329 |
| STATE FUNDS | \$ | 3,167 | \$ | 3,167 | \$ | 8,379 |
| AUGMENTATIONS | | 850 | | 950 | | 950 |
| GENERAL FUND TOTAL | \$ | 4,017 | \$ | 4,117 | \$ | 9,329 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------|-----------|---------|-----------|-----------|-----------|-----------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |

HEALTH CARE REPORTING:

| | | | | | | | | | | | | | | |
|-------------------------------|-----------|--------------|-----------|--------------|-----------|--------------|-----------|--------------|-----------|--------------|-----------|--------------|-----------|--------------|
| GENERAL FUND..... | \$ | 3,167 | \$ | 3,167 | \$ | 8,379 | \$ | 5,519 | \$ | 5,519 | \$ | 5,519 | \$ | 5,519 |
| MOTOR LICENSE FUND ... | | - | | - | | - | | - | | - | | - | | - |
| LOTTERY FUND | | - | | - | | - | | - | | - | | - | | - |
| FEDERAL FUNDS..... | | - | | - | | - | | - | | - | | - | | - |
| AUGMENTATIONS | | 850 | | 950 | | 950 | | 650 | | 650 | | 650 | | 650 |
| RESTRICTED..... | | - | | - | | - | | - | | - | | - | | - |
| OTHER FUNDS..... | | - | | - | | - | | - | | - | | - | | - |
| DEPARTMENT TOTAL | \$ | 4,017 | \$ | 4,117 | \$ | 9,329 | \$ | 6,169 | \$ | 6,169 | \$ | 6,169 | \$ | 6,169 |

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 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 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 | |
|---|---|
| \$ 1,212 | —to continue current program. |
| 4,000 | —Initiative—to create an All-Payer Claims Database. |
| \$ 5,212 | <i>Appropriation Increase</i> |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------|----------|-----------|-----------|-----------|-----------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Health Care Cost Containment Council | \$ 3,167 | \$ 3,167 | \$ 8,379 | \$ 5,519 | \$ 5,519 | \$ 5,519 | \$ 5,519 |



HISTORICAL AND MUSEUM COMMISSION

The mission of the [Pennsylvania Historical and Museum Commission \(PHMC\)](#) is to discover, protect, and share Pennsylvania's past, inspiring others to value and use our history in meaningful ways.

Programs and Goals

State History: To manage and safeguard Pennsylvania's historic resources through a comprehensive history, archives, and museum program focused on the preservation, study, and interpretation of all areas of Pennsylvania history, providing exhibits and programs to share this history with learners of all ages.

Museum and Community Assistance: To assure preservation and accessibility of Pennsylvania's rich heritage through representative artifacts, specimens of history, historic documents, buildings, art, and science for all citizens through the support of museums and historical sites within the Commonwealth.

Historical and Museum Commission

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------------|-------------------------|-------------------------|
| GENERAL FUND: | | | |
| <i>General Government:</i> | | | |
| General Government Operations | \$ 22,417 | \$ 24,240 | \$ 25,500 |
| (F)Historic Preservation..... | 3,150 | 3,150 | 3,150 |
| (F)Surface Mining Review..... | 180 | 160 | 180 |
| (F)Environmental Review..... | 380 | 380 | 412 |
| (F)American Battlefield Protection Program..... | 6,000 | 6,000 | 6,000 |
| (F)Appalachian Development..... | 100 | - | - |
| (F)National Endowment for the Humanities | 49 | 49 | 49 |
| (A)State Records Center..... | 1,056 | 1,056 | 1,056 |
| (A)Key 93 Administrative Costs..... | - ^a | - | - |
| (R)Rent and Other Income | 68 | 80 | 80 |
| Subtotal..... | <u>\$ 33,400</u> | <u>\$ 35,115</u> | <u>\$ 36,427</u> |
| Subtotal - State Funds..... | \$ 22,417 | \$ 24,240 | \$ 25,500 |
| Subtotal - Federal Funds..... | 9,859 | 9,739 | 9,791 |
| Subtotal - Augmentations..... | 1,056 | 1,056 | 1,056 |
| Subtotal - Restricted..... | 68 | 80 | 80 |
| Total - General Government..... | <u>\$ 33,400</u> | <u>\$ 35,115</u> | <u>\$ 36,427</u> |
| <i>Grants and Subsidies:</i> | | | |
| Cultural and Historical Support | \$ 2,000 | \$ 4,000 | \$ 2,000 |
| STATE FUNDS..... | \$ 24,417 | \$ 28,240 | \$ 27,500 |
| FEDERAL FUNDS..... | 9,859 | 9,739 | 9,791 |
| AUGMENTATIONS | 1,056 | 1,056 | 1,056 |
| RESTRICTED | 68 | 80 | 80 |
| GENERAL FUND TOTAL | <u>\$ 35,400</u> | <u>\$ 39,115</u> | <u>\$ 38,427</u> |
| OTHER FUNDS: | | | |
| HISTORICAL PRESERVATION FUND: | | | |
| General Operations (EA)..... | \$ 1,167 | \$ 1,342 | \$ 1,342 |
| (R)Deaccession of Collections | 3 | 9 | 9 |
| (R)Mitigation and Special Projects | 385 | 700 | 700 |
| HISTORICAL PRESERVATION FUND TOTAL | <u>\$ 1,555</u> | <u>\$ 2,051</u> | <u>\$ 2,051</u> |

Historical and Museum Commission

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|------------------------|-------------------|
| KEYSTONE RECREATION, PARK, AND CONSERVATION FUND: | | | |
| Historic Site Development (EA)..... | \$ 15,313 | \$ 16,653 ^b | \$ 19,410 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 24,417 | \$ 28,240 | \$ 27,500 |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND..... | - | - | - |
| FEDERAL FUNDS..... | 9,859 | 9,739 | 9,791 |
| AUGMENTATIONS..... | 1,056 | 1,056 | 1,056 |
| RESTRICTED..... | 68 | 80 | 80 |
| OTHER FUNDS..... | 16,868 | 18,704 | 21,461 |
| TOTAL ALL FUNDS..... | \$ 52,268 | \$ 57,819 | \$ 59,888 |

^a Not added to avoid double counting: 2023-24 Actual is \$766,000.

^b Includes recommended supplemental executive authorization of \$2,620,000.

Historical and Museum Commission

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| STATE HISTORY: | | | | | | | |
| GENERAL FUND..... | \$ 22,417 | \$ 24,240 | \$ 25,500 | \$ 26,289 | \$ 26,289 | \$ 26,289 | \$ 26,289 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 9,859 | 9,739 | 9,791 | 9,791 | 9,791 | 9,791 | 9,791 |
| AUGMENTATIONS | 1,056 | 1,056 | 1,056 | 1,056 | 1,056 | 1,056 | 1,056 |
| RESTRICTED..... | 68 | 80 | 80 | 80 | 80 | 80 | 80 |
| OTHER FUNDS..... | 1,555 | 2,051 | 2,051 | 2,051 | 2,051 | 2,051 | 2,051 |
| SUBCATEGORY TOTAL.... | \$ 34,955 | \$ 37,166 | \$ 38,478 | \$ 39,267 | \$ 39,267 | \$ 39,267 | \$ 39,267 |
| MUSEUM AND COMMUNITY ASSISTANCE: | | | | | | | |
| GENERAL FUND..... | \$ 2,000 | \$ 4,000 | \$ 2,000 | \$ 2,000 | \$ 2,000 | \$ 2,000 | \$ 2,000 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 15,313 | 16,653 | 19,410 | 21,994 | 23,733 | 25,434 | 26,875 |
| SUBCATEGORY TOTAL.... | \$ 17,313 | \$ 20,653 | \$ 21,410 | \$ 23,994 | \$ 25,733 | \$ 27,434 | \$ 28,875 |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 24,417 | \$ 28,240 | \$ 27,500 | \$ 28,289 | \$ 28,289 | \$ 28,289 | \$ 28,289 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 9,859 | 9,739 | 9,791 | 9,791 | 9,791 | 9,791 | 9,791 |
| AUGMENTATIONS | 1,056 | 1,056 | 1,056 | 1,056 | 1,056 | 1,056 | 1,056 |
| RESTRICTED..... | 68 | 80 | 80 | 80 | 80 | 80 | 80 |
| OTHER FUNDS..... | 16,868 | 18,704 | 21,461 | 24,045 | 25,784 | 27,485 | 28,926 |
| DEPARTMENT TOTAL | \$ 52,268 | \$ 57,819 | \$ 59,888 | \$ 63,261 | \$ 65,000 | \$ 66,701 | \$ 68,142 |

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](#). PHMC oversees the State Museum, Archives and Historic Preservation Office, and supports the management of historic sites and museums throughout the Commonwealth.

Executive Direction and Administration

The Executive Direction and Administration 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

The State and Local Records 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. 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

The Historic Site and Museum Operations (HSMO) program supports the operation of [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 HSMO.

In addition, at several additional sites, the HSMO 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.

Historical and Museum Commission

Program: State History, continued

Program Recommendations:

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

General Government Operations

\$ 1,260 —to continue current program.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 22,417 | \$ 24,240 | \$ 25,500 | \$ 26,289 | \$ 26,289 | \$ 26,289 | \$ 26,289 |

Program Measures:

| | 2019-20 Actual | 2020-21 Actual | 2021-22 Actual | 2022-23 Actual | 2023-24 Actual | 2024-25 Estimated | 2025-26 Estimated |
|---|-------------------|-------------------|-------------------|---------------------|-------------------|----------------------|----------------------|
| Share permanent museum collections with the public by providing online access. | | | | | | | |
| Records added online to collections database | 8,689 | 10,166 | 5,109 | 7,681 | 7,539 | 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) | 497 | 1,318 | 1,883 | 7 ^a | 817 | 50 | 50 |
| Review impact of state and federally supported projects on historic resources to foster preservation outcomes. | | | | | | | |
| Environmental reviews completed each year | 5,523 | 6,530 | 7,471 | 7,928 | 8,076 | 7,000 | 7,000 |
| Identify and document Pennsylvania's historic resources to ensure consideration in planning and decision making. | | | | | | | |
| Number of historic resources added to PA's State Historic and Archaeological Resource Exchange (PA-SHARE)..... | 7,717 | 2,424 | 6,662 | 17,180 ^b | 3,270 | 1,500 | 1,500 |
| Share Pennsylvania history through exhibits and programs at historic sites and museums. | | | | | | | |
| Onsite visitation at PHMC-owned sites and museums. | 171,369 | 19,498 | 137,046 | 199,670 | 205,950 | 250,000 | 250,000 |

^a This decrease reflects a delay in scanned images collected during the COVID-19 pandemic.

^b This increase is due to an agency initiative to document underrepresented historic properties in Pennsylvania's Historic Places Inventory.

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 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 SHPO across three major components: the [Certified Local Government \(CLG\)](#) grant program; the [Cultural and Historical Support](#) grant 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 CLG grant program awards are given to certified local governments 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.

The Cultural and Historical Support grant 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 the [Keystone Historic Preservation Construction](#) grants are available to Pennsylvania nonprofit 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](#) grant 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.

[State](#) and [federal](#) 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
 \$ (2,000) —funding reduction.

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---------------------------------------|----------|-----------|----------|-----------|-----------|-----------|-----------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Cultural and Historical Support | \$ 2,000 | \$ 4,000 | \$ 2,000 | \$ 2,000 | \$ 2,000 | \$ 2,000 | \$ 2,000 |

Historical and Museum Commission

Program: Museum and Community Assistance, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|----------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | 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. | 5,361 | 4,456 | 5,895 | 6,931 | 5,870 | 6,000 | 6,000 |
| 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. | 9,111 | 9,027 | 11,625 | 12,480 | 9,760 | 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. | 26,269 | 27,339 | 22,469 | 18,919 | 29,574 | 30,000 | 30,000 |
| Assist communities in preserving local history at museums and historical societies. | | | | | | | |
| Grants provided to non-profit cultural and historical institutions across the Commonwealth. | 153 | 155 | 154 | 161 | 158 | 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) | \$ 2,633 | 2,308 | 2,634 | 2,580 | 2,186 | 2,000 | 2,000 |



HUMAN SERVICES

The mission of the [Department of Human Services \(DHS\)](#) 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 intellectual disabilities or autism 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)

| | 2023-24 | 2024-25 | 2025-26 |
|--|---------|-----------|---------|
| | ACTUAL | AVAILABLE | BUDGET |

GENERAL FUND:

General Government:

| | | | |
|---|-------------------|-------------------|-------------------|
| General Government Operations | \$ 128,196 | \$ 136,587 | \$ 152,389 |
| (F)Medical Assistance-Administration | 39,274 | 44,023 | 42,639 |
| (F)SNAP-Administration | 5,333 | 6,600 | 7,223 |
| (F)SSBG-Administration | 358 | 358 | - |
| (F)TANFBG-Administration | 11,259 | 11,268 | 11,394 |
| (F)CCDFBG-Administration..... | 34,455 | 35,294 | 38,850 |
| (F)Child Welfare-Title IV-E-Administration | 10,916 | 11,136 | 12,624 |
| (F)Child Welfare Services-Administration | 993 | 999 | 1,184 |
| (F)Community-Based Family Resource and Support-Administration | 1,739 | 230 | 230 |
| (F)Developmental Disabilities-Basic Support..... | 4,903 | 5,099 | 4,744 |
| (F)Disabled Education-Administration..... | 712 | 1,000 | 778 |
| (F)Early Head Start Expansion Program..... | 14,950 | 14,950 | 14,950 |
| (F)MCH-Administration..... | 251 | 251 | 247 |
| (F)MHSSBG-Administration..... | 1,219 | 1,337 | 1,353 |
| (F)Refugees and Persons Seeking Asylum-Administration | 3,170 | 6,404 | 3,872 |
| (F)IIJA-State Digital Equity | - | - | 1,000 |
| (A)Child Abuse Reviews..... | 7,977 | 8,568 | 8,568 |
| (A)Adam Walsh Clearance..... | 1,410 | 1,032 | 1,032 |
| (A)Miscellaneous..... | 1 | - | - |
| Subtotal..... | <u>\$ 267,116</u> | <u>\$ 285,136</u> | <u>\$ 303,077</u> |
| Information Systems | 103,049 | 112,656 | 112,656 |
| (F)Medical Assistance-Information Systems | 124,920 | 137,047 | 151,580 |
| (F)SNAP-Information Systems | 32,771 | 36,061 | 35,896 |
| (F)TANFBG-Information Systems | 16,519 | 17,403 | 18,985 |
| (F)Child Welfare-Title IV-E-Information Systems | 11,200 | 14,837 | 21,554 |
| (F)Child Support Enforcement-Information Systems | 7,493 | 9,751 | 10,087 |
| (F)CHIP-Information Systems | 16,695 | 16,648 | 16,713 |
| (F)COVID-CHIP Information Systems (EA)..... | 96 | - | - |
| (A)COMPASS Support-CHIP | 520 | 520 | 520 |
| (A)Medical Data Exchange..... | - | 13 | - |
| Subtotal..... | <u>\$ 313,263</u> | <u>\$ 344,936</u> | <u>\$ 367,991</u> |
| County Administration-Statewide | 60,509 | 64,501 | 74,272 |
| (F)Medical Assistance-Statewide | 71,394 | 75,708 | 74,176 |
| (F)SNAP-Statewide | 44,952 | 47,607 | 55,452 |
| (F)COVID-SNAP P-EBT Administration (EA)..... | 24,205 | - | - |
| (F)TANFBG-Statewide | 1,072 | 1,072 | 1,072 |
| (F)ARRA-Health Information Technology | 4,171 | - | - |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|---------------------|----------------------|---------------------|
| (F)Children's Health Insurance Administration..... | 3,669 | 3,607 | 3,545 |
| (F)COVID-Children's Health Insurance Administration (EA)..... | 189 | - | - |
| (A)SNAP-Retained Collections..... | 1,962 | 2,129 | 2,129 |
| (A)eHealth Fees..... | 602 | 540 | 540 |
| Subtotal..... | <u>\$ 212,725</u> | <u>\$ 195,164</u> | <u>\$ 211,186</u> |
| County Assistance Offices..... | 320,810 | 355,088 | 374,483 |
| (F)Medical Assistance-County Assistance Offices..... | 235,037 | 229,731 | 237,284 |
| (F)SNAP-County Assistance Offices..... | 140,971 | 176,047 | 172,978 |
| (F)TANFBG-County Assistance Offices..... | 46,972 | 38,472 | 40,685 |
| (F)CHIP-County Assistance Offices..... | 15,000 | 15,000 | 18,402 |
| (F)SSBG-County Assistance Offices..... | 3,000 | 3,000 | 3,000 |
| (F)LIHEABG-Administration..... | 36,368 | 36,368 | 36,368 |
| (A)FS Bonus Plan-County Assistance Offices..... | - | - | 11,000 |
| Subtotal..... | <u>\$ 798,158</u> | <u>\$ 853,706</u> | <u>\$ 894,200</u> |
| Child Support Enforcement..... | 20,152 | 22,011 | 19,518 |
| (F)Child Support Enforcement-Title IV-D..... | 174,037 | 178,078 | 176,501 |
| (A)Title IV-D Incentive Collections..... | 2,816 | 5,694 | 6,336 |
| (A)State Retained Support Collections..... | 1,273 | 1,269 | 1,269 |
| Subtotal..... | <u>\$ 198,278</u> | <u>\$ 207,052</u> | <u>\$ 203,624</u> |
| New Directions..... | 22,234 | 23,401 | 22,816 |
| (F)TANFBG-New Directions..... | 140,351 | 141,048 | 141,650 |
| (F)Medical Assistance-New Directions..... | 13,589 | 15,081 | 15,865 |
| (F)SNAP-New Directions..... | 20,408 | 23,571 | 23,933 |
| (F)CHIP-New Directions..... | 1,000 | 1,000 | 1,119 |
| Subtotal..... | <u>\$ 197,582</u> | <u>\$ 204,101</u> | <u>\$ 205,383</u> |
| Subtotal - State Funds..... | <u>\$ 654,950</u> | <u>\$ 714,244</u> | <u>\$ 756,134</u> |
| Subtotal - Federal Funds..... | <u>1,315,611</u> | <u>1,356,086</u> | <u>1,397,933</u> |
| Subtotal - Augmentations..... | <u>16,561</u> | <u>19,765</u> | <u>31,394</u> |
| Total - General Government..... | <u>\$ 1,987,122</u> | <u>\$ 2,090,095</u> | <u>\$ 2,185,461</u> |
| Institutional: | | | |
| Youth Development Institutions and Forestry Camps..... | \$ 91,255 | \$ 146,818 | \$ 150,837 |
| (F)SSBG-Basic Institutional Programs..... | 10,000 | 10,000 | 10,000 |
| (F)Food Nutrition Services..... | 650 | 816 | 816 |
| (F)COVID-Supply Chain Assistance for Schools (EA)..... | 24 | - | - |
| (A)Institutional Reimbursements..... | 1 | 10 | 10 |
| Subtotal..... | <u>\$ 101,930</u> | <u>\$ 157,644</u> | <u>\$ 161,663</u> |
| Mental Health Services..... | 885,567 | 956,535 | 988,803 |
| (F)Medical Assistance-Mental Health..... | 201,590 | 217,000 | 252,748 |
| (F)COVID-Medical Assistance-Mental Health (EA)..... | 3,443 | - | - |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|---------------------|------------------------------|------------------------------|
| (F)Medicare Services-State Hospitals..... | 17,900 | 17,900 | 14,500 |
| (F)Homeless Mentally Ill..... | 2,496 | 2,664 | 2,675 |
| (F)MHSBG-Community Mental Health Services..... | 48,229 | 55,829 | 55,829 |
| (F)SSBG-Community Mental Health Services..... | 10,366 | 10,366 | 10,366 |
| (F)Suicide Prevention..... | 6,436 | 2,265 | - |
| (F)Transforming the Crisis Mental Health System..... | 14,000 | 22,855 | 22,855 |
| (F)Mental Health Data Infrastructure..... | 225 | 225 | 250 |
| (F)Mental Health-Safe Schools..... | 5,000 | 5,000 | 5,000 |
| (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 | 2,000 | 2,000 |
| (F)Adolescents and Young Adults at High Risk for Psychosis..... | 400 | 621 | 621 |
| (F)Bioterrorism Hospital Preparedness (EA)..... | 95 | 90 | 45 |
| (A)County IGT..... | 64,027 | 52,296 | 54,825 |
| (A)Institutional Collections..... | 7,139 | 5,068 | 6,100 |
| (A)Institutional Reimbursements..... | 1,379 | 1,869 | 950 |
| Subtotal..... | <u>\$ 1,279,528</u> | <u>\$ 1,363,083</u> | <u>\$ 1,428,067</u> |
| Intellectual Disabilities-State Centers..... | 100,327 | 114,214 | 108,713 |
| (F)Medical Assistance-State Centers..... | 103,137 | 122,948 | 135,023 |
| (F)COVID-Medical Assistance-ID State Centers (EA)..... | 1,766 | - | - |
| (F)Medicare Services-State Centers..... | 183 | 183 | 247 |
| (A)Institutional Collections..... | 5,938 | 4,258 | 5,912 |
| (A)ID/ICF Assessment..... | 13,692 | 9,824 | 11,635 |
| Subtotal..... | <u>\$ 225,043</u> | <u>\$ 251,427</u> | <u>\$ 261,530</u> |
| Subtotal - State Funds..... | <u>\$ 1,077,149</u> | <u>\$ 1,217,567</u> | <u>\$ 1,248,353</u> |
| Subtotal - Federal Funds..... | <u>437,176</u> | <u>481,262</u> | <u>523,475</u> |
| Subtotal - Augmentations..... | <u>92,176</u> | <u>73,325</u> | <u>79,432</u> |
| Total - Institutional..... | <u>\$ 1,606,501</u> | <u>\$ 1,772,154</u> | <u>\$ 1,851,260</u> |
| Grants and Subsidies: | | | |
| Cash Grants..... | \$ 16,240 | \$ 20,141 | \$ 22,716 |
| (F)TANFBG-Cash Grants..... | 163,214 | 163,447 | 159,588 |
| (F)Other Federal Support-Cash Grants..... | 11,553 | 16,520 | 17,095 |
| (F)Summer EBT..... | - | 151,800 ^a | 175,000 |
| (F)LIHEABG-Low-Income Families and Individuals..... | 271,041 | 271,041 | 231,550 |
| (F)Refugees and Persons Seeking Asylum-Social Services..... | 59,888 | 60,303 | 60,303 |
| Subtotal..... | <u>\$ 521,936</u> | <u>\$ 683,252</u> | <u>\$ 666,252</u> |
| Supplemental Grants-Aged, Blind, and Disabled..... | 114,011 | 114,745 | 114,136 |
| Medical Assistance-Capitation..... | 3,594,065 | 3,628,892^b | 4,288,678^d |
| (F)Medical Assistance-Capitation..... | 14,608,866 | 14,665,247 ^c | 16,098,091 ^d |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|----------------------|-------------------------------|----------------------|
| (F)COVID-Medical Assistance-Capitation (EA)..... | 217,866 | - | - |
| (A)MCO Assessment..... | 1,943,149 | 1,960,887 | 2,238,236 |
| (A)Statewide Hospital Assessment..... | 929,561 | 1,236,808 | 1,269,310 |
| (A)Ambulance IGT..... | - | 3,908 | - |
| Subtotal..... | <u>\$ 21,293,507</u> | <u>\$ 21,495,742</u> | <u>\$ 23,894,315</u> |
| Medical Assistance-Fee-for-Service | 697,354 | 686,639 ^e | 646,769 |
| (F)Medical Assistance-Fee-for-Service | 2,082,263 | 2,052,317 ^f | 2,010,981 |
| (F)COVID-Medical Assistance-Fee-for-Service (EA)..... | 29,255 | - | - |
| (A)Hospital Assessment..... | 179,048 | 293,682 | 251,821 |
| (A)Statewide Hospital Assessment..... | 167,714 | 135,756 | 132,842 |
| (A)Miscellaneous Outpatient..... | 1,965 | 2,691 | 2,500 |
| (A)FQHC Alternative Payment Methodology IGT..... | 17,267 | 17,502 | 17,502 |
| (A)Hospital IGT..... | - | 4,000 | 2,000 |
| Subtotal..... | <u>\$ 3,174,866</u> | <u>\$ 3,192,587</u> | <u>\$ 3,064,415</u> |
| Payment to Federal Government-Medicare Drug Program | 990,294 | 1,005,413 ^g | 1,078,279 |
| Medical Assistance-Workers with Disabilities | 66,486 | 103,859 ^h | 123,720 |
| (F)Medical Assistance-Workers with Disabilities..... | 70,594 | 114,766 ⁱ | 142,725 |
| (F)COVID-Medical Assistance-Workers with Disabilities (EA)..... | 929 | - | - |
| Subtotal..... | <u>\$ 138,009</u> | <u>\$ 218,625</u> | <u>\$ 266,445</u> |
| Medical Assistance-Physician Practice Plans | 10,071 | 10,571 | 10,571 |
| (F)Medical Assistance-Physician Practice Plans | 11,557 | 12,812 | 13,324 |
| Subtotal..... | <u>\$ 21,628</u> | <u>\$ 23,383</u> | <u>\$ 23,895</u> |
| Medical Assistance-Hospital-Based Burn Centers | 4,438 | 4,438 | 4,438 |
| (F)Medical Assistance-Hospital-Based Burn Centers | 5,234 | 5,444 | 5,663 |
| Subtotal..... | <u>\$ 9,672</u> | <u>\$ 9,882</u> | <u>\$ 10,101</u> |
| Medical Assistance-Critical Access Hospitals | 14,472 | 7,944 ^j | - ^d |
| (F)Medical Assistance-Critical Access Hospitals | 20,846 | 23,414 | - ^d |
| (A)Statewide Hospital Assessment..... | 3,200 | 1,600 | - |
| Subtotal..... | <u>\$ 38,518</u> | <u>\$ 32,958</u> | <u>\$ -</u> |
| Medical Assistance-Obstetric and Neonatal Services | 3,682 | 10,682 | 10,682 |
| (F)Medical Assistance-Obstetric and Neonatal Services | 7,881 | 16,785 | 17,456 |
| (A)Statewide Hospital Assessment..... | 3,000 | 3,000 | 3,000 |
| Subtotal..... | <u>\$ 14,563</u> | <u>\$ 30,467</u> | <u>\$ 31,138</u> |
| Medical Assistance-Trauma Centers | 8,657 | 8,657 | 8,657 |
| (F)Medical Assistance-Trauma Centers..... | 10,211 | 10,620 | 11,045 |
| Subtotal..... | <u>\$ 18,868</u> | <u>\$ 19,277</u> | <u>\$ 19,702</u> |
| Medical Assistance-Academic Medical Centers..... | 24,682 | 24,682 | 24,681 |
| (F)Medical Assistance-Academic Medical Centers..... | 29,114 | 30,277 | 31,489 |
| Subtotal..... | <u>\$ 53,796</u> | <u>\$ 54,959</u> | <u>\$ 56,170</u> |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|----------------------|-------------------------------|----------------------|
| Medical Assistance-Transportation | 67,485 | 69,532 | 74,346 |
| (F)Medical Assistance-Transportation..... | 99,255 | 102,364 ^k | 97,376 |
| (F)COVID-Medical Assistance-Transportation (EA)..... | 365 | - | - |
| Subtotal..... | <u>\$ 167,105</u> | <u>\$ 171,896</u> | <u>\$ 171,722</u> |
| Expanded Medical Services for Women | 8,263 | 8,263 | 8,263 |
| (F)TANFBG-Alternatives to Abortion..... | 1,000 | - | - |
| Subtotal..... | <u>\$ 9,263</u> | <u>\$ 8,263</u> | <u>\$ 8,263</u> |
| Patient Safety and Services-Hospitals | - | - | 20,000 |
| Children's Health Insurance Program | 110,957 | 106,888 ^l | 100,138 |
| (F)Children's Health Insurance Program..... | 261,201 | 352,572 | 332,061 |
| (F)COVID-Children's Health Insurance Program (EA)..... | 1,976 | - | - |
| (A)MCO Assessment..... | 15,008 | 16,094 | 17,821 |
| (A)Vision Services Donations..... | 200 | - | - |
| (R)Children's Health Insurance Program | 30,730 | 30,730 | 30,730 |
| Subtotal..... | <u>\$ 420,072</u> | <u>\$ 506,284</u> | <u>\$ 480,750</u> |
| Medical Assistance-Long-Term Living | 188,374 | 195,493 ^m | 175,576 |
| (F)Medical Assistance-Long-Term Living..... | 164,312 | 191,876 ⁿ | 171,259 |
| (F)COVID-Medical Assistance-Long-Term Living (EA)..... | 1,979 | - | - |
| (F)COVID-SFR Long-Term Living Programs-Beneficiary | - | 332,006 | - |
| (A)Attendant Care Patient Fees | 286 | 285 | 285 |
| (A)Attendant Care Parking Fines | 51 | 51 | 51 |
| Subtotal..... | <u>\$ 355,002</u> | <u>\$ 719,711</u> | <u>\$ 347,171</u> |
| Medical Assistance-Community HealthChoices | 5,281,872 | 5,826,618 ^o | 6,766,168 |
| (F)Medical Assistance-Community HealthChoices | 7,953,676 | 8,684,301 ^p | 9,960,244 |
| (F)COVID-Medical Assistance-Community HealthChoices (EA) | 199,239 | - | - |
| (A)County IGT | 146,285 | 114,618 | 110,848 |
| (A)Nursing Home Assessments | 362,515 | 414,054 | 414,054 |
| (A)Statewide Hospital Assessment | 67,083 | 65,053 | 63,656 |
| (A)MCO Assessment..... | 55,918 | 57,937 | 65,194 |
| (A)Ambulance IGT..... | - | 992 | - |
| Subtotal..... | <u>\$ 14,066,588</u> | <u>\$ 15,163,573</u> | <u>\$ 17,380,164</u> |
| Long-Term Care Managed Care | 171,745 | 180,942 ^q | 188,781 |
| (F)Medical Assistance-Long-Term Care Managed Care | 213,887 | 224,021 | 238,514 |
| (F)COVID-Medical Assistance-Long-Term Care Managed Care (EA)..... | 3,941 | - | - |
| Subtotal..... | <u>\$ 389,573</u> | <u>\$ 404,963</u> | <u>\$ 427,295</u> |
| Intellectual Disabilities-Community Base Program | 150,970 | 160,108 | 167,181 |
| (F)Medical Assistance-Community ID Services | 91,346 | 93,008 | 92,434 |
| (F)Autism Spectrum Disorder Surveillance Program | 675 | 450 | 450 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|---------------------|----------------------|---------------------|
| (F)SSBG-Community ID Services | 7,451 | 7,451 | 5,651 |
| (F)Disability Innovation-Community ID Services (EA)..... | 568 | 1,427 | 992 |
| (F)COVID-Medical Assistance-Community ID Services (EA) | 621 | - | - |
| Subtotal..... | <u>\$ 251,631</u> | <u>\$ 262,444</u> | <u>\$ 266,708</u> |
| Intellectual Disabilities-Intermediate Care Facilities | 174,730 | 192,154 | 196,645 |
| (F)Medical Assistance-ID/ICF | 242,743 | 279,531 | 289,464 |
| (F)COVID-Medical Assistance-ID/ICF (EA)..... | 4,669 | - | - |
| (A)ID Assessment-ID/ICF..... | 24,113 | 24,586 | 24,586 |
| Subtotal..... | <u>\$ 446,255</u> | <u>\$ 496,271</u> | <u>\$ 510,695</u> |
| Intellectual Disabilities-Community Waiver Program | 2,290,882 | 2,552,157 | 2,727,463 |
| (F)Medical Assistance-Community ID Waiver Program..... | 2,805,681 | 3,056,097 | 3,213,565 |
| (F)COVID-Medical Assistance-Community ID Waiver Program (EA) | 51,385 | - | - |
| Transfer to HCBS-Individuals with Intellectual Disabilities (EA) | 10,783 | - | 5,501 |
| (R)HCBS-Individuals with Intellectual Disabilities | - | - | - |
| Subtotal..... | <u>\$ 5,158,731</u> | <u>\$ 5,608,254</u> | <u>\$ 5,946,529</u> |
| Autism Intervention and Services..... | 31,679 | 35,174 | 37,406 |
| (F)Medical Assistance-Autism Intervention Services | 43,663 | 47,514 | 48,774 |
| (F)COVID-Medical Assistance-Autism Intervention Services (EA) | 611 | - | - |
| Subtotal..... | <u>\$ 75,953</u> | <u>\$ 82,688</u> | <u>\$ 86,180</u> |
| Behavioral Health Services..... | 57,149 | 57,149 | 57,149 |
| Special Pharmaceutical Services..... | 500 | 500 | 450 |
| County Child Welfare | 1,492,635 | 1,494,733 | 1,494,733 |
| (F)Child Welfare Services | 40,561 | 41,326 | 41,599 |
| (F)Child Welfare-Title IV-E | 441,082 | 456,921 | 468,581 |
| (F)COVID-Child Welfare-Title IV-E (EA) | 2,904 | - | - |
| (F)Medical Assistance-Child Welfare | 1,521 | 3,828 | 3,828 |
| (F)TANF-BG-Child Welfare | 73,508 | 58,508 | 58,508 |
| (F)SSBG-Child Welfare..... | 12,021 | 12,021 | 12,021 |
| (F)Child Welfare Training and Certification | 21,750 | 22,700 | 23,534 |
| (F)Community-Based Family Resource and Support | 143 | 344 | 344 |
| (F)Child Abuse Prevention and Treatment..... | 12,515 | 12,515 | 12,515 |
| (F)Title IV-B-Caseworker Visits..... | 1,000 | 1,000 | 1,000 |
| (F)Children's Justice Act | 1,555 | 1,555 | 1,555 |
| (A)Birth Certificate-Mandated Reporter Training..... | 953 | 953 | 790 |
| Subtotal..... | <u>\$ 2,102,148</u> | <u>\$ 2,106,404</u> | <u>\$ 2,119,008</u> |
| Community-Based Family Centers | 34,558 | 34,558 | 34,558 |
| (F)Family Preservation-Family Centers..... | 2,691 | 2,691 | 2,691 |
| (F)Family Resource and Support-Family Centers..... | 1,530 | 3,039 | 3,039 |
| (F)Title IV-B-Family Centers..... | 5,871 | 5,871 | 5,871 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|-----------------------------|---------------------|
| (F)MCH-Early Childhood Home Visiting..... | 16,330 | 16,330 | 16,330 |
| (F)Early Childhood Comprehensive Systems..... | 308 | 308 | 308 |
| (F)Preschool Development Grant (EA)..... | 16,000 | 21,560 | 16,000 |
| Subtotal..... | <u>\$ 77,288</u> | <u>\$ 84,357</u> | <u>\$ 78,797</u> |
| Child Care Services..... | 271,859 | 298,080 | 299,635 |
| (F)TANFBG-Child Care Services..... | - | - | 162,120 |
| (F)CCDFBG-Child Care Services..... | 574,534 | 609,156 ^s | 517,128 |
| (F)SSBG-Child Care Services..... | 30,977 | 30,977 | 30,977 |
| (F)Head Start Collaboration Project..... | 225 | 505 | 505 |
| Subtotal..... | <u>\$ 877,595</u> | <u>\$ 938,718</u> | <u>\$ 1,010,365</u> |
| Child Care Assistance..... | 123,255 | 123,255 | 124,398 |
| (F)TANFBG-Child Care Assistance..... | 344,987 | 193,885 | 131,808 |
| (F)CCDFBG-Child Care Assistance..... | 31,526 | 71,406 | 62,685 |
| (F)SNAP-Child Care Assistance..... | 4,376 | 2,685 | 2,893 |
| (A)Early Childhood Education-PKC PELICAN Expansion..... | 2,149 | 2,149 | 2,149 |
| Subtotal..... | <u>\$ 506,293</u> | <u>\$ 393,380</u> | <u>\$ 323,933</u> |
| Child Care Recruitment and Retention..... | - | - | 55,000 |
| Nurse Family Partnership..... | 14,112 | 14,042 | 13,975 |
| (F)Medical Assistance-Nurse Family Partnership..... | 3,677 | 3,763 | 3,830 |
| (F)COVID-Medical Assistance-Nurse Family Partnership (EA)..... | 16 | - | - |
| Subtotal..... | <u>\$ 17,805</u> | <u>\$ 17,805</u> | <u>\$ 17,805</u> |
| Early Intervention..... | 185,541 | 185,250 ^t | 201,430 |
| (F)Medical Assistance-Early Intervention..... | 87,231 | 92,668 | 108,518 |
| (F)COVID-Medical Assistance-Early Intervention (EA)..... | 1,250 | - | - |
| (F)Education for Children with Disabilities-Early Intervention..... | 17,368 | 24,898 | 24,898 |
| Subtotal..... | <u>\$ 291,390</u> | <u>\$ 302,816</u> | <u>\$ 334,846</u> |
| Domestic Violence..... | 20,093 | 22,593 | 22,593 |
| (F)Family Violence Prevention Services..... | 5,000 | 5,000 | 5,000 |
| (F)SSBG-Domestic Violence Programs..... | 5,705 | 5,705 | 5,705 |
| (F)PHHSBG-Domestic Violence (EA)..... | 100 | - | - |
| (A)Marriage Law Fees..... | 833 | 833 | 833 |
| Subtotal..... | <u>\$ 31,731</u> | <u>\$ 34,131</u> | <u>\$ 34,131</u> |
| Rape Crisis..... | 11,921 | 11,921 | 11,921 |
| (F)SSBG-Rape Crisis..... | 1,721 | 1,721 | 1,721 |
| Subtotal..... | <u>\$ 13,642</u> | <u>\$ 13,642</u> | <u>\$ 13,642</u> |
| Breast Cancer Screening..... | 1,828 | 1,828 | 1,828 |
| (F)SSBG-Family Planning..... | 2,000 | 2,000 | 2,000 |
| Subtotal..... | <u>\$ 3,828</u> | <u>\$ 3,828</u> | <u>\$ 3,828</u> |
| Human Services Development Fund..... | 13,460 | 13,460 | 13,460 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|----------------------|----------------------|----------------------|
| Legal Services | 4,161 | 6,661 | 6,661 |
| (F)SSBG-Legal Services..... | 5,049 | 5,049 | 5,049 |
| Subtotal..... | \$ 9,210 | \$ 11,710 | \$ 11,710 |
| Homeless Assistance | 18,496 | 23,496 | 23,496 |
| (F)SSBG-Homeless Services..... | 4,183 | 4,183 | 4,183 |
| (F)COVID-Rental and Utility Assistance (EA)..... | 500 | 500 | - |
| Subtotal..... | \$ 23,179 | \$ 28,179 | \$ 27,679 |
| 211 Communications | 750 | 750 | 750 |
| Health Program Assistance and Services | 40,133 | 32,827 | - |
| Services for the Visually Impaired | 4,702 | 4,702 | 4,702 |
| Subtotal - State Funds..... | \$ 16,327,345 | \$ 17,279,797 | \$ 19,167,534 |
| Subtotal - Federal Funds..... | 31,522,271 | 32,682,029 | 35,161,838 |
| Subtotal - Augmentations..... | 3,920,298 | 4,357,439 | 4,617,478 |
| Subtotal - Restricted..... | 30,730 | 30,730 | 30,730 |
| Total - Grants and Subsidies..... | \$ 51,800,644 | \$ 54,349,995 | \$ 58,977,580 |
| STATE FUNDS..... | \$ 18,059,444 | \$ 19,211,608 | \$ 21,172,021 |
| FEDERAL FUNDS..... | 33,275,058 | 34,519,377 | 37,083,246 |
| AUGMENTATIONS..... | 4,029,035 | 4,450,529 | 4,728,304 |
| RESTRICTED..... | 30,730 | 30,730 | 30,730 |
| GENERAL FUND TOTAL | \$ 55,394,267 | \$ 58,212,244 | \$ 63,014,301 |
| LOTTERY FUND: | | | |
| <i>Grants and Subsidies:</i> | | | |
| Medical Assistance-Transportation Services | \$ 4,000 | \$ 4,000 | \$ 4,000 |
| Medical Assistance-Community HealthChoices | 348,966 | 373,966 | 325,000 |
| Total - Grants and Subsidies..... | \$ 352,966 | \$ 377,966 | \$ 329,000 |
| LOTTERY FUND TOTAL | \$ 352,966 | \$ 377,966 | \$ 329,000 |
| OTHER FUNDS: | | | |
| CHILDREN'S TRUST FUND: | | | |
| Children's Trust Fund (EA)..... | \$ 1,400 | \$ 1,400 | \$ 1,400 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-----------------------------|-----------------------------|-----------------------------|
| TOBACCO SETTLEMENT FUND: | | | |
| Medical Care for Workers with Disabilities (EA)..... | \$ 105,609 | \$ 99,941 | \$ 93,276 |
| (F)Medical Assistance-Workers with Disabilities (EA) | 124,633 | 121,400 | 117,839 |
| (F)COVID-Medical Assistance-Workers with Disabilities (EA)..... | 2,441 | - | - |
| Subtotal..... | <u>\$ 232,683</u> | <u>\$ 221,341</u> | <u>\$ 211,115</u> |
| Uncompensated Care (EA) | 28,796 | 27,250 | 25,433 |
| (F)Medical Assistance-Uncompensated Care (EA) | 33,968 | 33,427 | 32,448 |
| Subtotal..... | <u>\$ 62,764</u> | <u>\$ 60,677</u> | <u>\$ 57,881</u> |
| Medical Assistance-Community HealthChoices..... | 150,909 | 157,647 | 132,934 |
| TOBACCO SETTLEMENT FUND TOTAL | <u>\$ 446,356</u> | <u>\$ 439,665</u> | <u>\$ 401,930</u> |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 18,059,444 | \$ 19,211,608 | \$ 21,172,021 |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND | 352,966 | 377,966 | 329,000 |
| FEDERAL FUNDS..... | 33,275,058 | 34,519,377 | 37,083,246 |
| AUGMENTATIONS | 4,029,035 | 4,450,529 | 4,728,304 |
| RESTRICTED..... | 30,730 | 30,730 | 30,730 |
| OTHER FUNDS..... | 447,756 | 441,065 | 403,330 |
| TOTAL ALL FUNDS | <u>\$ 56,194,989</u> | <u>\$ 59,031,275</u> | <u>\$ 63,746,631</u> |

^a Includes recommended supplemental appropriation of \$151,800,000.

^b Includes recommended supplemental appropriation of \$22,093,000.

^c Reflects recommended appropriation reduction of \$1,000,000,000.

^d This budget proposes to transfer funding for Medical Assistance-Critical Access Hospitals to Medical Assistance-Capitation.

^e Includes recommended supplemental appropriation of \$37,662,000.

^f Includes recommended supplemental appropriation of \$14,155,000.

^g Reflects recommended appropriation reduction of \$77,518,000.

^h Includes recommended supplemental appropriation of \$3,311,000.

ⁱ Includes recommended supplemental appropriation of \$5,284,000.

^j Reflects recommended appropriation reduction of \$7,943,000.

^k Includes recommended supplemental appropriation of \$11,314,000.

^l Reflects recommended appropriation reduction of \$8,227,000.

^m Includes recommended supplemental appropriation of \$23,077,000.

ⁿ Includes recommended supplemental appropriation of \$27,168,000.

^o Includes recommended supplemental appropriation of \$271,337,000.

^p Includes recommended supplemental appropriation of \$267,342,000.

^q Reflects recommended appropriation reduction of \$3,392,000.

^r General Fund transfer to HCBS-Individuals with Intellectual Disabilities restricted account not added to avoid double counting: 2023-24 Actual is \$607,000, 2024-25 Available is \$0, and 2025-26 Budget is \$5,501,000.

^s Reflects recommended appropriation reduction of \$49,277,000.

^t Reflects recommended appropriation reduction of \$9,425,000.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|---------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| HUMAN SERVICES SUPPORT: | | | | | | | |
| GENERAL FUND..... | \$ 231,995 | \$ 249,993 | \$ 265,795 | \$ 272,578 | \$ 272,578 | \$ 272,578 | \$ 272,578 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 339,226 | 370,696 | 395,903 | 400,124 | 401,338 | 402,009 | 400,215 |
| AUGMENTATIONS | 9,908 | 10,133 | 10,120 | 10,120 | 10,120 | 10,120 | 10,120 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 581,129 | \$ 630,822 | \$ 671,818 | \$ 682,822 | \$ 684,036 | \$ 684,707 | \$ 682,913 |
| MEDICAL ASSISTANCE AND HEALTH CARE DELIVERY: | | | | | | | |
| GENERAL FUND..... | \$ 5,600,906 | \$ 5,676,460 | \$ 6,399,222 | \$ 6,535,506 | \$ 6,662,184 | \$ 6,784,515 | \$ 6,914,595 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| FEDERAL FUNDS..... | 17,458,413 | 17,386,618 | 18,760,211 | 19,195,473 | 19,561,095 | 19,919,489 | 20,301,069 |
| AUGMENTATIONS | 3,260,112 | 3,675,928 | 3,935,032 | 3,935,032 | 3,935,032 | 3,935,032 | 3,935,032 |
| RESTRICTED..... | 30,730 | 30,730 | 30,730 | 30,730 | 30,730 | 30,730 | 30,730 |
| OTHER FUNDS..... | 295,447 | 282,018 | 268,996 | 268,996 | 268,996 | 268,996 | 268,996 |
| SUBCATEGORY TOTAL.... | \$26,649,608 | \$27,055,754 | \$29,398,191 | \$29,969,737 | \$30,462,037 | \$30,942,762 | \$31,454,422 |
| LONG-TERM LIVING: | | | | | | | |
| GENERAL FUND..... | \$ 5,641,991 | \$ 6,203,053 | \$ 7,130,525 | \$ 7,268,530 | \$ 7,398,901 | \$ 7,536,880 | \$ 7,677,617 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | 348,966 | 373,966 | 325,000 | 335,000 | 350,000 | 360,000 | 370,000 |
| FEDERAL FUNDS..... | 8,537,034 | 9,432,204 | 10,370,017 | 10,584,298 | 10,795,985 | 11,011,905 | 11,232,143 |
| AUGMENTATIONS | 632,138 | 652,990 | 654,088 | 654,088 | 654,088 | 654,088 | 654,088 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 150,909 | 157,647 | 132,934 | 132,934 | 132,934 | 132,934 | 132,934 |
| SUBCATEGORY TOTAL.... | \$15,311,038 | \$16,819,860 | \$18,612,564 | \$18,974,850 | \$19,331,908 | \$19,695,807 | \$20,066,782 |
| INCOME MAINTENANCE: | | | | | | | |
| GENERAL FUND..... | \$ 553,956 | \$ 599,887 | \$ 627,941 | \$ 638,170 | \$ 638,170 | \$ 638,170 | \$ 638,170 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 1,482,081 | 1,648,501 | 1,645,566 | 1,646,425 | 1,646,425 | 1,646,425 | 1,646,425 |
| AUGMENTATIONS | 6,653 | 9,632 | 21,274 | 10,274 | 10,274 | 10,274 | 10,274 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 2,042,690 | \$ 2,258,020 | \$ 2,294,781 | \$ 2,294,869 | \$ 2,294,869 | \$ 2,294,869 | \$ 2,294,869 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|--|---------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES: | | | | | | | |
| GENERAL FUND..... | \$ 943,216 | \$ 1,014,184 | \$ 1,046,402 | \$ 1,053,997 | \$ 1,053,997 | \$ 1,053,997 | \$ 1,053,997 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 321,416 | 347,315 | 377,389 | 377,389 | 377,389 | 377,389 | 377,389 |
| AUGMENTATIONS | 72,545 | 59,233 | 61,875 | 61,875 | 61,875 | 61,875 | 61,875 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 1,337,177 | \$ 1,420,732 | \$ 1,485,666 | \$ 1,493,261 | \$ 1,493,261 | \$ 1,493,261 | \$ 1,493,261 |
| INTELLECTUAL DISABILITIES/AUTISM: | | | | | | | |
| GENERAL FUND..... | \$ 2,759,371 | \$ 3,053,807 | \$ 3,242,909 | \$ 3,301,137 | \$ 3,363,240 | \$ 3,426,570 | \$ 3,491,148 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 3,354,499 | 3,608,609 | 3,786,600 | 3,861,983 | 3,934,277 | 4,008,869 | 4,085,205 |
| AUGMENTATIONS | 43,743 | 38,668 | 42,133 | 42,133 | 42,133 | 42,133 | 42,133 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 6,157,613 | \$ 6,701,084 | \$ 7,071,642 | \$ 7,205,253 | \$ 7,339,650 | \$ 7,477,572 | \$ 7,618,486 |
| HUMAN SERVICES: | | | | | | | |
| GENERAL FUND..... | \$ 1,698,684 | \$ 1,759,039 | \$ 1,730,231 | \$ 1,734,153 | \$ 1,734,153 | \$ 1,734,153 | \$ 1,734,153 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 643,492 | 645,692 | 657,959 | 657,959 | 657,959 | 657,959 | 657,959 |
| AUGMENTATIONS | 1,787 | 1,796 | 1,633 | 1,633 | 1,633 | 1,633 | 1,633 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 2,343,963 | \$ 2,406,527 | \$ 2,389,823 | \$ 2,393,745 | \$ 2,393,745 | \$ 2,393,745 | \$ 2,393,745 |
| CHILD DEVELOPMENT: | | | | | | | |
| GENERAL FUND..... | \$ 629,325 | \$ 655,185 | \$ 728,996 | \$ 731,694 | \$ 731,694 | \$ 731,694 | \$ 731,694 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 1,138,897 | 1,079,742 | 1,089,601 | 1,073,603 | 1,073,603 | 1,073,603 | 1,073,603 |
| AUGMENTATIONS | 2,149 | 2,149 | 2,149 | 2,149 | 2,149 | 2,149 | 2,149 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 |
| SUBCATEGORY TOTAL.... | \$ 1,771,771 | \$ 1,738,476 | \$ 1,822,146 | \$ 1,808,846 | \$ 1,808,846 | \$ 1,808,846 | \$ 1,808,846 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 18,059,444 | \$ 19,211,608 | \$ 21,172,021 | \$ 21,535,765 | \$ 21,854,917 | \$ 22,178,557 | \$ 22,513,952 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | 352,966 | 377,966 | 329,000 | 339,000 | 354,000 | 364,000 | 374,000 |
| FEDERAL FUNDS..... | 33,275,058 | 34,519,377 | 37,083,246 | 37,797,254 | 38,448,071 | 39,097,648 | 39,774,008 |
| AUGMENTATIONS | 4,029,035 | 4,450,529 | 4,728,304 | 4,717,304 | 4,717,304 | 4,717,304 | 4,717,304 |
| RESTRICTED..... | 30,730 | 30,730 | 30,730 | 30,730 | 30,730 | 30,730 | 30,730 |
| OTHER FUNDS..... | 447,756 | 441,065 | 403,330 | 403,330 | 403,330 | 403,330 | 403,330 |
| DEPARTMENT TOTAL | <u>\$56,194,989</u> | <u>\$59,031,275</u> | <u>\$63,746,631</u> | <u>\$64,823,383</u> | <u>\$65,808,352</u> | <u>\$66,791,569</u> | <u>\$67,813,324</u> |

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 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 | |
|-------------------------------|--|
| \$ 7,586 | —to continue current program. |
| 5,355 | —to reflect change in federal earnings. |
| 2,097 | —to reallocate department resources to more efficiently administer programs. |
| 764 | —to continue Adult Protective Services program. |
| \$ 15,802 | Appropriation Increase |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 128,196 | \$ 136,587 | \$ 152,389 | \$ 159,172 | \$ 159,172 | \$ 159,172 | \$ 159,172 |
| Information Systems | 103,049 | 112,656 | 112,656 | 112,656 | 112,656 | 112,656 | 112,656 |
| 211 Communications | 750 | 750 | 750 | 750 | 750 | 750 | 750 |
| TOTAL GENERAL FUND | \$ 231,995 | \$ 249,993 | \$ 265,795 | \$ 272,578 | \$ 272,578 | \$ 272,578 | \$ 272,578 |

Program: Human Services Support, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Maintain services and supports that will improve the cost effectiveness of human services programs. | | | | | | | |
| Percentage of all applications submitted online through COMPASS ... % | 52.4 | 70.6 | 65.4 | 63.8 | 63.2 | 63.1 | 62.9 |
| Percentage of all COMPASS users who are also using the mobile application..... % | 32.7 | 40.8 | 47.0 | 47.0 | 49.0 | 50.0 | 50.0 |
| Average number of days to process an application - MA/NH/Waiver..... | 12.0 | 11.6 | 11.9 | 12.2 | 13.4 | 12.0 | 12.0 |
| Average number of days to process an application - TANF..... | 10.3 | 15.1 | 14.0 | 12.9 | 14.0 | 12.0 | 12.0 |
| Average number of days to process an application - SNAP..... | 6.6 | 6.0 | 6.2 | 6.7 | 6.6 | 6.0 | 6.0 |

Program: Medical Assistance and Health Care Delivery

Goal: To support a health care delivery system that provides comprehensive health care services in appropriate settings for the eligible populations.

Pennsylvania's [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.

Medical Assistance-Capitation

Health care services for most MA recipients are provided through [managed care organizations \(MCOs\)](#) utilizing a per member per month rate for each enrollee. 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 Medicaid managed care program is known as [HealthChoices](#). The [Physical HealthChoices \(PH\)](#) 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 age 60 and older, dually eligible for Medicare and Medicaid and for adults age 21 and older with physical disabilities. CHC, which is administered by the Office of Long-Term Living, covers the physical health benefits, and long-term services and supports of the enrolled population. The [Behavioral HealthChoices \(BH\)](#) program, administered by the Office of Mental Health and Substance Abuse Services, is provided through contracts with counties that utilize an independent BH-MCO or through contracts directly with BH-MCOs. Services provided include psychiatric inpatient treatment, partial hospitalization, psychiatric outpatient services, [Early and Periodic Screening, Diagnostic, and Treatment](#) services for children, case management, drug and alcohol detoxification, rehabilitation services, mobile mental health treatment, and peer support services. CHC-MCO's are required to contract with BH-MCOs to offer behavioral health services to their enrollees.

Medical Assistance-Fee-for-Service

MA recipients not participating in PH or CHC programs 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 who 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 either the PH or CHC programs.

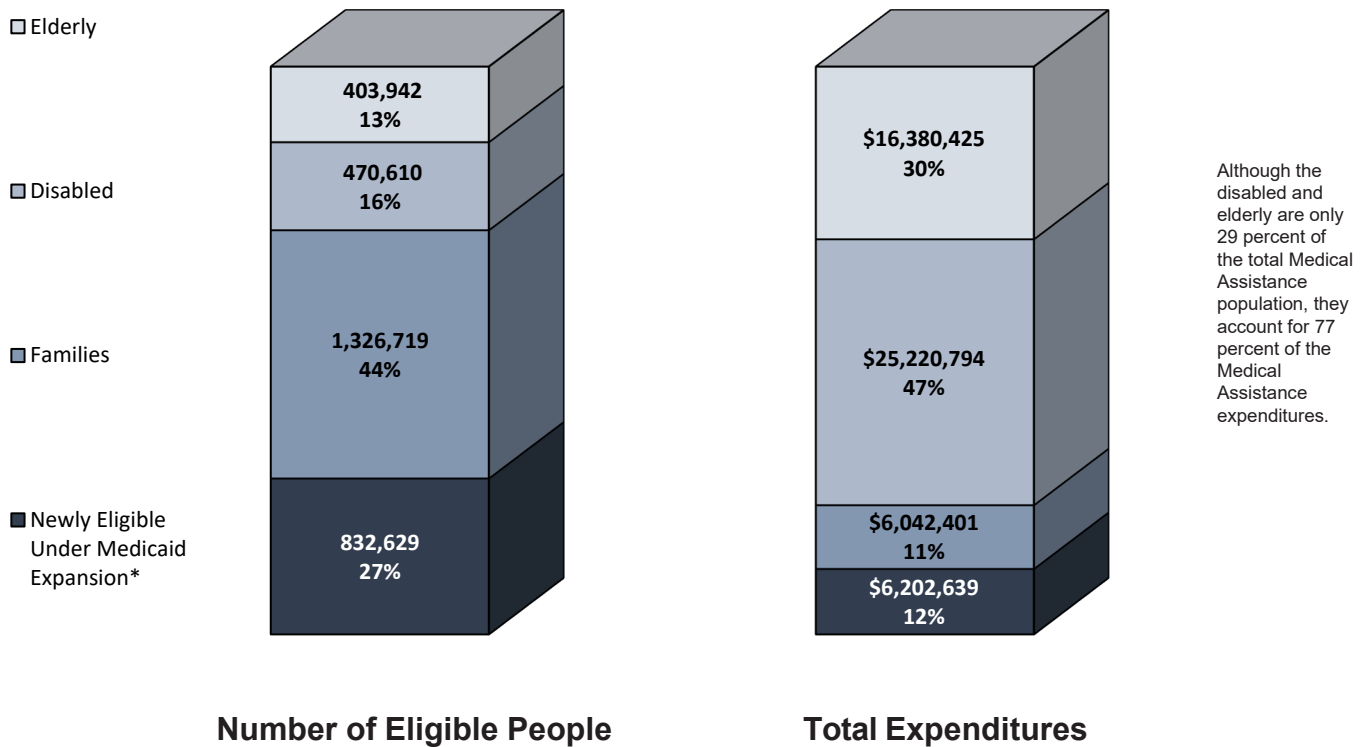
Inpatient and outpatient health care services for the remaining MA recipients are provided through the fee-for-service delivery system. Services are paid in accordance with the pre-established MA Fee Schedule. Additional payments are made to hospitals to partially offset the cost of uncompensated care or extraordinary medical services provided by hospitals to individuals with no, or inadequate, health 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

2025-26 Medicaid Appropriations and Enrollees by Category of Assistance (Dollar Amounts in Thousands)



* Medicaid expenditures include Medical Assistance-Capitation, Medical Assistance-Fee-for-Service, Payment to Federal Government-Medicare Drug Program, Medical Assistance-Workers with Disabilities, Medical Assistance-Transportation, Medical Assistance-Long-Term Living, Medical Assistance-Community HealthChoices, Long-Term Care Managed Care, Intellectual Disabilities-Intermediate Care Facilities, Intellectual Disabilities-Community Waiver Program, and Autism Intervention and Services.

Expanded Medical Services for Women

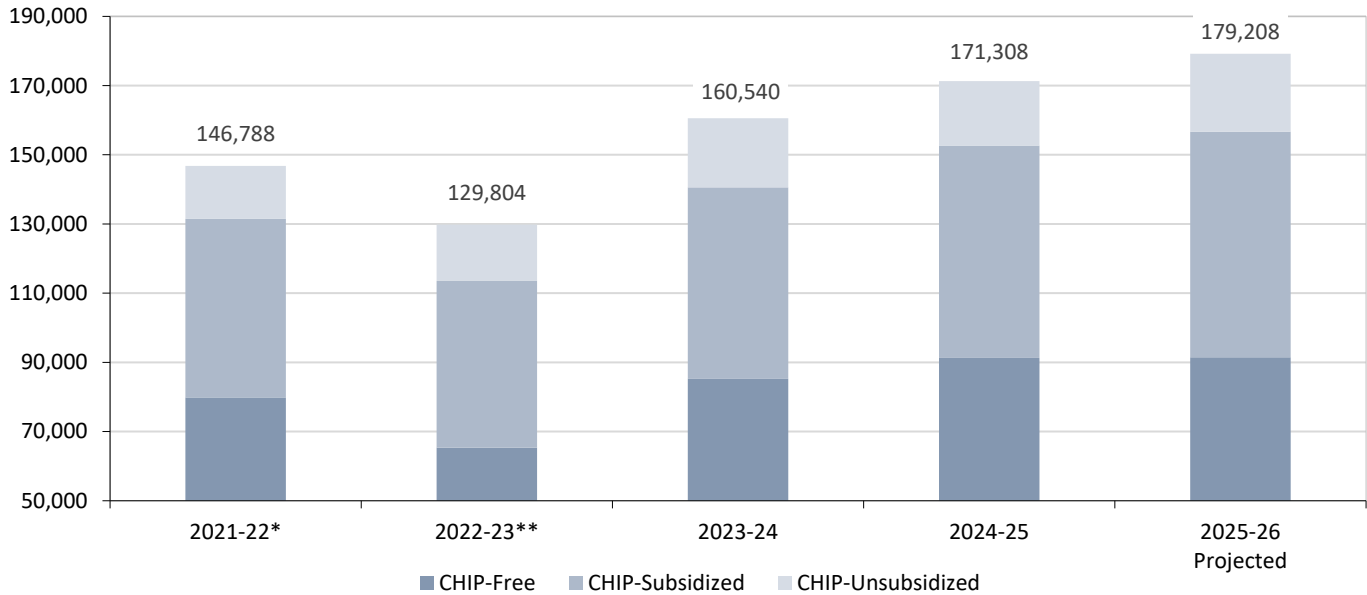
The department provides women’s service programs to dismantle persistent health care barriers. Through a strong commitment to inclusivity, accessibility, and culturally relevant health care, the department is focused on empowering individuals seeking women’s health care services, notably women, pregnant women, and new mothers. The program provides high-quality care available to everyone, regardless of background, identity, or income. Service programs consist of education, screening, testing, and menstrual services that address the needs of women, including pregnant and postpartum women and those seeking sexually transmitted infection testing.

Children’s Health Insurance Program

The [Children’s Health Insurance Program \(CHIP\)](#) provides free or low-cost health insurance coverage to uninsured children whose families earn too much to qualify for MA, but who could not afford to purchase private insurance. Eligible children must be under 19 years of age, a resident of Pennsylvania, and a citizen of the United States, U.S. national, or lawfully residing as determined by the U.S. Citizenship and Immigration Service. CHIP offers a comprehensive package of benefits including well-child visits, immunizations, prescription coverage, emergency care, inpatient services, mental health services, hearing, vision, and dental services. The income eligibility limit for subsidized coverage, with cost-sharing (including co-payments) on a sliding scale, is 314 percent of the federal poverty level with higher income families able to purchase health care coverage at the Commonwealth’s cost.

Program: Medical Assistance and Health Care Delivery, continued

Children’s Health Insurance Children Served



Pennsylvania’s Children’s Health Insurance Program (CHIP) has been a national leader in ensuring that access to free or subsidized health care is available for children of low-income families.

* Enrollment decline in fiscal years 2021-22 and 2022-23 due to children moving to Medical Assistance from COVID-19 impact on parental income.

** In fiscal year 2022-23, the method of data collection changed.

Program Recommendations:

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

Medical Assistance-Capitation

| | | | |
|-----------|---|-------------|--|
| \$ 94,615 | —nonrecurring prior-year savings. | \$ (45,343) | —to reflect change in pharmacy rebates. |
| 919,183 | —to reflect change in enrollment and rate increases. | (17,682) | —to reflect impact of the transfer of payments related to the Medical Care for Workers with Disabilities programs. |
| 79,143 | —to reflect change in the State Directed Payments. | | |
| 18,391 | —to maintain home and community-based services following reduction in ARPA enhanced FMAP rate. | (3,053) | —to reflect change in administrative/cash flow adjustments and other requirements. |
| 7,944 | —transfer from Medical Assistance-Critical Access Hospitals to reflect a change in payment methodology. | \$ 659,786 | <i>Appropriation Increase</i> |
| (235,448) | —to reflect change in assessment revenue. | | |
| (157,964) | —revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%. | | |

Program: Medical Assistance and Health Care Delivery, continued

Program Recommendations, continued:

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

| | | | |
|---|--|---|---|
| Medical Assistance-Fee-for-Service | | Medical Assistance-Critical Access Hospitals | |
| \$ (39,717) | —nonrecurring prior-year carryover costs. | \$ (7,944) | —transfer to Medical Assistance-Capitation to reflect a change in payment methodology. |
| (20,050) | —funding reduction. | | |
| (15,526) | —nonrecurring prior-year payments. | | |
| 29,371 | —to reflect change in assessment revenue. | | |
| 14,194 | —increase in costs and clients eligible for Medicare Part A and B premiums. | \$ (1) | Medical Assistance-Academic Medical Centers |
| | | | —nonrecurring prior-year carryover costs. |
| (16,624) | —revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%. | \$ 2,090 | Medical Assistance-Transportation |
| (14,110) | —to reflect change in caseload and utilization including prescription drugs. | 3,100 | —to reflect change in caseload and utilization. |
| (2,183) | —to reflect change in administrative/cash flow adjustments and other payments. | (376) | —to provide transportation to psychiatric rehabilitation services effective January 1, 2026. |
| 10,000 | —Initiative—to maintain access and services for patients in Pennsylvania's rural hospitals. | \$ 4,814 | —revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%. |
| 10,000 | —Initiative—to maintain access and services for patients and hospitals throughout Pennsylvania. | | <i>Appropriation Increase</i> |
| 4,775 | —Initiative—to provide reentrants with Medicaid services and continuous eligibility after incarceration. | \$ 20,000 | Patient Safety and Services-Hospitals |
| | | | —Initiative—to provide patient safety and services in hospitals. |
| \$ (39,870) | <i>Appropriation Decrease</i> | | Children's Health Insurance Program |
| | | \$ 2,046 | —to continue current program. |
| | Payment to Federal Government-Medicare Drug Program | 5,558 | —to provide for a rate increase. |
| \$ 4,972 | —nonrecurring prior-year savings. | (9,528) | —to reflect change in CHIP premium arrearages. |
| 67,894 | —to reflect increase in mandated payback for pharmacy services. | (3,099) | —revision of federal financial participation from a full-year blended rate of 68.39% to 69.07%. |
| | | (1,727) | —to reflect change in assessment revenue. |
| \$ 72,866 | <i>Appropriation Increase</i> | \$ (6,750) | <i>Appropriation Decrease</i> |
| | | | |
| | Medical Assistance-Workers with Disabilities | | |
| \$ 16,725 | —to reflect change in caseload and utilization. | | |
| 6,665 | —to reflect change in available Tobacco Settlement Funds. | | |
| 998 | —to reflect impact of Workers with Job Success program. | | |
| (4,527) | —revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%. | | |
| \$ 19,861 | <i>Appropriation Increase</i> | | |

Program: Medical Assistance and Health Care Delivery, continued

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Medical Assistance-Capitation..... | 3,594,065 | 3,628,892 | 4,288,678 | 4,374,452 | 4,461,941 | 4,551,179 | 4,642,203 |
| Medical Assistance-Fee-for-Service | 697,354 | 686,639 | 646,769 | 669,749 | 680,858 | 685,309 | 695,149 |
| Payment to Federal Government-Medicare Drug Program | 990,294 | 1,005,413 | 1,078,279 | 1,099,845 | 1,121,841 | 1,144,278 | 1,167,164 |
| Medical Assistance-Workers with Disabilities..... | 66,486 | 103,859 | 123,720 | 126,194 | 128,718 | 131,293 | 133,919 |
| Medical Assistance-Physician Practice Plans..... | 10,071 | 10,571 | 10,571 | 10,571 | 10,571 | 10,571 | 10,571 |
| Medical Assistance-Hospital-Based Burn Centers | 4,438 | 4,438 | 4,438 | 4,438 | 4,438 | 4,438 | 4,438 |
| Medical Assistance-Critical Access Hospitals | 14,472 | 7,944 | - | - | - | - | - |
| Medical Assistance-Obstetric and Neonatal Services..... | 3,682 | 10,682 | 10,682 | 10,682 | 10,682 | 10,682 | 10,682 |
| Medical Assistance-Trauma Centers..... | 8,657 | 8,657 | 8,657 | 8,657 | 8,657 | 8,657 | 8,657 |
| Medical Assistance-Academic Medical Centers | 24,682 | 24,682 | 24,681 | 24,681 | 24,681 | 24,681 | 24,681 |
| Medical Assistance-Transportation..... | 67,485 | 69,532 | 74,346 | 75,833 | 77,350 | 78,897 | 80,475 |
| Expanded Medical Services for Women . | 8,263 | 8,263 | 8,263 | 8,263 | 8,263 | 8,263 | 8,263 |
| Patient Safety and Services-Hospitals | - | - | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Children's Health Insurance Program ... | 110,957 | 106,888 | 100,138 | 102,141 | 104,184 | 106,267 | 108,393 |
| TOTAL GENERAL FUND | \$ 5,600,906 | \$ 5,676,460 | \$ 6,399,222 | \$ 6,535,506 | \$ 6,662,184 | \$ 6,784,515 | \$ 6,914,595 |
| LOTTERY FUND: | | | | | | | |
| Medical Assistance-Transportation Services | \$ 4,000 | \$ 4,000 | \$ 4,000 | \$ 4,000 | \$ 4,000 | \$ 4,000 | \$ 4,000 |

Program: Medical Assistance and Health Care Delivery, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|--------------------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Maintain services and supports to eligible Pennsylvanians while helping them to improve their health and well-being. | | | | | | | |
| <u>Medical Assistance:</u> | | | | | | | |
| Persons participating in Medical Assistance (monthly average) | 2,882 | 3,186 | 3,451 | 3,658 | 3,308 | 3,019 | 3,034 |
| Persons participating in Medical Assistance (monthly average) – Adults (ages 21 and older)..... | 1,663 ^a | 1,867 | 2,053 | 2,205 | 1,970 | 1,755 | 1,764 |
| Persons participating in Medical Assistance (monthly average) – Children (under age 21)..... | 1,219 | 1,319 | 1,398 | 1,453 | 1,338 | 1,264 | 1,270 |
| Newly Medicaid-eligible adults receiving enhanced federal match under the Affordable Care Act (monthly average)..... | 837 | 1,025 | 1,114 | 1,176 | 824 | 830 | 835 |
| <u>Managed Care:</u> | | | | | | | |
| Emergency room utilization (per 1,000 member-years) | ^a N/A | N/A | N/A | N/A | 617.7 | 617.8 | 617.3 |
| Inpatient utilization (total discharges per 1,000 member-years) | ^a N/A | N/A | N/A | N/A | 67.8 | 69.2 | 68.7 |
| Children from birth to 15 months visiting a physician 6 or more times in the past year | % 73.5 | 74.0 | 65.2 | 65.3 | 68.1 | 68.8 | 69.3 |
| Persons ages 2 to 20 receiving at least one dental visit in the past year | % 65.8 | 66.3 | 54.2 | 60.5 | 63.2 | 61.6 | 62.1 |
| 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) | % 33.7 | 33.2 | 38.4 | 36.1 | 32.3 | 31.2 | 30.7 |
| <u>Transportation Program:</u> | | | | | | | |
| One-way trips (in thousands)..... | 6,533 | 3,945 | 4,513 | 4,868 | 4,502 | 4,950 | 5,366 |
| Cost per trip | \$ 19.18 | 29.39 | 28.43 | 29.23 | 31.76 | 30.83 | 31.76 |
| <u>Medical Care for Workers with Disabilities:</u> | | | | | | | |
| Recipients enrolled in program (monthly average)..... | 33,631 | 32,733 | 31,204 | 29,891 | 33,401 | 36,724 | 38,764 |

Program: Medical Assistance and Health Care Delivery, continued

Program Measures, continued:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | |
|---|----------------|---------|---------|----------------------|---------|-----------|-----------|-------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated | |
| Enable eligible Pennsylvanians to secure access to quality, affordable health insurance coverage. | | | | | | | | |
| <u>Children's Health Insurance Program:</u> | | | | | | | | |
| Children's Health Insurance Program (CHIP) enrollment (monthly average) ... | 187,573 | 171,179 | 146,788 | 129,804 ^a | 160,540 | 171,308 | 179,208 | |
| Percentage of CHIP-enrolled two years of age with one or more capillary or venous blood tests for lead prior to their second birthday | % | 72.7 | 74.7 | 67.6 | 70.0 | 70.1 | 73.9 | 77.6 |
| Percentage of CHIP-enrolled children ages 3 to 19 who received a well-child visit with a primary care physician or an OB/GYN practitioner | % | N/A | 63.5 | 64.3 | 63.4 | 65.6 | 67.1 | 68.6 |
| Percentage of CHIP-enrolled children ages 2 to 20 attending an annual dental visit..... | ^a % | N/A | N/A | N/A | N/A | 64.9 | 67.2 | 69.6 |
| CHIP-enrolled children ages <1 to 19 utilizing an emergency department (visits per 1,000 member-years) | ^a | N/A | N/A | N/A | 235.1 | 240.3 | 235.7 | 231.0 |
| CHIP-enrolled children ages <1 to 19 with an acute inpatient discharge (discharges per 1,000 member-years).... | ^a | N/A | N/A | N/A | 7.7 | 7.6 | 7.5 | 7.4 |

^a Method of data collection has changed.

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 provided in a consistent and cost-effective manner.

Community HealthChoices

The Commonwealth's goal is to serve more people in their communities. To achieve this, DHS implements a 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 [Omnibus Budget and Reconciliation Act \(OBRA\) Waiver](#) program, the [Act 150](#) program, and the [Living Independence for the Elderly \(LIFE\)](#) program, which help individuals live as independently as possible and remain integrated in their communities.

The LIFE program integrates Medicare and Medicaid funding to provide fully coordinated and comprehensive service delivery and oversight to enrollees who are age 55 and older, nursing facility clinically eligible, and reside in an area served by a LIFE provider. The LIFE program includes acute care, long-term care, behavioral health care, physical and specialty care, and dental, eye, and pharmaceutical coverage. A LIFE center serves as a day program and health care hub for its participants by providing transportation to and from the center, in addition to meals, socialization, therapies, and activities.

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

| | | | |
|-------------|---|-------------|--|
| \$ (30,000) | —funding reduction. | \$ 987 | —Initiative—for increased direct care worker wages |
| 7,683 | —to continue current program. | | in the participant-directed care model. |
| 2,803 | —nonrecurring prior-year carryover costs. | \$ (19,917) | <i>Appropriation Decrease</i> |
| (2,920) | —revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%. | | |
| 1,530 | —to ensure compliance with federal rulemaking related to nursing facility staffing requirements. | | |

Program: Long Term Living, continued

Program Recommendations, continued:

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

| Medical Assistance-Community HealthChoices | | Long-Term Care Managed Care | |
|---|---|------------------------------------|---|
| \$ (3,000) | —funding reduction. | \$ 9,712 | —to continue current program. |
| 860,814 | —to continue current program, including the impact of changes to enrollment and rate increases. | 2,272 | —to serve 180 additional participants in the LIFE program. |
| 118,224 | —to maintain home and community-based services following reduction in ARPA enhanced FMAP rate. | (4,145) | —revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%. |
| 48,966 | —to reflect change in available Lottery Funds. | \$ 7,839 | <i>Appropriation Increase</i> |
| 26,950 | —nonrecurring prior-year carryover costs. | | |
| 24,713 | —to reflect change in available Tobacco Settlement Funds. | | |
| 23 | —to reflect change in administrative/cash flow adjustments and other requirements. | \$ (48,966) | |
| (169,724) | —revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%. | | |
| (1,098) | —to reflect change in other revenue. | | |
| (101) | —to reflect change in pharmacy rebates. | | |
| 13,770 | —to ensure compliance with federal rulemaking related to nursing facility staffing requirements. | | |
| 20,013 | —Initiative—for increased direct care worker wages in the participant-directed care model. | | |
| <u>\$ 939,550</u> | <i>Appropriation Increase</i> | | |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| GENERAL FUND: | | | | | | | |
| Medical Assistance-Long-Term Living | \$ 188,374 | \$ 195,493 | \$ 175,576 | \$ 178,514 | \$ 182,085 | \$ 185,727 | \$ 189,441 |
| Medical Assistance-Community HealthChoices | 5,281,872 | 5,826,618 | 6,766,168 | 6,897,459 | 7,020,408 | 7,150,817 | 7,283,833 |
| Long-Term Care Managed Care | <u>171,745</u> | <u>180,942</u> | <u>188,781</u> | <u>192,557</u> | <u>196,408</u> | <u>200,336</u> | <u>204,343</u> |
| TOTAL GENERAL FUND | <u>\$ 5,641,991</u> | <u>\$ 6,203,053</u> | <u>\$ 7,130,525</u> | <u>\$ 7,268,530</u> | <u>\$ 7,398,901</u> | <u>\$ 7,536,880</u> | <u>\$ 7,677,617</u> |
| LOTTERY FUND: | | | | | | | |
| Medical Assistance-Community HealthChoices | <u>\$ 348,966</u> | <u>\$ 373,966</u> | <u>\$ 325,000</u> | <u>\$ 335,000</u> | <u>\$ 350,000</u> | <u>\$ 360,000</u> | <u>\$ 370,000</u> |

Program: Long Term Living, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Maintain supports and services for older Pennsylvanians and persons with physical disabilities and increase the number of these persons that live in their communities, instead of institutions, through the effective delivery of needed community-based supports. | | | | | | | |
| Number of Long-Term Living recipients receiving institutional care (monthly average)..... | 5,311 | 2,712 | 2,093 | 2,045 | 2,437 | 3,028 | 3,119 |
| Community HealthChoices - Recipients receiving institutional care (monthly average)..... | 49,225 | 44,662 | 41,135 | 40,930 | 42,753 | 43,634 | 45,598 |
| Number of Long-Term Living recipients receiving home and community-based waiver services (OBRA Waiver and Act 150) (monthly average)..... | 4,124 | 1,255 | 1,116 | 1,031 | 1,011 | 1,047 | 1,047 |
| Community HealthChoices - Recipients receiving home and community-based waiver services (monthly average) | 92,698 | 95,631 | 104,815 | 114,603 | 126,526 | 136,072 | 138,793 |
| Percentage of Long-Term Living recipients receiving institutional care (monthly average)..... % | 36 | 33 | 29 | 27 | 27 | 25 | 26 |
| Percentage of Long-Term Living and Community HealthChoices recipients receiving services in the community (monthly average)..... % | 64 | 67 | 71 | 73 | 73 | 75 | 74 |
| Persons with developmental disabilities served in the OBRA Waiver (monthly average)..... | 431 | 383 | 459 | 461 | 505 | 546 | 562 |
| Recipients receiving services through the LIFE program (monthly average).... | 7,320 | 7,414 | 7,572 | 7,737 | 7,728 | 7,957 | 8,070 |

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.

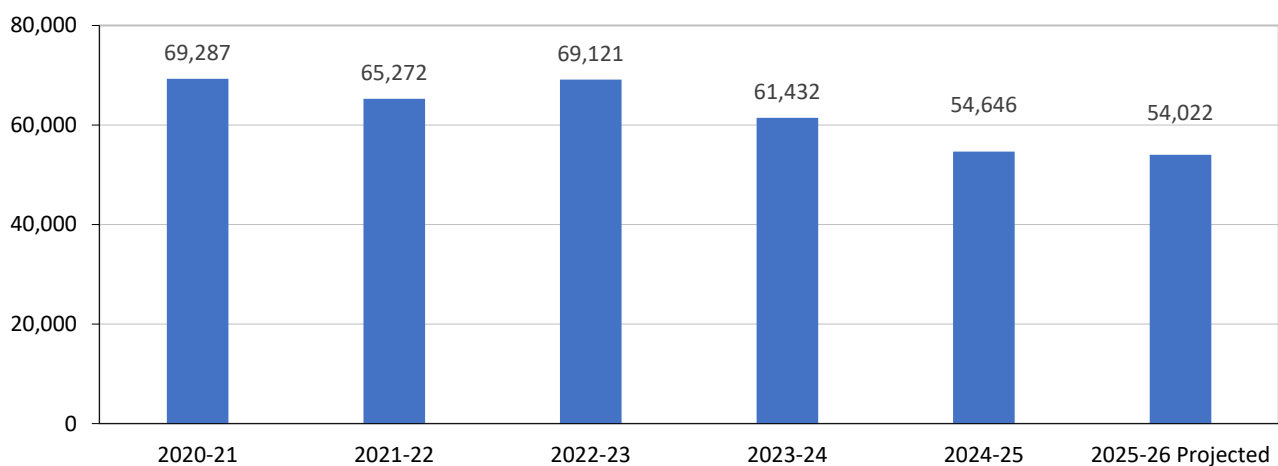
Income Assistance

Caseworkers in county assistance offices review financial and non-financial criteria with applicants of the following programs to determine eligibility for benefits:

- The [Temporary Assistance for Needy Families \(TANF\)](#) program provides state and federal funds for temporary cash support for families in transition to self-sufficiency. TANF cash assistance is provided to people who meet income and resource guidelines and who comply with 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.
- The [Low-Income Home Energy Assistance Program \(LIHEAP\)](#) is federally funded and 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.
- The [Supplemental Nutrition Assistance Program \(SNAP\)](#) 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. Pennsylvania follows [federal benefit guidelines](#) for determining monthly benefit rates for both individuals and couples. Pennsylvania contributes a supplemental grant to individual and couple SSI recipients, as well as a special monthly state supplement to SSI-eligible persons in domiciliary care facilities and personal care homes.

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 [Road to Economic Self-Sufficiency through Employment and Training \(RESET\)](#) program, engages and empowers eligible individuals in activities to prepare for the workforce and 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.
- The [ELECT](#) program helps Pennsylvanians who are age 22 and younger prepare for and obtain a high school diploma, provides financial education, parenting skills, health care and nutrition classes, job readiness training, and more.

Supportive services and 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 child support financial obligation paid by the noncustodial parent; 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 this program is based on its performance in establishing paternity and court orders for support, as well as collection of the ordered child support.

Program Recommendations:

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

| County Administration-Statewide | | Child Support Enforcement | |
|--|---|----------------------------------|--|
| \$ 3,935 | —to continue current program. | \$ 381 | —to continue current program. |
| 5,127 | —to reflect change in federal earnings. | <u>(2,874)</u> | —for conclusion of technology refresh project. |
| 737 | —to reallocate department resources to more efficiently administer programs. | \$ (2,493) | <i>Appropriation Decrease</i> |
| (28) | —revision of federal financial participation from a full-year blended rate of 68.39% to 69.07%. | \$ 606 | New Directions |
| <u>\$ 9,771</u> | <i>Appropriation Increase</i> | <u>(1,191)</u> | —to continue current program. |
| | | \$ (585) | —to reflect change in federal earnings. |
| | | | <i>Appropriation Decrease</i> |
| County Assistance Offices | | Cash Grants | |
| \$ 12,602 | —to continue current program. | | —to continue current program. |
| 8,753 | —to account for changes in use of allowable federal earnings. | \$ 2,575 | |
| 917 | —to reflect change in federal earnings. | | Supplemental Grants-Aged, Blind, and Disabled |
| (2,877) | —to reallocate department resources to more efficiently administer programs. | \$ (609) | —impact of caseload changes. |
| <u>\$ 19,395</u> | <i>Appropriation Increase</i> | | |

Program: Income Maintenance, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| County Administration-Statewide | \$ 60,509 | \$ 64,501 | \$ 74,272 | \$ 77,741 | \$ 77,741 | \$ 77,741 | \$ 77,741 |
| County Assistance Offices | 320,810 | 355,088 | 374,483 | 381,268 | 381,268 | 381,268 | 381,268 |
| Child Support Enforcement | 20,152 | 22,011 | 19,518 | 18,900 | 18,900 | 18,900 | 18,900 |
| New Directions | 22,234 | 23,401 | 22,816 | 23,409 | 23,409 | 23,409 | 23,409 |
| Cash Grants | 16,240 | 20,141 | 22,716 | 22,716 | 22,716 | 22,716 | 22,716 |
| Supplemental Grants-Aged, Blind, and Disabled | 114,011 | 114,745 | 114,136 | 114,136 | 114,136 | 114,136 | 114,136 |
| TOTAL GENERAL FUND | \$ 553,956 | \$ 599,887 | \$ 627,941 | \$ 638,170 | \$ 638,170 | \$ 638,170 | \$ 638,170 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Maintain services and supports to eligible Pennsylvanians while helping them to increase their self-sufficiency and well-being. | | | | | | | |
| Persons receiving cash assistance (monthly average)..... ^a | 86,952 | 69,403 | 65,380 | 69,207 | 61,475 | 54,682 | 54,054 |
| Persons receiving State Supplemental Grants (monthly average) | 360,108 | 352,739 | 340,950 | 334,786 | 331,391 | 330,046 | 328,361 |
| Persons receiving SNAP benefits (monthly average in thousands) | 1,786 | 1,822 | 1,865 | 1,939 | 2,016 | 2,065 | 2,117 |
| Households receiving energy cash payments | 312,141 | 303,123 | 329,324 | 312,169 | 309,391 | 309,391 | 309,391 |
| Households receiving energy crisis payments | 114,117 | 116,639 | 122,438 | 135,029 | 105,565 | 105,565 | 105,565 |
| TANF recipients enrolled in employment and training programs (monthly average) | 7,686 | 8,017 | 9,258 | 8,959 | 9,082 | 9,094 | 9,100 |
| TANF recipients obtaining employment | 36,445 | 18,641 | 25,252 | 36,821 | 33,426 | 40,000 | 40,000 |

^a Calculated based on the total persons receiving benefits from TANF, State Blind Pensions, and/or General Assistance programs.

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 Behavioral Health Choices 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 of 1988](#) funds that provide non-hospital residential substance use treatment services, and federal grant funds are distributed to counties, county joiners, and single county authorities to provide behavioral health services.

State Hospitals

Direct mental health treatment services are currently provided through six state-operated hospitals and one restoration (long-term care) center. [State hospitals](#) provide long-term inpatient care for individuals who require intensive treatment, for individuals with criminal charges, for the aging population who require long-term behavioral health care, and 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.

County Mental Health System

The MH/ID Act of 1966 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 TARGET: | KEY PROVISIONS OF SERVICES INCLUDE: | NON-RESIDENTIAL SERVICES INCLUDE: | COMMUNITY RESIDENTIAL SERVICES INCLUDE: |
|---|--|-------------------------------------|---|
| Adults with serious mental illness | Recovery-oriented treatment | Family-based support | Housing support |
| Children and adolescents with or at risk of serious emotional disturbance | Community care | Outpatient care | Residential treatment |
| | Support services enabling individuals to live in the community and lead independent and productive lives | Partial hospitalization | Inpatient care |
| | | Emergency and crisis intervention | Crisis services |
| | | Peer-to-peer support and after care | Mobile therapy |

Services are administered by single counties, county joiners, or through contracts with private, nonprofit organizations or agencies. Services, with some exceptions, are funded with state, federal, and/or county matching funds.

Program: Mental Health and Substance Abuse Services, continued

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.

Expenditures by Facility/Program

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | | 2023-24 | 2024-25 | 2025-26 |
|--|-------------------|-------------------|-------------------|------------------------------------|---------------------|-------------------|-------------------|
| | Actual | Available | Budget | | Actual | Available | Budget |
| Clarks Summit State Hospital | | | | Warren State Hospital | | | |
| State Funds..... | \$ 33,316 | \$ 37,512 | \$ 38,938 | State Funds | \$ 35,946 | \$ 36,998 | \$ 39,004 |
| Federal Funds..... | 23,814 | 24,300 | 24,606 | Federal Funds | 24,659 | 25,242 | 24,893 |
| Augmentations..... | 800 | 859 | 726 | Augmentations..... | 1,226 | 954 | 1,045 |
| TOTAL | \$ 57,930 | \$ 62,671 | \$ 64,270 | TOTAL | \$ 61,831 | \$ 63,194 | \$ 64,942 |
| Danville State Hospital | | | | Wernersville State Hospital | | | |
| State Funds..... | \$ 28,979 | \$ 34,500 | \$ 36,701 | State Funds | \$ 51,645 | \$ 54,189 | \$ 53,012 |
| Federal Funds..... | 24,470 | 24,924 | 24,562 | Federal Funds | 31,878 | 32,805 | 37,385 |
| Augmentations..... | 1,050 | 903 | 974 | Augmentations..... | 1,598 | 1,058 | 1,515 |
| TOTAL | \$ 54,499 | \$ 60,327 | \$ 62,237 | TOTAL | \$ 85,121 | \$ 88,052 | \$ 91,912 |
| Norristown State Hospital | | | | Community Programs | | | |
| State Funds..... | \$ 87,735 | \$ 89,150 | \$ 80,991 | State Funds | \$ 559,115 | \$ 610,277 | \$ 649,472 |
| Federal Funds..... | 35,140 | 41,338 | 54,188 | Federal Funds | 111,127 | 124,946 | 123,051 |
| Augmentations..... | 506 | 696 | 385 | Augmentations..... | 64,411 | 52,646 | 54,825 |
| TOTAL | \$ 123,381 | \$ 131,184 | \$ 135,564 | TOTAL | \$ 734,653 | \$ 787,869 | \$ 827,348 |
| South Mountain State Restoration Center | | | | Administration | | | |
| State Funds..... | \$ 16,096 | \$ 16,262 | \$ 18,054 | State Funds | \$ 5,000 | \$ 5,214 | \$ 5,387 |
| Federal Funds..... | 15,371 | 15,412 | 14,313 | Federal Funds | 13,569 ^a | 13,558 | 20,000 |
| Augmentations..... | 1,987 | 1,398 | 1,450 | Augmentations..... | - | - | - |
| TOTAL | \$ 33,454 | \$ 33,072 | \$ 33,817 | TOTAL | \$ 18,569 | \$ 18,772 | \$ 25,387 |
| Torrance State Hospital | | | | | | | |
| State Funds..... | \$ 67,735 | \$ 72,433 | \$ 67,244 | | | | |
| Federal Funds..... | 41,388 | 44,790 | 54,391 | | | | |
| Augmentations..... | 967 | 719 | 955 | | | | |
| TOTAL | \$ 110,090 | \$ 117,942 | \$ 122,590 | | | | |

^a Budgetary Reserves.

Program: Mental Health and Substance Abuse Services, continued

Facility Populations for the Prior, Current, and Upcoming Year

| Facility | Population July 2023 | Population July 2024 | Projected | Projected | Projected |
|---|-------------------------|-------------------------|-------------------------|------------------------------|--|
| | | | Population July 2025 | Bed Capacity July 2025 | Percentage of Capacity July 2025 |
| Clarks Summit State Hospital | 140 | 159 | 160 | 203 | 78.8% |
| Danville State Hospital..... | 157 | 143 | 170 | 173 | 98.3% |
| Norristown State Hospital | 349 | 343 | 360 | 375 | 96.0% |
| South Mountain State Restoration Center | 94 | 91 | 100 | 159 | 62.9% |
| Torrance State Hospital | 315 | 260 | 330 | 357 | 92.4% |
| Warren State Hospital..... | 143 | 138 | 165 | 177 | 93.2% |
| Wernersville State Hospital..... | 262 | 259 | 266 | 266 | 100.0% |
| TOTAL | 1,460 | 1,393 | 1,551 | 1,710 | 90.7% |

Program Recommendations:

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

| Mental Health Services | | | |
|------------------------|---|-----------|--|
| \$ 18,016 | —to continue current program. | \$ 5,750 | —Initiative—to expand discharge and diversion programs for individuals with mental illness currently in the criminal justice system. |
| 20,000 | —to increase county mental health base services funding. | | |
| 5,000 | —to backfill prior-year funding for walk-in mental health crisis stabilization centers serving multiple counties. | 1,600 | —Initiative—to provide community-based services for 20 individuals currently residing in state hospitals. |
| 629 | —for increased electricity costs. | | |
| (25,735) | —to reflect change in federal earnings. | \$ 32,268 | <i>Appropriation Increase</i> |
| (2,992) | —to reflect change in augmenting revenue. | | |
| 10,000 | —Initiative—to provide support to the 988 network for mental health services. | \$ (50) | Special Pharmaceutical Services —to continue current program. |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| GENERAL FUND: | | | | | | | |
| Mental Health Services.... | \$ 885,567 | \$ 956,535 | \$ 988,803 | \$ 996,398 | \$ 996,398 | \$ 996,398 | \$ 996,398 |
| Behavioral Health Services | 57,149 | 57,149 | 57,149 | 57,149 | 57,149 | 57,149 | 57,149 |
| Special Pharmaceutical Services | 500 | 500 | 450 | 450 | 450 | 450 | 450 |
| TOTAL GENERAL FUND | \$ 943,216 | \$ 1,014,184 | \$ 1,046,402 | \$ 1,053,997 | \$ 1,053,997 | \$ 1,053,997 | \$ 1,053,997 |

Program: Mental Health and Substance Abuse Services, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|------------|---------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Maintain services and supports for persons with mental illness to live, work, and contribute to their communities with increased health and independence. | | | | | | | |
| <u>Community Mental Health Services:</u> | | | | | | | |
| Persons receiving mental health inpatient and outpatient services from non-Medical Assistance funding (unduplicated) | 179,874 | 160,027 | 152,623 | 154,274 | 157,360 | 160,507 | 163,717 |
| Persons receiving services through Medical Assistance expenditures (fee-for-service and HealthChoices) (unduplicated) | 585,340 | 556,216 | 561,988 | 564,691 | 552,052 | 563,093 | 574,355 |
| Percentage of patients discharged from a psychiatric inpatient setting who have follow-up service seven days from discharge (ages 21 to 64) | % 63 | 61 | 57 | 53 | 54 | 57 | 58 |
| <u>Substance Use Disorder Services:</u> | | | | | | | |
| Number of individuals on Medical Assistance with a substance use disorder | 271,388 | 278,302 | 418,955 ^a | 428,899 ^a | 405,588 ^a | 406,000 ^a | 406,000 ^a |
| Non-hospital detoxification and rehabilitation clients | 42,180 | 39,704 | 40,645 | 40,935 | 39,718 | 40,512 | 41,322 |
| Percentage of patients discharged from a substance use disorder hospital setting who have follow-up services seven days from discharge (ages 21 to 64) | % 72 | 69 | 66 | 52 | 53 | 56 | 57 |
| Persons receiving methadone maintenance services | 26,483 | 27,145 | 26,251 | 20,279 | 18,497 | 18,867 | 19,244 |
| <u>Behavioral Health:</u> | | | | | | | |
| Persons receiving services through Medical Assistance expenditures | 695,473 | 663,305 | 690,046 | 697,655 | 685,951 | 699,670 | 713,663 |
| Utilization rate of Behavioral Health services | % 23 | 20 | 20 | 21 | 25 | 26 | 26 |
| <u>State Hospitals:</u> | | | | | | | |
| Total persons served in state hospitals | 2,303 | 2,230 | 2,190 | 2,235 | 2,277 | 2,252 | 2,232 |
| Average state cost per person in state hospital population | \$ 259,859 | 265,098 | 378,870 | 383,748 | 376,629 | 416,323 | 457,955 |
| Percentage of adults readmitted to state hospitals within 180 days of discharge | % 4 | 3 | 3 | 2 | 2 | 2 | 2 |
| Percentage of persons in state hospitals with stays longer than two years | % 32 | 33 | 34 | 35 | 36 | 35 | 35 |

^a Method of data collection has changed to include nicotine addiction.

Program: Intellectual Disabilities/Autism

Goal: To support Pennsylvanians with intellectual disabilities or autism 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 supports 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 [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 meet 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 in 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 person-centered through the development of an individualized service 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 age 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-based care funding for people with an intellectual disability. Services are offered through two 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.

Program: Intellectual Disabilities, continued

Expenditures by State Center

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | | 2023-24 | 2024-25 | 2025-26 |
|--------------------|------------------|-------------------|-------------------|---------------------------------|------------------|-------------------|-------------------|
| | Actual | Available | Budget | | Actual | Available | Budget |
| Ebensburg | | | | Selinsgrove | | | |
| State Funds..... | \$ 35,800 | \$ 42,761 | \$ 41,768 | State Funds..... | \$ 39,974 | \$ 41,656 | \$ 41,866 |
| Federal Funds..... | 53,521 | 60,853 | 63,818 | Federal Funds..... | 46,437 | 52,278 | 64,413 |
| Augmentations..... | 8,557 | 7,198 | 8,557 | Augmentations..... | 8,991 | 6,884 | 8,990 |
| TOTAL..... | <u>\$ 97,878</u> | <u>\$ 110,812</u> | <u>\$ 114,143</u> | TOTAL..... | <u>\$ 95,402</u> | <u>\$ 100,818</u> | <u>\$ 115,269</u> |
| Hamburg | | | | White Haven | | | |
| State Funds..... | \$ 4,151 | \$ 4,306 | \$ 4,749 | State Funds..... | \$ 7,144 | \$ 7,244 | \$ 8,999 |
| Federal Funds..... | - | - | - | Federal Funds..... | - | - | - |
| Augmentations..... | - | - | - | Augmentations..... | - | - | - |
| TOTAL..... | <u>\$ 4,151</u> | <u>\$ 4,306</u> | <u>\$ 4,749</u> | TOTAL..... | <u>\$ 7,144</u> | <u>\$ 7,244</u> | <u>\$ 8,999</u> |
| Polk | | | | Non-Facility | | | |
| State Funds..... | \$ 12,352 | \$ 17,265 | \$ 10,300 | State Funds..... | \$ 906 | \$ 982 | \$ 1,031 |
| Federal Funds..... | 2,851 | - | - | Federal Funds..... ^a | 2,277 | 4,000 | 7,039 |
| Augmentations..... | 2,082 | - | - | Augmentations..... | - | - | - |
| TOTAL..... | <u>\$ 17,285</u> | <u>\$ 17,265</u> | <u>\$ 10,300</u> | TOTAL..... | <u>\$ 3,183</u> | <u>\$ 4,982</u> | <u>\$ 8,070</u> |

^a Budgetary reserves.

State Center Population for the Prior, Current, and Upcoming Year

| | Population | Population | Projected | Projected | Projected |
|---------------------|------------|------------|------------|------------|--------------|
| | July 2023 | July 2024 | Population | Bed | Percentage |
| | | | July 2025 | Capacity | Capacity |
| | | | | July 2025 | July 2025 |
| State Center | | | | | |
| Ebensburg..... | 229 | 208 | 208 | 402 | 51.7% |
| Polk..... | 27 | 21 | - | - | N/A |
| Selinsgrove..... | 244 | 227 | 227 | 564 | 40.2% |
| TOTAL..... | <u>500</u> | <u>456</u> | <u>435</u> | <u>966</u> | <u>45.0%</u> |

Program: Intellectual Disabilities, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Intellectual Disabilities- State Centers | \$ 100,327 | \$ 114,214 | \$ 108,713 | \$ 111,540 | \$ 111,540 | \$ 111,540 | \$ 111,540 |
| Intellectual Disabilities- Community Base Program | 150,970 | 160,108 | 167,181 | 168,853 | 170,541 | 172,247 | 173,969 |
| Intellectual Disabilities- Intermediate Care Facilities | 174,730 | 192,154 | 196,645 | 200,578 | 204,589 | 208,681 | 212,855 |
| Intellectual Disabilities- Community Waiver Program | 2,290,882 | 2,552,157 | 2,727,463 | 2,782,012 | 2,837,653 | 2,894,406 | 2,952,294 |
| Transfer to HCBS- Individuals with Intellectual Disabilities (EA) | 10,783 | - | 5,501 | - | - | - | - |
| Autism Intervention and Services | 31,679 | 35,174 | 37,406 | 38,154 | 38,917 | 39,696 | 40,490 |
| TOTAL GENERAL FUND | \$ 2,759,371 | \$ 3,053,807 | \$ 3,242,909 | \$ 3,301,137 | \$ 3,363,240 | \$ 3,426,570 | \$ 3,491,148 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Maintain supports and services for individuals with developmental disabilities and their families, including persons with autism, to participate in their communities more fully by effectively providing needed home and community-based services and supports that will increase their independence and ensure their health and well-being. | | | | | | | |
| Number of persons receiving autism services | 917 | 912 | 869 | 877 | 873 | 909 | 935 |
| Number of persons receiving intellectual disability services | 56,954 | 56,650 | 57,614 | 57,602 | 58,873 | 59,379 | 59,379 |
| Persons receiving intellectual disability services during fiscal year: home and community services (Waiver and Base services) (unduplicated) | 54,885 | 54,681 | 55,048 | 55,837 | 57,181 | 57,188 | 57,188 |
| Persons receiving Consolidated Waiver services during fiscal year: home and community services (unduplicated) | 18,687 | 18,814 | 19,036 | 19,041 | 19,566 | 19,569 | 19,569 |
| Persons receiving Person/Family Directed Supports Waiver services during fiscal year: home and community services (unduplicated) | 13,786 | 13,497 | 13,434 | 13,433 | 13,288 | 13,303 | 13,303 |

Program: Intellectual Disabilities, continued

Program Measures, continued:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|------------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Persons receiving Community Living Waiver services during fiscal year: home and community services (unduplicated) | 3,772 | 3,959 | 5,781 | 5,782 | 7,760 | 7,765 | 7,765 |
| Persons receiving base services during fiscal year: home and community services (unduplicated)..... | 22,579 | 21,241 | 22,446 | 22,498 | 23,303 | 23,336 | 23,336 |
| Number of individuals receiving services who reside in a private home (not in a provider-controlled setting) | 51,113 | 40,758 | 43,500 | 41,485 | 42,872 | 41,009 | 41,009 |
| <u>Persons receiving residential services (during fiscal year):</u> | | | | | | | |
| Private intermediate care facilities for persons with intellectual disabilities (ICFs/ID) | 1,877 | 1,775 | 1,755 | 1,676 | 1,625 | 1,607 | 1,607 |
| State centers..... | 720 | 678 | 620 | 570 | 473 | 435 | 435 |
| Number of people moving from private ICFs/ID and state centers into the community | 7 | 37 | 34 | 28 | 27 | 25 | 25 |
| <u>Average cost of individuals served in the community:</u> | | | | | | | |
| Consolidated Waiver services | \$ 163,187 | 160,738 | 191,397 | 194,442 | 202,946 | 217,152 | 217,152 |
| Community Living Waiver services | \$ 32,405 | 32,274 | 43,852 | 45,433 | 43,996 | 43,996 | 43,996 |
| Person/Family Directed Supports Waiver services | \$ 16,903 | 15,066 | 21,514 | 22,586 | 21,850 | 23,598 | 23,598 |
| Autism services..... | \$ 54,144 | 56,625 | 63,307 | 66,133 | 65,536 | 70,123 | 70,123 |
| <u>Employment of persons receiving intellectual disability services:</u> | | | | | | | |
| Number of persons receiving intellectual disability services with an employment goal and receiving employment services | 5,540 | 5,663 | 6,108 | 6,123 | 6,137 | 6,021 | 6,021 |
| Number of persons receiving intellectual disability services with competitive, integrated employment | 6,435 | 6,687 | 8,061 | 8,072 | 8,079 | 8,358 | 8,358 |

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 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 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 been sexually harmed, those with drug and/or alcohol addiction, those with a mental health diagnosis, and those with developmental disabilities.

| Facility | Population | Population | Projected | Projected | Projected % |
|--|------------|------------|-------------------------|-----------------------|--------------------------|
| | July 2023 | July 2024 | Population July 2025 | Capacity July 2025 | of Capacity July 2025 |
| YFC-Trough Creek..... | 34 | 38 | 36 | 36 | 100.0% |
| Loysville YDC..... | 35 | 41 | 50 | 50 | 100.0% |
| South Mountain Secure Treatment Unit..... | 23 | 29 | 36 | 36 | 100.0% |
| North Central Secure Treatment Unit..... | 78 | 94 | 80 | 80 | 100.0% |
| North East Secure Treatment Unit..... | 24 | 48 | 40 | 40 | 100.0% |
| Western Secure Treatment Unit..... ^a | - | 34 | 50 | 50 | 100.0% |
| Southeast Youth Development Center..... ^b | - | - | 40 | 40 | 100.0% |
| Youth Served via Equivalent Facilities (contracted)..... | 16 | 36 | 29 | 29 | 100.0% |
| TOTAL..... | 210 | 320 | 361 | 361 | 100.0% |

^a Western Secure Treatment Unit opened November 2023.

^b Southeast Youth Development Center opened July 2024.

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 delinquent youth receive appropriate academic, career, and technical training opportunities at all levels of care throughout the duration of their active involvement within Pennsylvania's juvenile justice system.

Program: Human Services, continued

Family Planning and Breast Cancer Screening

[Family planning](#) clinics provide educational, medical, and social services to address contraceptive or infertility issues.

[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 nonprofit. The emphasis of the services delivered is to provide emergency legal services in situations that threaten the basic needs of individuals. These services do not include political activities or legal services in criminal matters.

Domestic Violence and Rape Crisis

[Domestic violence services](#) are provided through a contract with a statewide coalition, which in turn subcontracts for services at the local level. The services to victims of domestic violence include crisis intervention, counseling, victim advocacy, information and referral, and temporary shelter for victims and their dependent children. Prevention and education programs are provided by local groups to lessen the risk of domestic violence in the community.

[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. HAP offers 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 of 1988](#) drug and alcohol services. 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 | | | |
|--|--|--------------|--|
| \$ (5,000) | —for nonrecurring maintenance costs to establish Southeast YDC. | \$ (1,461) | —for reduction in third-party, contracted, secure placements. |
| (1,500) | —for other nonrecurring costs. | <u>(400)</u> | —for reduction in youth transportation costs. |
| 6,693 | —to continue current program. | \$ 4,019 | <i>Appropriation Increase</i> |
| 5,645 | —to create sufficient capacity for the Commonwealth to accept court-ordered placements of adjudicated male youths. | | |
| | | \$ (32,827) | Health Program Assistance and Services —program elimination. |
| 42 | —for increased electricity costs. | | |

Program: Human Services, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Youth Development Institutions and Forestry Camps | \$ 91,255 | \$ 146,818 | \$ 150,837 | \$ 154,759 | \$ 154,759 | \$ 154,759 | \$ 154,759 |
| County Child Welfare | 1,492,635 | 1,494,733 | 1,494,733 | 1,494,733 | 1,494,733 | 1,494,733 | 1,494,733 |
| Domestic Violence | 20,093 | 22,593 | 22,593 | 22,593 | 22,593 | 22,593 | 22,593 |
| Rape Crisis | 11,921 | 11,921 | 11,921 | 11,921 | 11,921 | 11,921 | 11,921 |
| Breast Cancer Screening .. | 1,828 | 1,828 | 1,828 | 1,828 | 1,828 | 1,828 | 1,828 |
| Human Services Development Fund | 13,460 | 13,460 | 13,460 | 13,460 | 13,460 | 13,460 | 13,460 |
| Legal Services | 4,161 | 6,661 | 6,661 | 6,661 | 6,661 | 6,661 | 6,661 |
| Homeless Assistance | 18,496 | 23,496 | 23,496 | 23,496 | 23,496 | 23,496 | 23,496 |
| Health Program Assistance and Services.. | 40,133 | 32,827 | - | - | - | - | - |
| Services for the Visually Impaired | 4,702 | 4,702 | 4,702 | 4,702 | 4,702 | 4,702 | 4,702 |
| TOTAL GENERAL FUND | \$ 1,698,684 | \$ 1,759,039 | \$ 1,730,231 | \$ 1,734,153 | \$ 1,734,153 | \$ 1,734,153 | \$ 1,734,153 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Maintain supports and services that will improve the health, well-being, development, and safety of Pennsylvania's families. | | | | | | | |
| <u>Youth Development Centers:</u> | | | | | | | |
| Youth served..... | 708 | 520 | 540 | 511 | 633 | 675 | 675 |
| Percentage of youth in work experience | % 47.9 | 38.5 | 40.0 | 47.9 | 45.7 | 46.0 | 46.0 |
| Youth served via equivalent facilities (contracted)..... | N/A | N/A | - | 28 | 83 | 85 | 85 |
| Average number of youth on waiting list (secure male)..... | N/A | N/A | 85 | 146 | 99 | 80 | 70 |
| <u>Family Support Services by Setting:</u> | | | | | | | |
| Annual number of children receiving child welfare services at home (unduplicated) | 181,435 | 192,594 | 192,594 | 173,053 | 180,150 | 180,150 | 180,150 |

Program: Human Services, continued

Program Measures, continued:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| <u>Out of home placements in:</u> | | | | | | | |
| Community-based placements | 19,237 | 18,044 | 16,961 | 17,616 | 17,246 | 16,876 | 16,876 |
| Group Homes: Community residential programs..... | 1,473 | 1,299 | 1,181 | 1,332 | 1,266 | 1,200 | 1,200 |
| Foster care: Community residential programs..... | 17,469 | 16,489 | 15,495 | 15,710 | 15,924 | 15,925 | 15,400 |
| Other: Community residential programs | 295 | 256 | 285 | 350 | 318 | 276 | 276 |
| Annual recipients of in-state institutional care programs (unduplicated) | 1,199 | 956 | 848 | 714 | 580 | 450 | 450 |
| Children in out-of-state programs | 366 | 372 | 351 | 343 | 338 | 338 | 338 |
| <u>Additional Family Support Services:</u> | | | | | | | |
| Percentage of children reunited with parents or primary caregiver within 12 months of placement | % 37.8 | 37.4 | 33.7 | 34.2 | 34.7 | 35.2 | 35.7 |
| Percentage of children not returning to care within 12 months of discharge to parents or primary caregivers | % 80.3 | 80.6 | 81.6 | 86.1 | 86.4 | 86.7 | 87.0 |
| Finalized adoptions | 2,277 | 2,134 | 1,984 | 1,993 | 2,001 | 2,000 | 2,000 |
| Children reaching permanency outside of adoption | 6,158 | 5,599 | 5,947 | 5,916 | 5,884 | 5,885 | 5,885 |
| Investigations of reported child abuse .. | 36,773 | 34,821 | 39,889 | 39,635 | 40,829 | 42,000 | 42,000 |
| Percentage of child abuse investigations substantiated..... | % 12.6 | 13.7 | 12.4 | 11.4 | 11.7 | 12.5 | 12.5 |
| Number of child abuse clearances processed (in thousands) | 888 | 813 | 813 | 849 | 844 | 850 | 850 |
| Average number of days to process a child abuse clearance | 5 | 2 | 3 | 4 | 3 | 5 | 5 |
| <u>Homeless Assistance:</u> | | | | | | | |
| Persons receiving homeless services... | 73,975 | 57,206 | 59,018 | 64,695 | 59,355 | 62,000 | 62,000 |
| <u>Other Human Services:</u> | | | | | | | |
| Domestic violence victims served..... | 39,793 | 39,995 | 41,434 | 40,511 | 40,607 | 56,250 | 56,250 |
| Rape crisis/sexual assault victims served | 24,798 | 23,134 | 24,966 | 23,627 | 20,343 | 25,000 | 25,000 |
| Breast cancer screening clients | 38,537 | 39,717 | 44,627 | 47,926 | 37,516 | 45,000 | 45,000 |
| Legal service clients | 13,046 | 15,746 | 13,365 | 16,241 | 16,673 | 16,500 | 16,500 |

Program: Child Development

Goal: To promote opportunities for all Pennsylvania children and families by building systems and providing supports that help ensure access to high-quality child and family services.

The Departments of Human Services and Education promote opportunities for all children and families by helping to ensure access to high-quality early care, education, and family services. The focus on effective prevention strategies and high-quality early care and education programs will help Pennsylvania mitigate the social and educational disparities of young at-risk children that influence their ability to attain economic independence and self-sufficiency as adults. In addition, research consistently shows that the economic and educational benefits of quality early learning programs extend from participating children to their families and communities.

[Keystone STARS](#) remains one of the largest, most comprehensive, quality rating improvement systems in the nation. Keystone STARS expands the reach of high-quality early child care and education in Pennsylvania for at-risk children. This program is designed to increase school readiness, increase future graduation rates of at-risk children, decrease involvement in crime and its associated costs to society, and prepare children for successful, self-sufficient lives.

[Early Childhood Education Professional Development Organizations \(ECE PDO\)](#) work regionally to support the child care workforce. 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 childcare 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 childcare from various settings including childcare centers, group child-care homes, family child-care homes, or relatives. Early Learning Resource Center agencies determine eligibility for subsidized child-care, offer families a choice of child-care services, provide information and counseling, and support early care and education program quality improvement.

The [Early Intervention](#) program, for children from birth to age three, provides services and 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 Recommendations:

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

| | | | |
|-----------|---|---------------------|--|
| | Child Care Services | | Nurse Family Partnership |
| \$ 1,555 | —Initiative—to provide an increase in the minimum wage to \$15 an hour. | \$ (67) | —revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%. |
| | Child Care Assistance | | Early Intervention |
| \$ 1,143 | —Initiative—to provide an increase in the minimum wage to \$15 an hour. | \$ 7,441 (1,261) | —to continue current program. —revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%. |
| | Child Care Recruitment and Retention | 10,000 | —Initiative—to provide a rate increase to early intervention providers. |
| \$ 55,000 | —Initiative—to provide licensed Child Care Centers funds for teacher recruitment and retention. | \$ 16,180 | <i>Appropriation Increase</i> |

Program: Child Development, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Community-Based Family Centers | \$ 34,558 | \$ 34,558 | \$ 34,558 | \$ 34,558 | \$ 34,558 | \$ 34,558 | \$ 34,558 |
| Child Care Services | 271,859 | 298,080 | 299,635 | 301,190 | 301,190 | 301,190 | 301,190 |
| Child Care Assistance | 123,255 | 123,255 | 124,398 | 125,541 | 125,541 | 125,541 | 125,541 |
| Child Care Recruitment and Retention | - | - | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |
| Nurse Family Partnership | 14,112 | 14,042 | 13,975 | 13,975 | 13,975 | 13,975 | 13,975 |
| Early Intervention | 185,541 | 185,250 | 201,430 | 201,430 | 201,430 | 201,430 | 201,430 |
| TOTAL GENERAL FUND | \$ 629,325 | \$ 655,185 | \$ 728,996 | \$ 731,694 | \$ 731,694 | \$ 731,694 | \$ 731,694 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |

Maintain supports and services that will improve the health, well-being, development, and safety of all Pennsylvania's children.

Child Development:

| | | | | | | | |
|--|---------|--------|--------|--------|--------|--------|--------|
| Total children served in subsidized child care during the last month of the fiscal year | 107,348 | 75,392 | 83,803 | 92,538 | 96,432 | 97,000 | 97,000 |
| Percentage of children in subsidized child care enrolled in Keystone STARS Level 3 or 4 facilities | % 35.6 | 41.1 | 40.8 | 42.1 | 46.4 | 46.4 | 46.4 |
| Number of regulated facilities | 6,985 | 6,849 | 6,576 | 6,461 | 6,442 | 6,500 | 6,500 |
| Percentage of regulated facilities at Keystone STARS Level 3 or 4 | % 24.6 | 22.1 | 28.1 | 29.1 | 31.2 | 32.0 | 32.0 |

Early Intervention:

| | | | | | | | |
|---|--------|--------|--------|--------|--------|--------|--------|
| Children participating in Early Intervention services | 44,837 | 42,360 | 46,254 | 48,199 | 49,263 | 51,300 | 54,300 |
|---|--------|--------|--------|--------|--------|--------|--------|

Evidence-Based Home Visiting Programs:

| | | | | | | | |
|---|--------|--------|-------|-------|--------|--------|--------|
| Number of children served (funded slots) in evidence-based home visiting programs | 10,789 | 10,397 | 9,873 | 9,856 | 10,028 | 10,000 | 10,000 |
|---|--------|--------|-------|-------|--------|--------|--------|



INFRASTRUCTURE INVESTMENT AUTHORITY

The mission of the [Pennsylvania Infrastructure Investment Authority \(PENNVEST\)](#) is to serve the communities and the citizens of Pennsylvania through capital funding for drinking water, sewer, storm water, non-point source pollution prevention, and other related projects that benefit the health, safety, environment, promote economic development, and improve water quality.

The authority administers PENNVEST's 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)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
|--|-------------------|----------------------|-------------------|

OTHER FUNDS:

CLEAN STREAMS FUND:

| | | | |
|--|------|----------|----------|
| Transfer to Clean Water Procurement Program (EA) | \$ - | \$ 7,107 | \$ 6,528 |
|--|------|----------|----------|

ENVIRONMENTAL STEWARDSHIP FUND:

| | | | |
|---|-----------|------------------------|-----------|
| Storm Water, Water, and Sewer Grants (EA) | \$ 20,400 | \$ 20,509 ^a | \$ 20,878 |
|---|-----------|------------------------|-----------|

MARCELLUS LEGACY FUND:

| | | | |
|-------------------------------------|----------|----------|-----------|
| Water and Sewer Projects (EA) | \$ 7,974 | \$ 7,536 | \$ 10,392 |
|-------------------------------------|----------|----------|-----------|

PENNVEST FUND:

| | | | |
|--------------------------------|----------|----------|----------|
| PENNVEST Operations (EA) | \$ 5,934 | \$ 6,414 | \$ 6,414 |
|--------------------------------|----------|----------|----------|

| | | | |
|-----------------------------------|----|----|----|
| Revenue Bond Loan Pool (EA) | 10 | 10 | 10 |
|-----------------------------------|----|----|----|

| | | | |
|---|--------|--------|--------|
| Grants-Other Revenue Sources (EA) | 35,000 | 35,000 | 35,000 |
|---|--------|--------|--------|

| | | | |
|--|---------------------|----------------------|----------------------|
| (R)Revolving Loans and Administration (EA) | 80,000 ^b | 100,000 ^b | 100,000 ^b |
|--|---------------------|----------------------|----------------------|

| | | | |
|---------------------------------|----------------|----------------|----------------|
| (R)Growing Greener Grants | - ^c | - ^c | - ^c |
|---------------------------------|----------------|----------------|----------------|

| | | | |
|--|---|-------|-------|
| (R)Revolving Loans-Conditional Funds | - | 1,000 | 1,000 |
|--|---|-------|-------|

| | | | |
|---|----------------|----------------|----------------|
| (R)Marcellus Grants (Marcellus Legacy Fund) | - ^d | - ^d | - ^d |
|---|----------------|----------------|----------------|

| | | | |
|----------------------------------|-------------------|-------------------|-------------------|
| PENNVEST FUND TOTAL | \$ 120,944 | \$ 142,424 | \$ 142,424 |
|----------------------------------|-------------------|-------------------|-------------------|

PENNVEST DRINKING WATER REVOLVING FUND:

| | | | |
|---|------------|------------|------------|
| Additional Drinking Water Projects Revolving Loans (EA) | \$ 456,000 | \$ 512,000 | \$ 550,000 |
|---|------------|------------|------------|

| | | | |
|---|--------|--------|--------|
| Transfer to Water Pollution Control Revolving Fund (EA) | 20,000 | 20,000 | 20,000 |
|---|--------|--------|--------|

| | | | |
|--|--------|--------|--------|
| (F)Drinking Water Projects Revolving Loan Fund | 50,000 | 43,000 | 43,000 |
|--|--------|--------|--------|

| | | | |
|---|---------|---------|---------|
| (F)IIJA-Drinking Water Projects Revolving Loan Fund | 386,304 | 500,000 | 500,000 |
|---|---------|---------|---------|

| | | | |
|--------------------------------------|-------|-------|-------|
| (F)Loan Program Administration | 1,500 | 1,500 | 1,500 |
|--------------------------------------|-------|-------|-------|

| | | | |
|---|--------|--------|--------|
| (F)IIJA-Loan Program Administration | 15,485 | 15,485 | 15,485 |
|---|--------|--------|--------|

| | | | |
|--|-------|-------|-------|
| (F)Technical Assistance to Small Systems | 1,750 | 1,750 | 1,750 |
|--|-------|-------|-------|

| | | | |
|---|-------|-------|-------|
| (F)IIJA-Technical Assistance to Small Systems | 6,452 | 6,452 | 6,452 |
|---|-------|-------|-------|

| | | | |
|---------------------------------------|-------|-------|-------|
| (F)Assistance to State Programs | 7,000 | 8,000 | 8,000 |
|---------------------------------------|-------|-------|-------|

| | | | |
|--|-------|-------|-------|
| (F)IIJA-Assistance to State Programs | 7,360 | 7,360 | 7,360 |
|--|-------|-------|-------|

| | | | |
|--|--------|--------|--------|
| (F)Local Assistance and Source Water Pollution | 11,268 | 11,268 | 11,268 |
|--|--------|--------|--------|

| | | | |
|---|-------|-------|-------|
| (F)IIJA-Local Assistance and Source Water Pollution | 1,857 | 1,857 | 1,857 |
|---|-------|-------|-------|

| | | | |
|--|--------|--------|--------|
| (F)Infrastructure Improvement Projects | 41,039 | 10,000 | 10,000 |
|--|--------|--------|--------|

| | | | |
|--|---|--------|--------|
| (F)IIJA-Emerging Contaminants in Small or Disadvantaged Comm | - | 37,543 | 75,084 |
|--|---|--------|--------|

| | | | |
|---|--------|---|---|
| (F)IIJA-Emerging Contaminants in Small or Disadvantaged Comm (EA) | 41,039 | - | - |
|---|--------|---|---|

| | | | |
|--|---|-------|-------|
| (R)Revolving Loans-Conditional Funds | - | 1,000 | 1,000 |
|--|---|-------|-------|

| | | | |
|---|---------------------|---------------------|---------------------|
| PENNVEST DRINKING WATER REVOLVING FUND TOTAL | \$ 1,047,054 | \$ 1,177,215 | \$ 1,252,756 |
|---|---------------------|---------------------|---------------------|

PENNVEST WATER POLLUTION CONTROL REVOLVING FUND:

| | | | |
|---|------------|------------|------------|
| Additional Sewage Projects Revolving Loans (EA) | \$ 360,000 | \$ 510,000 | \$ 540,000 |
|---|------------|------------|------------|

| | | | |
|--|--------|---------|---------|
| Transfer to Drinking Water Revolving Fund (EA) | 60,000 | 100,000 | 100,000 |
|--|--------|---------|---------|

| | | | |
|--|---------|--------|--------|
| (F)Sewage Projects Revolving Loan Fund | 113,471 | 91,000 | 91,000 |
|--|---------|--------|--------|

| | | | |
|---|---------|---------|---------|
| (F)IIJA-Sewage Projects Revolving Loan Fund | 165,942 | 269,000 | 325,000 |
|---|---------|---------|---------|

| | | | |
|--|-------|-------|-------|
| (F)Overflow and Storm Water Grants | 4,800 | 4,800 | 6,400 |
|--|-------|-------|-------|

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|---------------------|---------------------|
| | 2023-24 | 2024-25 | 2025-26 |
| | ACTUAL | AVAILABLE | BUDGET |
| (R)Revolving Loans-Conditional Funds | - | 1,000 | 1,000 |
| (R)Clean Water Procurement Program | - | - | - |
| PENNVEST WATER POLLUTION CONTROL REVOLVING FUND TOTAL | \$ 704,213 | \$ 975,800 | \$ 1,063,400 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND | - | - | - |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS | - | - | - |
| AUGMENTATIONS | - | - | - |
| RESTRICTED | - | - | - |
| OTHER FUNDS | 1,900,585 | 2,330,591 | 2,496,378 |
| TOTAL ALL FUNDS | \$ 1,900,585 | \$ 2,330,591 | \$ 2,496,378 |

^a Includes recommended supplemental executive authorization of \$3,608,000.

^b Includes \$14,199,400 for Water Pollution Control Projects and \$10,267,400 for Drinking Water Projects in 2023-24 Actual, \$24,484,000 for Water Pollution Control Projects and \$18,240,800 for Drinking Water Projects in 2024-25 Available, \$25,983,800 for Water Pollution Control Projects and \$19,503,200 for Drinking Water Projects in 2025-26 Budget.

^c Not added to the total to avoid double counting: 2023-24 Actual is \$12,222,880, 2024-25 Available is \$18,205,000, and 2025-26 Budget is \$20,878,000.

^d Not added to the total to avoid double counting: 2023-24 Actual is \$1,862,744, 2024-25 Available is \$4,000,000, and 2025-26 Budget is \$10,391,836.

^e Not added to the total to avoid double counting: 2024-25 Available is \$7,107,000 and 2025-26 Budget is \$6,528,000.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| PENNVEST: | | | | | | | |
| GENERAL FUND | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED | - | - | - | - | - | - | - |
| OTHER FUNDS | 1,900,585 | 2,330,591 | 2,496,378 | 2,434,278 | 2,363,429 | 2,292,189 | 2,241,793 |
| DEPARTMENT TOTAL | \$ 1,900,585 | \$ 2,330,591 | \$ 2,496,378 | \$ 2,434,278 | \$ 2,363,429 | \$ 2,292,189 | \$ 2,241,793 |

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 allocates capital to revitalize community infrastructure, including drinking water systems, sewage treatment facilities, [brownfield reclamation](#), and storm water control. These projects are crucial for safeguarding public health, enhancing water quality, and fostering economic development. [Act 16 of 2013](#) enhanced PENNVEST’s capacity to execute agricultural and rural initiatives, aligning it consistently with the state’s [Nonpoint Source Management Plan](#). This empowers the authority to address runoff issues in rural areas, promoting effective control of contaminants and nutrients in streams.

PENNVEST provides financial support through [loans and grants](#) to municipalities, municipal authorities, private entities, and individuals. Homeowners can secure loans for [on-lot septic systems, initial connections to public systems, or to replace existing house sewer laterals](#). Funding also aids farmers, nonprofits, and others to install [best management practices](#), like riparian buffers that reduce nutrient contamination in rivers and streams, particularly in the Chesapeake Bay watershed. The Department of Environmental Protection, in collaboration with PENNVEST, helps system owners [apply for funding](#) and provides [technical assistance](#) on projects.

The [Clean Water State Revolving Fund](#) combines federal and state funds to establish a revolving loan fund for sewage treatment facility construction. The [Drinking Water State Revolving Fund \(DWSRF\)](#) operates similarly for drinking water projects and technical assistance, with proceeds from bond sales going to the DWSRF. Additionally, the authority’s revenue bond pool, supported by loan interest and principal repayments, disburses the funds from PENNVEST revenue bond sales. The Water and Sewer Systems Assistance Bond Fund, related to [Act 64 of 2008](#), holds interest and investment income along with loan repayments, supporting loans and grants.

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)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------------------------|----------|-----------|----------|-----------|-----------|-----------|-----------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| PENNVEST FUND: | | | | | | | |
| PENNVEST Operations (EA).... | \$ 5,934 | \$ 6,414 | \$ 6,414 | \$ 6,581 | \$ 6,581 | \$ 6,581 | \$ 6,581 |

Program: PENNVEST, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|-----------|-----------|---------|-----------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Increase the proportion of PENNVEST subsidies allocated to projects that would not occur in the absence of the subsidies. | | | | | | | |
| Grant equivalent subsidy per household served | \$ 52 | 80 | 61 | 39 | 143 | 125 | 125 |
| Percentage of total project funding allocated to projects that would otherwise have higher financing rates .. | % 27 | 31 | 30 | 28 | 65 | 50 | 50 |
| 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..... | 2,007,627 | 1,511,876 | 670,834 | 2,205,917 | 533,232 | 550,000 | 550,000 |
| Drinking water projects approved that will maintain or bring customers' water into compliance with Commonwealth drinking water standards..... | 14 | 26 | 46 | 20 | 25 | 35 | 35 |



INSURANCE

The mission of the [Insurance Department](#) is to protect Pennsylvania's insurance consumers through fair and effective regulation of the marketplace.

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)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

GENERAL FUND:

Grants and Subsidies:

| | | | |
|----------------------------------|----------|------|------|
| (F)Insurance Market Reform | \$ 5,000 | \$ - | \$ - |
|----------------------------------|----------|------|------|

OTHER FUNDS:

CATASTROPHIC LOSS BENEFITS CONTINUATION FUND:

| | | | |
|--------------------------------|----------|----------|----------|
| CAT Administration (EA) | \$ 2,443 | \$ 2,451 | \$ 2,429 |
| CAT Claims (EA) | 6,050 | 6,050 | 6,050 |
| Loan to Other Funds (EA) | 60,000 | - | - |

| | | | |
|---|------------------|-----------------|-----------------|
| CATASTROPHIC LOSS BENEFITS CONTINUATION FUND TOTAL | \$ 68,493 | \$ 8,501 | \$ 8,479 |
|---|------------------|-----------------|-----------------|

INSURANCE LIQUIDATION FUND:

| | | | |
|---|------|--------|--------|
| Liquidation - Administration (EA) | \$ - | \$ 994 | \$ 994 |
| Liquidation - Claims (EA) | - | 10,000 | 10,000 |

| | | | |
|---|-------------|------------------|------------------|
| INSURANCE LIQUIDATION FUND TOTAL | \$ - | \$ 10,994 | \$ 10,994 |
|---|-------------|------------------|------------------|

INSURANCE REGULATION AND OVERSIGHT FUND:

| | | | |
|-------------------------------------|-----------|-----------|-----------|
| General Government Operations | \$ 36,071 | \$ 39,653 | \$ 43,553 |
| (F)Insurance Market Reform | - | 5,000 | 5,000 |

| | | | |
|--|------------------|------------------|------------------|
| INSURANCE REGULATION AND OVERSIGHT FUND TOTAL | \$ 36,071 | \$ 44,653 | \$ 48,553 |
|--|------------------|------------------|------------------|

MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR FUND:

| | | | |
|-------------------------------|-----------|-----------|-----------|
| General Operations (EA) | \$ 18,923 | \$ 19,218 | \$ 19,497 |
| Payment of Claims (EA) | 242,000 | 275,100 | 230,000 |
| Loan Repayment (EA) | - | 66,000 | - |

| | | | |
|--|-------------------|-------------------|-------------------|
| MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR FUND TOTAL | \$ 260,923 | \$ 360,318 | \$ 249,497 |
|--|-------------------|-------------------|-------------------|

REINSURANCE FUND:

| | | | |
|---|---------|---------|---------|
| Reinsurance Administration (EA) | \$ 480 | \$ 400 | \$ 400 |
| Reinsurance-Payments to Entities (EA) | 42,000 | 44,000 | 44,000 |
| (F)Reinsurance Waiver Pass-Through (EA) | 124,250 | 115,500 | 121,129 |

| | | | |
|-------------------------------------|-------------------|-------------------|-------------------|
| REINSURANCE FUND TOTAL | \$ 166,730 | \$ 159,900 | \$ 165,529 |
|-------------------------------------|-------------------|-------------------|-------------------|

UNDERGROUND STORAGE TANK INDEMNIFICATION FUND:

| | | | |
|---------------------------|-----------|-----------|-----------|
| Administration (EA) | \$ 15,555 | \$ 17,661 | \$ 17,738 |
| Claims (EA) | 40,000 | 38,000 | 38,000 |

| | | | |
|--|------------------|------------------|------------------|
| UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL | \$ 55,555 | \$ 55,661 | \$ 55,738 |
|--|------------------|------------------|------------------|

WORKERS' COMPENSATION SECURITY FUND:

| | | | |
|-------------------------------|----------|----------|----------|
| WCS Administration (EA) | \$ 9,011 | \$ 9,072 | \$ 9,098 |
| WCS Claims (EA) | 29,000 | 57,900 | 29,000 |

| | | | |
|--|------------------|------------------|------------------|
| WORKERS' COMPENSATION SECURITY FUND TOTAL | \$ 38,011 | \$ 66,972 | \$ 38,098 |
|--|------------------|------------------|------------------|

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|------------------------------|-------------------|----------------------|-------------------|
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND..... | - | - | - |
| FEDERAL FUNDS..... | 5,000 | - | - |
| AUGMENTATIONS..... | - | - | - |
| RESTRICTED..... | - | - | - |
| OTHER FUNDS..... | 625,783 | 706,999 | 576,888 |
| TOTAL ALL FUNDS..... | \$ 630,783 | \$ 706,999 | \$ 576,888 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---------------------------------------|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| INSURANCE INDUSTRY REGULATION: | | | | | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND... | - | - | - | - | - | - | - |
| LOTTERY FUND..... | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 5,000 | - | - | - | - | - | - |
| AUGMENTATIONS..... | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 625,783 | 706,999 | 576,888 | 579,288 | 579,288 | 579,288 | 579,288 |
| DEPARTMENT TOTAL..... | <u>\$ 630,783</u> | <u>\$ 706,999</u> | <u>\$ 576,888</u> | <u>\$ 579,288</u> | <u>\$ 579,288</u> | <u>\$ 579,288</u> | <u>\$ 579,288</u> |

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 373,000 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, registers health insurance navigators and exchange assisters, and reviews and approves approximately 13,000 rate, rule, form, and statistical filings 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 Insurance 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 Insurance 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 Insurance Department's examination of insurance companies provides an in-depth analysis of the risks facing the companies and the potential effects on consumers. The department analyzes annual market conduct statements and data; conducts investigations of possible insurance law violations by producers, bail bondsmen, public adjusters, and physical damage appraisers; and undertakes onsite market conduct examinations of insurance company records, files, and operations.

Oversight

The Insurance Department:

- Regulates all lines of insurance;
- Shares responsibility for implementing aspects of the federal Patient Protection and Affordable Care Act (ACA);
- Administers and oversees 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);
 - The Reinsurance Fund; and
 - The Workers' Compensation Security Fund (WCSF).

The department has a significant role in 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 Insurance 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 Commonwealth'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 2094.

[USTIF](#) provides reimbursement for 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 gains 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)

| General Government Operations | |
|--------------------------------------|--|
| \$ 3,189 | —to continue current program. |
| 711 | —to continue the implementation of Act 77 of 2024. |
| \$ 3,900 | Appropriation Increase |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| INSURANCE REGULATION AND OVERSIGHT FUND: | | | | | | | |
| General Government Operations... | <u>\$ 36,071</u> | <u>\$ 39,653</u> | <u>\$ 43,553</u> | <u>\$ 44,685</u> | <u>\$ 44,685</u> | <u>\$ 44,685</u> | <u>\$ 44,685</u> |

Program Measures:

| | 2019-20 Actual | 2020-21 Actual | 2021-22 Actual | 2022-23 Actual | 2023-24 Actual | 2024-25 Estimated | 2025-26 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 | % | 79 | 76 | 76 | 75 | 75 | 75 | 71 |
|---|---|----|----|----|----|----|----|----|

Reduce Pennsylvania’s uninsured population.

| | | | | | | | | |
|---|---|-----|-----|-----|-----|-----|-----|-----|
| Percentage of population without health insurance | % | 5.8 | 5.4 | 5.4 | 5.2 | 5.3 | 5.9 | 5.9 |
|---|---|-----|-----|-----|-----|-----|-----|-----|



HEALTH INSURANCE EXCHANGE AUTHORITY

The mission of the [Pennsylvania Health Insurance Exchange Authority \(PHIEA\)](#) is to improve the accessibility and affordability of individual market health coverage for Pennsylvanians.

Programs and Goals

Health Insurance Exchange: To serve Pennsylvania's individual health insurance market customers without disruption, operate a state-based exchange, and support the needs of consumers purchasing health insurance in the individual market while ensuring the stability and affordability of the health and dental offerings available through the Pennsylvania Health Insurance Exchange Authority.

Health Insurance Exchange Authority

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
| OTHER FUNDS: | | | |
| PENNSYLVANIA HEALTH INSURANCE EXCHANGE FUND: | | | |
| General Government Operations (EA)..... | \$ 40,000 | \$ 40,838 | \$ 52,322 |
| (F)Transitioning to State-Based Exchange (EA) | 24,121 | 26,041 | 19,500 |
| Transfer to Reinsurance Fund (EA) | 31,260 | 29,400 | 44,400 |
| PENNSYLVANIA HEALTH INSURANCE EXCHANGE FUND TOTAL | \$ 95,381 | \$ 96,279 | \$ 116,222 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|-----------------------------------|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| HEALTH INSURANCE EXCHANGE: | | | | | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED | - | - | - | - | - | - | - |
| OTHER FUNDS | 95,381 | 96,279 | 116,222 | 117,582 | 117,582 | 117,582 | 117,582 |
| DEPARTMENT TOTAL | \$ 95,381 | \$ 96,279 | \$ 116,222 | \$ 117,582 | \$ 117,582 | \$ 117,582 | \$ 117,582 |

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 by [Act 42 of 2019](#) 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 technology platform and customer service operations, called [Pennie™](#), have replaced the federal marketplace 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) | | Transfer to Reinsurance Fund (EA) | |
|------------------------------------|---|-----------------------------------|---|
| \$ | 4,943 | | \$ 15,000 |
| | —to continue current program. | | —to provide for Reinsurance Program payments. |
| | 6,541 | | |
| | —to reflect change in federal earnings. | | |
| | 11,484 | | |
| | <i>Appropriation Increase</i> | | |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| PENNSYLVANIA HEALTH INSURANCE EXCHANGE FUND: | | | | | | | |
| General Government Operations (EA) | \$ 40,000 | \$ 40,838 | \$ 52,322 | \$ 53,682 | \$ 53,682 | \$ 53,682 | \$ 53,682 |
| Transfer to Reinsurance Fund (EA).... | 31,260 | 29,400 | 44,400 | 44,400 | 44,400 | 44,400 | 44,400 |
| TOTAL PENNSYLVANIA HEALTH INSURANCE EXCHANGE FUND | \$ 71,260 | \$ 70,238 | \$ 96,722 | \$ 98,082 | \$ 98,082 | \$ 98,082 | \$ 82,300 |



LABOR AND INDUSTRY

The mission of the [Department of Labor and Industry \(L&I\)](#) is to foster a workforce system that improves the quality of life and promotes economic prosperity; encourages labor-management cooperation; ensures safety, accessibility, independence, and financial stability; and prepares the Commonwealth's workforce for the jobs of today and tomorrow. L&I's diverse team of compassionate, respectful, and hardworking public servants partners with labor and industry to consistently meet their needs in a fair, ethical, fiscally responsible, and responsive manner.

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)

| | 2023-24 | 2024-25 | 2025-26 |
|--|---------|-----------|---------|
| | ACTUAL | AVAILABLE | BUDGET |

GENERAL FUND:

General Government:

| | | | |
|---|-------------------|-------------------|-------------------|
| General Government Operations | \$ 15,038 | \$ 16,838 | \$ 16,838 |
| (F)Disability Determination | 155,439 | 160,147 | 161,622 |
| (F)Community Service and Corps | 15,380 | 18,463 | 21,110 |
| (F)WIOA-Administration | 9,077 | 11,000 | 11,000 |
| (F)IIJA-General Operations (EA) | 366 | 991 | 678 |
| (F)IIJA-State Digital Equity | - | - | 650 |
| (F)IRA-General Operations (EA) | 34 | 92 | 322 |
| (F)New Hires | 1,701 | 1,701 | 1,701 |
| (F)DUA Administration Payments (EA) | 23 | 90 | - |
| (A)Interpreter Registry | 13 | 80 | 80 |
| (R)Vending Machine Proceeds | 58 | 250 | 250 |
| Subtotal | <u>\$ 197,129</u> | <u>\$ 209,652</u> | <u>\$ 214,251</u> |
| Occupational and Industrial Safety | 3,573 | 4,457 | 6,209 |
| (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 | <u>\$ 16,092</u> | <u>\$ 16,976</u> | <u>\$ 18,728</u> |
| Subtotal - State Funds | <u>\$ 18,611</u> | <u>\$ 21,295</u> | <u>\$ 23,047</u> |
| Subtotal - Federal Funds | 182,514 | 192,978 | 197,577 |
| Subtotal - Augmentations | 10,013 | 10,080 | 10,080 |
| Subtotal - Restricted | <u>2,083</u> | <u>2,275</u> | <u>2,275</u> |
| Total - General Government | <u>\$ 213,221</u> | <u>\$ 226,628</u> | <u>\$ 232,979</u> |

Grants and Subsidies:

| | | | |
|--|---------------|---------------|---------------|
| Occupational Disease Payments | \$ 101 | \$ 86 | \$ 87 |
| Transfer to Vocational Rehabilitation Fund | 47,942 | 48,718 | 53,718 |
| Supported Employment | 397 | 397 | 397 |
| Centers for Independent Living | 2,634 | 2,634 | 3,634 |
| Workers' Compensation Payments | 200 | 200 | 185 |
| New Choices/New Options | 1,000 | 1,000 | 1,000 |
| Assistive Technology Financing | 1,000 | 1,000 | 1,000 |
| Assistive Technology Demonstration and Training | 850 | 850 | 850 |
| (F)WIOA-Dislocated Workers | 94,393 | 109,000 | 109,000 |
| (F)WIOA-Youth Employment and Training | 68,931 | 84,000 | 84,000 |
| (F)WIOA-Adult Employment and Training | 49,868 | 50,000 | 50,000 |
| (F)WIOA-Statewide Activities | 29,384 | 30,000 | 30,000 |
| (F)Reed Act-Employment Services | 5,000 | 5,000 | 5,000 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|--------------------------|--------------------------|--------------------------|
| (F)Reed Act-Unemployment Insurance..... | 3,816 | 3,816 | 3,500 |
| (F)TANFBG-Youth Employment and Training | 25,000 | 25,000 | 25,000 |
| (F)Comprehensive Workforce Development (EA)..... | 2,065 | 2,561 | 2,561 |
| Subtotal..... | <u>\$ 278,457</u> | <u>\$ 309,377</u> | <u>\$ 309,061</u> |
| Industry Partnerships..... | 2,813 | 2,813 | 7,813 |
| Schools-to-Work | 3,500 | 3,500 | 3,500 |
| Apprenticeship Training | 10,500 | 12,500 | 10,000 |
| Subtotal - State Funds..... | \$ 70,937 | \$ 73,698 | \$ 82,184 |
| Subtotal - Federal Funds..... | 278,457 | 309,377 | 309,061 |
| Total - Grants and Subsidies..... | <u>\$ 349,394</u> | <u>\$ 383,075</u> | <u>\$ 391,245</u> |
| STATE FUNDS..... | \$ 89,548 | \$ 94,993 | \$ 105,231 |
| FEDERAL FUNDS..... | 460,971 | 502,355 | 506,638 |
| AUGMENTATIONS | 10,013 | 10,080 | 10,080 |
| RESTRICTED..... | 2,083 | 2,275 | 2,275 |
| GENERAL FUND TOTAL | <u>\$ 562,615</u> | <u>\$ 609,703</u> | <u>\$ 624,224</u> |
| OTHER FUNDS: | | | |
| ADMINISTRATION FUND: | | | |
| Administration of Unemployment Compensation (EA)..... | \$ 600 | \$ 600 | \$ 600 |
| (F)Administration of Unemployment Compensation (EA) | 160,000 | 215,000 | 171,000 |
| (F)COVID-Administration of Unemployment Compensation (EA)..... | 4,565 | 1,071 | - |
| (F)COVID-Pandemic Unemployment Assistance Admin (EA) | 6,736 | - | - |
| (F)COVID-Pandemic Emergency Unemployment Comp Admin (EA)..... | 2,394 | - | - |
| Workforce Development (EA)..... | 640 | 640 | 640 |
| (F)Workforce Development (EA)..... | 93,219 | 93,219 | 93,219 |
| (A)Reimbursements-DHS PACSES Interface..... | 50 | 66 | 66 |
| ADMINISTRATION FUND TOTAL | <u>\$ 268,204</u> | <u>\$ 310,596</u> | <u>\$ 265,525</u> |
| SPECIAL ADMINISTRATION FUND: | | | |
| Administration of Unemployment (EA)..... | \$ 14,000 | \$ 14,000 | \$ 14,000 |
| EMPLOYMENT FUND FOR THE BLIND: | | | |
| General Operations..... | \$ 175 | \$ 500 | \$ 500 |
| HAZARDOUS MATERIAL RESPONSE FUND: | | | |
| (R)Hazardous Material Response Administration | \$ 61 | \$ 517 | \$ 517 |
| REHABILITATION CENTER FUND: | | | |
| General Operations..... | \$ 38,230 | \$ 30,000 | \$ 30,000 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|---------------------|----------------------|----------------------|
| STATE WORKERS' INSURANCE FUND: | | | |
| State Workers' Insurance Fund | \$ 164,997 | \$ 215,020 | \$ 215,020 |
| UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND: | | | |
| (R)Reemployment Services (EA) | \$ 13,269 | \$ 15,000 | \$ 15,000 |
| (R)Service and Infrastructure Improvement (EA) | 108,268 | 73,000 | 104,354 ^a |
| UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND TOTAL | \$ 121,537 | \$ 88,000 | \$ 119,354 |
| VOCATIONAL REHABILITATION FUND: | | | |
| General Operations (EA) | \$ - ^b | \$ - ^b | \$ - ^b |
| (F)Vocational Rehabilitation Services (EA) | 181,888 | 188,228 | 191,756 |
| VOCATIONAL REHABILITATION FUND TOTAL | \$ 181,888 | \$ 188,228 | \$ 191,756 |
| WORKERS' COMPENSATION ADMINISTRATION FUND: | | | |
| Administration of Workers' Compensation | \$ 75,802 | \$ 87,302 | \$ 75,802 |
| (A)Conference Fees | 296 | 300 | 300 |
| WORKERS' COMPENSATION ADMINISTRATION FUND TOTAL | \$ 76,098 | \$ 87,602 | \$ 76,102 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND | \$ 89,548 | \$ 94,993 | \$ 105,231 |
| MOTOR LICENSE FUND | - | - | - |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS | 460,971 | 502,355 | 506,638 |
| AUGMENTATIONS | 10,013 | 10,080 | 10,080 |
| RESTRICTED | 2,083 | 2,275 | 2,275 |
| OTHER FUNDS | 865,190 | 934,463 | 912,774 |
| TOTAL ALL FUNDS | \$ 1,427,805 | \$ 1,544,166 | \$ 1,536,998 |

^a This budget includes a new Service and Infrastructure Improvement reauthorization of \$104,354,000 for 2025-26 to continue Unemployment Compensation program operations.

^b The General Fund transfer to Vocational Rehabilitation Fund not added to avoid double counting. General Operations (EA) for 2023-24 Actual is \$47,942,000, 2024-25 Available is \$48,718,000, and 2025-26 Budget is \$53,718,000.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| COMMUNITY AND OCCUPATIONAL SAFETY AND STABILITY: | | | | | | | |
| GENERAL FUND..... | \$ 18,611 | \$ 21,295 | \$ 23,047 | \$ 23,646 | \$ 23,646 | \$ 23,646 | \$ 23,646 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 15,874 | 18,957 | 21,604 | 21,604 | 21,604 | 21,604 | 21,604 |
| AUGMENTATIONS | 10,013 | 10,080 | 10,080 | 10,080 | 10,080 | 10,080 | 10,080 |
| RESTRICTED..... | 2,025 | 2,025 | 2,025 | 2,025 | 2,025 | 2,025 | 2,025 |
| OTHER FUNDS..... | 61 | 517 | 517 | 80 | 80 | 80 | 80 |
| SUBCATEGORY TOTAL.... | \$ 46,584 | \$ 52,874 | \$ 57,273 | \$ 57,435 | \$ 57,435 | \$ 57,435 | \$ 57,435 |
| WORKERS' COMPENSATION AND UNEMPLOYMENT ASSISTANCE: | | | | | | | |
| GENERAL FUND..... | \$ 301 | \$ 286 | \$ 272 | \$ 272 | \$ 272 | \$ 272 | \$ 272 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 164,278 | 169,053 | 170,122 | 170,122 | 170,122 | 170,122 | 170,122 |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 537,658 | 606,293 | 581,076 | 559,264 | 570,616 | 579,918 | 590,919 |
| SUBCATEGORY TOTAL.... | \$ 702,237 | \$ 775,632 | \$ 751,470 | \$ 729,658 | \$ 741,010 | \$ 750,312 | \$ 761,313 |
| WORKFORCE INVESTMENT: | | | | | | | |
| GENERAL FUND..... | \$ 17,813 | \$ 19,813 | \$ 22,313 | \$ 22,313 | \$ 22,313 | \$ 22,313 | \$ 22,313 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 280,819 | 314,345 | 314,912 | 315,640 | 314,262 | 314,262 | 314,262 |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 107,178 | 108,925 | 108,925 | 108,925 | 108,925 | 108,925 | 108,925 |
| SUBCATEGORY TOTAL.... | \$ 405,810 | \$ 443,083 | \$ 446,150 | \$ 446,878 | \$ 445,500 | \$ 445,500 | \$ 445,500 |
| VOCATIONAL REHABILITATION: | | | | | | | |
| GENERAL FUND..... | \$ 52,823 | \$ 53,599 | \$ 59,599 | \$ 59,599 | \$ 59,599 | \$ 59,599 | \$ 59,599 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | 58 | 250 | 250 | 250 | 250 | 250 | 250 |
| OTHER FUNDS..... | 220,293 | 218,728 | 222,256 | 222,256 | 222,256 | 222,256 | 222,256 |
| SUBCATEGORY TOTAL.... | \$ 273,174 | \$ 272,577 | \$ 282,105 | \$ 282,105 | \$ 282,105 | \$ 282,105 | \$ 282,105 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 89,548 | \$ 94,993 | \$ 105,231 | \$ 105,830 | \$ 105,830 | \$ 105,830 | \$ 105,830 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 460,971 | 502,355 | 506,638 | 507,366 | 505,988 | 505,988 | 505,988 |
| AUGMENTATIONS | 10,013 | 10,080 | 10,080 | 10,080 | 10,080 | 10,080 | 10,080 |
| RESTRICTED..... | 2,083 | 2,275 | 2,275 | 2,275 | 2,275 | 2,275 | 2,275 |
| OTHER FUNDS..... | 865,190 | 934,463 | 912,774 | 890,525 | 901,877 | 911,179 | 922,180 |
| DEPARTMENT TOTAL | \$ 1,427,805 | \$ 1,544,166 | \$ 1,536,998 | \$ 1,516,076 | \$ 1,526,050 | \$ 1,535,352 | \$ 1,546,353 |

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 department 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. The department enforces [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

L&I 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 department 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 department 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, L&I 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.

Program Recommendations:

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

Occupational and Industrial Safety

\$ 1,752 —to continue current program.

Program: Community and Occupational Safety and Stability, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 15,038 | \$ 16,838 | \$ 16,838 | \$ 17,276 | \$ 17,276 | \$ 17,276 | \$ 17,276 |
| Occupational and Industrial Safety | 3,573 | 4,457 | 6,209 | 6,370 | 6,370 | 6,370 | 6,370 |
| TOTAL GENERAL FUND | \$ 18,611 | \$ 21,295 | \$ 23,047 | \$ 23,646 | \$ 23,646 | \$ 23,646 | \$ 23,646 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Increase compliance with labor laws. | | | | | | | |
| Wages collected by Bureau of Labor Law Compliance under Minimum Wage Act, Wage Payment and Collection Law, and Prevailing Wage Act (in millions)..... | \$ 5.1 | 7.7 | 5.1 | 5.0 | 3.0 | 6.1 | 6.1 |

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.

The department 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 54 of 2024 provides additional state funds from the Service and Infrastructure Improvement Fund for the administration of [unemployment compensation](#). Revenues in the account are derived from a portion of employee unemployment compensation taxes. The funding is intended to support the operations of the unemployment compensation system and maintain adequate service levels during the implementation and initial deployment of technological upgrades.

Program Recommendations:

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

| GENERAL FUND: | | WORKERS' COMPENSATION ADMINISTRATION FUND: | |
|---------------------------------------|---|---|----------------------|
| Occupational Disease Payments | | Administration of Workers' Compensation | |
| \$ 1 | —to continue current program based on payment requirements. | \$ (11,500) | —nonrecurring costs. |
| Workers' Compensation Payments | | | |
| \$ (15) | —to continue current program based on payment requirements. | | |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Occupational Disease Payments..... | \$ 101 | \$ 86 | \$ 87 | \$ 87 | \$ 87 | \$ 87 | \$ 87 |
| Workers' Compensation Payments..... | 200 | 200 | 185 | 185 | 185 | 185 | 185 |
| TOTAL GENERAL FUND..... | \$ 301 | \$ 286 | \$ 272 | \$ 272 | \$ 272 | \$ 272 | \$ 272 |
| WORKERS' COMPENSATION ADMINISTRATION FUND: | | | | | | | |
| Administration of Workers' Compensation..... | \$ 75,802 | \$ 87,302 | \$ 75,802 | \$ 77,773 | \$ 77,773 | \$ 77,773 | \$ 77,773 |

Program: Workers' Compensation and Unemployment Assistance, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | |
|---|---------|-----------------|-----------------|-----------------|---------|-----------|-----------|--------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated | |
| Reduce the cost of paying unemployment compensation claims and collecting UC taxes while improving services for claimants and employers. | | | | | | | | |
| Percentage of first payments within two weeks following the first week claims could be paid | % | 68 ^a | 54 ^a | 41 ^a | 46 | 56 | 75 | 85 |
| Percentage of eligibility determinations within three weeks of discovering that there was an issue to be investigated... | % | 69 | 12 ^a | 46 ^a | 40 | 34 | 70 | 80 |
| Reduce the number of Pennsylvania's workplace injury fatalities through increased safety and health training and outreach initiatives. | | | | | | | | |
| Workplace injury fatalities | | 96 | 96 | 80 | 43 | 63 | 65 | 65 |
| Free workplace safety and health training and outreach events | | 433 | 692 | 733 | 694 | 580 | 625 | 650 |
| Attendees at workplace safety and health training and outreach events..... | | 44,870 | 41,214 | 34,499 | 30,233 | 28,656 | 27,000 | 30,000 |

^a Actual year measure data has been updated to reflect the most current state and national databases.

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.

L&I 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 \(WIOA\)](#) of 2014. WIOA helps 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.

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 improves services 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 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

L&I provides outreach and technical support in accordance with the [Pennsylvania Apprenticeship and Training Act](#) and regulations. The department evaluates employment, education, and economic needs in a specific geographic area to create operational plans. L&I 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 department 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)

Industry Partnerships
 \$ 5,000 —Initiative—to address shortages in the nursing profession.

Apprenticeship Training
 \$ (2,500) —funding reduction.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| New Choices/New Options ... | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 |
| Industry Partnerships..... | 2,813 | 2,813 | 7,813 | 7,813 | 7,813 | 7,813 | 7,813 |
| Schools-to-Work | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 |
| Apprenticeship Training | 10,500 | 12,500 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| TOTAL GENERAL FUND | \$ 17,813 | \$ 19,813 | \$ 22,313 | \$ 22,313 | \$ 22,313 | \$ 22,313 | \$ 22,313 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|--------------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Increase the number of Pennsylvanians able to obtain, retain, and advance in 21st-century careers, as well as improve the global competitiveness of Pennsylvania's employers. | | | | | | | |
| Employment rate for youth beneficiaries of Workforce Innovation and Opportunity Act | % | 70 | 64 | 67 | 73 | 75 | 76 |
| Employment rate for adult beneficiaries of Workforce Innovation and Opportunity Act | % | 77 | 69 | 71 | 78 | 79 | 80 |
| Active registered apprentices | ^a | 18,028 | 18,718 | 18,706 | 18,675 | 19,525 | 20,500 |

^a Actual year measure data has been updated to reflect the most current state and national databases.

Program: Vocational Rehabilitation

Goal: To enable eligible persons with disabilities to obtain competitive employment.

L&I assists Pennsylvanians with disabilities to secure and maintain employment and independence. The department’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. L&I utilizes a significant portion of funding for [training and supported employment services](#). WIOA requires the department to reserve 15 percent of its federal vocational rehabilitation award for Pre-Employment Transition Services to serve students with disabilities who are eligible or potentially eligible for services to transition from secondary to postsecondary education programs and employment.

L&I’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 - Departments of Health, Human Services, and Education.

Program Recommendations:

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

Transfer to Vocational Rehabilitation Fund
 \$ 5,000 —Initiative—to help maintain services for Pennsylvanians with disabilities seeking employment.

Centers for Independent Living
 \$ 1,000 —Initiative—to provide additional support for state-funded Centers for Independent Living (CILs).

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Transfer to Vocational Rehabilitation Fund..... | \$ 47,942 | \$ 48,718 | \$ 53,718 | \$ 53,718 | \$ 53,718 | \$ 53,718 | \$ 53,718 |
| Supported Employment | 397 | 397 | 397 | 397 | 397 | 397 | 397 |
| Centers for Independent Living..... | 2,634 | 2,634 | 3,634 | 3,634 | 3,634 | 3,634 | 3,634 |
| Assistive Technology Financing | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Assistive Technology Demonstration and Training..... | 850 | 850 | 850 | 850 | 850 | 850 | 850 |
| TOTAL GENERAL FUND | \$ 52,823 | \$ 53,599 | \$ 59,599 | \$ 59,599 | \$ 59,599 | \$ 59,599 | \$ 59,599 |

Program: Vocational Rehabilitation, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------------------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Increase the employment potential and personal independence of persons with disabilities. | | | | | | | |
| Individuals receiving financial aid for training | 2,737 | 2,087 | 1,974 | 2,787 | 3,858 | 3,500 | 3,500 |
| Students receiving Pre-Employment Transition Services | 22,327 | 14,353 | 14,284 | 19,247 ^a | 20,795 | 15,000 | 15,000 |
| Eligible participants with active plans ... | 42,283 | 34,781 | 35,584 | 29,518 ^a | 34,163 | 32,000 | 32,000 |
| Participants successfully placed into competitive integrated employment | 6,953 | 4,773 | 5,377 | 5,654 | 6,002 | 6,000 | 6,000 |
| Persons successfully completing independent living/specialized services | 1,292 | 600 | 756 | 878 ^a | 954 | 1,000 | 1,000 |

^a Actual year measure data has been updated to reflect the most current state and national databases.



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 board 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 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)

2023-24 2024-25 2025-26
ACTUAL AVAILABLE BUDGET

OTHER FUNDS:

STATE STORES FUND:

| | | | |
|---|---------------------|---------------------|---------------------|
| General Operations (EA)..... | \$ 761,009 | \$ 840,232 | \$ 800,893 |
| (A)Sale of Automobiles..... | - | 20 | 20 |
| Purchase of Liquor (EA)..... | 1,706,300 | 1,757,200 | 1,792,596 |
| Comptroller Operations (EA)..... | 6,353 | 6,650 | 6,650 |
| Transfer for Wine, Beer, and Spirits Boards (EA)..... | - | 3,000 | 3,000 |
| Transfer to the General Fund (EA)..... | 185,100 | 185,100 | 185,100 |
| STATE STORES FUND TOTAL..... | \$ 2,658,762 | \$ 2,792,202 | \$ 2,788,259 |

Program Funding Summary

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26 2026-27 2027-28 2028-29 2029-30
Actual Available Budget Estimated Estimated Estimated Estimated

LIQUOR CONTROL:

| | | | | | | | |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 2,658,762 | 2,792,202 | 2,788,259 | 2,845,107 | 2,881,676 | 2,918,976 | 2,957,022 |
| DEPARTMENT TOTAL | \$ 2,658,762 | \$ 2,792,202 | \$ 2,788,259 | \$ 2,845,107 | \$ 2,881,676 | \$ 2,918,976 | \$ 2,957,022 |

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 Fine Wine & Good Spirits stores, including Premium Collection stores, as well as Licensee Service Centers. The board 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 board 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 board 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 products through the [Licensee Online Order Portal \(LOOP\)](#), one of the 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 board 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 board licenses and regulates retail and wholesale licensees in the Commonwealth, processes applications for various license and permit authorities, and conducts thousands of investigations each year.

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 board 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 board 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 board 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 funding for [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 board also provides an alcohol education and prevention campaign targeting Pennsylvania parents of children ages 8 through 12, called [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)

| | |
|--|--|
| <p>General Operations (EA)</p> <p>\$ (39,339) —to continue current program.</p> | <p>Purchase of Liquor (EA)</p> <p>\$ 35,396 —for inventory costs.</p> |
|--|--|

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| STATE STORES FUND: | | | | | | | |
| General Operations (EA) ... | \$ 761,009 | \$ 840,232 | \$ 800,893 | \$ 821,716 | \$ 821,716 | \$ 821,716 | \$ 821,716 |
| Purchase of Liquor (EA) | 1,706,300 | 1,757,200 | 1,792,596 | 1,828,448 | 1,865,017 | 1,902,317 | 1,940,363 |
| Comptroller Operations (EA)..... | 6,353 | 6,650 | 6,650 | 6,823 | 6,823 | 6,823 | 6,823 |
| Transfer for Wine, Beer, and Spirits Boards (EA) | - | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Transfer to the General Fund (EA) | 185,100 | 185,100 | 185,100 | 185,100 | 185,100 | 185,100 | 185,100 |
| TOTAL STATE STORES FUND | <u>\$2,658,762</u> | <u>\$2,792,182</u> | <u>\$2,788,239</u> | <u>\$2,845,087</u> | <u>\$2,881,656</u> | <u>\$2,918,956</u> | <u>\$2,957,002</u> |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|--------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Increase revenue contributions to the General Fund by maximizing returns. | | | | | | | |
| Pennsylvania State Liquor Stores..... | 598 | 594 | 586 | 586 | 584 | 586 | 587 |
| Gross sales (in thousands, excluding liquor taxes and sales taxes) | \$ 2,077,840 | 2,237,109 | 2,427,021 | 2,537,413 | 2,521,149 | 2,739,950 | 2,794,749 |
| Total contributions from State Stores Fund (in thousands, including liquor taxes, sales taxes, and General Fund transfer) | \$ 703,530 | 774,460 | 796,684 | 813,155 | 823,096 | 829,509 | 854,562 |
| 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..... | 50 | 82 | 83 | 97 | 97 | 102 | 86 |
| Alcohol education grant money awarded (in thousands) | \$ 817 | 1,400 | 1,388 | 1,698 | 1,667 | 1,701 | 1,611 |
| Owners/managers receiving Responsible Alcohol Management Program (RAMP) training | 5,933 | 5,577 | 6,595 | 6,731 | 6,643 | 6,656 | 7,000 |
| Servers/sellers receiving RAMP training | 80,025 | 70,833 | 98,851 | 104,273 | 108,572 | 103,899 | 103,899 |
| Establishments that are RAMP certified | 1,713 | 1,824 | 1,761 | 2,229 | 1,863 | 1,951 | 1,951 |



MILITARY AND VETERANS AFFAIRS

Pennsylvania's [Department of Military and Veterans Affairs \(DMVA\)](#) 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 \(PNG\)](#).

The department provides resources and assistance to veterans and their families and quality care for aging and disabled veterans.

DMVA prepares the PNG 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.

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)

| | 2023-24 | 2024-25 | 2025-26 |
|--|---------|-----------|---------|
| | ACTUAL | AVAILABLE | BUDGET |

GENERAL FUND:

General Government:

| | | | |
|---|-------------------|-------------------|-------------------|
| General Government Operations | \$ 32,990 | \$ 36,571 | \$ 40,146 |
| (F)Facilities Maintenance | 94,000 | 110,000 | 115,000 |
| (F)Federal Construction Grants..... | 120,000 | 120,000 | 80,000 |
| (F)Suicide Mortality Review..... | - | 600 ^a | 600 |
| (F)Suicide Mortality Review (EA) | - | 600 | - |
| (F)State Opioid Response (EA)..... | 3,500 | 2,385 | - |
| (A)Utility Reimbursements..... | 124 | 146 | 146 |
| (A)Housing Fees | 91 | 105 | 107 |
| (A)IRA Direct Pay Tax Credit Reimbursement..... | - | 29 | - |
| (A)Miscellaneous..... | 197 | 101 | 101 |
| (R)Military Family Relief Assistance..... | 69 | 100 | 100 |
| (R)State Military Justice | - | 1 | 1 |
| Subtotal..... | <u>\$ 250,971</u> | <u>\$ 270,638</u> | <u>\$ 236,201</u> |
| Keystone State Challenge Academy..... | 2,175 | 2,175 | 2,622 |
| Burial Detail Honor Guard..... | 187 | 187 | 187 |
| American Battle Monuments | 50 | 50 | 50 |
| Armory Maintenance and Repair..... | 2,895 | 3,145 | 3,395 |
| Special State Duty | 70 | 70 | 70 |
| Subtotal - State Funds..... | \$ 38,367 | \$ 42,198 | \$ 46,470 |
| Subtotal - Federal Funds..... | 217,500 | 233,585 | 195,600 |
| Subtotal - Augmentations..... | 412 | 381 | 354 |
| Subtotal - Restricted..... | <u>69</u> | <u>101</u> | <u>101</u> |
| Total - General Government..... | <u>\$ 256,348</u> | <u>\$ 276,265</u> | <u>\$ 242,525</u> |

Institutional:

| | | | |
|--|-------------------|-------------------|-------------------|
| Veterans Homes..... | \$ 151,169 | \$ 161,595 | \$ 165,024 |
| (F)Operations and Maintenance | 48,913 | 60,164 | 72,000 |
| (F)Medical Reimbursements | 142 | 100 | 100 |
| (F)Enhanced Veterans Reimbursement..... | 38,950 | 38,950 | 38,950 |
| (F)COVID-Enhanced Veterans Reimbursement (EA)..... | 4,000 | - | - |
| (A)Residential Fees..... | 14,536 | 14,725 | 14,800 |
| (A)Aid and Attendance Payments | 7,306 | 7,400 | 7,470 |
| (A)Pharmaceutical Reimbursements | 3,432 | 2,889 | 2,651 |
| (A)Estate Collections..... | 2,353 | 2,255 | 2,100 |
| (A)Physical and Occupational Therapy Reimbursements..... | 469 | 470 | 470 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-----------------------|-----------------------|-----------------------|
| (A)Insurance and Third-Party Reimbursements..... | 11 | 14 | 11 |
| (A)Miscellaneous..... | 45 | 9 | 9 |
| Subtotal..... | \$ 271,326 | \$ 288,571 | \$ 303,585 |
| Subtotal - State Funds..... | \$ 151,169 | \$ 161,595 | \$ 165,024 |
| Subtotal - Federal Funds..... | 92,005 | 99,214 | 111,050 |
| Subtotal - Augmentations..... | 28,152 | 27,762 | 27,511 |
| Total - Institutional..... | \$ 271,326 | \$ 288,571 | \$ 303,585 |
| Grants and Subsidies: | | | |
| Education of Veterans Children..... | \$ 135 | \$ 320 ^b | \$ 350 |
| Transfer to Educational Assistance Program Fund..... | 13,525 | 13,525 | 14,525 |
| Blind Veterans Pension..... | 222 | 222 | 222 |
| Amputee and Paralyzed Veterans Pension..... | 3,951 | 4,173 | 4,559 |
| National Guard Pension..... | 5 | 5 | 5 |
| Supplemental Life Insurance Premiums..... | 164 | 164 | 164 |
| Civil Air Patrol..... | 100 | 100 | 120 |
| Disabled American Veterans Transportation..... | 336 | 336 | 336 |
| Veterans Outreach Services..... | 4,378 | 4,802 | 4,922 |
| Total - Grants and Subsidies..... | \$ 22,816 | \$ 23,647 | \$ 25,203 |
| STATE FUNDS..... | \$ 212,352 | \$ 227,440 | \$ 236,697 |
| FEDERAL FUNDS..... | 309,505 | 332,799 | 306,650 |
| AUGMENTATIONS..... | 28,564 | 28,143 | 27,865 |
| RESTRICTED..... | 69 | 101 | 101 |
| GENERAL FUND TOTAL..... | \$ 550,490 | \$ 588,483 | \$ 571,313 |
| OTHER FUNDS: | | | |
| EDUCATIONAL ASSISTANCE PROGRAM FUND: | | | |
| National Guard Education (EA)..... | \$ 1,295 ^c | \$ 3,415 ^c | \$ 3,183 ^c |
| (R)Military Family Education (EA)..... | - ^c | - ^c | - ^c |
| EDUCATIONAL ASSISTANCE PROGRAM FUND TOTAL..... | \$ 1,295 | \$ 3,415 | \$ 3,183 |
| PENNSYLVANIA VETERANS MONUMENTS AND MEMORIAL TRUST FUND: | | | |
| Veterans Memorial (EA)..... | \$ 95 | \$ 95 | \$ 95 |
| STATE TREASURY ARMORY FUND: | | | |
| Armory Improvements..... | \$ 516 | \$ 600 | \$ 575 |
| VETERANS TRUST FUND: | | | |
| Grants and Assistance (EA)..... | \$ 1,555 | \$ 1,455 | \$ 1,600 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|------------------------------|--------------------------|--------------------------|--------------------------|
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND | \$ 212,352 | \$ 227,440 | \$ 236,697 |
| MOTOR LICENSE FUND | - | - | - |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS | 309,505 | 332,799 | 306,650 |
| AUGMENTATIONS | 28,564 | 28,143 | 27,865 |
| RESTRICTED | 69 | 101 | 101 |
| OTHER FUNDS | 3,461 | 5,565 | 5,453 |
| TOTAL ALL FUNDS | <u>\$ 553,951</u> | <u>\$ 594,048</u> | <u>\$ 576,766</u> |

^a Includes recommended supplemental appropriation of \$600,000.

^b Includes recommended supplemental appropriation of \$125,000.

^c The National Guard Education (EA) for 2023-24 Actual is \$12,250,000; 2024-25 Available is \$13,698,000; and 2025-26 Budget is \$13,830,000. The (R)Military Family Education (EA) for 2023-24 Actual is \$2,570,000; 2024-25 Available is \$3,242,000; and 2025-26 Budget is \$3,878,000. 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)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| STATE MILITARY READINESS: | | | | | | | |
| GENERAL FUND..... | \$ 36,192 | \$ 40,023 | \$ 43,848 | \$ 44,907 | \$ 44,907 | \$ 44,907 | \$ 44,907 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 217,500 | 232,385 | 195,000 | 195,000 | 195,000 | 195,000 | 195,000 |
| AUGMENTATIONS | 412 | 381 | 354 | 337 | 320 | 323 | 326 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 611 | 695 | 670 | 640 | 635 | 316 | 291 |
| SUBCATEGORY TOTAL.... | \$ 254,715 | \$ 273,484 | \$ 239,872 | \$ 240,884 | \$ 240,862 | \$ 240,546 | \$ 240,524 |
| VETERANS HOMES: | | | | | | | |
| GENERAL FUND..... | \$ 151,169 | \$ 161,595 | \$ 165,024 | \$ 169,315 | \$ 169,315 | \$ 169,315 | \$ 169,315 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 92,005 | 99,214 | 111,050 | 111,050 | 111,050 | 111,050 | 111,050 |
| AUGMENTATIONS | 28,152 | 27,762 | 27,511 | 27,511 | 27,511 | 27,511 | 27,511 |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 271,326 | \$ 288,571 | \$ 303,585 | \$ 307,876 | \$ 307,876 | \$ 307,876 | \$ 307,876 |
| COMPENSATION AND ASSISTANCE: | | | | | | | |
| GENERAL FUND..... | \$ 24,991 | \$ 25,822 | \$ 27,825 | \$ 31,026 | \$ 32,648 | \$ 34,794 | \$ 35,445 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | 1,200 | 600 | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | 69 | 101 | 101 | 101 | 101 | 101 | 101 |
| OTHER FUNDS..... | 2,850 | 4,870 | 4,783 | 2,354 | 1,400 | 1,400 | 1,340 |
| SUBCATEGORY TOTAL.... | \$ 27,910 | \$ 31,993 | \$ 33,309 | \$ 33,481 | \$ 34,149 | \$ 36,295 | \$ 36,886 |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 212,352 | \$ 227,440 | \$ 236,697 | \$ 245,248 | \$ 246,870 | \$ 249,016 | \$ 249,667 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 309,505 | 332,799 | 306,650 | 306,050 | 306,050 | 306,050 | 306,050 |
| AUGMENTATIONS | 28,564 | 28,143 | 27,865 | 27,848 | 27,831 | 27,834 | 27,837 |
| RESTRICTED..... | 69 | 101 | 101 | 101 | 101 | 101 | 101 |
| OTHER FUNDS..... | 3,461 | 5,565 | 5,453 | 2,994 | 2,035 | 1,716 | 1,631 |
| DEPARTMENT TOTAL | \$ 553,951 | \$ 594,048 | \$ 576,766 | \$ 582,241 | \$ 582,887 | \$ 584,717 | \$ 585,286 |

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 \(PNG\)](#) to maintain requisite readiness capability to serve during emergencies. Such emergencies may result in full or partial mobilization of the PNG 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 units is evaluated according to established federal inspection and training standards. Primary efforts are directed toward maintaining the PNG in top readiness condition to perform state and federal missions. The training of personnel is dependent upon the operation, maintenance, and repair of numerous PNG armories and readiness centers, support facilities, Air National Guard bases, and installations. These facilities may also be utilized as mass care centers for disaster victims in addition to providing meeting and recreational facilities for local civic and youth organizations. A statewide communications network provides fast and effective response to state or federal mobilization.

Program Recommendations:

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

| | | | |
|--------------------------------------|-------------------------------|--------------------------------------|---|
| General Government Operations | | Armory Maintenance and Repair | |
| \$ 3,575 | —to continue current program. | \$ 250 | —to continue current program while ensuring continued solvency in the State Treasury Armory Fund. |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|-----------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations... | \$ 32,990 | \$ 36,571 | \$ 40,146 | \$ 41,205 | \$ 41,205 | \$ 41,205 | \$ 41,205 |
| Burial Detail Honor Guard..... | 187 | 187 | 187 | 187 | 187 | 187 | 187 |
| American Battle Monuments..... | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Armory Maintenance and Repair ... | 2,895 | 3,145 | 3,395 | 3,395 | 3,395 | 3,395 | 3,395 |
| Special State Duty | 70 | 70 | 70 | 70 | 70 | 70 | 70 |
| TOTAL GENERAL FUND | \$ 36,192 | \$ 40,023 | \$ 43,848 | \$ 44,907 | \$ 44,907 | \$ 44,907 | \$ 44,907 |

Military and Veterans Affairs

Program: State Military Readiness, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Maintain the strength and readiness of the Pennsylvania Army National Guard. | | | | | | | |
| Pennsylvania Army National Guard End Strength Ceiling | 13,800 | 14,655 | 14,655 | 14,315 | 13,260 | 13,321 | 13,357 |
| Pennsylvania Army National Guard Assigned | 13,863 | 13,670 | 13,245 | 12,960 | 12,943 | 13,321 | 13,587 |
| Percentage of Pennsylvania Army National Guard Current Strength | % 100 | 93 | 90 | 91 | 98 | 100 | 100 |
| Department of Defense personnel receiving training at Fort Indiantown Gap | 114,261 | 103,066 | 93,177 | 117,629 | 135,595 | 138,310 | 141,073 |
| Non-Department of Defense personnel receiving training at Fort Indiantown Gap | 7,719 | 4,058 | 11,287 | 5,605 | 7,507 | 7,880 | 8,275 |
| Maintain the strength and readiness of the Pennsylvania Air National Guard. | | | | | | | |
| Pennsylvania Air National Guard End Strength Ceiling | 4,126 | 4,184 | 4,190 | 4,114 | 4,151 | 4,151 | 4,151 |
| Pennsylvania Air National Guard Assigned | 4,096 | 4,021 | 3,951 | 3,857 | 3,812 | 3,950 | 4,151 |
| Percentage of the Pennsylvania Air National Guard Current Strength | % 99 | 96 | 94 | 94 | 92 | 95 | 100 |
| Maintain a network of readiness centers and Air National Guard bases that provide a professional working environment, ensure cost effectiveness, and establish the National Guard as a good neighbor. | | | | | | | |
| Percentage of readiness centers and field sites rated adequate to satisfy the mission | % 45 | 50 | 46 | 53 | 60 | 58 | 59 |

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 [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 [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 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)

| | 2023-24 | 2024-25 | 2025-26 | | 2023-24 | 2024-25 | 2025-26 |
|---|-----------|-----------|-----------|--|-----------|-----------|-----------|
| | Actual | Available | Budget | | Actual | Available | Budget |
| Pennsylvania Soldiers and Sailors Home | | | | Southwestern Veterans Center | | | |
| State Funds | \$ 19,142 | \$ 19,736 | \$ 19,834 | State Funds | \$ 19,370 | \$ 24,648 | \$ 22,562 |
| Federal Funds | 9,298 | 10,608 | 12,188 | Federal Funds | 14,092 | 13,623 | 16,863 |
| Augmentations | 3,976 | 3,618 | 3,718 | Augmentations | 3,331 | 3,213 | 3,263 |
| TOTAL | \$ 32,416 | \$ 33,962 | \$ 35,740 | TOTAL | \$ 36,793 | \$ 41,484 | \$ 42,688 |
| Hollidaysburg Veterans Home | | | | Delaware Valley Veterans Home | | | |
| State Funds | \$ 33,396 | \$ 30,081 | \$ 37,273 | State Funds | \$ 12,000 | \$ 11,832 | \$ 16,455 |
| Federal Funds | 16,567 | 20,670 | 19,623 | Federal Funds | 16,576 | 17,837 | 20,553 |
| Augmentations | 6,839 | 6,724 | 6,369 | Augmentations | 4,331 | 4,370 | 4,442 |
| TOTAL | \$ 56,802 | \$ 57,475 | \$ 63,265 | TOTAL | \$ 32,907 | \$ 34,039 | \$ 41,450 |
| Southeastern Veterans Center | | | | Central Veterans Homes Services | | | |
| State Funds | \$ 23,076 | \$ 26,472 | \$ 23,497 | State Funds | \$ 23,155 | \$ 23,444 | \$ 26,180 |
| Federal Funds | 17,330 | 20,961 | 21,309 | Federal Funds | 4,079 | - | - |
| Augmentations | 5,412 | 5,496 | 5,488 | Augmentations | - | - | - |
| TOTAL | \$ 45,818 | \$ 52,929 | \$ 50,294 | TOTAL | \$ 27,234 | \$ 23,444 | \$ 26,180 |
| Gino J. Merli Veterans Center | | | | | | | |
| State Funds | \$ 21,030 | \$ 25,382 | \$ 19,223 | | | | |
| Federal Funds | 14,063 | 15,515 | 20,514 | | | | |
| Augmentations | 4,263 | 4,341 | 4,231 | | | | |
| TOTAL | \$ 39,356 | \$ 45,238 | \$ 43,968 | | | | |

Program: Veterans Homes, continued

Veterans Home Populations

| | Population July 2023 | Population July 2024 | Projected Population July 2025 | Projected Bed Capacity July 2025 | Projected % of Capacity July 2025 |
|--|-------------------------|-------------------------|--------------------------------------|---|--|
| Veterans Home | | | | | |
| Pennsylvania Soldiers and Sailors Home | 150 | 161 | 166 | 207 | 80.2% |
| Hollidaysburg Veterans Home | 248 | 251 | 256 | 424 | 60.4% |
| Southeastern Veterans Center | 203 | 208 | 218 | 292 | 74.7% |
| Gino J. Merli Veterans Center | 161 | 177 | 188 | 196 | 95.9% |
| Southwestern Veterans Center..... | 142 | 148 | 157 | 236 | 66.5% |
| Delaware Valley Veterans Home | 156 | 160 | 162 | 171 | 94.7% |
| Total..... | 1,060 | 1,105 | 1,147 | 1,526 | 75.2% |

Program Recommendations:

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

Veterans Homes

\$ 3,429 —to continue current program.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|----------------------|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
| GENERAL FUND: | | | | | | | |
| Veterans Homes | <u>\$ 151,169</u> | <u>\$ 161,595</u> | <u>\$ 165,024</u> | <u>\$ 169,315</u> | <u>\$ 169,315</u> | <u>\$ 169,315</u> | <u>\$ 169,315</u> |

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 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 PNG who enroll in a Pennsylvania institution of higher learning with degree-granting status.
 - [Military Family Education Program](#). PNG 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 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 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 PNG.
 - [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](#). 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 | | Amputee and Paralyzed Veterans Pension |
| \$ 447 | —to continue current program. | \$ 386 | —to continue current program. |
| | Education of Veterans Children | | Civil Air Patrol |
| \$ 30 | —to continue current program. | \$ 20 | —to continue current program. |
| | Transfer to Educational Assistance Program Fund | | Veterans Outreach Services |
| \$ 1,000 | —to continue current program. | \$ 120 | —to continue current program. |

Military and Veterans Affairs

Program: Compensation and Assistance, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| GENERAL FUND: | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| Keystone State ChalleNGe Academy | \$ 2,175 | \$ 2,175 | \$ 2,622 | \$ 2,690 | \$ 2,690 | \$ 2,690 | \$ 2,690 |
| Education of Veterans Children | 135 | 320 | 350 | 375 | 401 | 429 | 459 |
| Transfer to Educational Assistance Program Fund | 13,525 | 13,525 | 14,525 | 17,500 | 19,000 | 21,000 | 21,500 |
| Blind Veterans Pension | 222 | 222 | 222 | 222 | 222 | 222 | 222 |
| Amputee and Paralyzed Veterans Pension .. | 3,951 | 4,173 | 4,559 | 4,559 | 4,559 | 4,559 | 4,559 |
| 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 | 120 | 120 | 120 | 120 | 120 |
| Disabled American Veterans Transportation | 336 | 336 | 336 | 336 | 336 | 336 | 336 |
| Veterans Outreach Services..... | 4,378 | 4,802 | 4,922 | 5,055 | 5,151 | 5,269 | 5,390 |
| TOTAL GENERAL FUND | \$ 24,991 | \$ 25,822 | \$ 27,825 | \$ 31,026 | \$ 32,648 | \$ 34,794 | \$ 35,445 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Improve access and increase the number of eligible veterans and family members who receive federal, state, and local benefits. | | | | | | | |
| Burial Honors Program services | 2,227 | 3,407 | 3,424 | 2,937 | 3,200 | 2,989 | 3,100 |
| Veterans who received benefits in accordance with the Veterans Temporary Assistance (VTA) Program | 488 | 338 | 414 | 462 | 476 | 490 | 505 |
| New federal claims for Pennsylvania veterans (compensation and pension claims) | N/A | 36,519 | 38,359 | 42,285 | 47,604 | 49,032 | 50,503 |
| New claims filed by participants in the Veterans Service Officer Outreach Grant Program (Act 66 of 2007) | N/A | 73,284 | 73,156 | 73,803 | 75,134 | 76,637 | 78,169 |
| 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 | 1,938 | 1,880 | 1,891 | 2,102 | 2,180 | 2,300 | 2,400 |
| Veterans assisted through Veterans Trust Fund grants..... | 15,384 | 10,922 | 20,325 | 17,500 | 17,500 | 23,500 | 23,500 |
| New individuals registered through the Veterans Registry - service in Armed Forces .. | 8,655 | 7,320 | 5,161 | 6,765 | 8,922 | 11,777 | 15,546 |
| New individuals registered through the Veterans Registry - no service in Armed Forces..... | 290 | 309 | 267 | 255 | 438 | 753 | 1,296 |
| Recipients in the Military Family Education Program | N/A | 196 | 225 | 268 | 313 | 375 | 450 |



MILK BOARD

The mission of the [Milk 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)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

OTHER FUNDS:

MILK MARKETING FUND:

General Operations \$ 2,840 \$ 2,840 \$ 2,947

Program Funding Summary

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26 2026-27 2027-28 2028-29 2029-30
 Actual Available Budget Estimated Estimated Estimated Estimated

MILK INDUSTRY REGULATION:

| | | | | | | | |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 2,840 | 2,840 | 2,947 | 3,024 | 3,024 | 3,024 | 3,024 |
| DEPARTMENT TOTAL | \$ 2,840 | \$ 2,840 | \$ 2,947 | \$ 3,024 | \$ 3,024 | \$ 3,024 | \$ 3,024 |

Program: Milk Industry Regulation

Goal: To maintain an adequate supply of wholesome fluid milk.

The [Milk Board](#) is financed through milk industry licensing fees, permitting 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. Pennsylvania is divided into six milk marketing areas for purposes of establishing minimum wholesale and retail prices. 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 generally holds two public hearings each year dealing specifically with Class 1 producer prices; these hearings establish the over-order premium. Additionally, the board holds one hearing each year for each milk marketing area to update costs and minimum prices.

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

\$ 107 —to continue current program.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|-----------------------------|-------------------------------|-----------|----------|-----------|-----------|-----------|-----------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| MILK MARKETING FUND: | | | | | | | |
| General Operations | \$ 2,840 | \$ 2,840 | \$ 2,947 | \$ 3,024 | \$ 3,024 | \$ 3,024 | \$ 3,024 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Maintain producer payment compliance at or above 99 percent 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 |
| Audit milk dealers for compliance with milk sales, rules, and regulations. | | | | | | | |
| Percentage of milk dealers audited for compliance of milk sales, rules, and regulations | % 100 | 100 | 100 | 100 | 100 | 100 | 100 |



PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

The mission of the [Public School Employees' Retirement System \(PSERS\)](#) is to be a partner with our members to fulfill the promise of a secure retirement.

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.*

Public School Employees' Retirement System

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
| OTHER FUNDS: | | | |
| PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND: | | | |
| Administration..... | \$ 57,489 | \$ 61,403 | \$ 64,523 |
| Investment Related Expenses..... | 34,534 | 40,682 | 40,881 |
| (R)Health Insurance Account | 1,269 | 1,285 | 1,317 |
| PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND TOTAL..... | \$ 93,292 | \$ 103,370 | \$ 106,721 |
| PSERS - DEFINED CONTRIBUTION FUND: | | | |
| (R)Administration..... | \$ 1,182 | \$ 1,282 | \$ 1,405 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND | - | - | - |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS..... | - | - | - |
| AUGMENTATIONS | - | - | - |
| RESTRICTED | - | - | - |
| OTHER FUNDS..... | 94,474 | 104,652 | 108,126 |
| TOTAL ALL FUNDS | \$ 94,474 | \$ 104,652 | \$ 108,126 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| PUBLIC SCHOOL EMPLOYEES' RETIREMENT: | | | | | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 94,474 | 104,652 | 108,126 | 109,951 | 109,951 | 109,951 | 109,951 |
| DEPARTMENT TOTAL | \$ 94,474 | \$ 104,652 | \$ 108,126 | \$ 109,951 | \$ 109,951 | \$ 109,951 | \$ 109,951 |

Public School Employees' Retirement System

Program: Public School Employees' Retirement

Goal: To provide retirement benefits to public school employees of the Commonwealth of Pennsylvania.

The [Public School Employees' Retirement System \(PSERS\)](#) was established in 1917 to administer retirement benefits of eligible public school employees. The 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.

[Act 5 of 2017](#) implemented a substantial change to PSERS' operations and made significant changes to PSERS' benefit structure for new members. On July 1, 2019, the stand-alone defined benefit plan was discontinued for new members of PSERS but individuals were able to choose one of three 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](#).

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: | | PSERS - DEFINED CONTRIBUTION FUND: | |
|---|-------------------------------|------------------------------------|-------------------------------|
| Administration | | Administration | |
| \$ 3,120 | —to continue current program. | \$ 123 | —to continue current program. |
| Investment Related Expenses | | | |
| \$ 199 | —to continue current program. | | |

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND: | | | | | | | |
| Administration | \$ 57,489 | \$ 61,403 | \$ 64,523 | \$ 66,311 | \$ 66,311 | \$ 66,311 | \$ 66,311 |
| Investment Related Expenses | 34,534 | 40,682 | 40,881 | 40,881 | 40,881 | 40,881 | 40,881 |
| TOTAL PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND | \$ 92,023 | \$ 102,085 | \$ 105,404 | \$ 107,192 | \$ 107,192 | \$ 107,192 | \$ 107,192 |

Public School Employees' Retirement System

Program: Public School Employees' Retirement, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|----------|-----------|----------|-----------|-----------|-----------|-----------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| PSERS - DEFINED CONTRIBUTION FUND: | | | | | | | |
| (R)Administration | \$ 1,182 | \$ 1,282 | \$ 1,405 | \$ 1,442 | \$ 1,442 | \$ 1,442 | \$ 1,442 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Increase members' awareness of PSERS benefits. | | | | | | | |
| Percentage of retiring members attending counseling with PSERS | % | 70 | 60 | 62 | 63 | 64 | 65 |
| Provide timely and accurate retirement benefit payments. | | | | | | | |
| Retired employees (annuitants), beneficiaries, and survivor annuitants .. | | 239,614 | 242,839 | 246,901 | 249,724 | 253,896 | 256,766 |
| Pension and Health Care Premium Assistance benefit payments (in billions)..... | \$ | 7.07 | 7.27 | 7.41 | 7.69 | 7.71 | 7.98 |
| | | | | | | | 8.12 |



PUBLIC UTILITY COMMISSION

The mission of the [Pennsylvania Public Utility Commission \(PUC\)](#) is to balance the needs of consumers and utilities; ensure safe and reliable utility service at reasonable rates; protect the public interest; educate consumers to make independent and informed utility choices; further economic development; and foster new technologies and competitive markets in an environmentally sound manner.

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)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| GENERAL FUND: | | | |
| <i>General Government:</i> | | | |
| (R)General Government Operations | \$ 82,896 | \$ 88,386 | \$ 95,392 |
| (F)Natural Gas Pipeline Safety..... | 4,045 | 4,200 | 4,739 |
| (F)Motor Carrier Safety | 1,493 | 2,016 | 500 |
| (F)IRA-Transmission Siting Program | - | 1,500 | 2,500 |
| Subtotal - Federal Funds..... | 5,538 | 7,716 | 7,739 |
| Subtotal - Restricted..... | 82,896 | 88,386 | 95,392 |
| Total - General Government..... | \$ 88,434 | \$ 96,102 | \$ 103,131 |
| FEDERAL FUNDS..... | 5,538 | 7,716 | 7,739 |
| RESTRICTED..... | 82,896 | 88,386 | 95,392 |
| GENERAL FUND TOTAL | \$ 88,434 | \$ 96,102 | \$ 103,131 |
| OTHER FUNDS: | | | |
| MARCELLUS LEGACY FUND: | | | |
| Transfer to Highway Bridge Improvement (EA) | \$ 15,948 | \$ 15,071 | \$ 20,784 |
| Transfer to Environmental Stewardship Fund (EA)..... | 6,379 | 6,029 | 8,313 |
| (R)Transfer to Hazardous Sites Cleanup Fund (EA)..... | 15,000 | 15,000 | 15,000 |
| Transfer to Hazardous Sites Cleanup Fund (EA)..... | 3,190 | 3,014 | 4,157 |
| County Rec Planning, Development, and Rehabilitation (EA) | 9,569 | 9,043 | 12,470 |
| Transfer to Commonwealth Financing Authority-H2O (EA) | 7,974 | 7,536 | 10,392 |
| Transfer to Commonwealth Financing Authority (EA)..... | 12,758 | 12,057 | 16,627 |
| MARCELLUS LEGACY FUND TOTAL | \$ 70,818 | \$ 67,750 | \$ 87,743 |
| UNCONVENTIONAL GAS WELL FUND: | | | |
| Gas Well Fee Administration (EA)..... | \$ 1,000 | \$ 1,000 | \$ 1,000 |
| Conservation District Grants (EA) | 4,829 | 4,944 | 5,053 |
| Transfer to Conservation District Fund (EA) | 4,829 | 4,944 | 5,053 |
| Transfer to Housing Afford and Rehab Enhancement Fund (EA)..... | 5,041 | 5,000 | 5,000 |
| Host Counties (EA)..... | 32,647 | 30,754 | 43,093 |
| Host Municipalities (EA) | 33,514 | 31,609 | 44,289 |
| Local Municipalities (EA)..... | 24,485 | 23,066 | 32,320 |
| Transfer to Marcellus Legacy Fund (EA) | 63,791 | 60,286 | 83,135 |
| UNCONVENTIONAL GAS WELL FUND TOTAL | \$ 170,136 | \$ 161,603 | \$ 218,943 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS..... | 5,538 | 7,716 | 7,739 |
| AUGMENTATIONS | - | - | - |
| RESTRICTED..... | 82,896 | 88,386 | 95,392 |
| OTHER FUNDS..... | 240,954 | 229,353 | 306,686 |
| TOTAL ALL FUNDS | \$ 329,388 | \$ 325,455 | \$ 409,817 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| REGULATION OF PUBLIC UTILITIES: | | | | | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 5,538 | 7,716 | 7,739 | 5,760 | 5,239 | 5,239 | 5,239 |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | 82,896 | 88,386 | 95,392 | 95,392 | 95,392 | 95,392 | 95,392 |
| OTHER FUNDS..... | 240,954 | 229,353 | 306,686 | 275,684 | 253,998 | 223,069 | 211,120 |
| DEPARTMENT TOTAL | \$ 329,388 | \$ 325,455 | \$ 409,817 | \$ 376,836 | \$ 354,629 | \$ 323,700 | \$ 311,751 |

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 \(PUC\)](#) 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. PUC 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 PUC 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 receives a steady number of rate requests from electric, natural gas, and water companies. PUC 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.

Program Recommendations:

This budget recommends the following change from the restricted account: (Dollar Amounts in Thousands)

General Government Operations
 \$ 7,006 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| (R)General Government Operations... | \$ 82,896 | \$ 88,386 | \$ 95,392 | \$ 95,392 | \$ 95,392 | \$ 95,392 | \$ 95,392 |

Program: Regulation of Public Utilities, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Maintain safe and reliable utility services at affordable rates for consumers. | | | | | | | |
| Fixed Utility Audits Conducted - Adjustment Clause Rate and Reconciliation Reviews | 384 | 382 | 382 | 387 | 362 | 370 | 370 |
| Fixed Utility Audits Conducted - Management | 10 | 6 | 6 | 4 | 6 | 9 | 9 |
| Fixed Utility Audits Conducted - Financial Audits | 68 | 64 | 86 | 68 | 71 | 82 | 70 |
| Enforcement/Investigations Audits Conducted - Gas Safety | 1,354 | 1,723 | 1,680 | 2,133 | 3,217 | 2,382 | 2,391 |
| Transportation Audits Conducted - Rail Safety | 2,053 | 2,018 | 2,020 | 2,025 | 2,025 | 2,040 | 2,045 |
| Transportation Audits Conducted - Motor Safety | 8,476 | 7,919 | 8,300 | 8,250 | 10,778 | 10,772 | 10,775 |



REVENUE

The mission of the [Department of Revenue](#) is to fairly, efficiently, and accurately administer Pennsylvania tax and Lottery programs.

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 ensure 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)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| GENERAL FUND: | | | |
| <i>General Government:</i> | | | |
| General Government Operations | \$ 157,823 | \$ 159,401 | \$ 167,885 |
| (A)Departmental Services | - ^a | - ^a | - |
| (A)Local Sales Tax Administration Fees | 8,699 | 5,136 | 5,136 |
| (A)Interagency Services | 654 | 761 | 761 |
| (A)Cigarette Tax Collection | 884 | 894 | 894 |
| (A)Tax Information..... | 612 | 100 | 100 |
| (A)Small Games of Chance..... | 214 | 20 | 20 |
| (A)Miscellaneous..... | 1 | 6 | 6 |
| (R)Adult Use Cannabis-Administration | - | - | 1,500 |
| Technology and Process Modernization..... | 22,089 | 13,993 | 13,592 |
| Commissions-Inheritance and Realty Transfer Taxes (EA)..... | 15,500 | 15,500 | 15,748 |
| Subtotal - State Funds..... | \$ 195,412 | \$ 188,894 | \$ 197,225 |
| Subtotal - Augmentations..... | 11,064 | 6,917 | 6,917 |
| Subtotal - Restricted..... | - | - | 1,500 |
| Total - General Government..... | \$ 206,476 | \$ 195,811 | \$ 205,642 |
| <i>Grants and Subsidies:</i> | | | |
| Distribution of Public Utility Realty Tax | \$ 32,970 | \$ 32,801 | \$ 34,457 |
| STATE FUNDS | \$ 228,382 | \$ 221,695 | \$ 231,682 |
| AUGMENTATIONS | 11,064 | 6,917 | 6,917 |
| RESTRICTED | - | - | 1,500 |
| GENERAL FUND TOTAL | \$ 239,446 | \$ 228,612 | \$ 240,099 |
| MOTOR LICENSE FUND: | | | |
| <i>General Government:</i> | | | |
| Collections-Liquid Fuels Taxes | \$ 23,564 | \$ 24,797 | \$ 25,596 |
| (F)Federal Fuel Tax Evasion Project (EA) | 250 | 250 | 250 |
| Subtotal - State Funds..... | \$ 23,564 | \$ 24,797 | \$ 25,596 |
| Subtotal - Federal Funds..... | 250 | 250 | 250 |
| Total - General Government..... | \$ 23,814 | \$ 25,047 | \$ 25,846 |
| <i>Refunds:</i> | | | |
| Refunding Liquid Fuels Taxes (EA) | \$ 35,300 | \$ 29,715 | \$ 30,280 |
| STATE FUNDS | \$ 58,864 | \$ 54,512 | \$ 55,876 |
| FEDERAL FUNDS | \$ 250 | \$ 250 | \$ 250 |
| MOTOR LICENSE FUND TOTAL | \$ 59,114 | \$ 54,762 | \$ 56,126 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|---------------------|----------------------|---------------------|
| LOTTERY FUND: | | | |
| General Government: | | | |
| General Operations (EA) | \$ 77,665 | \$ 83,701 | \$ 83,701 |
| (A)Licenses, Fees, and Assessments | 16 | 163 | 163 |
| Lottery Advertising (EA) | 51,000 | 55,000 | 55,000 |
| (A)Responsible Gambling Advertising Campaign | 515 | 515 | 515 |
| Property Tax and Rent Rebate-General Operations (EA) | 24,000 | 25,000 | 25,000 |
| On-Line Vendor Commissions (EA)..... | 76,552 | 76,213 | 75,540 |
| Instant Vendor Commissions (EA)..... | 52,630 | 52,397 | 41,967 |
| iLottery Vendor Commissions (EA) | 29,300 | 29,300 | 32,314 |
| Payment of Prize Money (EA) | 552,373 | 500,151 | 495,209 |
| Subtotal - State Funds..... | \$ 863,520 | 821,762 | 808,731 |
| Subtotal - Augmentations | 531 | 678 | 678 |
| Total - General Government..... | \$ 864,051 | \$ 822,440 | \$ 809,409 |
| Grants and Subsidies: | | | |
| Property Tax and Rent Rebate for Older Pennsylvanians (EA)..... | \$ 207,600 | \$ 324,400 | \$ 323,700 |
| Subtotal - State Funds..... | \$ 207,600 | \$ 324,400 | \$ 323,700 |
| Total - Grants and Subsidies..... | \$ 207,600 | \$ 324,400 | \$ 323,700 |
| STATE FUNDS | \$ 1,071,120 | \$ 1,146,162 | \$ 1,132,431 |
| AUGMENTATIONS | 531 | 678 | 678 |
| LOTTERY FUND TOTAL | \$ 1,071,651 | \$ 1,146,840 | \$ 1,133,109 |
| OTHER FUNDS: | | | |
| FANTASY CONTEST FUND: | | | |
| (R)Fantasy Contest Operations..... | \$ 418 | \$ 418 | \$ 418 |
| PA RACE HORSE DEVELOPMENT TRUST FUND: | | | |
| (R)Transfer to State Racing Fund-Drug Testing | \$ 10,066 | \$ 10,425 | \$ 12,405 |
| (R)Transfer to State Racing Fund-Promotion of Racing (EA) | 1,983 | 2,195 | 1,871 |
| PA RACE HORSE DEVELOPMENT TRUST FUND TOTAL | \$ 12,049 | \$ 12,620 | \$ 14,276 |
| PROPERTY TAX RELIEF FUND: | | | |
| Transfer to Lottery Fund-Property Tax and Rent Rebate (EA) | \$ - ^b | \$ - ^b | \$ - ^b |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|---------------------|----------------------|---------------------|
| STATE GAMING FUND: | | | |
| (R)General Operations | \$ 7,017 | \$ 7,122 | \$ 8,032 |
| Transfer to Compulsive/Problem Gambling Treatment Fund (EA) | 7,543 | 7,895 | 7,506 |
| Transfer to Compulsive/Problem Gambling Treatment Fd-D&A (EA) | 5,574 | 6,225 | 6,236 |
| STATE GAMING FUND TOTAL | \$ 20,134 | \$ 21,242 | \$ 21,774 |
| STATE RACING FUND: | | | |
| Collections-State Racing Fund | \$ 273 | \$ 277 | \$ 281 |
| VIDEO GAMING FUND: | | | |
| (R)Video Gaming Operations | \$ 683 | \$ 683 | \$ 683 |
| (R)Skill Games Operations | \$ - | \$ - | \$ 9,000 |
| VIDEO GAMING FUND TOTAL | \$ 683 | \$ 683 | \$ 9,683 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND | \$ 228,382 | \$ 221,695 | \$ 231,682 |
| MOTOR LICENSE FUND | 58,864 | 54,512 | 55,876 |
| LOTTERY FUND | 1,071,120 | 1,146,162 | 1,132,431 |
| FEDERAL FUNDS | 250 | 250 | 250 |
| AUGMENTATIONS | 11,595 | 7,595 | 7,595 |
| RESTRICTED | - | - | 1,500 |
| OTHER FUNDS | 33,557 | 35,240 | 46,432 |
| TOTAL ALL FUNDS | \$ 1,403,768 | \$ 1,465,454 | \$ 1,475,766 |

^a Not added to avoid double counting: 2023-24 Actual is \$19,884,000 and 2024-25 Available is \$20,864,000.

^b Not added to avoid double counting with Lottery Fund Property Tax and Rent Rebate for Older Pennsylvanians: 2023-24 Actual is \$87,200,000, 2024-25 Available is \$202,200,000, and 2025-26 Budget is \$323,700,000.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|--|---------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| REVENUE COLLECTION AND ADMINISTRATION: | | | | | | | |
| GENERAL FUND..... | \$ 195,412 | \$ 188,894 | \$ 197,225 | \$ 201,112 | \$ 202,135 | \$ 203,358 | \$ 203,535 |
| MOTOR LICENSE FUND ... | 58,864 | 54,512 | 55,876 | 56,542 | 56,542 | 56,542 | 56,542 |
| LOTTERY FUND | 863,520 | 821,762 | 808,731 | 807,317 | 804,871 | 803,862 | 798,620 |
| FEDERAL FUNDS..... | 250 | 250 | 250 | 250 | 250 | 250 | 250 |
| AUGMENTATIONS | 11,595 | 7,595 | 7,595 | 7,595 | 7,595 | 7,595 | 7,595 |
| RESTRICTED..... | - | - | 1,500 | 500 | 500 | 500 | 500 |
| OTHER FUNDS..... | 33,557 | 35,240 | 46,432 | 75,392 | 75,490 | 75,593 | 75,701 |
| SUBCATEGORY TOTAL.... | \$ 1,163,198 | \$ 1,108,253 | \$ 1,117,609 | \$ 1,148,708 | \$ 1,147,383 | \$ 1,147,700 | \$ 1,142,743 |
| COMMUNITY DEVELOPMENT AND PRESERVATION: | | | | | | | |
| GENERAL FUND..... | \$ 32,970 | \$ 32,801 | \$ 34,457 | \$ 35,318 | \$ 36,201 | \$ 37,106 | \$ 38,034 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 32,970 | \$ 32,801 | \$ 34,457 | \$ 35,318 | \$ 36,201 | \$ 37,106 | \$ 38,034 |
| HOMEOWNERS AND RENTERS ASSISTANCE: | | | | | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | 207,600 | 324,400 | 323,700 | 324,700 | 325,200 | 324,400 | 324,400 |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| SUBCATEGORY TOTAL.... | \$ 207,600 | \$ 324,400 | \$ 323,700 | \$ 324,700 | \$ 325,200 | \$ 324,400 | \$ 324,400 |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 228,382 | \$ 221,695 | \$ 231,682 | \$ 236,430 | \$ 238,336 | \$ 240,464 | \$ 241,569 |
| MOTOR LICENSE FUND ... | 58,864 | 54,512 | 55,876 | 56,542 | 56,542 | 56,542 | 56,542 |
| LOTTERY FUND | 1,071,120 | 1,146,162 | 1,132,431 | 1,132,017 | 1,130,071 | 1,128,262 | 1,123,020 |
| FEDERAL FUNDS..... | 250 | 250 | 250 | 250 | 250 | 250 | 250 |
| AUGMENTATIONS | 11,595 | 7,595 | 7,595 | 7,595 | 7,595 | 7,595 | 7,595 |
| RESTRICTED..... | - | - | 1,500 | 500 | 500 | 500 | 500 |
| OTHER FUNDS..... | 33,557 | 35,240 | 46,432 | 75,392 | 75,490 | 75,593 | 75,701 |
| DEPARTMENT TOTAL | \$ 1,403,768 | \$ 1,465,454 | \$ 1,475,766 | \$ 1,508,726 | \$ 1,508,784 | \$ 1,509,206 | \$ 1,505,177 |

Program: Revenue Collection and Administration

Goal: To ensure the availability of resources for the Commonwealth's programs through the equitable and efficient administration of Pennsylvania's revenue system.

The [Department of Revenue \(DOR\)](#) 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 Pennsylvania Tax Hub, or [myPATH](#), a web-based portal system that taxpayers can use to file their tax returns, [pay personal income tax](#), liquid fuels tax, fuels tax, sales tax, corporate tax, employer withholding tax, and apply for a property tax and rent rebate. To ensure fairness in tax administration, DOR 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 [Pennsylvania 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: | | LOTTERY FUND: | |
|---|-------------------------------|--|--|
| General Government Operations | | On-Line Vendor Commissions (EA) | |
| \$ 8,484 | —to continue current program. | \$ (673) | —based on the latest projection of program requirements. |
| Technology and Process Modernization | | Instant Vendor Commissions (EA) | |
| \$ (401) | —to complete system upgrades. | \$ (10,430) | —based on the latest projection of program requirements. |
| Commissions-Inheritance and Realty Transfer Taxes (EA) | | iLottery Vendor Commissions (EA) | |
| \$ 248 | —to continue current program. | \$ 3,014 | —based on the latest projection of program requirements. |
| MOTOR LICENSE FUND: | | Payment of Prize Money (EA) | |
| Collections-Liquid Fuels Taxes | | —based on the latest projection of program requirements. | |
| \$ 799 | —to continue current program. | \$ (4,942) | |
| Refunding Liquid Fuels Taxes (EA) | | | |
| \$ 565 | —based on current estimates. | | |

Program: Revenue Collection and Administration, continued

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations..... | \$ 157,823 | \$ 159,401 | \$ 167,885 | \$ 172,250 | \$ 172,250 | \$ 172,250 | \$ 172,250 |
| Technology and Process Modernization.. | 22,089 | 13,993 | 13,592 | 12,435 | 12,883 | 13,536 | 13,537 |
| Commissions-Inheritance and Realty Transfer Taxes (EA) | 15,500 | 15,500 | 15,748 | 16,427 | 17,002 | 17,572 | 17,748 |
| TOTAL GENERAL FUND | \$ 195,412 | \$ 188,894 | \$ 197,225 | \$ 201,112 | \$ 202,135 | \$ 203,358 | \$ 203,535 |
| MOTOR LICENSE FUND: | | | | | | | |
| Collections-Liquid Fuels Taxes..... | \$ 23,564 | \$ 24,797 | \$ 25,596 | \$ 26,262 | \$ 26,262 | \$ 26,262 | \$ 26,262 |
| Refunding Liquid Fuels Taxes (EA) | 35,300 | 29,715 | 30,280 | 30,280 | 30,280 | 30,280 | 30,280 |
| TOTAL MOTOR LICENSE FUND | \$ 58,864 | \$ 54,512 | \$ 55,876 | \$ 56,542 | \$ 56,542 | \$ 56,542 | \$ 56,542 |
| LOTTERY FUND: | | | | | | | |
| General Operations (EA) | \$ 77,665 | \$ 83,701 | \$ 83,701 | \$ 83,701 | \$ 83,701 | \$ 83,701 | \$ 83,701 |
| Lottery Advertising (EA)..... | 51,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |
| Property Tax and Rent Rebate-General Operations (EA)..... | 24,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| On-Line Vendor Commissions (EA)..... | 76,552 | 76,213 | 75,540 | 74,149 | 73,654 | 73,230 | 72,457 |
| Instant Vendor Commissions (EA)..... | 52,630 | 52,397 | 41,967 | 41,194 | 40,919 | 40,684 | 40,254 |
| iLottery Vendor Commissions (EA)..... | 29,300 | 29,300 | 32,314 | 33,946 | 35,571 | 38,044 | 39,163 |
| Payment of Prize Money (EA) | 552,373 | 500,151 | 495,209 | 494,327 | 491,026 | 488,203 | 483,045 |
| TOTAL LOTTERY FUND | \$ 863,520 | \$ 821,762 | \$ 808,731 | \$ 807,317 | \$ 804,871 | \$ 803,862 | \$ 798,620 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Continually improve customer service. | | | | | | | |
| Average wait time of customer phone calls to the Customer Experience Center (in minutes) | 9 | 8 | 13 | 13 | 11 | 12 | 12 |
| Continually improve business processes and technology. | | | | | | | |
| Percentage of returns filed electronically | % 87 | 87 | 93 | 87 | 89 | 93 | 94 |
| Continually improve public confidence. | | | | | | | |
| Percentage of refunds paid by the required timeframe..... | % 95 | 89 | 91 | 91 | 91 | 95 | 95 |
| Continually improve Lottery sales and net profits. | | | | | | | |
| Net Lottery profits (in billions) | \$ 1.07 | 1.24 | 1.11 | 1.04 | 1.14 | 0.91 | 0.91 |

Program: Community Development and Preservation

Goal: To equitably distribute the Public Utility Realty Tax to all reporting local taxing authorities.

An amendment in 1968 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

\$ 1,656 —reflects estimated tax assessments.

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Distribution of Public Utility Realty Tax..... | \$ 32,970 | \$ 32,801 | \$ 34,457 | \$ 35,318 | \$ 36,201 | \$ 37,106 | \$ 38,034 |

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 people 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 rebates to eligible homeowners and renters. Beginning with claim year 2023, and first being paid in 2024-25, homeowners and renters with household incomes of \$46,520 or less qualify for rebates of \$380 to \$1,000. Additionally, the household income eligibility limits are now indexed to inflation.

Program Recommendations:

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

Property Tax and Rent Rebate for Older Pennsylvanians (EA)

\$ (700) —based on current estimates for participation.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| LOTTERY FUND: | | | | | | | |
| Property Tax and Rent Rebate for Older Pennsylvanians (EA)..... | \$ 207,600 | \$ 324,400 | \$ 323,700 | \$ 324,700 | \$ 325,200 | \$ 324,400 | \$ 324,400 |
| TOTAL LOTTERY FUND..... | \$ 207,600 | \$ 324,400 | \$ 323,700 | \$ 324,700 | \$ 325,200 | \$ 324,400 | \$ 324,400 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|-----------------|---------|-----------------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Continually improve business processes and technology. | | | | | | | |
| Percentage of Property Tax and Rent Rebate claims sent to Treasury with a July 1 payment date..... | % | 94 ^a | 96 | 65 ^b | 78 | 93 | 95 |

^a The 2019-20 measure year was previously reported as Property Tax and Rent Rebate Claims Paid by July 1 (for applications received by June 1).

^b The 2021-22 measure amount is lower than normal due to delays in information needed to process claims timely.



STATE

The mission of the Pennsylvania [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 and safety of the public.

The department encourages the highest standards of ethics and competence in elections, campaign finance, lobbying disclosure, notarization, professional and occupational licensure, charitable solicitation, and the sports of boxing, wrestling, and mixed martial arts. By employing the latest technology, the Department of State delivers exceptional public service remaining 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)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| GENERAL FUND: | | | |
| <i>General Government:</i> | | | |
| General Government Operations | \$ 9,275 | \$ 10,462 | \$ 10,933 |
| (F)Federal Election Reform | 11,110 | 11,110 | 8,387 |
| (F)Occupational Licensing | 1,000 | 1,000 | 1,000 |
| (A)Departmental Services | - ^a | - ^a | - ^a |
| (R)Professional and Occupational Affairs | 65,980 | 72,812 | 73,093 |
| (R)State Board of Medicine | 11,240 | 11,025 | 10,191 |
| (R)State Board of Osteopathic Medicine | 3,194 | 3,204 | 2,553 |
| (R)State Board of Podiatry | 442 | 454 | 474 |
| (R)State Athletic Commission | 908 | 997 | 1,396 |
| (R)Bureau of Corporations and Charitable Organizations (EA) | 9,364 | 14,288 | 14,086 |
| Subtotal | \$ 112,513 | \$ 125,352 | \$ 122,113 |
| Statewide Uniform Registry of Electors | 13,474 | 20,574 | 20,698 |
| Voter Registration and Education | 546 | 546 | 668 |
| Lobbying Disclosure | 562 | 562 | 917 |
| (R)Lobbying Disclosure | 538 | 698 | 540 |
| Subtotal | \$ 1,100 | \$ 1,260 | \$ 1,457 |
| Publishing Constitutional Amendments (EA) | - | 1,300 | 1,300 |
| Electoral College | - | 10 | - |
| Subtotal - State Funds | \$ 23,857 | \$ 33,454 | \$ 34,516 |
| Subtotal - Federal Funds | 12,110 | 12,110 | 9,387 |
| Subtotal - Restricted | 91,666 | 103,478 | 102,333 |
| Total - General Government | \$ 127,633 | \$ 149,042 | \$ 146,236 |
| <i>Grants and Subsidies:</i> | | | |
| Voting of Citizens in Military Service | \$ 20 | \$ 20 | \$ 20 |
| County Election Expenses (EA) | 400 | 1,400 | 400 |
| Election Code Debt Service | 9,256 | 9,247 | 9,242 |
| Total - Grants and Subsidies | \$ 9,676 | \$ 10,667 | \$ 9,662 |
| STATE FUNDS | \$ 33,533 | \$ 44,121 | \$ 44,178 |
| FEDERAL FUNDS | 12,110 | 12,110 | 9,387 |
| RESTRICTED | 91,666 | 103,478 | 102,333 |
| GENERAL FUND TOTAL | \$ 137,309 | \$ 159,709 | \$ 155,898 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
| OTHER FUNDS: | | | |
| REAL ESTATE RECOVERY FUND: | | | |
| Real Estate Recovery Payments (EA) | \$ 150 | \$ 150 | \$ 150 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND | \$ 33,533 | \$ 44,121 | \$ 44,178 |
| MOTOR LICENSE FUND | - | - | - |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS | 12,110 | 12,110 | 9,387 |
| AUGMENTATIONS | - | - | - |
| RESTRICTED | 91,666 | 103,478 | 102,333 |
| OTHER FUNDS | 150 | 150 | 150 |
| TOTAL ALL FUNDS | \$ 137,459 | \$ 159,859 | \$ 156,048 |

^a Not added to avoid double counting: 2023-24 Actual is \$6,702,000, 2024-25 Available is \$7,537,000, and 2025-26 Budget is \$7,923,000.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|-------------------------------|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| CONSUMER PROTECTION: | | | | | | | |
| GENERAL FUND | \$ 33,533 | \$ 44,121 | \$ 44,178 | \$ 44,660 | \$ 44,653 | \$ 44,648 | \$ 44,630 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS | 12,110 | 12,110 | 9,387 | 9,387 | 9,387 | 9,387 | 9,387 |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED | 91,666 | 103,478 | 102,333 | 101,973 | 101,973 | 101,973 | 101,973 |
| OTHER FUNDS | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| DEPARTMENT TOTAL | \$ 137,459 | \$ 159,859 | \$ 156,048 | \$ 156,170 | \$ 156,163 | \$ 156,158 | \$ 156,140 |

Program: Consumer Protection

Goal: To protect the consumer from fraudulent solicitation and unqualified professional and occupational practitioners and establishments.

Protection of the Electoral Process

The [Department of State](#) 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 department 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 Department of State, 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 department works with county election officials, election stakeholders, and federal and state security and law enforcement partners to maintain a secure and safe electoral process in Pennsylvania. These partnerships supplement the Commonwealth's ongoing efforts to maintain the security and integrity of the statewide voter registry and other election-related software applications. This also enables the department to connect counties with free or low-cost training opportunities to supplement their own efforts to secure election infrastructure. The Department of State also provides support for online services like [online voter registration](#) and [online 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.

Protection through Voter Record Accuracy and Integrity

The Department of State 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 provides support for county voter list maintenance activities to maintain up-to-date and accurate voter rolls.

Protection of Public Health and Safety through Professional Licensing

The Department of State 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 people 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 [department](#) works with [board and commission members](#), professional occupation stakeholders, and the licensing community to modernize operations and administer licensure in the Commonwealth. The Department of State 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

The [department](#) maintains the records repository of more than 3 million companies that do business in the Commonwealth and serves as the centralized filing office for [Uniform Commercial Code](#) financing statements. To register a business, online filing is available through [PennFile](#) to ensure expeditious processing of corporate documents. The Department of State also administers the state's charitable solicitation law. It maintains [registration](#) and financial information on over 13,000 charities soliciting in the Commonwealth, as well as more than 450 professional solicitors and fundraising counsels.

Program: Consumer Protection, continued

The [State Athletic Commission](#) monitors and regulates all professional and amateur boxing, kickboxing and mixed martial arts events, professional wrestling contests, and the licensing of all persons who participate in these events. The individual license categories include announcer, agent, boxer, judge, manager, matchmaker, physician, promoter (including those promoting professional wrestling), referee, second, timekeeper, trainer, and athletic agents. The commission is financially self-sufficient and supported solely from relevant license fees.

Program Recommendations:

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

| | |
|------------|---|
| | General Government Operations |
| \$ 369 | —to continue current program. |
| 102 | —Initiative—to provide technical assistance and support for individuals seeking new licenses in Pennsylvania. |
| <hr/> | |
| \$ 471 | <i>Appropriation Increase</i> |
| | Statewide Uniform Registry of Electors |
| \$ 124 | —to continue current program. |
| | Voter Registration and Education |
| \$ 122 | —to continue current program. |
| | Lobbying Disclosure |
| \$ 355 | —to continue current program. |
| | Electoral College |
| \$ (10) | —to continue current program. |
| | County Election Expenses (EA) |
| \$ (1,000) | —nonrecurring recount and special election expenses. |
| | Election Code Debt Service |
| \$ (5) | —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 |
| \$ 281 | —to continue current program. |
| | State Board of Medicine |
| \$ (834) | —to continue current program. |
| | State Board of Osteopathic Medicine |
| \$ (651) | —to continue current program. |
| | State Board of Podiatry |
| \$ 20 | —to continue current program. |
| | State Athletic Commission |
| \$ 399 | —to continue current program. |
| | Bureau of Corporations and Charitable Organizations (EA) |
| \$ (202) | —to continue current program. |

Program: Consumer Protection, continued

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations..... | \$ 9,275 | \$ 10,462 | \$ 10,933 | \$ 11,380 | \$ 11,380 | \$ 11,380 | \$ 11,380 |
| Statewide Uniform Registry of Electors | 13,474 | 20,574 | 20,698 | 20,698 | 20,698 | 20,698 | 20,698 |
| Voter Registration and Education..... | 546 | 546 | 668 | 685 | 685 | 685 | 685 |
| Lobbying Disclosure | 562 | 562 | 917 | 941 | 941 | 941 | 941 |
| Publishing Constitutional Amendments (EA)..... | - | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 |
| Electoral College..... | - | 10 | - | - | - | - | 10 |
| 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..... | 9,256 | 9,247 | 9,242 | 9,236 | 9,229 | 9,224 | 9,196 |
| TOTAL GENERAL FUND..... | \$ 33,533 | \$ 44,121 | \$ 44,178 | \$ 44,660 | \$ 44,653 | \$ 44,648 | \$ 44,630 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | 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..... % | 60 | 72 | 64 | 66 | 65 | 67 | 60 |
| Percentage of absentee ballot applications submitted by calendar year through the online process versus paper submission..... % | 68 | 45 | 54 | 56 | 40 | 62 | 54 |
| Strengthen public safety by increasing compliance in inspections for licensed facilities. | | | | | | | |
| Inspections and investigations completed | 22,948 | 29,650 | 35,258 | 32,373 | 35,461 | 37,368 | 37,400 |
| Modernizing the Charities Registration System allows for an online presence to file transactions. | | | | | | | |
| Percentage of charities filings online % | 10 | 26 | 26 | 50 | 40 | 45 | 80 |



STATE EMPLOYEES' RETIREMENT SYSTEM

The mission of the [State Employees' Retirement System \(SERS\)](#) is to prepare system members and participants to achieve financial success and security in retirement.

The system is responsible for administering the State Employees' Retirement Fund, the SERS - Defined Contribution Fund, supplemental retirement allowances, and cost-of-living increases for annuitants. The system also administers the Commonwealth's Deferred Compensation Program.

Programs and Goals

State Employees' Retirement: *To provide retirement benefits to employees of the Commonwealth of Pennsylvania.*

State Employees' Retirement System

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
|--|-------------------|----------------------|-------------------|

OTHER FUNDS:

STATE EMPLOYEES' RETIREMENT FUND:

| | | | |
|----------------------------------|-----------|-----------|-----------|
| Administration..... | \$ 35,960 | \$ 39,795 | \$ 43,249 |
| Investment Related Expenses..... | 9,347 | 12,042 | 12,230 |

| | | | |
|--|------------------|------------------|------------------|
| STATE EMPLOYEES' RETIREMENT FUND TOTAL..... | \$ 45,307 | \$ 51,837 | \$ 55,479 |
|--|------------------|------------------|------------------|

SERS - DEFINED CONTRIBUTION FUND:

| | | | |
|------------------------|----------|----------|----------|
| (R)Administration..... | \$ 5,345 | \$ 5,979 | \$ 4,836 |
|------------------------|----------|----------|----------|

DEPARTMENT TOTAL - ALL FUNDS

| | | | |
|-----------------------------|------------------|------------------|------------------|
| GENERAL FUND..... | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND..... | - | - | - |
| FEDERAL FUNDS..... | - | - | - |
| AUGMENTATIONS..... | - | - | - |
| RESTRICTED..... | - | - | - |
| OTHER FUNDS..... | 50,652 | 57,816 | 60,315 |
| TOTAL ALL FUNDS..... | \$ 50,652 | \$ 57,816 | \$ 60,315 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|--|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
|--|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|

STATE EMPLOYEES' RETIREMENT:

| | | | | | | | |
|------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND... | - | - | - | - | - | - | - |
| LOTTERY FUND..... | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS..... | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 50,652 | 57,816 | 60,315 | 61,710 | 61,710 | 61,710 | 61,710 |
| DEPARTMENT TOTAL..... | \$ 50,652 | \$ 57,816 | \$ 60,315 | \$ 61,710 | \$ 61,710 | \$ 61,710 | \$ 61,710 |

State Employees' Retirement System

Program: State Employees' Retirement

Goal: To provide retirement benefits to employees of the Commonwealth of Pennsylvania.

The [State Employees' Retirement System \(SERS\)](#) was established in 1923 to administer the Commonwealth's [defined benefit pension plan](#). The State Employees' Retirement Fund is funded by employer and employee contributions and investment earnings, all of which are used solely for payment of pension benefits and administration of the defined benefit plan. SERS undergoes an annual independent [actuarial valuation](#) to calculate the value of system actuarial assets and liabilities, based on the expected employer payroll, and 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 retirement plan options: two [hybrid plans](#) containing defined benefit and defined contribution components or a stand-alone [defined contribution plan](#) (similar to a 401(k) plan). The pension component of each hybrid plan features different benefit accrual rates and different employee and employer contribution rates. The defined contribution plan has three-year vesting for employer contributions and immediate vesting for employee contributions.

SERS is also responsible for the administration of the Commonwealth's [Deferred Compensation Program](#) that allows Commonwealth employees to voluntarily defer a portion of their salaries to a retirement savings account.

Program Recommendations:

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

| STATE EMPLOYEES' RETIREMENT FUND: | | SERS - DEFINED CONTRIBUTION FUND: | |
|-----------------------------------|-------------------------------|-----------------------------------|-------------------------------|
| Administration | | Administration | |
| \$ 3,454 | —to continue current program. | \$ (1,143) | —to continue current program. |
| Investment Related Expenses | | | |
| \$ 188 | —to continue current program. | | |

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| STATE EMPLOYEES' RETIREMENT FUND: | | | | | | | |
| Administration | \$ 35,960 | \$ 39,795 | \$ 43,249 | \$ 44,518 | \$ 44,518 | \$ 44,518 | \$ 44,518 |
| Investment Related Expenses | 9,347 | 12,042 | 12,230 | 12,230 | 12,230 | 12,230 | 12,230 |
| TOTAL STATE EMPLOYEES' RETIREMENT FUND | \$ 45,307 | \$ 51,837 | \$ 55,479 | \$ 56,748 | \$ 56,748 | \$ 56,748 | \$ 56,748 |
| SERS - DEFINED CONTRIBUTION FUND: | | | | | | | |
| (R)Administration | \$ 5,345 | \$ 5,979 | \$ 4,836 | \$ 4,962 | \$ 4,962 | \$ 4,962 | \$ 4,962 |

State Employees' Retirement System

Program: State Employees' Retirement, continued

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Provide adequate retirement counseling sessions to members as requested. | | | | | | | |
| Retirement counseling sessions | 4,656 | 5,081 | 4,625 | 4,877 | 4,852 | 4,900 | 4,900 |
| Percentage of members counseled % | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Maintain a record of the total number of active members. | | | | | | | |
| Active members | 102,850 | 100,962 | 97,857 | 96,395 | 98,115 | 100,000 | 100,000 |
| Percent of active members participating in Lunch and Learn programs..... % | N/A | 3 | 5 | 7 | 8 | 9 | 9 |
| Maintain a record of the total number of retired employees. | | | | | | | |
| Retired employees and beneficiaries.... | 131,570 | 133,847 | 135,004 | 142,512 | 143,917 | 145,000 | 145,000 |
| Maintain a record of total benefit payments. | | | | | | | |
| Benefit payments (in billions)..... \$ | 3.57 | 3.59 | 3.85 | 3.86 | 3.97 | 3.93 | 4.00 |



STATE POLICE

The mission of the [Pennsylvania State Police \(PSP\)](#) is to seek justice, preserve peace, and improve the quality of life for all.

PSP 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. PSP 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)

2023-24 2024-25 2025-26
ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

| | | | |
|--|---------------------|---------------------|---------------------|
| General Government Operations | \$ 958,449 | \$ 1,072,441 | \$ 1,217,570 |
| (F)Area Computer Crime..... | 12,700 | 19,000 | 15,455 |
| (F)Homeland Security Grants (EA) | 4,470 | 3,250 | 4,150 |
| (F)Law Enforcement Preparedness (EA) | 7,500 | 8,900 | 12,150 |
| (F)Law Enforcement Projects (EA)..... | 4,300 | 4,300 | 4,300 |
| (F)PA State Opioid Response (EA)..... | 2,279 | 2,500 | 1,612 |
| (F)IIJA-Cybersecurity (EA) | 1,056 | 560 | 560 |
| (A)Turnpike Police Coverage | 72,889 | 64,500 | 72,000 |
| (A)Delaware River Toll Bridge Police Coverage | 2,851 | 3,000 | 3,000 |
| (A)Construction Zone Patrolling | 6,537 | 4,200 | 4,700 |
| (A)Criminal History Record Checks..... | 34,402 | 33,000 | 35,000 |
| (A)Fingerprint Record Checks..... | 2,088 | 1,875 | 1,875 |
| (A)Reimbursement for Services | 5,521 | 3,000 | 3,000 |
| (A)Superload Reimbursements..... | 762 | 750 | 750 |
| (A)Miscellaneous..... | 2,342 | 1,895 | 1,896 |
| (R)Federal Property Forfeiture | 76 | 2,925 | 2,925 |
| (R)State Drug Act Forfeiture..... | 1,604 | 3,000 | 3,000 |
| (R)State Drug Act Forfeiture-Municipalities..... | - | 55 | 55 |
| (R)State Criminal Enforcement Forfeiture | - | 65 | 65 |
| (R)Crime Lab User Fees | 1,093 | 1,100 | 1,100 |
| (R)Auto Theft and Insurance Fraud Investigation | 2,456 | 2,650 | 2,650 |
| (R)Adult Use Cannabis-Enforcement and Expungement..... | - | - | 2,250 |
| (R)Vehicle Code Fines | - | 4,400 | 900 |
| Subtotal..... | <u>\$ 1,123,375</u> | <u>\$ 1,237,366</u> | <u>\$ 1,390,963</u> |
| (F)Office of Homeland Security (EA)..... | 2,412 | 2,602 | 2,681 |
| Statewide Public Safety Radio System..... | 8,126 | 28,506 | 28,612 |
| (F)Broadband Network Planning..... | 4,050 | 4,050 | 4,050 |
| (R)Radio Systems Development Project..... | 65 | 216 | - |
| (R)Tower Management | 997 | 800 | 800 |
| (R)Broadband Middle Mile..... | - | 5 | 5 |
| Subtotal..... | <u>\$ 13,238</u> | <u>\$ 33,577</u> | <u>\$ 33,467</u> |
| Law Enforcement Information Technology..... | 6,899 | 27,596 | 29,096 |
| Municipal Police Training | 1,708 | 3,555 | 3,591 |
| (A)Pre-Employment Testing..... | 44 | 50 | 50 |
| (A)Retired Law Enforcement Identification..... | 30 | 5 | 5 |
| Subtotal..... | <u>\$ 1,782</u> | <u>\$ 3,610</u> | <u>\$ 3,646</u> |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|----------------------------|----------------------------|----------------------------|
| Multi-Biometric Identification System | 885 | 885 | 885 ^a |
| Gun Checks | 5,970 | 7,582 | 7,750 |
| (R)Firearm Records Check | 373 | 5,500 | 5,050 |
| (R)Firearms License Validation System | - | - | 500 |
| Subtotal | <u>\$ 6,343</u> | <u>\$ 13,082</u> | <u>\$ 13,300</u> |
| Patrol Vehicles | - | 20,000 | 20,000 |
| (R)Vehicle Sales and Purchases | - | 1,500 | 1,500 |
| Subtotal | <u>\$ -</u> | <u>\$ 21,500</u> | <u>\$ 21,500</u> |
| Commercial Vehicle Inspections | - | 15,008 | 15,572 |
| (F)Motor Carrier Safety | - | 8,378 | 8,598 |
| (F)IIJA-Motor Carrier Safety | - | 8,500 | 8,500 |
| (A)Sale of Vehicles | - | 35 | 35 |
| (A)Waste Transportation Safety Enforcement | - | 750 | 750 |
| Subtotal | <u>\$ -</u> | <u>\$ 32,671</u> | <u>\$ 33,455</u> |
| Subtotal - State Funds | <u>\$ 982,037</u> | <u>\$ 1,175,573</u> | <u>\$ 1,323,076</u> |
| Subtotal - Federal Funds | <u>38,767</u> | <u>62,040</u> | <u>62,056</u> |
| Subtotal - Augmentations | <u>127,466</u> | <u>113,060</u> | <u>123,061</u> |
| Subtotal - Restricted | <u>6,664</u> | <u>22,216</u> | <u>20,800</u> |
| Total - General Government | <u>\$ 1,154,934</u> | <u>\$ 1,372,889</u> | <u>\$ 1,528,993</u> |
| Grants and Subsidies: | | | |
| Municipal Police Training Grants | \$ - | \$ 5,000 | \$ 5,000 |
| STATE FUNDS | \$ 982,037 | \$ 1,180,573 | \$ 1,328,076 |
| FEDERAL FUNDS | 38,767 | 62,040 | 62,056 |
| AUGMENTATIONS | 127,466 | 113,060 | 123,061 |
| RESTRICTED | <u>6,664</u> | <u>22,216</u> | <u>20,800</u> |
| GENERAL FUND TOTAL | <u>\$ 1,154,934</u> | <u>\$ 1,377,889</u> | <u>\$ 1,533,993</u> |
| <u>MOTOR LICENSE FUND:</u> | | | |
| General Government: | | | |
| General Government Operations | \$ 286,546 | \$ 250,000 | \$ 200,000 |
| Statewide Public Safety Radio System | 20,329 | - | - |
| Law Enforcement Information Technology | 20,697 | - | - |
| Municipal Police Training | 1,708 | - | - |
| Patrol Vehicles | 26,000 | - | - |
| (R)Vehicle Sales and Purchases | 1,220 | - | - |
| Subtotal | <u>\$ 356,500</u> | <u>\$ 250,000</u> | <u>\$ 200,000</u> |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|----------------------------|----------------------------|----------------------------|
| Commercial Vehicle Inspections | 14,720 | - | - |
| (F)Motor Carrier Safety | 8,323 | - | - |
| (F)IIJA-Motor Carrier Safety | 8,500 | - | - |
| (A)Sale of Vehicles | 4 | - | - |
| (A)Waste Transportation Safety Enforcement | 750 | - | - |
| Subtotal..... | <u>\$ 32,297</u> | <u>\$ -</u> | <u>\$ -</u> |
| Subtotal - State Funds..... | \$ 370,000 | \$ 250,000 | \$ 200,000 |
| Subtotal - Federal Funds..... | 16,823 | - | - |
| Subtotal - Augmentations | 754 | - | - |
| Subtotal - Restricted..... | 1,220 | - | - |
| Total - General Government..... | <u>\$ 388,797</u> | <u>\$ 250,000</u> | <u>\$ 200,000</u> |
| Grants and Subsidies: | | | |
| Municipal Police Training Grants | \$ 5,000 | \$ - | \$ - |
| STATE FUNDS | \$ 375,000 | \$ 250,000 | \$ 200,000 |
| FEDERAL FUNDS | 16,823 | - | - |
| AUGMENTATIONS | 754 | - | - |
| RESTRICTED | 1,220 | - | - |
| MOTOR LICENSE FUND TOTAL | <u>\$ 393,797</u> | <u>\$ 250,000</u> | <u>\$ 200,000</u> |
| OTHER FUNDS: | | | |
| DNA DETECTION FUND: | | | |
| DNA Detection of Offenders (EA)..... | \$ 5,242 | \$ 5,313 | \$ 5,388 |
| STATE GAMING FUND: | | | |
| (R)Gaming Enforcement | \$ 37,302 | \$ 38,018 | \$ 41,857 |
| STATE STORES FUND: | | | |
| Liquor Control Enforcement..... | \$ 37,177 | \$ 38,915 | \$ 40,241 |
| (A)Enforcement Reimbursement..... | - | 25 | 25 |
| (A)Sale of Vehicles..... | 75 | 50 | 50 |
| STATE STORES FUND TOTAL | <u>\$ 37,252</u> | <u>\$ 38,990</u> | <u>\$ 40,316</u> |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND..... | \$ 982,037 | \$ 1,180,573 | \$ 1,328,076 |
| MOTOR LICENSE FUND | 375,000 | 250,000 | 200,000 |
| LOTTERY FUND | - | - | - |
| FEDERAL FUNDS | 55,590 | 62,040 | 62,056 |
| AUGMENTATIONS | 128,220 | 113,060 | 123,061 |
| RESTRICTED | 7,884 | 22,216 | 20,800 |
| OTHER FUNDS..... | 79,796 | 82,321 | 87,561 |
| TOTAL ALL FUNDS | <u>\$ 1,628,527</u> | <u>\$ 1,710,210</u> | <u>\$ 1,821,554</u> |

^a This budget proposes changing Automated Fingerprint Identification System to Multi-Biometric Identification System.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| PUBLIC PROTECTION AND LAW ENFORCEMENT: | | | | | | | |
| GENERAL FUND..... | \$ 982,037 | \$ 1,180,573 | \$ 1,328,076 | \$ 1,423,005 | \$ 1,477,605 | \$ 1,527,605 | \$ 1,577,605 |
| MOTOR LICENSE FUND ... | 375,000 | 250,000 | 200,000 | 150,000 | 100,000 | 50,000 | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 55,590 | 62,040 | 62,056 | 61,134 | 60,197 | 59,884 | 59,884 |
| AUGMENTATIONS | 128,220 | 113,060 | 123,061 | 123,061 | 123,061 | 123,061 | 123,061 |
| RESTRICTED..... | 7,884 | 22,216 | 20,800 | 15,576 | 15,100 | 14,600 | 14,600 |
| OTHER FUNDS..... | 79,796 | 82,321 | 87,561 | 88,307 | 88,307 | 88,207 | 88,107 |
| DEPARTMENT TOTAL | \$ 1,628,527 | \$ 1,710,210 | \$ 1,821,554 | \$ 1,861,083 | \$ 1,864,270 | \$ 1,863,357 | \$ 1,863,257 |

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 \(PSP\)](#). PSP has jurisdiction in all political subdivisions within the Commonwealth and routinely [aids](#) municipal, state, and federal law enforcement agencies. The State Police patrols a significant portion of the Commonwealth's roadways while providing various levels of police services and traffic enforcement to municipalities. PSP is also responsible for providing primary police services and traffic enforcement on the Pennsylvania Turnpike and the interstate highway system.

The State Police 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 PSP 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 State Police conducts investigations into organized crime, terrorism, white-collar crime, public corruption, arson, computer crime, technology crime, special drug and narcotics cases, and criminal personality profiling. PSP 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 "[AlertPA](#)" 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, PSP utilizes resident 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](#).

PSP 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. PSP 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 State Police by establishing a standard alert condition procedure. The [Pennsylvania Statewide Radio Network \(PA-STARNet\)](#) is the two-way public safety radio system used by PSP 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

The State Police 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. PSP 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 | | | Municipal Police Training |
| \$ | 80,307 | —to continue current program. | \$ |
| | 300 | —for programs that build interest in law enforcement careers. | |
| | 14,522 | —for cadet class schedule, including 4 new classes beginning in 2025-26, to train 432 new trooper cadets. | \$ |
| | 95,129 | <i>Appropriation Increase</i> | |
| | | | Gun Checks |
| | | | \$ |
| | | | |
| | | | Commercial Vehicle Inspections |
| | | | \$ |
| | | | |
| | | | \$ |
| | | | |
| | | | \$ |
| | | | |
| | | | \$ |
| | | | |

This budget proposes to decrease overall Pennsylvania State Police budget reliance on the Motor License Fund to \$200,000,000 in 2025-26 to assure state match requirements for federal transportation infrastructure funding. Additionally, this budget proposes to further reduce the reliance on the Motor License Fund by \$50,000,000 annually until the support is eliminated in 2029-30.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| General Government Operations | \$ 958,449 | \$ 1,072,441 | \$ 1,217,570 | \$ 1,311,055 | \$ 1,365,655 | \$ 1,415,655 | \$ 1,465,655 |
| Statewide Public Safety Radio System | 8,126 | 28,506 | 28,612 | 29,356 | 29,356 | 29,356 | 29,356 |
| Law Enforcement Information Technology . | 6,899 | 27,596 | 29,096 | 29,096 | 29,096 | 29,096 | 29,096 |
| Municipal Police Training | 1,708 | 3,555 | 3,591 | 3,684 | 3,684 | 3,684 | 3,684 |
| Multi-Biometric Identification System..... | 885 | 885 | 885 | 885 | 885 | 885 | 885 |
| Gun Checks | 5,970 | 7,582 | 7,750 | 7,952 | 7,952 | 7,952 | 7,952 |
| Patrol Vehicles | - | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Commercial Vehicle Inspections | - | 15,008 | 15,572 | 15,977 | 15,977 | 15,977 | 15,977 |
| Municipal Police Training Grants | - | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| TOTAL GENERAL FUND | \$ 982,037 | \$ 1,180,573 | \$ 1,328,076 | \$ 1,423,005 | \$ 1,477,605 | \$ 1,527,605 | \$ 1,577,605 |

Program: Public Protection and Law Enforcement, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| MOTOR LICENSE FUND: | | | | | | | |
| General Government Operations | 286,546 | 250,000 | 200,000 | 150,000 | 100,000 | 50,000 | - |
| Statewide Public Safety Radio System | 20,329 | - | - | - | - | - | - |
| Law Enforcement Information Technology . | 20,697 | - | - | - | - | - | - |
| Municipal Police Training | 1,708 | - | - | - | - | - | - |
| Patrol Vehicles | 26,000 | - | - | - | - | - | - |
| Commercial Vehicle Inspections | 14,720 | - | - | - | - | - | - |
| Municipal Police Training Grants | 5,000 | - | - | - | - | - | - |
| TOTAL MOTOR LICENSE FUND | \$ 375,000 | \$ 250,000 | \$ 200,000 | \$ 150,000 | \$ 100,000 | \$ 50,000 | \$ - |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Reduce motor vehicle crashes. | | | | | | | |
| Motor vehicle crashes | 70,457 | 71,221 | 75,402 | 72,244 | 72,082 | 70,900 | 69,700 |
| Reduce fatal motor vehicle crashes. | | | | | | | |
| Fatal motor vehicle crashes | 452 | 544 | 551 | 509 | 530 | 520 | 510 |
| Reduce DUI-related crashes. | | | | | | | |
| DUI-related crashes | 4,658 | 4,742 | 4,616 | 4,294 | 4,078 | 4,000 | 3,900 |
| Reduce violent crime. | | | | | | | |
| Violent crimes per 100,000 population . | 129 | 116 | 102 | 92 | 84 | 83 | 81 |
| Arrests for violent crimes per 100,000 population | 91 | 67 | 52 | 49 | 47 | 48 | 49 |
| Percentage of violent crimes cleared (i.e., cases solved and prosecuted or disposed of through other legal means) % | 72 | 68 | 70 | 74 | 80 | 83 | 86 |
| Reduce property crime. | | | | | | | |
| Property crimes per 100,000 population | 648 | 549 | 588 | 601 | 532 | 520 | 510 |
| Arrests for property crimes per 100,000 population | 213 | 151 | 178 | 206 | 204 | 210 | 210 |
| Percentage of property crimes cleared (i.e., cases solved and prosecuted or disposed of through other legal means) % | 36 | 31 | 34 | 38 | 43 | 44 | 46 |

Program: Public Protection and Law Enforcement, continued

Program Measures, continued:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| 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 | 776 | 665 | 689 | 693 | 616 | 610 | 600 |
| Arrests for Crime Index offenses per 100,000 population | 304 | 218 | 230 | 255 | 251 | 260 | 260 |
| Percentage of Crime Index offenses cleared (i.e., cases solved and prosecuted or disposed of through other legal means) | % 42 | 38 | 40 | 43 | 48 | 50 | 51 |
| Increase drug enforcement efforts. | | | | | | | |
| Drug offenses per 100,000 population.. | 430 | 482 | 343 | 314 | 300 | 300 | 290 |
| Drug-related arrests per 100,000 population | 395 | 432 | 299 | 268 | 251 | 260 | 260 |
| Increase compliance with liquor laws at licensed establishments. | | | | | | | |
| Liquor law violations | 11,248 | 14,085 | 9,905 | 10,083 | 9,731 | 9,600 | 9,400 |
| 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 | 1,156 | 1,207 | 1,268 | 1,288 | 1,312 | 1,330 | 1,360 |
| Intelligence products disseminated by the Pennsylvania Criminal Intelligence Center and the Western Pennsylvania All Hazards Fusion Center | 56,743 | 68,084 | 61,761 | 62,688 | 55,713 | 56,600 | 57,600 |
| Ensure the rapid collection and appropriate dissemination of accurate information on emergency situations throughout the Commonwealth. | | | | | | | |
| State Police Watch Center immediate reports | 3,422 | 2,637 | 2,703 | 2,781 | 2,015 | 2,050 | 2,080 |
| Municipal public safety agencies receiving road closure reports from the State Police Watch Center | 1,270 | 1,270 | 1,286 | 1,282 | 1,236 | 1,236 | 1,236 |
| Increase the effectiveness of the Pennsylvania Statewide Radio Network (PA-STARNet). | | | | | | | |
| Percentage of statewide land area covered by PA-STARNet | % 97.3 | 97.9 | 97.9 | 97.9 | 97.9 | 97.9 | 97.9 |
| Percentage of statewide road coverage by PA-STARNet | % 98.3 | 98.4 | 98.4 | 98.4 | 98.4 | 98.4 | 98.4 |
| Increase cadet applications, applicant retention rates, and applicants from traditionally underrepresented groups. | | | | | | | |
| Cadet applications | 7,131 | 5,928 | 3,645 | 2,889 | 6,970 | 7,100 | 7,200 |
| Cadet applications from traditionally underrepresented groups | 2,858 | 2,714 | 1,632 | 1,347 | 3,221 | 3,280 | 3,330 |
| Individuals from traditionally underrepresented groups graduating from the State Police Academy | 57 | 12 | 55 | 41 | 43 | 44 | 44 |
| Individuals graduating from the State Police Academy | 398 | 51 | 261 | 215 | 205 | 217 | 384 |
| Average length of time in months from application date until State Police Academy start date | 21 | 25 | 22 | 19 | 13 | 13 | 13 |



TRANSPORTATION

The mission of the [Department of Transportation \(PennDOT\)](#) 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)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
| GENERAL FUND: | | | |
| <i>General Government:</i> | | | |
| Vehicle Sales Tax Collections | \$ 496 | \$ 443 | \$ 447 |
| Voter Registration..... | 639 | 759 | 1,059 |
| Transfer to Aviation Restricted Account..... | 1,600 | 1,600 | 1,600 |
| Transportation and Multimodal Improvement Projects | 161,000 | - | - |
| (R)Child Passenger Restraint Fund | 569 | 300 | 300 |
| (R)School Bus Safety Grant Program | - | 500 | 500 |
| Subtotal - State Funds..... | \$ 163,735 | \$ 2,802 | \$ 3,106 |
| Subtotal - Restricted..... | 569 | 800 | 800 |
| Total - General Government..... | \$ 164,304 | \$ 3,602 | \$ 3,906 |
| <i>Grants and Subsidies:</i> | | | |
| (F)Surface Transportation Assistance..... | \$ 975 | \$ 975 | \$ 975 |
| (F)FTA-Capital Improvement Grants..... | 39,000 | 39,000 | 39,000 |
| (F)TEA 21-Access to Jobs | 2,000 | 2,000 | - |
| (F)Surface Transportation-Operating | 19,500 | 19,500 | 32,500 |
| (F)Surface Transportation Assistance Capital | 52,000 | 52,000 | 52,000 |
| (F)FTA-Safety Oversight | 3,000 | 3,000 | 5,000 |
| (F)FTA-Keystone Corridor Equipment and Purchases | 70,000 | 70,000 | 70,000 |
| (F)FTA-Hybrid Mass Transit Vehicles | 30,000 | 30,000 | 30,000 |
| (F)FRA-State of Good Repair..... | 30,000 | 30,000 | 30,000 |
| (F)COVID-FTA-Non-Urbanized Formula (EA)..... | 3,620 | - | - |
| (F)COVID-FTA-Transit (EA)..... | 2,805 | - | - |
| (R)Reimbursements to Municipalities-Vehicle Code Fines | 5,857 | 7,000 | 7,000 |
| Subtotal - Federal Funds..... | 252,900 | 246,475 | 259,475 |
| Subtotal - Restricted..... | 5,857 | 7,000 | 7,000 |
| Total - Grants and Subsidies..... | \$ 258,757 | \$ 253,475 | \$ 266,475 |
| STATE FUNDS..... | \$ 163,735 | \$ 2,802 | \$ 3,106 |
| FEDERAL FUNDS..... | 252,900 | 246,475 | 259,475 |
| RESTRICTED | 6,426 | 7,800 | 7,800 |
| GENERAL FUND TOTAL | \$ 423,061 | \$ 257,077 | \$ 270,381 |

MOTOR LICENSE FUND:

General Government:

| | | | |
|---|-----------|-----------|-----------|
| General Government Operations | \$ 82,399 | \$ 85,476 | \$ 95,084 |
| (A)Reimbursements | 1,157 | 1,040 | 1,040 |
| (A)Duplicating Services | 134 | 300 | 300 |
| (A)IRA Direct Pay Tax Credit Reimbursement..... | - | 50 | - |
| (A)Administrative Hearings..... | 3 | 40 | 40 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|------------------------|------------------------|------------------------|
| Welcome Centers..... | 4,640 | 4,807 | 4,845 |
| Subtotal..... | \$ 88,333 | \$ 91,713 | \$ 101,309 |
| Highway and Safety Improvements | 650,000 | 630,000 | 630,000 |
| (F)Highway Research, Planning, and Construction | 1,725,583 ^a | 2,067,384 ^a | 2,158,754 ^a |
| (F)National Electric Vehicle Infrastructure..... | 776 | 10,000 | 10,000 |
| (F)V2X Data Exchange Vehicle Integration (EA) | - | 669 | 893 |
| (A)Highway Construction Contributions and Reimbursements | 14,012 | 12,081 | 12,213 |
| (A)Joint Use Leases..... | 370 | 435 | 415 |
| (A)Reimbursements | 31 | 206 | 206 |
| (A)Proceeds from Sale of Right-of-Way..... | 1,080 | 197 | 85 |
| (A)Licensing Fees-Engineering Software..... | 120 | 81 | 81 |
| Highway Capital Projects (EA) | 240,000 | 300,000 | 340,000 |
| (R)Highway Capital Projects-Excise Tax (EA) | 384,606 | 371,224 | 365,614 |
| (R)Bridges-Excise Tax (EA)..... | 124,997 | 120,648 | 118,825 |
| (R)Highway Bridge Projects (EA)..... | 145,000 | 145,000 | 140,000 |
| (F)Federal Aid-Highway Bridge Projects | 409,286 | 593,156 | 600,000 |
| (F)Federal Disaster Reimbursement-FHWA | 16,972 | 6,844 | - |
| (A)Bridge Construction Contributions..... | 2,279 | 7,570 | 3,003 |
| (A)Right of Way-State Bridge | - | 383 | - |
| (A)Reimbursements from Local Governments | 55 | 50 | - |
| Subtotal..... | \$ 3,715,167 | \$ 4,265,928 | \$ 4,380,089 |
| Highway Maintenance | 1,033,412 | 1,144,293 | 1,169,293 |
| (F)Highway Research, Planning, and Construction | 56,803 | 149,845 | 149,845 |
| (F)Disaster Recovery-FHWA..... | 7,297 | 12,500 | 12,500 |
| (F)Disaster Recovery-FEMA | 585 | 12,500 | 12,500 |
| (F)COVID-Reimbursement-FEMA..... | 825 | - | - |
| (F)VTO-Electric Construction Vehicles (EA) | - | 446 | 200 |
| (F)FMCSA Innovative Technology Deployment (EA)..... | - | 300 | 606 |
| (F)Highway Safety-Maintenance (EA)..... | 28,540 | 28,540 | 28,540 |
| (A)Highway Maintenance Contributions..... | 7,361 | 31,359 | 23,191 |
| (A)Accident Damage Claims | 11,545 | 1,006 | 8,000 |
| (A)Sale of Equipment and Supplies | 1,497 | 4,956 | 5,000 |
| (A)Marcellus Shale Road Damage..... | 390 | 42 | 700 |
| (A)Heavy Hauling-Bonded Roads | 386 | 69 | 500 |
| (A)Miscellaneous..... | 126 | 59 | 100 |
| (R)Highway Maintenance-Excise Tax (EA)..... | 182,687 | 176,331 | 173,667 |
| (R)Highway Maintenance Enhancement (EA) | 269,432 | 259,079 | 255,886 |
| (R)Expanded Highway and Bridge Maintenance (EA) | 365,508 | 309,941 | 307,063 |
| (A)Expanded Maintenance Contributions | 2,984 | 10,000 | 10,000 |
| (R)Automated Work Zone Speed Enforcement (EA) | - | - | - |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|---------------------|----------------------|---------------------|
| Highway Systems Technology and Innovation | 16,000 | 20,000 | 20,000 |
| (F)Intelligent Transportation System | 2,068 | 2,080 | 2,080 |
| Reinvestment in Facilities | 16,500 | 16,500 | 16,500 |
| (A)Proceeds from Bond Sales..... | 1,123 | - | - |
| Subtotal..... | <u>\$ 2,005,069</u> | <u>\$ 2,179,846</u> | <u>\$ 2,196,171</u> |
| Driver and Vehicle Services | 236,055 | 231,055 | 276,708 |
| Homeland Security-REAL ID | 31,308 | 32,535 | - ^c |
| (F)Motor Carrier Safety Improvement (EA) | 4,000 | 4,000 | 4,000 |
| (A)Photo ID Program..... | 49,061 | 51,500 | 51,500 |
| (A)Reimbursements | 1,034 | 1,098 | 1,098 |
| (A)Postage | 633 | 717 | 717 |
| (A)Miscellaneous..... | 304 | 328 | 328 |
| (R)Reimbursements to Other States-AppORTioned Registration | 9,439 | 15,000 | 15,000 |
| (R)Motorcycle Safety Education..... | 5,660 | 5,000 | 5,000 |
| (R)CDL-Hazardous Material Fees..... | 232 | 500 | 500 |
| Subtotal..... | <u>\$ 337,726</u> | <u>\$ 341,733</u> | <u>\$ 354,851</u> |
| (R)Aviation Operations..... | 4,433 | 4,577 | 4,751 |
| (F)Aviation Planning (EA)..... | 900 | 900 | 900 |
| (A)Reimbursement-Flight Operations | 798 | 460 | 460 |
| (A)Airport Inspections and Licensing..... | 44 | 40 | 40 |
| Subtotal..... | <u>\$ 6,175</u> | <u>\$ 5,977</u> | <u>\$ 6,151</u> |
| Subtotal - State Funds..... | <u>\$ 2,310,314</u> | <u>\$ 2,464,666</u> | <u>\$ 2,552,430</u> |
| Subtotal - Federal Funds..... | <u>2,253,635</u> | <u>2,889,164</u> | <u>2,980,818</u> |
| Subtotal - Augmentations..... | <u>96,527</u> | <u>124,067</u> | <u>119,017</u> |
| Subtotal - Restricted..... | <u>1,491,994</u> | <u>1,407,300</u> | <u>1,386,306</u> |
| Total - General Government..... | <u>\$ 6,152,470</u> | <u>\$ 6,885,197</u> | <u>\$ 7,038,571</u> |
| Grants and Subsidies: | | | |
| Local Road Maintenance and Construction | \$ 246,195 | \$ 243,911 | \$ 236,886 |
| Supplemental Local Road Maintenance and Construction | 5,000 | 5,000 | 5,000 |
| Municipal Roads and Bridges | 30,000 | 30,000 | 30,000 |
| Maintenance and Construction of County Bridges | 5,000 | 5,000 | 5,000 |
| Municipal Traffic Signals | 40,000 | 40,000 | 40,000 |
| Payment to Turnpike Commission (EA) | 28,000 | 28,000 | 28,000 |
| (R)Toll Roads-Excise Tax (EA) | 139,549 | 132,052 | 128,802 |
| (R)Local Road Payments-Excise Tax (EA) | 112,449 | 111,374 | 109,685 |
| (R)Payments to Municipalities (EA)..... | 78,776 | 77,727 | 76,766 |
| (R)Local Grants for Bridge Projects (EA) | 25,000 | 25,000 | 25,000 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|----------------------------|----------------------------|----------------------------|
| (F)Federal Aid-Local Grants for Bridge Projects | 17,150 | 22,500 | 12,500 |
| (A)Bridge Reimbursements from Local Governments | 423 | 1,100 | 100 |
| (R)Local Bridge Projects (EA) | 26,700 | 25,250 | 24,950 |
| (R)County Bridges-Excise Tax (EA)..... | 16,103 | 19,280 | 15,248 |
| (F)Federal Aid-County Bridges..... | 11 | - | - |
| (R)Federal Reimbursements-Local Bridge Projects..... | 72,086 | 75,000 | 75,000 |
| (R)County Bridge Projects-Marcellus Shale (EA) | 25,927 | 15,948 | 15,071 |
| (R)Annual Maintenance Payments-Highway Transfer (EA)..... | 19,376 | 19,376 | 19,376 |
| (R)Restoration Projects-Highway Transfer (EA) | 11,000 | 11,000 | 11,000 |
| (R)Fee for Local Use | 36,842 | 30,000 | 30,000 |
| (R)Red Light Photo Enforcement | 13,718 | 12,000 | 12,000 |
| (R)Federal Reimbursements-Political Subdivisions | 93,530 | 140,000 | 140,000 |
| | | | |
| (R)Airport Development..... | 5,500 | 6,000 | 6,000 |
| (F)Airport Development (EA)..... | 40,000 | 50,000 | 50,000 |
| (R)Real Estate Tax Rebate | 250 | 250 | 250 |
| Subtotal..... | <u>\$ 1,088,585</u> | <u>\$ 1,125,768</u> | <u>\$ 1,096,634</u> |
| Subtotal - State Funds..... | <u>\$ 354,195</u> | <u>\$ 351,911</u> | <u>\$ 344,886</u> |
| Subtotal - Federal Funds..... | <u>57,161</u> | <u>72,500</u> | <u>62,500</u> |
| Subtotal - Augmentations..... | <u>423</u> | <u>1,100</u> | <u>100</u> |
| Subtotal - Restricted..... | <u>676,806</u> | <u>700,257</u> | <u>689,148</u> |
| Total - Grants and Subsidies..... | <u>\$ 1,088,585</u> | <u>\$ 1,125,768</u> | <u>\$ 1,096,634</u> |
| Refunds: | | | |
| Refunding Collected Monies (EA) | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| Subtotal..... | <u>\$ 2,500</u> | <u>\$ 2,500</u> | <u>\$ 2,500</u> |
| STATE FUNDS..... | <u>\$ 2,667,009</u> | <u>\$ 2,819,077</u> | <u>\$ 2,899,816</u> |
| FEDERAL FUNDS..... | <u>2,310,796</u> | <u>2,961,664</u> | <u>3,043,318</u> |
| AUGMENTATIONS | <u>96,950</u> | <u>125,167</u> | <u>119,117</u> |
| RESTRICTED | <u>2,168,800</u> | <u>2,107,557</u> | <u>2,075,454</u> |
| MOTOR LICENSE FUND TOTAL..... | <u>\$ 7,243,555</u> | <u>\$ 8,013,465</u> | <u>\$ 8,137,705</u> |
| | | | |
| LOTTERY FUND: | | | |
| Grants and Subsidies: | | | |
| Older Pennsylvanians Shared Rides (EA)..... | <u>\$ 75,000</u> | <u>\$ 75,000</u> | <u>\$ 75,000</u> |
| Transfer to Public Transportation Trust Fund (EA)..... | <u>95,907</u> | <u>95,907</u> | <u>95,907</u> |
| Total - Grants and Subsidies..... | <u>\$ 170,907</u> | <u>\$ 170,907</u> | <u>\$ 170,907</u> |
| LOTTERY FUND TOTAL..... | <u>\$ 170,907</u> | <u>\$ 170,907</u> | <u>\$ 170,907</u> |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|--|---------|-----------|---------|
| | ACTUAL | AVAILABLE | BUDGET |

OTHER FUNDS:

GOV. CASEY ORGAN AND TISSUE DONATION AWARENESS TRUST FUND:

| | | | |
|--|--------|-------|------|
| Reimbursement to Transportation (EA) | \$ 228 | \$ 60 | \$ - |
|--|--------|-------|------|

HIGHWAY BEAUTIFICATION FUND:

| | | | |
|--|--------|--------|--------|
| Control of Outdoor Advertising (EA)..... | \$ 360 | \$ 390 | \$ 390 |
|--|--------|--------|--------|

LIQUID FUELS TAX FUND:

| | | | |
|---|-----------|-----------|-----------|
| Payments to Counties | \$ 20,510 | \$ 26,138 | \$ 26,559 |
| Auditor General's Audit Costs (EA)..... | 700 | 700 | 700 |

| | | | |
|--|------------------|------------------|------------------|
| LIQUID FUELS TAX FUND TOTAL | \$ 21,210 | \$ 26,838 | \$ 27,259 |
|--|------------------|------------------|------------------|

MOTOR VEHICLE TRANSACTION RECOVERY FUND:

| | | | |
|--|------|------|------|
| Titling and Registration Fees..... | \$ 8 | \$ 4 | \$ 4 |
| Titling and Registration-Sales Tax | 22 | 16 | 16 |

| | | | |
|--|--------------|--------------|--------------|
| MOTOR VEHICLE TRANSACTION RECOVERY FUND TOTAL | \$ 30 | \$ 20 | \$ 20 |
|--|--------------|--------------|--------------|

MULTIMODAL TRANSPORTATION FUND:

| | | | |
|--|----------|----------|----------|
| Aviation Grants (EA)..... | \$ 7,686 | \$ 7,686 | \$ 8,216 |
| Rail Freight Grants (EA)..... | 12,806 | 12,806 | 13,690 |
| Passenger Rail Grants (EA)..... | 10,246 | 10,246 | 10,953 |
| Ports and Waterways Grants (EA) | 12,806 | 12,806 | 13,690 |
| Bicycle and Pedestrian Facilities Grants (EA)..... | 2,561 | 2,561 | 2,738 |
| Statewide Programs Grants (EA)..... | 40,000 | 40,000 | 40,000 |
| Multimodal Administration and Oversight (EA) | 10,870 | 10,870 | 11,414 |
| (A)Reimbursements | 12 | - | - |
| Transfer to Commonwealth Financing Authority (EA)..... | 82,737 | 93,277 | 80,923 |

| | | | |
|--|-------------------|-------------------|-------------------|
| MULTIMODAL TRANSPORTATION FUND TOTAL..... | \$ 179,724 | \$ 190,252 | \$ 181,624 |
|--|-------------------|-------------------|-------------------|

PENNSYLVANIA INFRASTRUCTURE BANK FUND:

| | | | |
|-------------------------------------|-----------|-----------|-----------|
| Infrastructure Bank Loans (EA)..... | \$ 30,000 | \$ 30,000 | \$ 30,000 |
|-------------------------------------|-----------|-----------|-----------|

PUBLIC TRANSPORTATION ASSISTANCE FUND:

| | | | |
|---|----------------|----------------|----------------|
| Mass Transit (EA)..... | \$ 268,160 | \$ 266,727 | \$ 273,869 |
| Transfer to Public Transportation Trust Fund (EA) | - ^d | - ^d | - ^d |

| | | | |
|--|-------------------|-------------------|-------------------|
| PUBLIC TRANSPORTATION ASSISTANCE FUND TOTAL | \$ 268,160 | \$ 266,727 | \$ 273,869 |
|--|-------------------|-------------------|-------------------|

PUBLIC TRANSPORTATION TRUST FUND:

| | | | |
|---|---------------------------|------------------------|------------------------|
| (R)Mass Transit Operating (EA)..... | \$ 1,044,093 ^e | 1,114,093 ^e | 1,454,093 ^e |
| (R)Asset Improvement (EA)..... | 995,000 | 995,000 | 660,000 |
| (F)Passenger Rail Capital (EA)..... | 33,000 | 33,000 | 33,000 |
| (R)Capital Improvement (EA)..... | 40,000 | 40,000 | 25,000 |
| (A)Capital Improvement-Reimbursements | 2,286 | 1,000 | 1,000 |
| (R)Programs of Statewide Significance (EA) | 275,000 | 286,000 | 305,000 |
| (A)Programs of Statewide Significance-CNG Capital | - | 50 | 50 |
| (R)Transit Administration and Oversight (EA)..... | 5,000 | 5,250 | 5,513 |

| | | | |
|---|---------------------|---------------------|---------------------|
| PUBLIC TRANSPORTATION TRUST FUND TOTAL | \$ 2,394,379 | \$ 2,474,393 | \$ 2,483,656 |
|---|---------------------|---------------------|---------------------|

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--------------------------------------|----------------------|----------------------|----------------------|
| UNCONVENTIONAL GAS WELL FUND: | | | |
| Rail Freight Assistance (EA) | \$ 1,000 | \$ 1,000 | \$ 1,000 |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND | \$ 163,735 | \$ 2,802 | \$ 3,106 |
| MOTOR LICENSE FUND | 2,667,009 | 2,819,077 | 2,899,816 |
| LOTTERY FUND | 170,907 | 170,907 | 170,907 |
| FEDERAL FUNDS | 2,563,696 | 3,208,139 | 3,302,793 |
| AUGMENTATIONS | 96,950 | 125,167 | 119,117 |
| RESTRICTED | 2,175,226 | 2,115,357 | 2,083,254 |
| OTHER FUNDS | 2,895,091 | 2,989,680 | 2,997,818 |
| TOTAL ALL FUNDS | \$ 10,732,614 | \$ 11,431,129 | \$ 11,576,811 |

^a Includes funding above the traditional allotment as authorized under the Federal Infrastructure Investment and Jobs Act: 2023-24 Actual is \$792,384,000, 2024-25 Available is \$837,617,000, and 2025-26 Budget is \$883,754,000. This includes IIJA funds for the Commonwealth Workforce Transformation Program: 2024-25 Available is \$10,000,000 and 2025-26 Budget is \$25,000,000.

^b Not added to avoid double counting: 2023-24 Actual is \$3,292,878, 2024-25 Available is \$4,000,000, and 2025-26 Budget is \$4,000,000.

^c This budget proposes to transfer funding to Driver and Vehicle Services, due to the May 7, 2025 REAL ID implementation.

^d Not added to the total to avoid double counting: 2023-24 Actual is \$25,300,000, 2024-25 Available is \$25,188,000, and 2025-26 Budget is \$25,769,000.

^e Lottery Fund Transfer to Public Transportation Trust Fund not added to the total to avoid double counting: 2023-24 Actual is \$1,140,000,000, 2024-25 Available is \$1,210,000,000, and 2025-26 Budget is \$1,550,000,000.

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|---------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| TRANSPORTATION SUPPORT SERVICES: | | | | | | | |
| GENERAL FUND..... | \$ 161,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | 84,899 | 87,976 | 97,584 | 100,056 | 100,056 | 100,056 | 100,056 |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | 1,294 | 1,430 | 1,380 | 1,380 | 1,380 | 1,380 | 1,380 |
| RESTRICTED..... | 569 | 800 | 800 | 800 | 800 | 800 | 800 |
| OTHER FUNDS..... | 8 | 4 | 4 | 4 | 4 | 4 | 4 |
| SUBCATEGORY TOTAL.... | \$ 247,770 | \$ 90,210 | \$ 99,768 | \$ 102,240 | \$ 102,240 | \$ 102,240 | \$ 102,240 |
| HIGHWAYS AND BRIDGES: | | | | | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | 1,988,552 | 2,143,600 | 2,208,638 | 2,103,764 | 2,138,764 | 2,223,764 | 2,298,764 |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 2,248,735 | 2,884,264 | 2,975,918 | 3,014,652 | 3,014,316 | 3,015,219 | 2,964,219 |
| AUGMENTATIONS | 43,359 | 68,494 | 63,494 | 63,494 | 63,494 | 63,494 | 63,494 |
| RESTRICTED..... | 1,612,011 | 1,514,775 | 1,490,357 | 1,468,781 | 1,444,223 | 1,423,474 | 1,416,593 |
| OTHER FUNDS..... | 30,360 | 30,390 | 30,390 | 30,390 | 28,390 | 25,390 | 22,390 |
| SUBCATEGORY TOTAL.... | \$ 5,923,017 | \$ 6,641,523 | \$ 6,768,797 | \$ 6,681,081 | \$ 6,689,187 | \$ 6,751,341 | \$ 6,765,460 |
| LOCAL HIGHWAY AND BRIDGE ASSISTANCE: | | | | | | | |
| GENERAL FUND..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND ... | 326,195 | 323,911 | 316,886 | 313,325 | 309,426 | 305,924 | 303,093 |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 17,161 | 22,500 | 12,500 | 12,500 | 12,500 | 12,500 | 12,500 |
| AUGMENTATIONS | 423 | 1,100 | 100 | 100 | 100 | 100 | 100 |
| RESTRICTED..... | 531,507 | 561,955 | 554,096 | 549,531 | 539,071 | 534,912 | 531,352 |
| OTHER FUNDS..... | 21,210 | 26,838 | 27,259 | 26,819 | 26,424 | 26,102 | 25,684 |
| SUBCATEGORY TOTAL.... | \$ 896,496 | \$ 936,304 | \$ 910,841 | \$ 902,275 | \$ 887,521 | \$ 879,538 | \$ 872,729 |
| MULTIMODAL TRANSPORTATION: | | | | | | | |
| GENERAL FUND..... | \$ 1,600 | \$ 1,600 | \$ 1,600 | \$ 2,000 | \$ 2,000 | \$ 2,000 | \$ 2,000 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | 170,907 | 170,907 | 170,907 | 170,907 | 170,907 | 170,907 | 170,907 |
| FEDERAL FUNDS..... | 293,800 | 297,375 | 310,375 | 297,375 | 297,375 | 297,375 | 297,375 |
| AUGMENTATIONS | 842 | 500 | 500 | 500 | 500 | 500 | 500 |
| RESTRICTED..... | 16,040 | 17,827 | 18,001 | 18,125 | 18,125 | 18,125 | 18,125 |
| OTHER FUNDS..... | 2,843,491 | 2,932,432 | 2,940,149 | 2,947,116 | 2,940,761 | 2,908,830 | 2,935,224 |
| SUBCATEGORY TOTAL.... | \$ 3,326,680 | \$ 3,420,641 | \$ 3,441,532 | \$ 3,436,023 | \$ 3,429,668 | \$ 3,397,737 | \$ 3,424,131 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| DRIVER AND VEHICLE SERVICES: | | | | | | | |
| GENERAL FUND..... | \$ 1,135 | \$ 1,202 | \$ 1,506 | \$ 1,506 | \$ 1,506 | \$ 1,506 | \$ 1,506 |
| MOTOR LICENSE FUND ... | 267,363 | 263,590 | 276,708 | 283,850 | 283,850 | 283,850 | 283,850 |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| AUGMENTATIONS | 51,032 | 53,643 | 53,643 | 53,643 | 53,643 | 53,643 | 53,643 |
| RESTRICTED..... | 15,099 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| OTHER FUNDS..... | 22 | 16 | 16 | 16 | 16 | 16 | 16 |
| SUBCATEGORY TOTAL.... | \$ 338,651 | \$ 342,451 | \$ 355,873 | \$ 363,015 | \$ 363,015 | \$ 363,015 | \$ 363,015 |
| ALL PROGRAMS: | | | | | | | |
| GENERAL FUND..... | \$ 163,735 | \$ 2,802 | \$ 3,106 | \$ 3,506 | \$ 3,506 | \$ 3,506 | \$ 3,506 |
| MOTOR LICENSE FUND ... | 2,667,009 | 2,819,077 | 2,899,816 | 2,800,995 | 2,832,096 | 2,913,594 | 2,985,763 |
| LOTTERY FUND | 170,907 | 170,907 | 170,907 | 170,907 | 170,907 | 170,907 | 170,907 |
| FEDERAL FUNDS..... | 2,563,696 | 3,208,139 | 3,302,793 | 3,328,527 | 3,328,191 | 3,329,094 | 3,278,094 |
| AUGMENTATIONS | 96,950 | 125,167 | 119,117 | 119,117 | 119,117 | 119,117 | 119,117 |
| RESTRICTED..... | 2,175,226 | 2,115,357 | 2,083,254 | 2,057,237 | 2,022,219 | 1,997,311 | 1,986,870 |
| OTHER FUNDS..... | 2,895,091 | 2,989,680 | 2,997,818 | 3,004,345 | 2,995,595 | 2,960,342 | 2,983,318 |
| DEPARTMENT TOTAL | \$10,732,614 | \$11,431,129 | \$11,576,811 | \$11,484,634 | \$11,471,631 | \$11,493,871 | \$11,527,575 |

Program: Transportation Support Services

Goal: To provide an effective administrative system supporting both non-highway and highway transportation programs.

The [Department of Transportation \(PennDOT\)](#) 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. PennDOT handles grant allocations to local governments and coordinates highway transfer activities. 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.

The department also provides direct supervision and oversight of aviation, mass transportation, rail freight, ports and waterways, and bicycle and pedestrian facilities activities, which are shown under the [Multimodal Transportation](#) program.

Program Recommendations:

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

MOTOR LICENSE FUND:

General Government Operations

\$ 9,608 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Transportation and Multimodal Improvement Projects..... | \$ 161,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| MOTOR LICENSE FUND: | | | | | | | |
| General Government Operations... | \$ 82,399 | \$ 85,476 | \$ 95,084 | \$ 97,556 | \$ 97,556 | \$ 97,556 | \$ 97,556 |
| Refunding Collected Monies (EA).. | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| TOTAL MOTOR LICENSE FUND . | \$ 84,899 | \$ 87,976 | \$ 97,584 | \$ 100,056 | \$ 100,056 | \$ 100,056 | \$ 100,056 |

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

PennDOT's [Highway and Bridge Construction/Reconstruction activities](#) support the economic vitality of the Commonwealth and the mobility and quality of life of its residents.

PennDOT is actively involved in planning, facilitating, and making improvements to the transportation system, by 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 [Statewide 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 to resurfacing. Bridge activity ranges from deck washing to preventive maintenance of deck surface and structural components. Unscheduled maintenance services must be performed in response to flooding, windstorms, landslides, sinkholes, and similar acts of nature.

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 Recommendations:

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

| | | | |
|-----------|--------------------------------------|-----------|-------------------------------|
| | Welcome Centers | | Highway Maintenance |
| \$ 38 | —to continue current program. | \$ 25,000 | —to continue current program. |
| | Highway Capital Projects (EA) | | |
| \$ 40,000 | —to continue current program. | | |

Program: Highways and Bridges, continued

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| MOTOR LICENSE FUND: | | | | | | | |
| Welcome Centers | \$ 4,640 | \$ 4,807 | \$ 4,845 | \$ 4,971 | \$ 4,971 | \$ 4,971 | \$ 4,971 |
| Highway and Safety Improvements | 650,000 | 630,000 | 630,000 | 500,000 | 500,000 | 560,000 | 610,000 |
| Highway Capital Projects (EA)..... | 240,000 | 300,000 | 340,000 | 340,000 | 350,000 | 350,000 | 350,000 |
| Highway Maintenance | 1,033,412 | 1,144,293 | 1,169,293 | 1,194,293 | 1,219,293 | 1,244,293 | 1,269,293 |
| Highway Systems Technology and Innovation | 16,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Reinvestment in Facilities .. | 16,500 | 16,500 | 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 | \$1,988,552 | \$2,143,600 | \$2,208,638 | \$2,103,764 | \$2,138,764 | \$2,223,764 | \$2,298,764 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|------------------|------------------|------------------|------------------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Increase the percentage of highway system in good or excellent condition. | | | | | | | |
| Miles of new highway construction | 12 | 8 | 16 | 8 ^a | 9 ^a | 9 ^a | 9 ^a |
| Miles of Interstate reconstruction or restoration | 73 | 140 | 110 | 120 ^a | 120 ^a | 120 ^a | 120 ^a |
| Miles of Non-Interstate reconstruction or restoration..... | 216 | 190 | 160 | 140 ^a | 140 ^a | 140 ^a | 140 ^a |
| Percentage of Interstate Highway System in good condition..... % | 67.1 | 70.8 | 65.3 | 70.0 | 67.9 | 67.9 | 66.3 |
| Percentage of Interstate Highway System in fair condition..... % | 32.5 | 28.5 | 33.8 | 29.0 | 31.2 | 31.1 | 32.6 |
| Percentage of Interstate Highway System in poor condition | 0.4 | 0.7 | 0.9 | 1.1 | 0.9 | 1.0 | 1.1 |
| Percentage of National Highway System Non-Interstate highways in good condition | 36.6 | 34.5 | 35.2 | 31.1 | 31.6 | 31.7 | 30.2 |
| Percentage of National Highway System Non-Interstate highways in fair condition | 60.9 | 62.4 | 61.7 | 65.2 | 65.0 | 64.7 | 65.9 |
| Percentage of National Highway System Non-Interstate highways in poor condition | 2.5 | 3.1 | 3.2 | 3.8 | 3.4 | 3.6 | 3.9 |
| Percentage of bridges in good condition | 33.6 | 29.8 | 29.9 | 29.9 | 30.4 | 33.9 | 33.9 |
| Percentage of bridges in fair condition . % | 56.0 | 64.0 | 64.6 | 64.8 | 63.9 | 61.3 | 61.3 |
| Percentage of bridges in poor condition % | 10.3 | 6.0 | 5.5 | 5.4 | 5.6 | 4.8 | 4.8 |

Program: Highways and Bridges, continued

Program Measures, continued:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Poor bridges rehabilitated/replaced | 181 | 119 | 141 | 171 | 149 | 150 | 145 |
| Closed bridges | 29 | 28 | 29 | 23 | 31 | 30 | 25 |
| Posted bridges | 456 | 437 | 444 | 416 | 432 | 450 | 475 |
| Bridge Preservations | 191 | 175 | 248 | 271 | 215 | 250 | 250 |
| Continue to maintain miles of highways and bridges. | | | | | | | |
| Structural restoration | 323 | 109 | 323 | 246 | 250 | 289 | 178 |
| Resurfacing..... | 2,449 | 258 | 1,054 | 1,945 | 1,584 | 1,487 | 960 |
| Surface repairs | 3,369 | 2,726 | 4,100 | 4,370 | 4,624 | 4,249 | 4,344 |

^a Does not include impact of federal transportation infrastructure funding or additional funding resulting from the reduction of State Police reliance on the Motor License Fund.

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.

PennDOT provides several programs to assist municipal and county governments in the maintenance and construction of their roadways (roughly two-thirds of Pennsylvania highways) and bridges. The majority of state funds are distributed by statutory formula, while federal funds are allocated in partnership with the [Metropolitan and Regional Planning Organizations](#).

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.

The [Highway Transfer Turnback 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 yearly 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

\$ (7,025) —based on current revenue estimates.

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| MOTOR LICENSE FUND: | | | | | | | |
| Local Road Maintenance and Construction..... | \$ 246,195 | \$ 243,911 | \$ 236,886 | \$ 233,325 | \$ 229,426 | \$ 225,924 | \$ 223,093 |
| Supplemental Local Road Maintenance and Construction..... | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Municipal Roads and Bridges..... | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| Maintenance and Construction of County Bridges..... | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Municipal Traffic Signals..... | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| TOTAL MOTOR LICENSE FUND..... | \$ 326,195 | \$ 323,911 | \$ 316,886 | \$ 313,325 | \$ 309,426 | \$ 305,924 | \$ 303,093 |

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 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.

Free Transit Services for Seniors

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. Both programs are funded from a portion of the revenues received from the Pennsylvania Lottery.

Intercity Transportation

[Intercity Bus Services](#) support operations on routes where, without state assistance, essential service would be terminated. 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. PennDOT has contracted with Amtrak to provide service from Harrisburg to Philadelphia (The Keystone) and between Philadelphia and Pittsburgh (The Pennsylvanian).

PennPORTS

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. [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.

PennDOT 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 State Aviation Development Program is used for public use airports to meet safety, security, capacity, environmental, and planning needs. The [Real Estate Tax Reimbursement Program](#) allows for publicly operated airports to receive rebates on real estate taxes for land that is essential for airport public use.

Multimodal Transportation Fund Statewide Program Grants

[Act 89 of 2013](#) established a dedicated [Multimodal Transportation Fund \(MTF\)](#) 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. PennDOT provides grants to improve transportation assets that enhance communities, pedestrian safety, and transit revitalization.

Program: Multimodal Transportation, continued

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)

Transfer to Aviation Restricted Account is recommended at the current year funding level.

Appropriations within this Program:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Transfer to Aviation Restricted Account..... | \$ 1,600 | \$ 1,600 | \$ 1,600 | \$ 2,000 | \$ 2,000 | \$ 2,000 | \$ 2,000 |
| 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 |
| MULTIMODAL TRANSPORTATION FUND: | | | | | | | |
| Aviation Grants (EA) | \$ 7,686 | \$ 7,686 | \$ 8,216 | \$ 8,216 | \$ 8,627 | \$ 8,627 | \$ 9,058 |
| Rail Freight Grants (EA) | 12,806 | 12,806 | 13,690 | 13,690 | 14,375 | 14,375 | 15,094 |
| Passenger Rail Grants (EA)..... | 10,246 | 10,246 | 10,953 | 10,953 | 11,501 | 11,501 | 12,076 |
| Ports and Waterways Grants (EA)..... | 12,806 | 12,806 | 13,690 | 13,690 | 14,375 | 14,375 | 15,094 |
| Bicycle and Pedestrian Facilities Grants (EA)..... | 2,561 | 2,561 | 2,738 | 2,738 | 2,875 | 2,875 | 3,019 |
| Statewide Programs Grants (EA)..... | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| Multimodal Administration and Oversight (EA) | 10,870 | 10,870 | 11,414 | 11,710 | 12,015 | 12,327 | 12,648 |
| Transfer to Commonwealth Financing Authority (EA).... | 82,737 | 93,277 | 80,923 | 80,230 | 83,840 | 83,836 | 87,392 |
| TOTAL MULTIMODAL TRANSPORTATION FUND | \$ 179,712 | \$ 190,252 | \$ 181,624 | \$ 181,227 | \$ 187,608 | \$ 187,916 | \$ 194,381 |

Program: Multimodal Transportation, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| PUBLIC TRANSPORTATION ASSISTANCE FUND: | | | | | | | |
| Mass Transit (EA) | \$ 268,160 | \$ 266,727 | \$ 273,869 | \$ 280,958 | \$ 292,932 | \$ 310,390 | \$ - ^a |
| PUBLIC TRANSPORTATION TRUST FUND: | | | | | | | |
| (R)Mass Transit Operating (EA)..... | \$ 1,044,093 | \$ 1,114,093 | \$ 1,454,093 | \$ 1,474,093 | \$ 1,494,093 | \$ 1,504,093 | \$ 1,864,093 |
| (R)Asset Improvement (EA) | 995,000 | 995,000 | 660,000 | 640,000 | 620,000 | 600,000 | 580,000 |
| (R)Capital Improvement (EA)..... | 40,000 | 40,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| (R)Programs of Statewide Significance (EA) | 275,000 | 286,000 | 305,000 | 305,000 | 280,000 | 240,000 | 230,000 |
| (R)Transit Administration and Oversight (EA) | 5,000 | 5,250 | 5,513 | 5,788 | 6,078 | 6,381 | 6,700 |
| TOTAL PUBLIC TRANSPORTATION TRUST FUND | \$ 2,359,093 | \$ 2,440,343 | \$ 2,449,606 | \$ 2,449,881 | \$ 2,425,171 | \$ 2,375,474 | \$ 2,705,793 |

^a Reflects increased transfer from Public Transportation Assistance Fund to Public Transportation Trust Fund as required by Act 44 of 2007.

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|----------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Support public transportation, intercity bus, intercity rail, rail freight, ports, and aviation operations that improve the mobility and quality of life for urban and rural Pennsylvanians and enhance economic activity throughout the Commonwealth. | | | | | | | |
| Mass Transportation: | | | | | | | |
| Passengers carried by state-assisted operators (in millions) | 299.1 | 142.6 | 196.2 | 231.4 | 257.2 | 264.9 | 272.8 |
| Passengers per vehicle hour | 28.9 | 14.5 | 19.6 | 24.9 | 27.1 | 27.9 | 28.7 |
| Older Pennsylvanians Transit: | | | | | | | |
| Number of free transit trips (in millions) | 27.5 | 17.8 | 20.5 | 24.1 | 24.7 | 25.4 | 26.2 |
| Trips on state-assisted shared ride vehicles (in millions)..... | 3.1 | 1.6 | 2.1 | 2.4 | 2.8 | 2.9 | 3.0 |
| Cost to the Commonwealth per trip: | | | | | | | |
| Free transit..... | \$ 3.49 | 5.40 | 4.68 | 3.98 | 3.88 | 3.77 | 3.88 |
| State-assisted shared ride vehicles | \$ 23.87 | 45.74 | 36.61 | 21.04 | 24.45 | 24.45 | 25.18 |
| Intercity Transportation: | | | | | | | |
| Passengers handled on Intercity Buses (in thousands) | 163.7 | 61.6 | 132.6 | 103.7 | 103.7 | 104.0 | 104.0 |
| Passengers handled on Intercity Rails (in thousands) | 1,273.8 | 402.7 | 891.7 | 1,258.6 | 1,467.2 | 1,480.0 | 1,502.0 |
| Subsidy per passenger mile | \$ 0.12 | 0.30 | 0.26 | 0.26 | 0.25 | 0.26 | 0.25 |
| Aviation: | | | | | | | |
| Runways with a pavement condition index of fair or better | % 92 | 90 | 90 | 84 | 84 | 80 | 78 |

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 less than half of Pennsylvania's counties. In the 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](#).

PennDOT 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 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, PennDOT has authorized a limited number of third-party entities to administer driver's skills testing. 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 |
| \$ 4 | —to continue current program. | \$ 13,118 | —to continue current program. |
| | | 32,535 | —transferred from Homeland Security - REAL ID. |
| | Voter Registration | \$ 45,653 | <i>Appropriation Increase</i> |
| \$ 300 | —to continue current program. | | |
| | | | Homeland Security - REAL ID |
| | | \$ (32,535) | —transferred to Driver and Vehicle Services. |

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Vehicle Sales Tax Collections | \$ 496 | \$ 443 | \$ 447 | \$ 447 | \$ 447 | \$ 447 | \$ 447 |
| Voter Registration | 639 | 759 | 1,059 | 1,059 | 1,059 | 1,059 | 1,059 |
| TOTAL GENERAL FUND | \$ 1,135 | \$ 1,202 | \$ 1,506 | \$ 1,506 | \$ 1,506 | \$ 1,506 | \$ 1,506 |

Program: Driver and Vehicle Services, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| MOTOR LICENSE FUND: | | | | | | | |
| Driver and Vehicle Services..... | \$ 236,055 | \$ 231,055 | \$ 276,708 | \$ 283,850 | \$ 283,850 | \$ 283,850 | \$ 283,850 |
| Homeland Security-REAL ID | 31,308 | 32,535 | - | - | - | - | - |
| TOTAL MOTOR LICENSE FUND . | \$ 267,363 | \$ 263,590 | \$ 276,708 | \$ 283,850 | \$ 283,850 | \$ 283,850 | \$ 283,850 |

Program Measures:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---------|---------|---------|---------|---------|-----------|-----------|
| | Actual | Actual | Actual | Actual | Actual | Estimated | Estimated |
| Provide exceptional customer service through a customer-focused business approach. | | | | | | | |
| Online eGov transactions (in millions) .. | 12.5 | 10.6 | 10.1 | 9.0 | 9.4 | 11.9 | 11.9 |
| Percentage of service center customers served within 30 minutes..... % | 82.0 | 82.0 | 80.0 | 80.0 | 85.0 | 90.0 | 90.0 |



JUDICIARY

The mission of the [Unified Judicial System of Pennsylvania](#) is to deliver fair, timely, and accessible justice for all.

The court system includes the Supreme Court, Superior Court, Commonwealth Court, Courts of Common Pleas, and community 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)

2023-24 2024-25 2025-26
ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

Supreme Court:

| | | | |
|---|------------|------------|------------|
| Supreme Court | \$ 19,909 | \$ 21,168 | \$ 21,634 |
| Justice Expenses | 118 | 118 | 118 |
| Judicial Center Operations..... | 1,155 | 1,228 | 1,298 |
| Judicial Council..... | 141 | 141 | 141 |
| District Court Administrators..... | 24,581 | 26,136 | 27,718 |
| Interbranch Commission | 358 | 358 | 403 |
| Court Management Education | 78 | 78 | 78 |
| Rules Committees | 1,595 | 1,595 | 1,595 |
| Court Administrator | 14,592 | 15,515 | 15,515 |
| (F)Court Improvement Project | 1,130 | 1,130 | 1,130 |
| (F)STOP Violence Against Women (EA)..... | 273 | 300 | 300 |
| Integrated Criminal Justice System | 2,372 | 2,522 | 3,521 |
| (R)Judicial Computer System..... | 48,952 | 43,417 | 43,417 |
| Unified Judicial System Security..... | 2,002 | 2,129 | 2,443 |
| Unified Judicial System Cybersecurity and Disaster Recovery | - | 3,490 | 4,652 |
| Office of Elder Justice in the Courts | 499 | 531 | 802 |
| (F)Elder Justice Innovation | 1,000 | 1,100 | - |
| Subtotal..... | \$ 118,755 | \$ 120,956 | \$ 124,765 |

Superior Court:

| | | | |
|-----------------------|-----------|-----------|-----------|
| Superior Court..... | \$ 36,455 | \$ 38,761 | \$ 40,731 |
| Judges Expenses | 183 | 183 | 183 |
| Subtotal..... | \$ 36,638 | \$ 38,944 | \$ 40,914 |

Commonwealth Court:

| | | | |
|-------------------------|-----------|-----------|-----------|
| Commonwealth Court..... | \$ 22,896 | \$ 24,344 | \$ 26,142 |
| Judges Expenses | 132 | 132 | 132 |
| Subtotal..... | \$ 23,028 | \$ 24,476 | \$ 26,274 |

Courts of Common Pleas:

| | | | |
|------------------------------|------------|------------|------------|
| Courts of Common Pleas | \$ 138,172 | \$ 146,913 | \$ 161,378 |
| Senior Judges..... | 4,213 | 4,480 | 4,480 |
| Judicial Education..... | 1,532 | 1,532 | 1,593 |
| Problem-Solving Courts | 1,268 | 1,348 | 1,348 |
| Subtotal..... | \$ 145,185 | \$ 154,273 | \$ 168,799 |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|--|-------------------|----------------------|-------------------|
| Magisterial District Judges: | | | |
| Magisterial District Judges..... | \$ 94,308 | \$ 100,274 | \$ 106,047 |
| Magisterial District Judge Education | 878 | 878 | 961 |
| Subtotal..... | \$ 95,186 | \$ 101,152 | \$ 107,008 |
| Philadelphia Courts: | | | |
| Municipal Court | \$ 9,475 | \$ 10,074 | \$ 10,921 |
| Subtotal..... | \$ 9,475 | \$ 10,074 | \$ 10,921 |
| Judicial Conduct: | | | |
| Judicial Ethics Advisory Board | \$ 244 | \$ 259 | \$ 306 |
| Judicial Conduct Board | 2,555 | 2,555 | 2,555 |
| Court of Judicial Discipline | 618 | 618 | 618 |
| Subtotal..... | \$ 3,417 | \$ 3,432 | \$ 3,479 |
| Subtotal - State Funds | \$ 380,329 | \$ 407,360 | \$ 437,313 |
| Subtotal - Federal Funds | 2,403 | 2,530 | 1,430 |
| Subtotal - Restricted | 48,952 | 43,417 | 43,417 |
| Total - General Government | \$ 431,684 | \$ 453,307 | \$ 482,160 |
| 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..... | 2,473 | 2,629 | 3,000 |
| Subtotal..... | \$ 28,102 | \$ 28,258 | \$ 28,629 |
| Total - Grants and Subsidies | \$ 28,102 | \$ 28,258 | \$ 28,629 |
| STATE FUNDS | \$ 408,431 | \$ 435,618 | \$ 465,942 |
| FEDERAL FUNDS | 2,403 | 2,530 | 1,430 |
| RESTRICTED | 48,952 | 43,417 | 43,417 |
| GENERAL FUND TOTAL | \$ 459,786 | \$ 481,565 | \$ 510,789 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|-------------------------------|-------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| STATE JUDICIAL SYSTEM: | | | | | | | |
| GENERAL FUND..... | \$ 408,431 | \$ 435,618 | \$ 465,942 | \$ 478,643 | \$ 485,607 | \$ 495,989 | \$ 506,611 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | 2,403 | 2,530 | 1,430 | 1,430 | 1,430 | 1,430 | 1,430 |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | 48,952 | 43,417 | 43,417 | 43,417 | 43,417 | 43,417 | 43,417 |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| DEPARTMENT TOTAL | <u>\$ 459,786</u> | <u>\$ 481,565</u> | <u>\$ 510,789</u> | <u>\$ 523,490</u> | <u>\$ 530,454</u> | <u>\$ 540,836</u> | <u>\$ 551,458</u> |

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, 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, 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 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)

| | |
|--|---|
| <p>Supreme Court</p> <p>\$ 466 —to continue current program.</p> <p>Judicial Center Operations</p> <p>\$ 70 —to continue current program.</p> <p>District Court Administrators</p> <p>\$ 1,582 —to continue current program.</p> <p>Interbranch Commission</p> <p>\$ 45 —to continue current program.</p> <p>Integrated Criminal Justice System</p> <p>\$ 999 —to continue current program.</p> <p>Unified Judicial System Security</p> <p>\$ 314 —to continue current program.</p> <p>Unified Judicial System Cybersecurity and Disaster Recovery</p> <p>\$ 1,162 —to continue current program.</p> <p>Office of Elder Justice in the Courts</p> <p>\$ 271 —to continue current program.</p> <p>Superior Court</p> <p>\$ 1,970 —to continue current program.</p> | <p>Commonwealth Court</p> <p>\$ 1,798 —to continue current program.</p> <p>Courts of Common Pleas</p> <p>\$ 14,465 —to continue current program.</p> <p>Judicial Education</p> <p>\$ 61 —to continue current program.</p> <p>Magisterial District Judges</p> <p>\$ 5,773 —to continue current program.</p> <p>Magisterial District Judge Education</p> <p>\$ 83 —to continue current program.</p> <p>Municipal Court</p> <p>\$ 847 —to continue current program.</p> <p>Judicial Ethics Advisory Board</p> <p>\$ 47 —to continue current program.</p> <p>Court Interpreter County Grant</p> <p>\$ 371 —to continue current program.</p> |
|--|---|

Appropriations within this Program:

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|----------------------|------------|------------|------------|------------|------------|------------|------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Judiciary..... | \$ 408,431 | \$ 435,618 | \$ 465,942 | \$ 478,643 | \$ 485,607 | \$ 495,989 | \$ 506,611 |



LEGISLATURE

The mission of the [General Assembly of Pennsylvania](#) is to formulate and enact responsible public policy on behalf of the people of the Commonwealth.

The General Assembly is composed of two bodies – the [Senate](#) and the [House of Representatives](#). The legislature convenes at the [Capitol Complex](#) in Harrisburg. 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)

2023-24 2024-25 2025-26
ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

Senate:

| | | | |
|---|-------------------|-------------------|-------------------|
| Senators' Salaries | \$ 9,307 | \$ 9,307 | \$ 9,307 |
| Employees of Chief Clerk | 3,239 | 3,614 | 3,614 |
| Salaried Officers and Employees | 14,672 | 16,672 | 16,672 |
| Incidental Expenses | 3,775 | 3,775 | 3,775 |
| Expenses-Senators | 1,487 | 1,487 | 1,487 |
| Legislative Purchasing and Expenses | 8,450 | 8,450 | 8,450 |
| Committee on Appropriations (R) and (D) | - | - | 3,166 |
| Committee on Appropriations (R)..... | 1,583 | 1,583 | - |
| Committee on Appropriations (D)..... | 1,583 | 1,583 | - |
| Caucus Operations (R) and (D) | - | - | 96,676 |
| Caucus Operations (R) | 46,919 | 51,238 | - |
| Caucus Operations (D) | 41,607 | 45,438 | - |
| Subtotal | <u>\$ 132,622</u> | <u>\$ 143,147</u> | <u>\$ 143,147</u> |

House of Representatives:

| | | | |
|--|-----------|-----------|-----------|
| Members' Salaries, Speaker's Extra Compensation | \$ 37,940 | \$ 42,230 | \$ 42,230 |
| Caucus Operations (R) and (D) | - | - | 148,044 |
| Caucus Operations (R) | 67,221 | 71,061 | - |
| Caucus Operations (D) | 72,823 | 76,983 | - |
| Speaker's Office | 1,703 | 1,873 | 1,873 |
| Bi-Partisan Committee, Chief Clerk, Comptroller, and EMS | 14,834 | 18,510 | 18,510 |
| Mileage-Representatives, Officers, and Employees | 672 | 672 | 672 |
| Chief Clerk and Legislative Journal | 2,816 | 2,816 | 2,816 |
| Contingent Expenses (R) and (D) | - | - | 2,118 |
| Speaker | 20 | 20 | - |
| Chief Clerk | 2,000 | 2,000 | - |
| 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 | - |

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 |
|---|-------------------|-------------------|-------------------|
| | ACTUAL | AVAILABLE | BUDGET |
| 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 Purchasing and Expenses..... | 11,174 | 13,000 | 13,000 |
| Committee on Appropriations (R)..... | 3,223 | 3,545 | 3,545 |
| Committee on Appropriations (D)..... | 3,223 | 3,545 | 3,545 |
| Special Leadership Account (R) | 6,045 | 7,045 | 7,045 |
| Special Leadership Account (D) | 6,045 | 7,045 | 7,045 |
| Subtotal | \$ 241,657 | \$ 262,263 | \$ 262,263 |
| Total - General Government..... | \$ 374,279 | \$ 405,410 | \$ 405,410 |
| GENERAL FUND TOTAL | \$ 374,279 | \$ 405,410 | \$ 405,410 |

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|------------------------|------------|------------|------------|------------|------------|------------|------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| LEGISLATURE: | | | | | | | |
| GENERAL FUND..... | \$ 374,279 | \$ 405,410 | \$ 405,410 | \$ 405,410 | \$ 405,410 | \$ 405,410 | \$ 405,410 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED | - | - | - | - | - | - | - |
| OTHER FUNDS..... | - | - | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 374,279 | \$ 405,410 | \$ 405,410 | \$ 405,410 | \$ 405,410 | \$ 405,410 | \$ 405,410 |

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 253 members; 50 members in the [Senate](#) and 203 members in the [House of Representatives](#).

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) | | | | | | |
|----------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Legislature | <u>\$ 374,279</u> | <u>\$ 405,410</u> | <u>\$ 405,410</u> | <u>\$ 405,410</u> | <u>\$ 405,410</u> | <u>\$ 405,410</u> | <u>\$ 405,410</u> |



GOVERNMENT SUPPORT AGENCIES

The mission of the Government Support Agencies is to serve the members of the legislature, legislative committees, the Governor, heads of state agencies, and, in certain cases, citizens of the Commonwealth, by providing research, fiscal and regulatory review, and administrative and operational support.

Programs and Goals

Government Support Agencies: *To provide research, fiscal and regulatory review, and administrative and operational support.*

Government Support Agencies

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 2023-24 ACTUAL | 2024-25 AVAILABLE | 2025-26 BUDGET |
|---|-------------------|----------------------|-------------------|
| GENERAL FUND: | | | |
| <i>General Government:</i> | | | |
| Legislative Reference Bureau: | | | |
| Legislative Reference Bureau-Salaries and Expenses..... | \$ 10,285 | \$ 11,000 | \$ 11,000 |
| Printing of PA Bulletin and PA Code..... | 886 | 1,100 | 1,100 |
| Contingent Expenses..... | 25 | 25 | 25 |
| Subtotal | \$ 11,196 | \$ 12,125 | \$ 12,125 |
| Miscellaneous and Commissions: | | | |
| Legislative Budget and Finance Committee..... | 2,020 | 2,020 | 2,020 |
| Legislative Data Processing Center | 34,255 | 36,255 | 36,255 |
| 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..... | 1,250 | 1,250 | 1,250 |
| Commonwealth Mail Processing Center..... | 3,583 | 3,583 | 3,583 |
| Independent Fiscal Office..... | 2,343 | 2,343 | 2,343 |
| Subtotal | \$ 57,936 | \$ 59,936 | \$ 59,936 |
| Total - General Government..... | \$ 69,132 | \$ 72,061 | \$ 72,061 |
| GENERAL FUND TOTAL | \$ 69,132 | \$ 72,061 | \$ 72,061 |
| OTHER FUNDS: | | | |
| JUSTICE REINVESTMENT FUND: | | | |
| (R)Commission on Sentencing (EA) | \$ 757 | \$ 923 | \$ - |
| DEPARTMENT TOTAL - ALL FUNDS | | | |
| GENERAL FUND | \$ 69,132 | \$ 72,061 | \$ 72,061 |
| MOTOR LICENSE FUND..... | - | - | - |
| LOTTERY FUND..... | - | - | - |
| FEDERAL FUNDS | - | - | - |
| AUGMENTATIONS | - | - | - |
| RESTRICTED | - | - | - |
| OTHER FUNDS | 757 | 923 | - |
| TOTAL ALL FUNDS | \$ 69,889 | \$ 72,984 | \$ 72,061 |

Government Support Agencies

Program Funding Summary

(Dollar Amounts in Thousands)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GOVERNMENT SUPPORT AGENCIES: | | | | | | | |
| GENERAL FUND..... | \$ 69,132 | \$ 72,061 | \$ 72,061 | \$ 72,061 | \$ 72,061 | \$ 72,061 | \$ 72,061 |
| MOTOR LICENSE FUND ... | - | - | - | - | - | - | - |
| LOTTERY FUND | - | - | - | - | - | - | - |
| FEDERAL FUNDS..... | - | - | - | - | - | - | - |
| AUGMENTATIONS | - | - | - | - | - | - | - |
| RESTRICTED..... | - | - | - | - | - | - | - |
| OTHER FUNDS..... | 757 | 923 | - | - | - | - | - |
| DEPARTMENT TOTAL | <u>\$ 69,889</u> | <u>\$ 72,984</u> | <u>\$ 72,061</u> | <u>\$ 72,061</u> | <u>\$ 72,061</u> | <u>\$ 72,061</u> | <u>\$ 72,061</u> |

Program: Government Support Agencies

Goal: To provide research, fiscal and regulatory review, and administrative and operational support.

The following list details government support agencies and their duties:

- 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 ensuring 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 each 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 enables 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/dispatches correspondence, packages, and parcels; and
- 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) | | | | | | |
|---------------------------------|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| GENERAL FUND: | | | | | | | |
| Government Support Agencies.... | \$ 69,132 | \$ 72,061 | \$ 72,061 | \$ 72,061 | \$ 72,061 | \$ 72,061 | \$ 72,061 |



Commonwealth of Pennsylvania

Governor's Executive Budget

CAPITAL BUDGET

Program Summary

This section presents the proposed itemizations and funding sources for the 2025-26 Capital Budget projects including a brief description of each recommended project, its location, and cost components.

Projects are grouped into six categories which are proposed to be funded by a combination of Commonwealth debt obligations, current revenues through new or previous appropriations and authorizations, and funds received from other jurisdictions. Funding source distinctions are noted throughout the section, which itemizes the recommended capital program.

- **Public Improvement Projects** include 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, current revenue projects are generally managed by the departments or, for projects between \$100,000 and \$600,000, through the Job Order Contracting process.
- **Furniture, Fixture, and Equipment Projects** provide for equipping newly completed public improvement projects with original movable furniture, fixtures, and equipment through the Department of General Services. Replacement furniture, fixtures, and equipment for use in existing buildings is purchased through department budgets.
- **Transportation Assistance Projects** include the purchase of rolling stock as well as 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; and air transportation systems. These projects are administered by the Department of Transportation.
- **Redevelopment Assistance Projects** provide grants for the acquisition and construction of regional economic, cultural, civic, recreational, and historical improvements.
- **Flood Control Projects** include flood control works and improvements to prevent floods and to preserve, control, and regulate the flow of rivers and streams. These projects are administered by the Department of Environmental Protection.
- **Highway Projects** include the design, purchase of rights-of-way, construction, and reconstruction of highways and bridges on the state highway system. These projects are administered by the Department of Transportation.

Unless otherwise noted, these nonrecurring capital investments would not significantly affect the department's future operating budgets nor affect the services provided by the agency. This is because 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 necessary maintenance. These items, when viewed in terms of the total department or program budget, generally tend to be negligible.

An exception is when a large-scale project is implemented or a significant increase in the capital base occurs which will dramatically change efficiencies and other components of an operating budget. In this case, the expected change in operating expenses is quantified. Any such exceptions will be noted and will be included in the department's budget or future year estimates based on when the project is expected to be completed, which is usually several years after a capital project itemization has been enacted and 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, and Transportation Assistance 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 any statements of operating cost impacts. 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 new construction or rehabilitation takes place, high maintenance costs are avoided initially. These avoided maintenance costs are generally shifted to other segments of roadway where repair needs are relatively significant. As a result, the total highway operating budget experiences minimum net change.

Estimated Capital Expenditures State Funds

This table presents summary data on the source and use of funding 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)

| | 2025-26 Estimated | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| GENERAL OBLIGATION BOND FUNDING: | | | | | |
| Revenues | | | | | |
| Capital Facilities Bonds: | | | | | |
| Public Improvement Projects - Buildings and Structures | \$ 1,100,000 | \$ 1,200,000 | \$ 1,100,000 | \$ 1,100,000 | \$ 1,100,000 |
| Public Improvement Projects - Furniture and Equipment..... | 20,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| Redevelopment Assistance Projects | 350,000 | 350,000 | 350,000 | 375,000 | 375,000 |
| Flood Control Projects | - | - | - | - | - |
| Transportation Assistance Projects | 100,000 | 175,000 | 175,000 | 175,000 | 175,000 |
| Less: Costs of Issue | (1,500) | (1,500) | (1,500) | (1,500) | (1,500) |
| Miscellaneous Revenue..... | 32,000 | 27,000 | 27,000 | 27,000 | 27,000 |
| Use/(Surplus) of Cash | 104,500 | 74,500 | 24,500 | (25,500) | (25,500) |
| Total | \$ 1,705,000 | \$ 1,840,000 | \$ 1,690,000 | \$ 1,665,000 | \$ 1,665,000 |
| Expenditures | | | | | |
| Capital Facilities Fund: | | | | | |
| Public Improvement Projects - Buildings and Structures | \$ 1,160,000 | \$ 1,300,000 | \$ 1,150,000 | \$ 1,100,000 | \$ 1,100,000 |
| Public Improvement Projects - Furniture and Equipment..... | 20,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| Redevelopment Assistance Projects | 350,000 | 350,000 | 350,000 | 375,000 | 375,000 |
| Flood Control Projects | - | - | - | - | - |
| Transportation Assistance Projects | 175,000 | 175,000 | 175,000 | 175,000 | 175,000 |
| Total General Obligation Bonds..... | \$ 1,705,000 | \$ 1,840,000 | \$ 1,690,000 | \$ 1,665,000 | \$ 1,665,000 |
| FROM CURRENT REVENUES: | | | | | |
| General Fund - (R)State Park Resource Restoration | \$ 550 | \$ 550 | \$ 550 | \$ 550 | \$ 550 |
| Motor License Fund - Dirt and Gravel Roads .. | 1,950 | 1,950 | 1,950 | 1,950 | 1,950 |
| Motor License Fund - (R)Forestry Bridges - Excise Tax | 600 | 600 | 600 | 600 | 600 |
| Environmental Stewardship Fund - Parks and Forest Facility Rehabilitation..... | 400 | 400 | 400 | 400 | 400 |
| Keystone Recreation, Park, and Conservation Fund - Parks and Forest Facility Rehabilitation ^a | 7,425 | 7,425 | 7,425 | 7,425 | 7,425 |
| Oil and Gas Lease Fund - State Parks and Forests Infrastructure Projects..... | 14,990 | 14,990 | 14,990 | 14,990 | 14,990 |
| Highway Projects - Motor License Fund | 2,127,416 | 1,995,791 | 1,992,336 | 2,050,815 | 2,106,144 |
| Total Current Revenues..... | \$ 2,153,331 | \$ 2,021,706 | \$ 2,018,251 | \$ 2,076,730 | \$ 2,132,059 |
| TOTAL ALL FUNDS | \$ 3,858,331 | \$ 3,861,706 | \$ 3,708,251 | \$ 3,741,730 | \$ 3,797,059 |

^a Projects will continue to be evaluated based on available revenues.

^b MLF restricted and unrestricted revenues.

Recommended 2025-26 Project Itemizations

This table provides a summary of proposed project itemizations by department, funding source, and capital category.

(Dollar Amounts in Thousands)

| | Capital Facilities Bond Issuances | | | | Current Revenues | |
|--|-----------------------------------|---|------------------------------------|------------------------|-----------------------------|---------------------|
| | Public Improvement Projects | Furniture, Fixtures, and Equipment Projects | Transportation Assistance Projects | Flood Control Projects | Public Improvement Projects | Highway Projects |
| Agriculture | \$ 239,627 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Conservation and Natural Resources... ^a | 655,650 | 16,769 | - | - | 25,915 | - |
| Corrections | 972,904 | 45,600 | - | - | - | - |
| Education | 9,838,304 | 216,025 | - | - | - | - |
| Emergency Management Agency | 106,000 | - | - | - | - | - |
| Environmental Protection | 382,010 | - | - | 9,900 | - | - |
| Executive Offices | 14,000 | - | - | - | - | - |
| Fish and Boat Commission | 199,400 | - | - | - | - | - |
| General Services..... | 495,000 | 100,000 | - | - | - | - |
| Health..... | 30,500 | - | - | - | - | - |
| Historical and Museum Commission | 189,500 | 45,000 | - | - | - | - |
| Human Services..... | 1,050,000 | 35,000 | - | - | - | - |
| Military and Veterans Affairs..... | 1,610,400 | 75,000 | - | - | - | - |
| State Police..... | 703,500 | 100,000 | - | - | - | - |
| Transportation | 5,192,821 | 600 | 1,686,000 | - | - | 4,732,673 |
| Total | \$ 21,679,616 | \$ 633,994 | \$ 1,686,000 | \$ 9,900 | \$ 25,915 | \$ 4,732,673 |

^a Projects may also be funded by current revenues.

Agriculture

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|--|---------------------|
| Programs | |
| Protection and Development of Agricultural Industries..... | \$ 214,627 |
| Horse Racing Regulation | 25,000 |
| TOTAL | <u>\$ 239,627</u> |
| Source of Funds | |
| Bond Issuances | |
| Capital Facilities Fund-Public Improvement Projects | <u>\$ 239,627</u> |
| Program: Protection and Development of Agricultural Industries | |
| Capital Facilities Fund-Public Improvement Projects | |
| Building, Infrastructure, and Site Improvements including Land Acquisition | |
| Animal Diagnostic Laboratory, Pennsylvania State University, Centre County..... | \$ 6,127 |
| Livestock Evaluation Center, Centre County | 10,000 |
| Plant Science Facility, Pennsylvania State University, Centre County..... | 30,000 |
| Annex, Dauphin County | 8,000 |
| Entomology Laboratory, Dauphin County | 10,000 |
| Farm Show Complex, Dauphin County..... | 35,000 |
| Greenhouse and Nematology Laboratory, Dauphin County..... | 10,000 |
| Headquarters, Department of Agriculture, Dauphin County | 20,000 |
| Headquarters, Veterinary Laboratory, and Farm Show Complex, Dauphin County..... | 10,000 |
| Animal Health Diagnostic Laboratory, County to be determined | 75,500 |
| PROGRAM TOTAL | <u>\$ 214,627</u> |
| Program: Horse Racing Regulation | |
| Capital Facilities Fund-Public Improvement Projects | |
| New Bolton Center, Chester County | |
| Construction of Pennsylvania Equine Toxicology and Research Laboratory on New Bolton Campus of The University of Pennsylvania | \$ 25,000 |
| PROGRAMS TOTAL | <u>\$ 239,627</u> |

Conservation and Natural Resources

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|--|---------------------|
| Program | |
| Parks and Forest Management..... | \$ 698,334 |
| Source of Funds | |
| Bond Issuances | |
| Capital Facilities Fund-Public Improvement Projects | \$ 655,650 |
| Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects..... | 16,769 |
| Subtotal General Obligation Bond Issues | <u>\$ 672,419</u> |
| Current Revenues | |
| General Fund-(R)State Park Resource Restoration | \$ 550 |
| Motor License Fund-Dirt and Gravel Roads | 1,950 |
| Motor License Fund-(R)Forestry Bridges-Excise Tax..... | 600 |
| Environmental Stewardship Fund-Parks and Forest Facility Rehabilitation | 400 |
| Keystone Recreation, Park, and Conservation Fund-Parks and Forest Facility Rehabilitation..... | 7,425 |
| Oil and Gas Lease Fund-State Parks and Forests Infrastructure Projects..... | 14,990 |
| Subtotal Current Revenues..... | <u>\$ 25,915</u> |
| TOTAL | <u>\$ 698,334</u> |

Program: Parks and Forest Management

Capital Facilities Fund-Public Improvement Projects

Building, Infrastructure, and Site Improvements

| | |
|--|-----------|
| Point State Park, Allegheny County..... | \$ 14,000 |
| Blue Knob State Park, Bedford County | 25,000 |
| Delaware Canal State Park, Bucks County | 25,000 |
| Gallitzin State Forest, Cambria County..... | 12,000 |
| Elk State Forest, Cameron County | 5,000 |
| Forest Fire Protection, Centre County | 3,750 |
| Penn Nursery, Centre County..... | 1,250 |
| Sproul State Forest, Centre County..... | 2,500 |
| Big Elk Creek State Park, Chester County | 17,500 |
| Moshannon State Forest, Clearfield County..... | 2,500 |
| Bald Eagle State Forest, Clinton County | 5,625 |
| Forestry Laboratory, Dauphin County..... | 35,000 |
| Geologic Survey Headquarters, Dauphin County | 30,000 |
| Presque Isle State Park, Erie County | 46,250 |
| Cornplanter State Park, Forest County..... | 7,000 |
| Michaux State Forest, Franklin County..... | 21,500 |
| Buchanan State Forest, Fulton County..... | 2,500 |
| Ryerson Station State Park, Greene County | 12,500 |
| Yellow Creek State Park, Indiana County..... | 7,500 |
| Clear Creek State Forest, Jefferson County..... | 1,875 |
| Forest Fire Protection, Luzerne County | 5,000 |
| Pinchot State Forest, Luzerne County | 16,500 |
| Tiadaghton State Forest, Lycoming County | 5,000 |
| Tuscarora State Forest, Mifflin County | 5,000 |
| Denton Hill State Park, Potter County..... | 18,400 |
| Gallitzin State Forest, Somerset County..... | 5,625 |
| Leonard Harrison State Park, Tioga County..... | 3,750 |

Capital Budget

| | |
|--|---------|
| Tioga State Forest, Tioga County | 42,500 |
| Vosburg Neck State Park, Wyoming County | 17,500 |
| Susquehanna Riverlands State Park, York County | 17,500 |
| State Parks, Statewide..... | 106,250 |

Bridge and Related Infrastructure Replacement and Repair

| | | |
|---|----|-------|
| Point State Park, Allegheny County..... | \$ | 3,750 |
| Norristown Farm Park, Montgomery County | | 6,250 |

Dam Rehabilitation

| | | |
|--|----|--------|
| Moshannon State Forest, Clearfield County..... | \$ | 5,000 |
| Parker Dam State Park, Clearfield County | | 11,250 |
| Pinchot State Forest, Lackawanna County..... | | 3,125 |
| Memorial Lake State Park, Lebanon County | | 14,000 |
| Shikellamy State Park, Northumberland County | | 37,500 |
| Delaware State Forest, Pike County..... | | 1,250 |
| Kooser State Park, Somerset County..... | | 6,250 |
| State Parks, Statewide..... | | 46,000 |

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

| | | |
|--|----|-------|
| Point State Park, Allegheny County..... | \$ | 819 |
| Delaware Canal State Park, Bucks County | | 1,000 |
| Big Elk Creek State Park, Chester County | | 2,000 |
| Forestry Laboratory, Dauphin County..... | | 3,000 |
| Geologic Survey Headquarters, Dauphin County | | 2,000 |
| Pinchot State Forest, Luzerne County..... | | 700 |
| Maurice K. Goddard State Park, Mercer County | | 750 |
| Denton Hill State Park, Potter County..... | | 500 |
| Vosburg Neck State Park, Wyoming County..... | | 2,000 |
| Susquehanna Riverlands State Park, York County | | 2,000 |
| Training Academy and Range, Statewide | | 2,000 |

| | | |
|--|----|---------|
| GENERAL OBLIGATION BOND ISSUES TOTAL | \$ | 672,419 |
|--|----|---------|

From Current Revenues

General Fund-(R)State Park Resource Restoration

| | | |
|---|----|-----|
| Marsh Creek State Park, Chester County..... | \$ | 550 |
|---|----|-----|

Motor License Fund-Dirt and Gravel Roads

| | | |
|--|----|-------|
| Prince Gallitzin State Park, Cambria County..... | \$ | 1,500 |
| Whipple Dam State Park, Huntingdon County..... | | 450 |

Motor License Fund-(R)Forestry Bridges-Excise Tax

| | | |
|---|----|-----|
| Bald Eagle State Forest, Union County | \$ | 600 |
|---|----|-----|

Environmental Stewardship Fund-Parks and Forest Facility Rehabilitation

| | | |
|--|----|-----|
| Tuscarora State Park, Schuylkill County..... | \$ | 400 |
|--|----|-----|

Keystone Recreation, Park, and Conservation Fund-Parks and Forest Facility Rehabilitation

| | | |
|---|----|-------|
| Point State Park, Allegheny County..... | \$ | 2,000 |
| Hickory Run State Park, Carbon County | | 600 |
| Black Moshannon State Forest, Clearfield County | | 2,500 |
| Parker Dam State Park, Clearfield County | | 1,850 |
| Ohiopyle State Park, Fayette County..... | | 475 |

Oil and Gas Lease Fund-State Parks and Forests Infrastructure Projects

| | |
|---|--------------------------|
| Tyler State Park, Bucks County | \$ 300 |
| Jennings Environmental Education Center, Butler County..... | 550 |
| Conservation Leadership Training Center, Carbon County..... | 350 |
| Black Moshannon State Park, Centre County | 700 |
| White Clay Creek Preserve, Chester County | 400 |
| Presque Isle State Park, Erie County | 8,600 |
| Little Buffalo State Park, Perry County | 590 |
| Denton Hill State Park, Potter County..... | 3,500 |
| | |
| CURRENT REVENUES TOTAL | <u>\$ 25,915</u> |
| | |
| PROGRAM TOTAL | <u>\$ 698,334</u> |

Corrections

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| Program | Project Cost |
|--|---------------------|
| Incarcerated Individuals | \$ 1,018,504 |
| | |
| Source of Funds | |
| Bond Issuances ^a | |
| Capital Facilities Fund-Public Improvement Projects | \$ 972,904 |
| Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects..... | 45,600 |
| TOTAL..... | <u>\$ 1,018,504</u> |

Program: Incarcerated Individuals

Capital Facilities Fund-Public Improvement Projects

Building, Infrastructure, and Site Improvements including Land Acquisition

| | |
|---|-----------|
| Benner State Correctional Institution, Centre County..... | \$ 22,769 |
| Rockview State Correctional Institution, Centre County..... | 79,151 |
| Houtzdale State Correctional Institution, Clearfield County..... | 25,040 |
| Quehanna Boot Camp, Clearfield County | 10,150 |
| Cambridge Springs State Correctional Institution, Crawford County..... | 14,629 |
| Camp Hill State Correctional Institution, Cumberland County..... | 212,961 |
| Chester State Correctional Institution, Delaware County | 15,450 |
| Albion State Correctional Institution, Erie County..... | 27,877 |
| Fayette State Correctional Institution, Fayette County | 11,625 |
| Forest State Correctional Institution, Forest County..... | 42,053 |
| Greene State Correctional Institution, Greene County | 23,945 |
| Huntingdon State Correctional Institution, Huntingdon County | 18,670 |
| Smithfield State Correctional Institution, Huntingdon County..... | 21,726 |
| Pine Grove State Correctional Institution, Indiana County | 55,985 |
| Elizabethtown Training Academy, Lancaster County | 12,888 |
| Dallas State Correctional Institution, Luzerne County | 24,395 |
| Muncy State Correctional Institution, Lycoming County | 61,411 |
| Mercer State Correctional Institution, Mercer County..... | 14,837 |
| Phoenix State Correctional Institution, Montgomery County..... | 14,826 |
| Coal Township State Correctional Institution, Northumberland County | 31,543 |
| Frackville State Correctional Institution, Schuylkill County | 42,136 |
| Mahanoy State Correctional Institution, Schuylkill County | 41,252 |
| Laurel Highlands State Correctional Institution, Somerset County..... | 22,471 |
| Somerset State Correctional Institution, Somerset County | 30,623 |
| Waymart State Correctional Institution, Wayne County..... | 44,318 |

Graterford State Correctional Institution, Montgomery County

| | |
|---|-----------|
| Demolition of facility including code, permit, site, utility, and infrastructure related issues | \$ 50,173 |
|---|-----------|

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

| | |
|--|----------|
| Benner State Correctional Institution, Centre County..... | \$ 1,050 |
| Rockview State Correctional Institution, Centre County..... | 7,500 |
| Quehanna Boot Camp, Clearfield County | 1,000 |
| Cambridge Springs State Correctional Institution, Crawford County..... | 1,000 |
| Camp Hill State Correctional Institution, Cumberland County..... | 15,000 |
| Chester State Correctional Institution, Delaware County | 1,000 |
| Forest State Correctional Institution, Forest County..... | 1,000 |

Capital Budget

| | |
|--|---------------------|
| Pine Grove State Correctional Institution, Indiana County | 1,000 |
| Elizabethtown Training Academy, Lancaster County | 1,000 |
| Muncy State Correctional Institution, Lycoming County | 8,000 |
| Mercer State Correctional Institution, Mercer County | 1,000 |
| Phoenix State Correctional Institution, Montgomery County | 1,050 |
| Frackville State Correctional Institution, Schuylkill County | 500 |
| Mahanoy State Correctional Institution, Schuylkill County | 1,500 |
| Waymart State Correctional Institution, Wayne County | 4,000 |
| PROGRAM TOTAL | \$ 1,018,504 |

^a The department may cover the cost of these projects through available budgeted funding within the State Correctional Institutions appropriation.

Education

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|--|----------------------|
| Program | |
| Higher Education..... | \$ 10,054,329 |
| Source of Funds | |
| Bond Issuances | |
| Capital Facilities Fund-Public Improvement Projects | \$ 9,838,304 |
| Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects..... | 216,025 |
| TOTAL | \$ 10,054,329 |

Program: Higher Education

Capital Facilities Fund-Public Improvement Projects

Building, Infrastructure, and Site Improvements including Land Acquisition

State-Related Universities

| | |
|---|--------------|
| University of Pittsburgh, Allegheny County..... | \$ 5,342,000 |
| Pennsylvania State University, Blair County..... | 25,000 |
| Pennsylvania State University, Centre County | 1,190,700 |
| Pennsylvania State University, Dauphin County | 40,000 |
| Pennsylvania State University, Huntingdon County | 10,000 |
| Pennsylvania State University, Statewide | 60,000 |
| Temple University, Philadelphia County | 1,660,000 |
| Lincoln University, Chester County..... | 444,854 |
| Thaddeus Stevens College of Technology, Lancaster County..... | 332,750 |

State System of Higher Education

| | |
|--|-----------|
| Commonwealth University, Lock Haven, Clinton County | \$ 45,000 |
| Commonwealth University, Bloomsburg, Columbia County | 30,000 |
| Commonwealth University, Mansfield, Tioga County | 20,000 |
| PennWest University, Clarion, Clarion County | 44,000 |
| PennWest University, Edinboro, Erie County | 63,000 |
| PennWest University, California, Washington County..... | 45,000 |
| Kutztown University, Berks County..... | 60,000 |
| Slippery Rock University, Butler County | 80,000 |
| West Chester University, Chester County | 40,000 |
| Cheyney University, Chester and Delaware Counties..... | 33,000 |
| Shippensburg University, Cumberland County..... | 45,000 |
| Indiana University, Indiana County | 60,000 |
| Millersville University, Lancaster County | 53,000 |
| East Stroudsburg University, Monroe County..... | 65,000 |
| State System of Higher Education, System wide | 50,000 |

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

State-Related Universities

| | |
|---|----------|
| Pennsylvania State University, Blair County..... | \$ 2,500 |
| Pennsylvania State University, Centre County | 71,050 |
| Pennsylvania State University, Huntingdon County | 1,000 |
| Lincoln University, Chester County..... | 72,875 |
| Thaddeus Stevens College of Technology, Lancaster County..... | 42,500 |

State System of Higher Education

| | |
|---|----------|
| Commonwealth University, Lock Haven, Clinton County | \$ 3,000 |
| PennWest University, Edinboro, Erie County | 1,500 |
| Kutztown University, Berks County..... | 5,000 |

Capital Budget

| | |
|--|-----------------------------|
| West Chester University, Chester County | 4,000 |
| Cheyney University, Chester and Delaware Counties..... | 4,100 |
| Indiana University, Indiana County | 6,800 |
| Millersville University, Lancaster County | 1,700 |
| PROGRAM TOTAL | <u>\$ 10,054,329</u> |

Emergency Management Agency

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|---|---------------------|
| Program | |
| Emergency Management..... | \$ 106,000 |
| Source of Funds | |
| Bond Issuances | |
| Capital Facilities Fund-Public Improvement Projects | \$ 106,000 |
| Program: Emergency Management | |
| Capital Facilities Fund-Public Improvement Projects | |
| Building, Infrastructure, and Site Improvements including Land Acquisition | |
| Headquarters Building, Dauphin County | \$ 11,000 |
| Special Operations Center, County to be determined | 95,000 |
| PROGRAM TOTAL | \$ 106,000 |

Environmental Protection

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|---|---------------------|
| Program | |
| Environmental Protection and Management..... | \$ 391,910 |
| Source of Funds | |
| Bond Issuances | |
| Capital Facilities Fund-Public Improvement Projects | \$ 382,010 |
| Capital Facilities Fund-Flood Control Projects..... | 9,900 |
| TOTAL..... | <u>\$ 391,910</u> |
| Program: Environmental Protection and Management | |
| Capital Facilities Fund-Public Improvement Projects | |
| Building, Infrastructure, and Site Improvements including Land Acquisition | |
| New Laboratory, County to be determined..... | \$ 45,500 |
| Flood Protection and Waterway Improvement | |
| Pitcairn Borough, Allegheny County | \$ 4,000 |
| Streets Run, Allegheny County..... | 20,000 |
| Kernsville, Berks County..... | 700 |
| Northern Cambria Borough, Cambria County..... | 2,400 |
| Wilmore Borough, Cambria County | 3,000 |
| Solomon Run, Cambria County | 10,000 |
| Saint Clair Run, Cambria County..... | 2,000 |
| Sam's Run, Cambria County..... | 7,000 |
| Avery Coal Mine, Centre County | 3,700 |
| Thompson Brother Coal Mine, Centre County..... | 2,700 |
| Baumgardner Coal Mine, Centre County..... | 1,350 |
| Hamilton Mines, Clearfield County..... | 600 |
| Sky Haven Mine, Clearfield County | 5,600 |
| Stinky Run, Clearfield County..... | 6,000 |
| Avery Coal Mine, Clinton County | 2,000 |
| Isabella Mine, Fayette County | 25,000 |
| Weisner Hollow Slurry Dam, Jefferson County..... | 27,200 |
| Hull Creek, Lackawanna County..... | 1,000 |
| Roaring Brook, Lackawanna County | 11,000 |
| Sulfur Run, Luzerne County..... | 6,000 |
| Brown Creek, Luzerne County..... | 10,000 |
| Port Allegany Borough, McKean County | 25,000 |
| Glenside Area, Montgomery County..... | 5,000 |
| Flat Rock Dam, Philadelphia County | 19,600 |
| Auburn Dam, Schuylkill County | 64,300 |
| Tamaqua Dam, Schuylkill County..... | 700 |
| Louder Mine, Washington County..... | 3,220 |
| Banning #4 and Euclid Mine, Westmoreland County | 22,000 |
| Northmont and Greensburg City, Westmoreland County | 5,000 |
| Brush Creek, Westmoreland County | 5,000 |
| Reconstruction, Statewide | 30,000 |
| Mine Reclamation | |
| Timothy A. Keck Mine, Clarion County | \$ 1,100 |
| Brockway Clay Mine, Jefferson County | 1,480 |
| Twenty First Centuramics Mine, McKean County..... | 2,860 |

Capital Facilities Fund-Flood Control Projects

Dam Rehabilitation

| | | |
|---|-----------|-----------------------|
| Core Creek Dam, Bucks County | \$ | 3,300 |
| Thatcher Run and Rainbow Dams, Crawford County..... | | 1,850 |
| Kintz Creek Dam, Pike County | | 850 |
| Hamilton Dam, Tioga County..... | | 3,900 |
| PROGRAM TOTAL | \$ | <u>391,910</u> |

Executive Offices

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|---|---------------------|
| Program | |
| Executive Direction | \$ 14,000 |
| Source of Funds | |
| Bond Issuances | |
| Capital Facilities Fund-Public Improvement Projects | \$ 14,000 |
| Program: Executive Direction | |
| Capital Facilities Fund-Public Improvement Projects | |
| Commonwealth Technology Center, Dauphin County | |
| Replacement of building systems mechanical, electrical, and plumbing equipment..... | \$ 14,000 |
| PROGRAM TOTAL | \$ 14,000 |

Fish and Boat Commission

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|---|-------------------------|
| Program | |
| Recreational Fishing and Boating | \$ 199,400 |
| Source of Funds | |
| Bond Issuances | |
| Capital Facilities Fund-Public Improvement Projects | \$ 199,400 ^a |
| Program: Recreational Fishing and Boating | |
| Capital Facilities Fund-Public Improvement Projects | |
| Hatchery and Fish Collection Facility Upgrades | |
| Fisheries Area 6 Office, Bucks County | \$ 3,000 |
| Bellefonte State Fish Hatchery, Centre County | 5,000 |
| Benner Spring State Fish Hatchery, Centre County | 5,000 |
| Pleasant Gap State Fish Hatchery, Centre County | 7,500 |
| Tylersville State Fish Hatchery, Clinton County | 8,000 |
| Huntsdale State Fish Hatchery, Cumberland County | 34,000 |
| Lake Erie State Fish Hatchery, Erie County | 25,000 |
| Trout Run Steel Head Collection Facility, Erie County | 5,000 |
| Union City State Fish Hatchery, Erie County | 2,500 |
| Maintenance Area 1 / Fisheries Area 2 Office, Forest County | 3,000 |
| Tionesta State Fish Hatchery, Forest County | 5,000 |
| Oswayo City State Fish Hatchery, Potter County | 6,500 |
| Fisheries Area 5 Office, Wayne County | 3,000 |
| Pleasant Mount State Fish Hatchery, Wayne County | 9,500 |
| Bridge Repair, Replacement, and Removal | |
| Bellefonte State Fish Hatchery, Centre County | \$ 1,600 |
| Benner Spring State Fish Hatchery, Centre County | 3,400 |
| Spring Creek Canyon Trail, Centre County | 5,500 |
| Minsi Lake, Northampton County | 5,200 |
| Pleasant Mount State Fish Hatchery, Wayne County | 7,200 |
| Sandy Creek, Venango County | 1,500 |
| Dam Rehabilitation | |
| Kahle Lake, Clarion and Venango Counties | \$ 2,000 |
| Hemlock Lake, Indiana County | 2,000 |
| Cloe Lake, Jefferson County | 8,500 |
| Fords Lake, Lackawanna County | 2,000 |
| Harris Pond, Luzerne County | 2,000 |
| High Point Lake, Somerset County | 2,000 |
| Hunters Lake, Sullivan County | 1,500 |
| Miller Pond, Wayne County | 1,500 |
| White Oak Pond, Wayne County | 1,500 |
| Marina Use and Access Upgrades | |
| North East Marina, Erie County | \$ 18,000 |
| Walnut Creek Marina, Erie County | 12,000 |
| PROGRAM TOTAL | \$ 199,400 |

^a The commission may cover the cost of these project itemizations through available budgeted funding within the Fish and Boat Funds.

General Services

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|--|--------------------------|
| Program | |
| Facility, Property, and Commodity Management..... | \$ 595,000 |
| Source of Funds | |
| Bond Issuances | |
| Capital Facilities Fund-Public Improvement Projects | \$ 495,000 |
| Capital Facilities Fund-Fixtures, Furniture and Equipment Projects..... | 100,000 |
| TOTAL..... | <u>\$ 595,000</u> |
| Program: Facility, Property, and Commodity Management | |
| Capital Facilities Fund-Public Improvement Projects | |
| Construction of Pedestrian Bridges | |
| Pedestrian Bridges, Dauphin County..... | \$ 45,000 |
| Building, Infrastructure, and Site Improvements including Land Acquisition | |
| Warehouse and Fleet Garage, County to be determined | \$ 200,000 |
| Statewide Projects | |
| Renovations, alterations, construction, site improvements, infrastructure upgrades and land acquisition for Department of General Services owned buildings | \$ 200,000 |
| Solar panel and electric vehicle charging stations at Commonwealth facilities. Includes land acquisition, design, construction, site improvement, and utility work | 10,000 |
| Professional services for the development of agency facility strategic master plans and capital planning | 40,000 |
| Capital Facilities Fund-Fixtures, Furniture and Equipment Projects | |
| Statewide Projects | |
| Furniture, Fixtures and Equipment for space consolidation efforts | \$ 100,000 |
| PROGRAM TOTAL | <u>\$ 595,000</u> |

Health

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|--|---------------------|
| Program | |
| Health Support Services | \$ 30,500 |
| Source of Funds | |
| Bond Issuance | |
| Capital Facilities Fund-Public Improvement Projects | \$ 30,500 |
| Program: Health Support Services | |
| Capital Facilities Fund-Public Improvement Projects | |
| New Laboratory, Dauphin County | |
| Construction, site improvements, infrastructure upgrades, and land acquisition | \$ 30,500 |
| PROGRAM TOTAL | \$ 30,500 |

Historical and Museum Commission

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|---|--------------------------|
| Program | |
| State History..... | \$ 234,500 |
| Source of Funds | |
| Bond Issuances | |
| Capital Facilities Fund-Public Improvement Projects | \$ 189,500 |
| Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects..... | 45,000 |
| TOTAL..... | <u>\$ 234,500</u> |
| Program: State History | |
| Capital Facilities Fund-Public Improvement Projects | |
| Building, Infrastructure, and Site Improvements | |
| Fort Pitt, Allegheny County | \$ 1,000 |
| Conrad Weiser Homestead, Berks County | 5,000 |
| Daniel Boone Homestead, Berks County | 10,000 |
| Pennsbury Manor, Bucks County | 10,000 |
| Eckley Miners Village, Carbon County..... | 10,000 |
| Pennsylvania Military Museum, Centre County | 10,000 |
| State Museum of Pennsylvania, Dauphin County | 20,000 |
| State Archives, Dauphin County | 4,000 |
| Anthracite Heritage Museum, Lackawanna County..... | 10,000 |
| Landis Valley Village and Farm Museum, Lancaster County | 10,000 |
| Railroad Museum of Pennsylvania, Lancaster County | 10,000 |
| Cornwall Iron Furnace, Lebanon County | 5,000 |
| Hope Lodge, Montgomery County | 3,000 |
| Joseph Priestley House, Northumberland County..... | 1,000 |
| Pennsylvania Lumber Museum, Potter County | 5,000 |
| Somerset Historical Center, Somerset County | 3,000 |
| Drake Well Museum, Venango County..... | 10,000 |
| Bushy Run Battlefield, Westmoreland County..... | 7,000 |
| Exhibit Upgrades | |
| Old Economy Village, Beaver County..... | \$ 2,000 |
| Conrad Weiser Homestead, Berks County..... | 1,500 |
| State Museum of Pennsylvania, Dauphin County | 30,000 |
| Railroad Museum of Pennsylvania, Lancaster County | 2,000 |
| Cornwall Iron Furnace, Lebanon County | 2,000 |
| Somerset Historical Center, Somerset County | 1,000 |
| Bushy Run Battlefield, Westmoreland County..... | 2,000 |
| Statewide Historic Sites | |
| Renovations, alterations, and site upgrades for maintenance, code, and energy improvements..... | \$ 15,000 |
| Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects | |
| Furniture, Fixtures, and Equipment | |
| State Museum of Pennsylvania, Dauphin County | \$ 35,000 |
| State Archives, Dauphin County | 8,000 |
| Landis Valley Village and Farm Museum, Lancaster County | 2,000 |
| PROGRAM TOTAL | <u><u>\$ 234,500</u></u> |

Human Services

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|---|---------------------|
| Programs | |
| Mental Health and Substance Abuse Services..... | \$ 625,000 |
| Intellectual Disabilities/Autism..... | 105,000 |
| Human Services..... | 355,000 |
| TOTAL | \$ 1,085,000 |

Source of Funds

Bond Issuances

| | |
|--|---------------------|
| Capital Facilities Fund-Public Improvement Projects | \$ 1,050,000 |
| Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects..... | 35,000 |
| TOTAL | \$ 1,085,000 |

Program: Mental Health and Substance Abuse Services

Capital Facilities Fund-Public Improvement Projects

Building, Infrastructure, and Site Improvements including Land Acquisition

| | |
|--|-----------|
| Wernersville State Hospital, Berks County | \$ 50,000 |
| South Mountain Restoration Center, Franklin County | 50,000 |
| Clarks Summit State Hospital, Lackawanna County | 50,000 |
| Norristown State Hospital, Montgomery County | 300,000 |
| Danville State Hospital, Montour County | 50,000 |
| Warren State Hospital, Warren County..... | 50,000 |
| Torrance State Hospital, Westmoreland County | 50,000 |

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

| | |
|--|-------------------|
| Norristown State Hospital, Montgomery County | \$ 20,000 |
| Torrance State Hospital, Westmoreland County | 5,000 |
| PROGRAM TOTAL | \$ 625,000 |

Program: Intellectual Disabilities/Autism

Capital Facilities Fund-Public Improvement Projects

Building, Infrastructure, and Site Improvements including Land Acquisition

| | |
|--|-----------|
| Ebensburg Center, Cambria County..... | \$ 50,000 |
| Selinsgrove Center, Snyder County..... | 50,000 |

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

| | |
|--|-------------------|
| Selinsgrove Center, Snyder County..... | \$ 5,000 |
| PROGRAM TOTAL | \$ 105,000 |

Program: Human Services

Capital Facilities Fund-Public Improvement Projects

Building, Infrastructure, and Site Improvements including Land Acquisition

| | |
|---|-----------|
| Western Secure Treatment Unit, Butler County | \$ 50,000 |
| South Mountain Secure Treatment Unit, Franklin County | 50,000 |
| Youth Forestry Camp Trough Creek, Huntingdon County..... | 50,000 |
| North East Secure Treatment Unit, Luzerne County | 50,000 |

Capital Budget

| | |
|--|--------|
| South East Youth Development Center, Montgomery County | 50,000 |
| North Central Secure Treatment Unit, Montour County..... | 50,000 |
| Loysville Youth Development Center, Perry County..... | 50,000 |

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

| | | |
|---|-----------|-------------------------|
| South Mountain Secure Treatment Unit, Franklin County | \$ | 5,000 |
| PROGRAM TOTAL | \$ | <u>355,000</u> |
| PROGRAMS TOTAL | \$ | <u>1,085,000</u> |

Military and Veterans Affairs

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|---|---------------------|
| Programs | |
| State Military Readiness | \$ 1,515,000 |
| Veterans Homes | 149,400 |
| Compensation and Assistance | 21,000 |
| TOTAL | <u>\$ 1,685,400</u> |
| Source of Funds | |
| Bond Issuances ^a | |
| Capital Facilities Fund-Public Improvement Projects | \$ 1,610,400 |
| Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects..... | 75,000 |
| TOTAL | <u>\$ 1,685,400</u> |
| Program: State Military Readiness | |
| Capital Facilities Fund-Public Improvement Projects | |
| Building, Infrastructure, and Site Improvements | |
| Gettysburg Readiness Center, Adams County | \$ 20,000 |
| Combined Support Maintenance Shop, Allegheny County | 25,000 |
| Pittsburgh Crane Readiness Center, Allegheny County | 15,000 |
| Ford City Readiness Center, Armstrong County | 15,000 |
| Beaver Falls Readiness Center, Beaver County | 10,000 |
| Berks County Readiness Centers, Berks County | 10,000 |
| Hollidaysburg Readiness Center, Blair County..... | 27,000 |
| Bucks County Readiness Centers and Maintenance Facilities, Bucks County..... | 77,000 |
| Butler Readiness Center, Butler County | 25,000 |
| Cambria County Readiness Centers and Maintenance Facilities, Cambria County | 45,000 |
| Lehighton Readiness Center, Carbon County | 20,000 |
| Centre County Readiness Centers and Maintenance Facilities, Centre County | 32,000 |
| State College Army and Air Readiness Center, Centre County | 10,000 |
| Chester County Readiness Centers and Maintenance Facilities, Chester County | 40,000 |
| Clearfield Readiness Center, Clearfield County | 15,000 |
| Lock Haven Readiness Center, Clinton County | 19,000 |
| Crawford County Readiness Centers and Maintenance Facilities, Crawford County | 15,000 |
| Carlisle Readiness Center, Cumberland County | 15,000 |
| Cumberland County Readiness Centers and Maintenance Facilities, Cumberland County | 15,000 |
| Dauphin County Readiness Centers, Dauphin County..... | 60,000 |
| Erie Readiness Center, Erie County..... | 70,000 |
| Fayette County Readiness Centers, Fayette County | 20,000 |
| Chambersburg Readiness Center, Franklin County | 5,000 |
| Indiana Readiness Center, Indiana County | 12,000 |
| Carbondale Readiness Center, Lackawanna County..... | 15,000 |
| Lackawanna County Readiness Center/Field Maintenance Shop, Lackawanna County..... | 15,000 |
| Scranton Maintenance Shop, Lackawanna County..... | 10,000 |
| Elizabethtown Readiness Center, Lancaster County | 22,000 |
| New Castle Readiness Center, Lawrence County..... | 65,000 |
| Fort Indiantown Gap, Lebanon County | 140,000 |
| Allentown Readiness Center, Lehigh County | 70,000 |
| Luzerne County Readiness Centers, Luzerne County | 75,000 |
| Williamsport Readiness Center, Lycoming County..... | 15,000 |
| Mercer County Readiness Centers and Maintenance Facilities, Mercer County | 45,000 |
| Montgomery County Readiness Centers and Maintenance Facilities, Montgomery County | 75,000 |
| Danville Field Maintenance Building, Montour County | 5,000 |

| | |
|---|--------|
| Montour County Readiness Centers and Maintenance Facilities, Montour County | 10,000 |
| Easton Readiness Center, Northampton County | 20,000 |
| Philadelphia County Readiness Centers, Philadelphia County | 30,000 |
| Schuylkill Readiness Center, Schuylkill County | 20,000 |
| Friedens Readiness Center, Somerset County | 10,000 |
| Washington County Readiness Centers, Washington County | 17,000 |
| Honesdale Readiness Center, Wayne County | 5,000 |
| Westmoreland County Readiness Centers, Westmoreland County | 55,000 |
| York County Readiness Centers, York County | 10,000 |

Acquisition of Land or Facilities for New Readiness Centers

| | |
|---|----------|
| Bedford Readiness Center, Bedford County | \$ 5,000 |
| Cambria Readiness Center, Cambria County | 5,000 |
| Lehigh County Readiness Center, Lehigh County | 20,000 |
| Luzerne County Readiness Center, Luzerne County | 15,000 |
| Central Pennsylvania Readiness Center, County to be determined | 10,000 |
| Northeastern Pennsylvania Readiness Center, County to be determined | 2,000 |
| Southeastern Pennsylvania Readiness Center, County to be determined | 30,000 |

Fort Indiantown Gap, Lebanon County

| | |
|--|----------|
| Acquisition of Properties for Training and Installation Activities | \$ 8,000 |
| Purchase in-holdings for Joint Land Use Agreements/Army Compatible Use Buffers | 8,000 |

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

| | |
|--|----------|
| Gettysburg Readiness Center, Adams County | \$ 1,000 |
| Combined Support Maintenance Shop, Allegheny County | 1,000 |
| Pittsburgh Crane Readiness Center, Allegheny County | 1,000 |
| Ford City Readiness Center, Armstrong County | 1,000 |
| Beaver Falls Readiness Center, Beaver County | 1,000 |
| Berks County Readiness Centers, Berks County | 1,000 |
| Holidaysburg Readiness Center, Blair County | 1,000 |
| Bucks County Readiness Centers and Maintenance Facilities, Bucks County | 7,000 |
| Butler Readiness Center, Butler County | 1,000 |
| Cambria County Readiness Centers and Maintenance Facilities, Cambria County | 2,000 |
| Lehighton Readiness Center, Carbon County | 1,000 |
| Centre County Readiness Centers and Maintenance Facilities, Centre County | 2,000 |
| State College Army and Air Readiness Center, Centre County | 1,000 |
| Chester County Readiness Centers and Maintenance Facilities, Chester County | 4,000 |
| Clearfield Readiness Center, Clearfield County | 1,000 |
| Lock Haven Readiness Center, Clinton County | 1,000 |
| Crawford Readiness Center, Crawford County | 1,000 |
| Carlisle Readiness Center, Cumberland County | 1,000 |
| Cumberland Readiness Center and Maintenance Facilities, Cumberland County | 1,000 |
| Dauphin County Readiness Centers, Dauphin County | 1,000 |
| Erie Readiness Center, Erie County | 1,000 |
| Fayette County Readiness Centers, Fayette County | 2,000 |
| Chambersburg Readiness Center, Franklin County | 1,000 |
| Indiana Readiness Center, Indiana County | 1,000 |
| Carbondale Readiness Center, Lackawanna County | 1,000 |
| Lackawanna County Readiness Center/Field Maintenance Shop, Lackawanna County | 1,000 |
| Scranton Maintenance Shop, Lackawanna County | 1,000 |
| Elizabethtown Readiness Center, Lancaster County | 1,000 |
| New Castle Readiness Center, Lawrence County | 1,000 |
| Fort Indiantown Gap, Lebanon County | 3,000 |
| Allentown Readiness Center, Lehigh County | 1,000 |

Capital Budget

| | |
|---|---------------------|
| Luzerne County Readiness Centers, Luzerne County | 2,000 |
| Williamsport Readiness Center, Lycoming County..... | 1,000 |
| Mercer County Readiness Centers and Maintenance Facilities, Mercer County | 2,000 |
| Montgomery County Readiness Centers and Maintenance Facilities, Montgomery County | 6,000 |
| Danville Field Maintenance Building, Montour County | 1,000 |
| Montour Readiness Center and Maintenance Facilities, Montour County | 1,000 |
| Easton Readiness Center, Northampton County..... | 1,000 |
| Philadelphia County Readiness Centers, Philadelphia County | 1,000 |
| Schuylkill Readiness Center, Schuylkill County..... | 1,000 |
| Friedens Readiness Center, Somerset County | 1,000 |
| Washington Readiness Center, Washington County..... | 1,000 |
| Honesdale Readiness Center, Wayne County | 1,000 |
| Westmoreland County Readiness Centers, Westmoreland County..... | 1,000 |
| York County Readiness Centers, York County..... | 1,000 |
| PROGRAM TOTAL | \$ 1,515,000 |

Program: Veterans Homes

Capital Facilities Fund-Public Improvement Projects

Southeastern Veterans Center, Spring City, Chester County

| | |
|-----------------------------------|-----------|
| New Community Living Center | \$ 14,400 |
|-----------------------------------|-----------|

Veterans Homes, Statewide

| | |
|---|------------|
| Building, Infrastructure, and Site Improvements including Feasibility Studies | \$ 126,000 |
|---|------------|

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

| | |
|---|----------|
| Southeastern Veterans Center, Spring City, Chester County | \$ 1,000 |
|---|----------|

| | |
|---------------------------------|-------|
| Veterans Homes, Statewide | 8,000 |
|---------------------------------|-------|

| | |
|----------------------------|-------------------|
| PROGRAM TOTAL | \$ 149,400 |
|----------------------------|-------------------|

Program: Compensation and Assistance

Capital Facilities Fund-Public Improvement Projects

Veterans Outreach Centers, Statewide

| | |
|---|-----------|
| Provide services in areas that have demonstrated the greatest need..... | \$ 21,000 |
|---|-----------|

| | |
|-----------------------------|---------------------|
| PROGRAMS TOTAL | \$ 1,685,400 |
|-----------------------------|---------------------|

^a Project costs reflect estimated state bond funds only. Federal funds will augment as agreed to through a federal letter of commitment.

State Police

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|---|--------------------------|
| Program | |
| Public Protection and Law Enforcement..... | \$ 803,500 |
| Source of Funds | |
| Bond Issuances | |
| Capital Facilities Fund-Public Improvement Projects | \$ 703,500 |
| Capital Facilities Fund-Fixtures, Furniture and Equipment Projects..... | 100,000 |
| TOTAL..... | <u>\$ 803,500</u> |
| Program: Public Protection and Law Enforcement | |
| Capital Facilities Fund-Public Improvement Projects | |
| Building, Infrastructure, and Site Improvements including Land Acquisition | |
| State Police Academy, Dauphin County | \$ 163,000 |
| Regional Forensic Laboratory, County to be determined | 90,500 |
| Statewide Projects | 450,000 |
| Capital Facilities Fund-Furniture, Fixtures and Equipment Projects | |
| Furniture, Fixtures and Equipment | |
| Statewide Projects | \$ 100,000 |
| PROGRAM TOTAL | <u>\$ 803,500</u> |

Transportation

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

| | Project Cost |
|--|----------------------------------|
| Programs | |
| Transportation Support Services | \$ 3,000 |
| Highways and Bridges | 8,654,294 |
| Multimodal Transportation | 2,748,900 |
| Driver and Vehicle Services | 205,900 |
| TOTAL | <u>\$ 11,612,094</u> |
| Source of Funds | |
| Bond Issuances | |
| Capital Facilities Fund-Public Improvement Projects | \$ 5,192,821 ^a |
| Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects | 600 |
| Capital Facilities Fund-Transportation Assistance Projects | <u>1,686,000</u> |
| Subtotal General Obligation Bond Issues | <u>\$ 6,879,421</u> |
| Current Revenues | |
| Motor License Fund | <u>\$ 4,732,673 ^b</u> |
| TOTAL | <u>\$ 11,612,094</u> |
| Program: Transportation Support Services | |
| Capital Facilities Fund-Public Improvement Projects | |
| Building, Infrastructure, and Site Improvements | |
| Keystone Building, Dauphin County | \$ 3,000 |
| Program: Highways and Bridges | |
| Capital Facilities Fund-Public Improvement Projects | |
| Building, Infrastructure, and Site Improvements including Land Acquisition | |
| Projects include district offices, maintenance facility offices, stockpile facilities, winter material storage buildings, general storage buildings, weigh stations, welcome centers, and roadside rests, as well as a fleet management maintenance facility, a regional traffic management center, a materials testing laboratory, a sign shop, and a parking garage. | |
| Adams County..... | \$ 25,480 |
| Allegheny County | 183,675 |
| Armstrong County | 48,050 |
| Beaver County | 17,450 |
| Bedford County | 18,875 |
| Berks County..... | 94,275 |
| Blair County..... | 79,835 |
| Bradford County | 70,425 |
| Bucks County | 102,157 |
| Butler County | 29,605 |
| Cambria County | 25,425 |
| Cameron County | 33,825 |
| Carbon County | 90,500 |
| Centre County | 13,800 |
| Chester County | 56,500 |
| Clarion County | 31,238 |
| Clearfield County..... | 62,700 |
| Clinton County..... | 44,500 |
| Columbia County..... | 25,500 |
| Crawford County | 21,675 |

| | |
|-----------------------------|---------|
| Cumberland County | 39,000 |
| Dauphin County | 145,900 |
| Delaware County..... | 78,450 |
| Elk County..... | 48,500 |
| Erie County | 75,638 |
| Fayette County..... | 70,000 |
| Forest County..... | 17,500 |
| Franklin County | 44,685 |
| Fulton County..... | 56,025 |
| Greene County..... | 77,300 |
| Huntingdon County | 21,770 |
| Indiana County | 60,203 |
| Jefferson County | 40,850 |
| Juniata County | 38,250 |
| Lackawanna County..... | 67,785 |
| Lancaster County | 46,680 |
| Lawrence County | 38,275 |
| Lebanon County..... | 38,075 |
| Lehigh County | 74,475 |
| Luzerne County..... | 44,780 |
| Lycoming County | 66,625 |
| McKean County..... | 35,625 |
| Mercer County..... | 50,725 |
| Mifflin County | 48,325 |
| Monroe County..... | 63,050 |
| Montgomery County..... | 172,860 |
| Montour County..... | 25,800 |
| Northampton County..... | 47,925 |
| Northumberland County | 33,425 |
| Perry County | 77,000 |
| Philadelphia County | 37,000 |
| Pike County..... | 71,650 |
| Potter County | 14,900 |
| Schuylkill County..... | 43,350 |
| Snyder County | 58,500 |
| Somerset County | 26,500 |
| Sullivan County | 36,000 |
| Susquehanna County | 65,830 |
| Tioga County..... | 49,325 |
| Union County | 54,000 |
| Venango County | 60,830 |
| Warren County..... | 34,425 |
| Washington County..... | 46,750 |
| Wayne County..... | 21,600 |
| Westmoreland County | 17,500 |
| Wyoming County..... | 34,040 |
| York County | 67,830 |
| Statewide | 360,000 |

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

| | | |
|------------------------|----|-----|
| Lackawanna County..... | \$ | 600 |
|------------------------|----|-----|

Current Revenues

Motor License Fund

Highway and Bridge Construction and Reconstruction

| | | |
|----------------------------|----|---------|
| Adams County..... | \$ | 14,246 |
| Allegheny County..... | | 817,687 |
| Beaver County..... | | 15,952 |
| Bedford County..... | | 14,855 |
| Berks County..... | | 66,149 |
| Blair County..... | | 96,741 |
| Bradford County..... | | 79,814 |
| Bucks County..... | | 9,500 |
| Butler County..... | | 32,474 |
| Cambria County..... | | 14,469 |
| Cameron County..... | | 3,607 |
| Carbon County..... | | 30,006 |
| Centre County..... | | 1,953 |
| Chester County..... | | 17,894 |
| Clarion County..... | | 4,682 |
| Clearfield County..... | | 13,379 |
| Clinton County..... | | 26,352 |
| Columbia County..... | | 26,777 |
| Crawford County..... | | 2,881 |
| Cumberland County..... | | 23,023 |
| Dauphin County..... | | 22,896 |
| Delaware County..... | | 233,240 |
| Elk County..... | | 6,728 |
| Erie County..... | | 16,425 |
| Fayette County..... | | 49,592 |
| Forest County..... | | 9,572 |
| Franklin County..... | | 14,873 |
| Fulton County..... | | 7,100 |
| Greene County..... | | 6,500 |
| Indiana County..... | | 6,860 |
| Jefferson County..... | | 2,240 |
| Juniata County..... | | 6,305 |
| Lackawanna County..... | | 3,069 |
| Lancaster County..... | | 143,539 |
| Lawrence County..... | | 27,531 |
| Lebanon County..... | | 22,119 |
| Lehigh County..... | | 241,224 |
| Luzerne County..... | | 411,506 |
| Lycoming County..... | | 65,099 |
| McKean County..... | | 23,367 |
| Mercer County..... | | 90,993 |
| Mifflin County..... | | 3,650 |
| Monroe County..... | | 671,661 |
| Montgomery County..... | | 140,927 |
| Montour County..... | | 11,115 |
| Northampton County..... | | 95,350 |
| Northumberland County..... | | 33,148 |
| Perry County..... | | 3,856 |
| Philadelphia County..... | | 202,200 |
| Potter County..... | | 15,331 |
| Schuylkill County..... | | 35,029 |
| Snyder County..... | | 8,599 |

| | |
|----------------------------|---------------------|
| Somerset County | 298,539 |
| Sullivan County | 2,685 |
| Tioga County | 76,001 |
| Union County | 31,535 |
| Venango County | 28,050 |
| Warren County | 8,096 |
| Washington County | 66,848 |
| Wayne County | 3,106 |
| Westmoreland County | 60,879 |
| York County | 212,849 |
| PROGRAM TOTAL | \$ 8,654,294 |

Program: Multimodal Transportation

Capital Facilities Fund-Public Improvement Projects

| | |
|---|--------------|
| Philadelphia Regional Port Authority, Philadelphia County | \$ 1,062,900 |
|---|--------------|

Capital Facilities Fund-Transportation Assistance Projects

| | |
|--|---------------------|
| Pittsburgh Regional Transit, Allegheny County | \$ 436,000 |
| Southeastern Pennsylvania Transportation Authority, Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties | 1,250,000 |
| PROGRAM TOTAL | \$ 2,748,900 |

Program: Driver and Vehicle Services

Capital Facilities Fund-Public Improvement Projects

Driver Licensing Center Infrastructure and Site Improvements

| | |
|----------------------------|-------------------|
| Allegheny County | \$ 13,400 |
| Cambria County | 13,750 |
| Centre County | 13,750 |
| Crawford County | 13,750 |
| Fayette County | 13,750 |
| Green County | 13,750 |
| Lawrence County | 13,750 |
| Lebanon County | 13,750 |
| Mercer County | 13,750 |
| Mifflin County | 13,750 |
| Schuylkill County | 13,750 |
| Snyder County | 13,750 |
| Somerset County | 13,750 |
| Venango County | 13,750 |
| Warren County | 13,750 |
| PROGRAM TOTAL | \$ 205,900 |

| | |
|-----------------------------|----------------------|
| PROGRAMS TOTAL | \$ 11,612,094 |
|-----------------------------|----------------------|

^a The department may cover the cost of these project itemizations through available budgeted funding within the Motor License Fund.

^b Motor License Fund includes various dedicated unrestricted, restricted, and augmentation revenues, as well as federal funds.



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 Pennsylvania 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.
- 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.
- In accordance with the [Commonwealth's Debt Policy](#):
 - Debt service paid by the General Fund should be maintained at or below 5 percent of annual revenues.
 - General obligation debt and lease rental debt per capita should be maintained at or below \$1,750 per person.
 - General obligation debt and lease rental debt as a percentage of personal income should be maintained at or below 2 percent.

Five-Year General Obligation Rating History

| | Fitch | Moody's | S&P |
|-------------------------|-------|---------|-----|
| September-2020 | AA- | Aa3 | A+ |
| April-2022 | AA- | Aa3 | A+ |
| September/November-2023 | AA | Aa3 | A+ |
| October 2024 | AA | Aa2 | A+ |

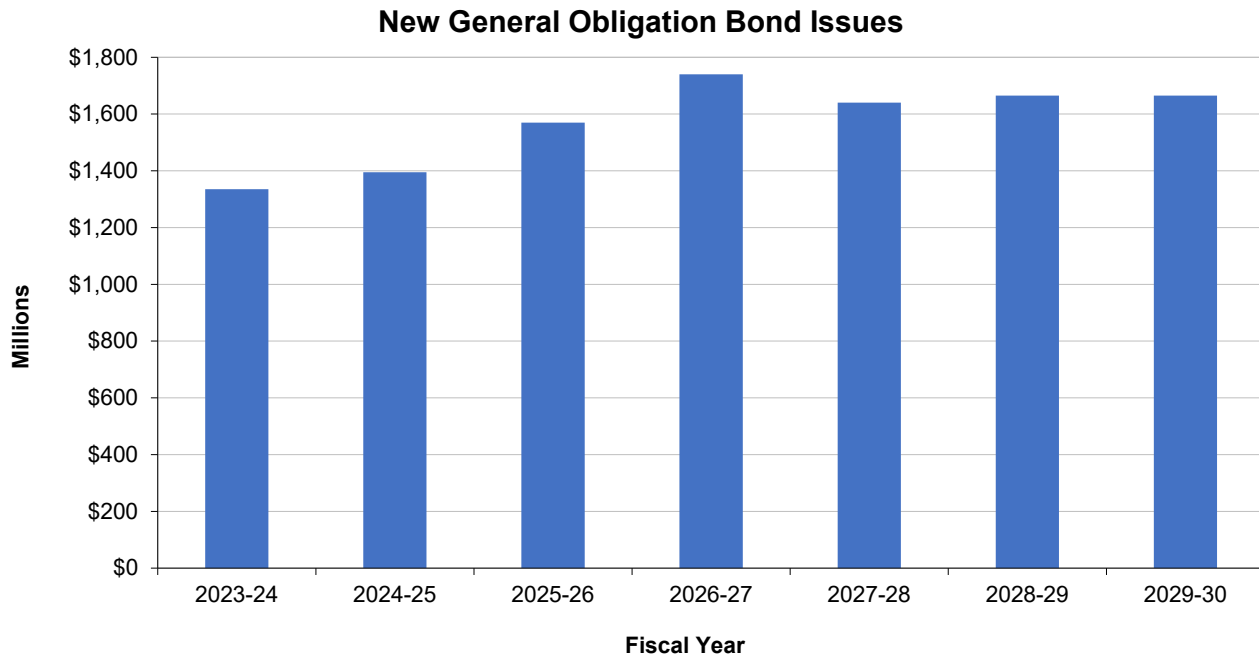
Debt Authorized, Issued, and Outstanding

The following statement reflects the debt of the Commonwealth as of December 31, 2024. The table below does not include bond categories that have zero remaining authorization and that have all such category bonds retired. The constitution permits capital budget debt to be issued without voter approval but subject to a debt limit. Except for debt issued for disaster recovery purposes, all other debt requires voter approval.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|-------------------------------|----------------------|
| | Total Debt Authorized | Total Original Debt Issued | Debt Outstanding |
| Debt Subject to Constitutional Limit | | | |
| Capital Budget | \$ 173,619,920 | \$ 32,135,955 | \$ 7,848,544 |
| Capital Budget Refunding Bonds Outstanding | - | - | 2,982,650 |
| Less: Capital Debt Fund Balance | - | - | (43) |
| SUBTOTAL | \$ 173,619,920 | \$ 32,135,955 | \$ 10,831,151 |
| 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- 1992 Referendum | 350,000 | 334,000 | - |
| PENNVEST- 2008 Referendum | 400,000 | 400,000 | 29,845 |
| Local Criminal Justice..... | 200,000 | 197,000 | - |
| Nursing Home Loans | 100,000 | 69,000 | - |
| Water Supply and Wastewater Infrastructure | 250,000 | 250,000 | 6,235 |
| Growing Greener | 625,000 | 625,000 | 75,362 |
| Persian Gulf Conflict Veterans' Compensation..... | 20,000 | 7,000 | - |
| Refunding Bonds Outstanding | - | - | 453,850 |
| Less: Non-Capital Sinking Fund Balances | - | - | (45,982) |
| SUBTOTAL | \$ 3,402,708 | \$ 3,155,000 | \$ 519,310 |
| TOTAL | \$ 177,022,628 | \$ 35,290,955 | \$ 11,350,461 |

General Obligation Bond Issues 2023-24 through 2029-30

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)

| | 2023-24 Actual | 2024-25 Estimated | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|---------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| General Obligation Bond Issues | | | | | | | |
| Capital Budget | | | | | | | |
| Buildings and Structures..... | \$ 600,000 | \$ 900,000 | \$ 1,100,000 | \$ 1,200,000 | \$ 1,100,000 | \$ 1,100,000 | \$ 1,100,000 |
| Furniture, Fixtures, and Equipment..... | 10,000 | 20,000 | 20,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| Redevelopment Assistance ... ^a | 375,000 | 300,000 | 350,000 | 350,000 | 350,000 | 375,000 | 375,000 |
| Transportation Assistance | 350,000 | 175,000 | 100,000 | 175,000 | 175,000 | 175,000 | 175,000 |
| Flood Control | - | - | - | - | - | - | - |
| SUBTOTAL ^b | \$ 1,335,000 | \$ 1,395,000 | \$ 1,570,000 | \$ 1,740,000 | \$ 1,640,000 | \$ 1,665,000 | \$ 1,665,000 |
| Voter Approved and Disaster | | | | | | | |
| PENNVEST - 1992 & 2008 Referendum..... | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Water and Wastewater Referendum | - | - | - | - | - | - | - |
| Growing Greener Referendum | - | - | - | - | - | - | - |
| SUBTOTAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| TOTAL ^b | \$ 1,335,000 | \$ 1,395,000 | \$ 1,570,000 | \$ 1,740,000 | \$ 1,640,000 | \$ 1,665,000 | \$ 1,665,000 |

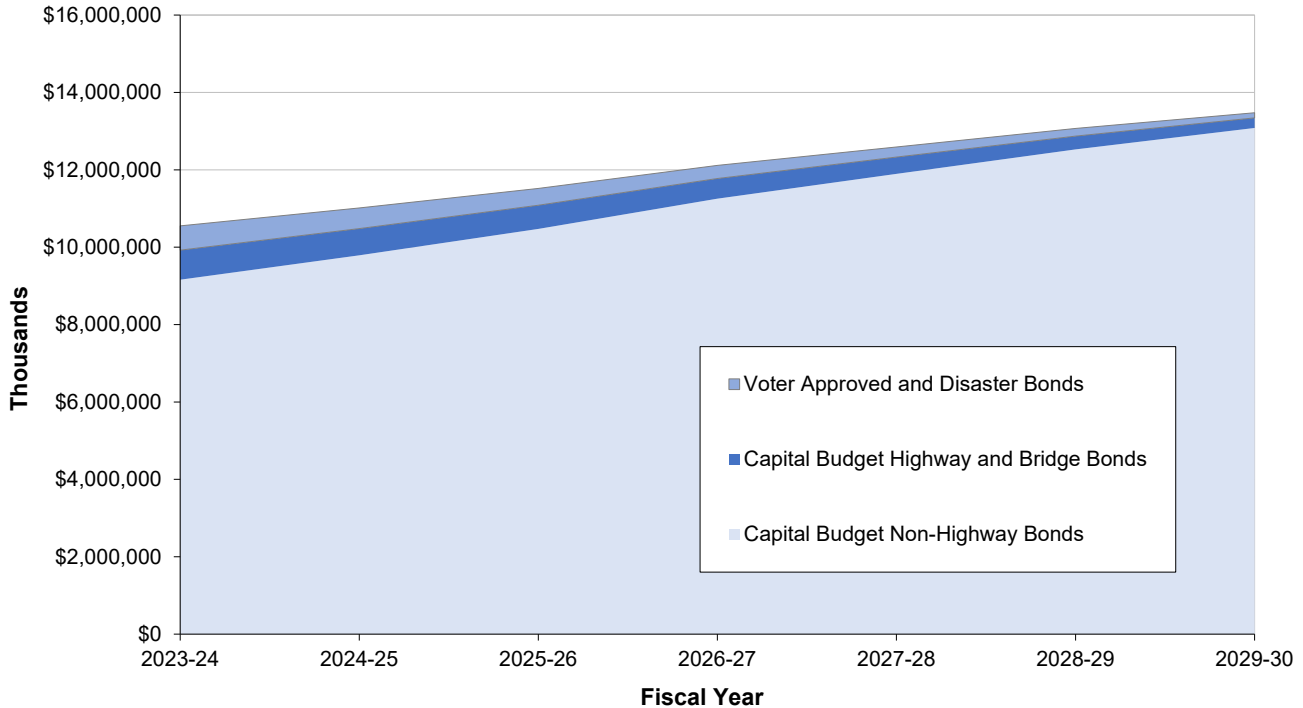
^a Projected issuance amounts presume an increase in the RACP debt ceiling limit by 2027-28.

^b Fiscal year 2024-25 includes \$1.395 billion issuance from October 2024.

General Obligation Debt Outstanding 2023-24 through 2029-30

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)].

**Projected Total Debt Outstanding
Fiscal Year End**



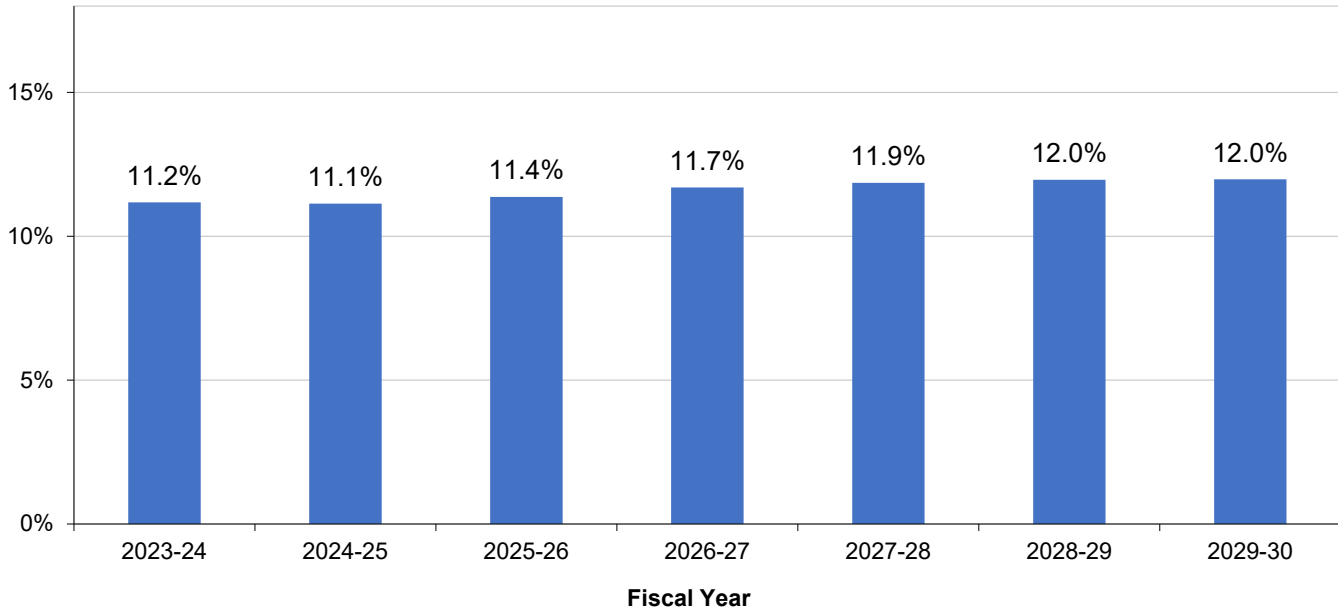
(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Estimated | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Fiscal Year End Debt Outstanding | | | | | | | |
| Capital Budget Non-Highway Bonds..... | \$ 9,160,414 | \$ 9,792,384 | \$ 10,473,550 | \$ 11,252,979 | \$ 11,895,168 | \$ 12,527,086 | \$ 13,083,015 |
| Capital Budget Highway and Bridge Bonds | 763,507 | 688,590 | 610,223 | 524,265 | 433,824 | 346,143 | 260,610 |
| Voter Approved and Disaster Bonds..... | 627,694 | 533,617 | 433,918 | 338,007 | 259,173 | 195,231 | 131,450 |
| TOTAL..... | \$ 10,551,615 | \$ 11,014,591 | \$ 11,517,691 | \$ 12,115,251 | \$ 12,588,165 | \$ 13,068,460 | \$ 13,475,075 |

Constitutional Debt Limit 2023-24 through 2029-30

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.

Capital Budget Debt as a Percent of the Debt Limit



(Dollar Amounts in Thousands)

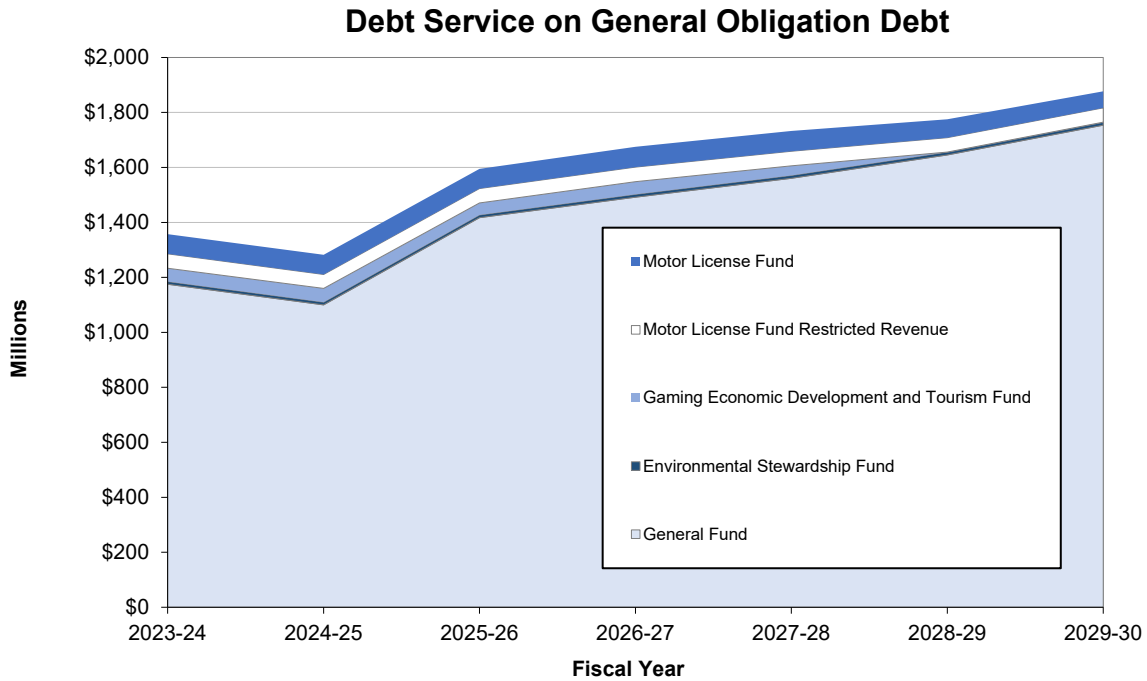
| | 2023-24 Actual | 2024-25 Estimated | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|----------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Debt Limit Projection | | | | | | | |
| Outstanding Debt Beginning of Fiscal Year..... ^a | \$ 9,510,380 | \$ 9,915,767 | \$ 10,472,819 | \$ 11,075,618 | \$ 11,769,089 | \$ 12,320,837 | \$ 12,865,074 |
| Debt to be Issued..... ^b | 2,025,970 | 1,619,035 | 1,570,000 | 1,740,000 | 1,640,000 | 1,665,000 | 1,665,000 |
| Debt to be Retired... | (1,620,583) | (1,061,983) | (967,201) | (1,046,529) | (1,088,252) | (1,120,763) | (1,194,604) |
| Outstanding Debt End of Fiscal Year ... ^a | <u>\$ 9,915,767</u> | <u>\$ 10,472,819</u> | <u>\$ 11,075,618</u> | <u>\$ 11,769,089</u> | <u>\$ 12,320,837</u> | <u>\$ 12,865,074</u> | <u>\$ 13,335,470</u> |
| Capital Budget Debt as a percent of Debt Limit..... | 11.2% | 11.1% | 11.4% | 11.7% | 11.9% | 12.0% | 12.0% |
| Calculation of Debt Limit: | | | | | | | |
| Average Tax Revenues | | | | | | | |
| Previous Five Years | <u>\$ 50,697,047</u> | <u>\$ 53,749,170</u> | <u>\$ 55,675,651</u> | <u>\$ 57,497,193</u> | <u>\$ 59,380,295</u> | <u>\$ 61,450,253</u> | <u>\$ 63,613,980</u> |
| Debt Limit (1.75 times revenues) | <u>\$ 88,719,833</u> | <u>\$ 94,061,048</u> | <u>\$ 97,432,389</u> | <u>\$ 100,620,088</u> | <u>\$ 103,915,516</u> | <u>\$ 107,537,942</u> | <u>\$ 111,324,465</u> |

^a Actual year amount is net of June 30 Capital Debt Fund balance.

^b Fiscal year 2024-25 includes \$237.1 million refunding of bonds already issued.

Debt Service on General Obligation Debt 2023-24 through 2029-30

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)

| | 2023-24 Actual | 2024-25 Estimated | 2025-26 Budget | 2026-27 Estimated | 2027-28 Estimated | 2028-29 Estimated | 2029-30 Estimated |
|---|---------------------------------|---------------------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund | | | | | | | |
| Capital Budget Non-Highway | \$ 1,169,619 | \$ 1,096,829 | \$ 1,413,822 | \$ 1,488,435 | \$ 1,557,057 | \$ 1,642,142 | \$ 1,750,582 |
| Voter Approved and Disaster | 5,381 | 3,171 | 3,178 | 3,175 | 3,179 | 3,177 | 3,190 |
| SUBTOTAL | \$ 1,175,000^a | \$ 1,100,000^b | \$ 1,417,000 | \$ 1,491,610 | \$ 1,560,236 | \$ 1,645,319 | \$ 1,753,772 |
| Environmental Stewardship Fund | | | | | | | |
| Growing Greener II | \$ 10,217 | \$ 9,938 | \$ 10,001 | \$ 10,637 | \$ 10,684 | \$ 10,738 | \$ 10,791 |
| Gaming Economic Development and Tourism Fund | | | | | | | |
| Pennsylvania Convention Center | \$ 48,000 | \$ 50,000 | \$ 44,000 | \$ 46,000 | \$ 35,087 | \$ - | \$ - |
| Motor License Fund^c | | | | | | | |
| Capital Budget - Highways | \$ 35,872 | \$ 35,920 | \$ 35,942 | \$ 37,706 | \$ 37,832 | \$ 37,942 | \$ 38,026 |
| Capital Budget | 16,477 | 14,813 | 16,089 | 15,165 | 15,014 | 14,521 | 14,159 |
| SUBTOTAL | \$ 52,349 | \$ 50,733 | \$ 52,031 | \$ 52,871 | \$ 52,846 | \$ 52,463 | \$ 52,185 |
| Motor License Fund Restricted Revenue | | | | | | | |
| Capital Budget - Bridge | \$ 71,903 | \$ 71,468 | \$ 71,736 | \$ 73,882 | \$ 74,121 | \$ 66,537 | \$ 60,180 |
| TOTAL | \$ 1,357,469 | \$ 1,282,139 | \$ 1,594,768 | \$ 1,675,000 | \$ 1,732,974 | \$ 1,775,057 | \$ 1,876,928 |

^a Fiscal year 2023-24 reflects \$26 million in refunding and other savings.

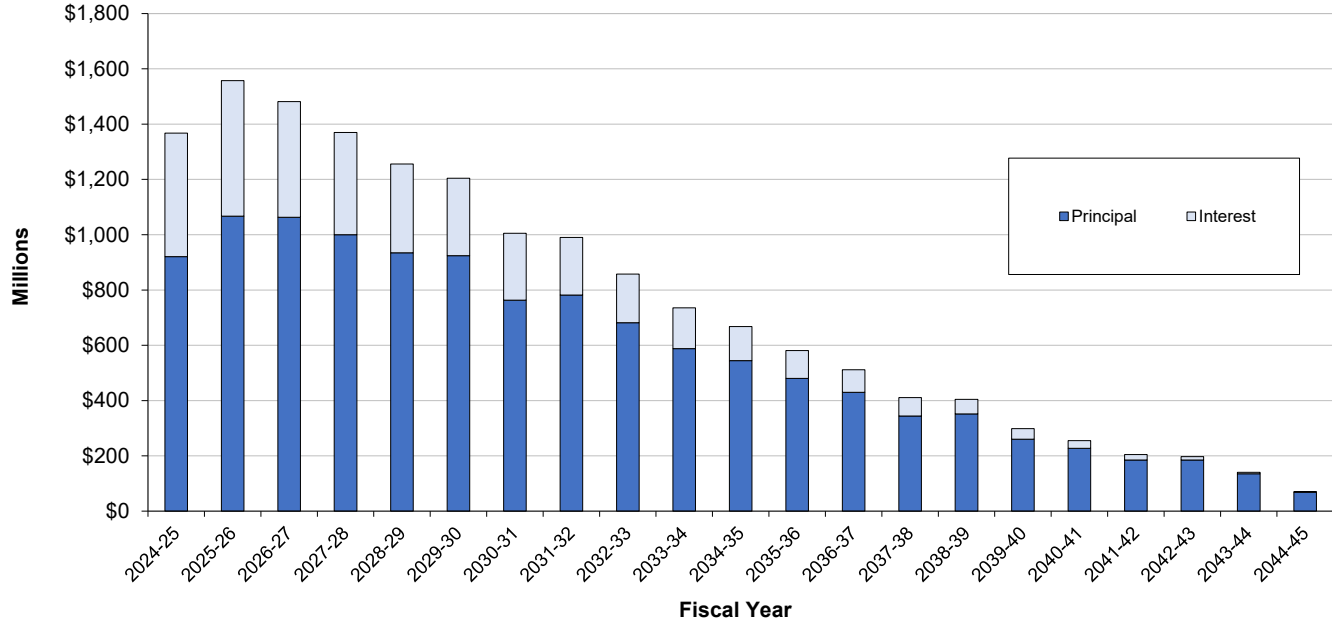
^b Fiscal year 2024-25 reflects \$37 million in refunding and other savings.

^c 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, 2024

Fiscal year principal and interest payments on general obligation bonds issued as of the end of calendar year 2024 are shown in the table below. Debt service on projected bond issues is excluded from this data.

**Principal and Interest on Outstanding Bonds
Issued as of December 31, 2024**



(Dollar Amounts in Thousands)

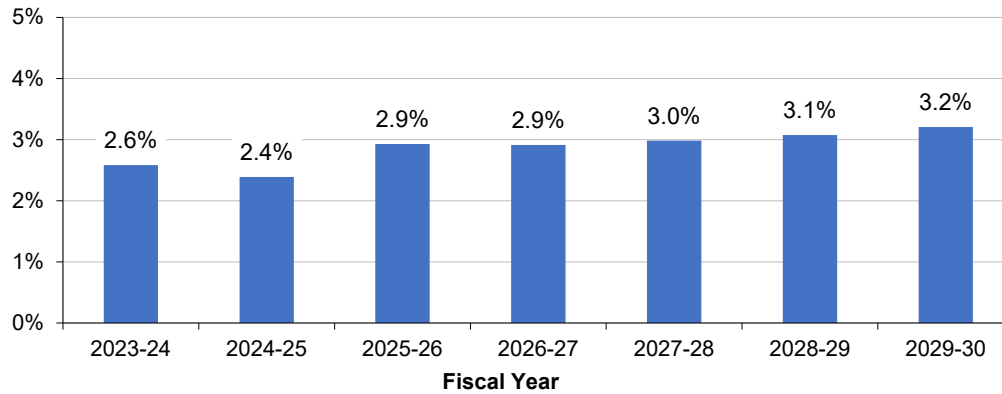
| Fiscal Year | Capital Budget (Non-highway) | | | Capital Budget (Highway) | | | Voter Approved and Disaster | | | Grand Total |
|-------------|------------------------------|------------|--------------|--------------------------|-----------|------------|-----------------------------|-----------|------------|--------------|
| | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total | |
| 2024-25 | \$ 752,855 | \$ 387,717 | \$ 1,140,572 | \$ 74,553 | \$ 32,834 | \$ 107,386 | \$ 93,473 | \$ 26,386 | \$ 119,858 | \$ 1,367,817 |
| 2025-26 | 888,834 | 438,967 | 1,327,801 | 78,367 | 29,309 | 107,676 | 99,699 | 21,925 | 121,624 | 1,557,101 |
| 2026-27 | 881,071 | 376,036 | 1,257,107 | 85,958 | 25,629 | 111,587 | 95,911 | 17,026 | 112,937 | 1,481,631 |
| 2027-28 | 830,561 | 335,237 | 1,165,798 | 90,441 | 21,511 | 111,951 | 78,834 | 12,981 | 91,814 | 1,369,563 |
| 2028-29 | 783,082 | 294,793 | 1,077,875 | 87,681 | 16,797 | 104,478 | 63,942 | 9,496 | 73,438 | 1,255,792 |
| 2029-30 | 775,071 | 260,063 | 1,035,134 | 85,533 | 12,672 | 98,205 | 63,781 | 6,931 | 70,712 | 1,204,050 |
| 2030-31 | 673,780 | 227,528 | 901,308 | 53,090 | 9,475 | 62,565 | 36,485 | 4,567 | 41,052 | 1,004,925 |
| 2031-32 | 694,411 | 197,820 | 892,231 | 50,763 | 7,458 | 58,221 | 36,651 | 3,114 | 39,765 | 990,216 |
| 2032-33 | 617,480 | 168,330 | 785,810 | 43,443 | 5,503 | 48,945 | 20,638 | 1,977 | 22,614 | 857,370 |
| 2033-34 | 541,589 | 142,420 | 684,009 | 37,222 | 3,814 | 41,036 | 8,889 | 1,320 | 10,209 | 735,254 |
| 2034-35 | 500,469 | 119,785 | 620,254 | 37,109 | 2,322 | 39,431 | 7,053 | 964 | 8,017 | 667,701 |
| 2035-36 | 433,681 | 98,859 | 532,540 | 38,984 | 1,079 | 40,063 | 7,410 | 694 | 8,104 | 580,707 |
| 2036-37 | 424,750 | 81,490 | 506,240 | - | - | - | 4,955 | 469 | 5,424 | 511,665 |
| 2037-38 | 339,525 | 66,198 | 405,723 | - | - | - | 4,485 | 301 | 4,786 | 410,509 |
| 2038-39 | 348,550 | 52,049 | 400,599 | - | - | - | 3,415 | 135 | 3,550 | 404,149 |
| 2039-40 | 258,775 | 38,145 | 296,920 | - | - | - | 1,470 | 31 | 1,501 | 298,422 |
| 2040-41 | 227,005 | 28,303 | 255,308 | - | - | - | - | - | - | 255,308 |
| 2041-42 | 185,000 | 19,781 | 204,781 | - | - | - | - | - | - | 204,781 |
| 2042-43 | 185,000 | 12,100 | 197,100 | - | - | - | - | - | - | 197,100 |
| 2043-44 | 135,000 | 5,450 | 140,450 | - | - | - | - | - | - | 140,450 |
| 2044-45 | 68,750 | 1,375 | 70,125 | - | - | - | - | - | - | 70,125 |

Trends in Debt Service and Debt Ratios 2023-24 through 2029-30

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.

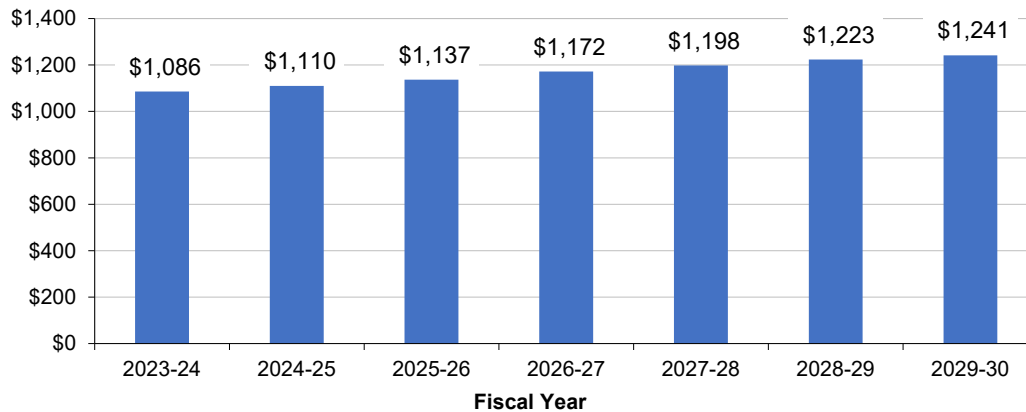
General Fund debt service as a percent of revenues remains below Standard & Poor's criteria of 5 percent for issuers considered to have a "low debt burden."

General Fund Supported Debt Service as a Percent of General Fund Revenue



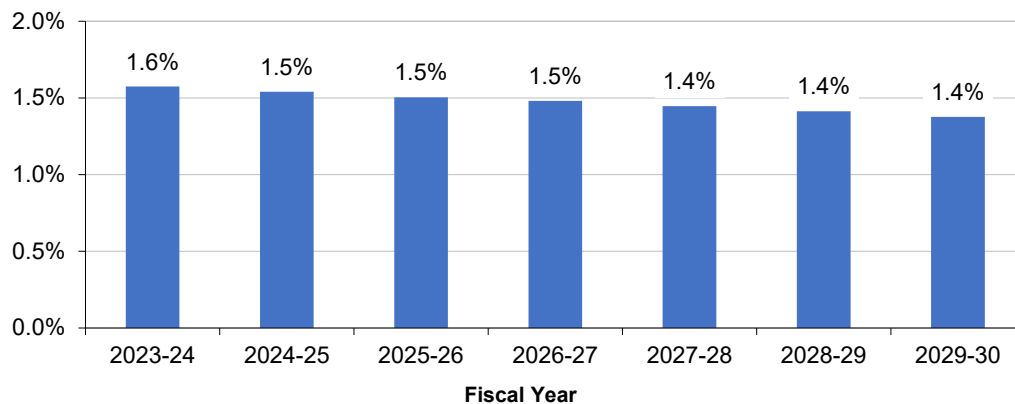
While population growth in the Commonwealth is minimal, per capita debt levels remain relatively low.

General Obligation Bond and Lease Rental Debt Per Capita



Growing personal income keeps the planned bond issuance affordable.

General Obligation Bond and Lease Rental Debt as a Percent of Personal Income



Outstanding Indebtedness of Agencies and Authorities

(Dollar Amounts in Millions)

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 Pennsylvania Constitution.

| | Bonds and Notes as of 12/31/24 |
|--|---|
| 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. | \$ 4,063.1 |
| 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. | 614.4 |
| 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. | 944.7 |
| 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. A \$500 million taxable bond issuance for the enacted PA SITES program is expected to be issued in the 1 st quarter of 2025 (not included in this amount). | 8,697.5 |
| 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. | 1,823.7 |
| 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. | 5,944.9 |
| Pennsylvania Housing Finance Agency | |
| Makes construction and permanent mortgage loans to qualified borrowers for the purchase and construction of single and multi-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. | 6,160.8 |
| 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. | 65.8 |
| 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. | 15,778.3 |
| 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. | 2,199.2 |
| TOTAL | <u>\$ 46,292.4</u> |



Commonwealth of Pennsylvania

Governor's Executive Budget

OTHER SPECIAL FUNDS

This section provides information and financial data for the more than 150 Other Special Funds contributing revenue to the Commonwealth's operating budget. The funds included here were created to more closely relate specific revenue sources to specific programs or to support particular government programs or activities. This information is presented to demonstrate the magnitude and complexity of the Commonwealth's financial structure as well as provide important details about the various funds. Additional information on Other Special Funds expenditures can be found in each agency's Summary by Fund and Appropriation statement, which is located in Section E.

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 | Multimodal Transportation Fund |
| Administration Fund | Municipalities Financial Recovery Revolving Aid Fund |
| Agricultural College Land Scrip Fund | Non-Coal Surface Mining Conservation and Reclamation Fund |
| Agricultural Conservation Easement Purchase Fund | Nutrient Management Fund |
| Anthracite Emergency Bond Fund | Oil and Gas Lease Fund |
| Automobile Theft Prevention Trust Fund | Patient Safety Trust Fund |
| Banking Trust Fund | Pennsylvania Gaming Economic Development and Tourism Fund |
| Ben Franklin Technology Development Authority Fund | Pennsylvania Health Insurance Exchange Fund |
| Boat Fund | Pennsylvania Historical and Museum Commission Trust Fund |
| Budget Stabilization Reserve Fund | Pennsylvania Race Horse Development Trust Fund |
| Capitol Restoration Trust Fund | Pennsylvania Rural Health Redesign Center Fund |
| Catastrophic Loss Benefits Continuation Fund | Pennsylvania Veterans Monuments and Memorial Trust Fund |
| Children's Trust Fund | PENNVEST Bond Authorization Fund |
| Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund | PENNVEST Drinking Water Revolving Fund |
| Clean Air Fund | PENNVEST Fund |
| Clean Streams Fund | PENNVEST Water Pollution Control Revolving Fund |
| Coal Lands Improvement Fund | Pharmaceutical Assistance Fund |
| Community College Capital Fund | Philadelphia Regional Port Authority Fund |
| Compulsive and Problem Gambling Treatment Fund | PlanCon Bond Projects Fund |
| Conrad Weiser Memorial Park Trust Fund | Port of Pittsburgh Commission Fund |
| Conservation District Fund | Property Tax Relief Fund |
| County Voting Apparatus Fund | Public Transportation Assistance Fund |
| DNA Detection Fund | Public Transportation Trust Fund |
| Educational Assistance Program Fund | Real Estate Recovery Fund |
| Emergency Medical Services Operating Fund | Recycling Fund |
| Energy Development Fund | Reinsurance Fund |
| Environmental Education Fund | Remining Financial Assurance Fund |
| Environmental Stewardship Fund | School Safety and Security Fund |
| Fantasy Contest Fund | Self-Insurance Guaranty Fund |
| Farm Products Show Fund | Special Administration Fund |
| Fire Insurance Tax Fund | State Gaming Fund |
| Fish Fund | State Insurance Fund |
| Game Fund | State Racing Fund |
| Gov Robert P. Casey Memorial Organ and Tissue Donation Awareness Trust Fund | State Treasury Armory Fund |
| Growing Greener Bond Fund | Storage Tank Fund |
| Hazardous Material Response Fund | Substance Abuse Education and Demand Reduction |
| Hazardous Sites Cleanup Fund | Surface Mining Conservation and Reclamation Fund |
| Higher Education Assistance Fund | Tobacco Settlement Fund |
| Highway Beautification Fund | Treasury Initiative Support Fund |
| HOME Investment Trust Fund | UC-FEMA ONA Lost Wages Fund |
| Housing Affordability and Rehabilitation Enhancement Fund | Unconventional Gas Well Fund |
| Industrial Sites Cleanup Fund | Underground Storage Tank Indemnification Fund |
| Insurance Fraud Prevention Trust Fund | Uninsured Employers Guaranty Fund |
| Insurance Regulation and Oversight Fund | Video Gaming Fund |
| Job Training Fund | Vocational Rehabilitation Fund |
| Justice Reinvestment Fund | Water and Sewer Systems Assistance Bond Fund |
| Marcellus Legacy Fund | Water Supply and Wastewater Treatment Fund |
| Medical Care Availability and Reduction of Error Fund | Wild Resources Conservation Fund |
| Medical Marijuana Program Fund | Workers' Compensation Administration Fund |
| Milk Marketing Fund | Workers' Compensation Security Fund |
| Mine Safety Fund | Workers' Compensation Supersedeas Fund |
| Monetary Penalty Endowments Trust Fund | 911 Fund |
| Motor Vehicle Transaction Recovery 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
Fire and Emergency Medical Services Loan Fund
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

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 922 | \$ 626 | \$ 4 |
| Receipts: | | | |
| Account Deposits | \$ 51 | \$ 52 | \$ 52 |
| Transfer from General Fund..... | 900 | 900 | 1,500 |
| Interest | 61 | 59 | 30 |
| Total Receipts | <u>1,012</u> | <u>1,011</u> | <u>1,582</u> |
| Total Funds Available | \$ 1,934 | \$ 1,637 | \$ 1,586 |
| Disbursements: | | | |
| Treasury | \$ 1,308 | \$ 1,633 | \$ 1,426 |
| Total Disbursements..... | <u>(1,308)</u> | <u>(1,633)</u> | <u>(1,426)</u> |
| Cash Balance, Ending | \$ 626 | \$ 4 | \$ 160 |

Acid Mine Drainage Abatement and Treatment Fund

Acid Mine Drainage Abatement and Treatment 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 10 percent of the Commonwealth’s federal Title IV grant for abandoned mine reclamation. Funds are used for acid mine drainage abatement and treatment.

The federal Safeguarding Treatment for the Restoration of Ecosystems from Abandoned Mines (STREAM) Act of 2022 authorizes states to set-aside up to 30 percent of its annual grant for abandoned mine reclamation provided under the Infrastructure Investment and Jobs Act for the treatment and abatement of acid mine drainage, or the prevention, abatement, and control of subsidence or coal mine fires.

In accordance with Act 54 of 2024, the fund receives two percent of receipts deposited to the Clean Streams Fund.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 53,708 | \$ 57,887 | \$ 193,296 |
| Receipts: | | | |
| Federal Receipts | \$ 6,555 | \$ - | \$ 7,200 |
| Federal Receipts - IIJA-STREAM Act Set-Aside..... | - | 146,907 | - |
| Interest | 1,909 | 3,441 | 5,788 |
| Transfer from Clean Streams Fund..... | - | 1,221 | 1,088 |
| Investment Income..... | 287 | 896 | 896 |
| Total Receipts | <u>8,751</u> | <u>152,465</u> | <u>14,972</u> |
| Total Funds Available | \$ 62,459 | \$ 210,352 | \$ 208,268 |
| Disbursements: | | | |
| Environmental Protection | \$ 4,572 | \$ 17,056 | \$ 12,474 |
| Total Disbursements..... | <u>(4,572)</u> | <u>(17,056)</u> | <u>(12,474)</u> |
| Cash Balance, Ending | \$ 57,887 | \$ 193,296 | \$ 195,794 |

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

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Federal Funds, Interest, etc.); Total Funds Available; Disbursements (Labor and Industry); and Cash Balance, Ending.

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) | |
|--------------------------------------|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 686 | \$ 707 | \$ 707 |
| Receipts: | | | |
| Transfer from General Fund..... | \$ 57,710 | \$ 57,710 | \$ 60,596 |
| Interest | 360 | 339 | 21 |
| Total Receipts | 58,070 | 58,049 | 60,617 |
| Total Funds Available | \$ 58,756 | \$ 58,756 | \$ 61,324 |
| Disbursements: | | | |
| Agriculture | \$ 57,710 | \$ 57,710 | \$ 60,596 |
| Treasury | 339 | 339 | 21 |
| Total Disbursements | (58,049) | (58,049) | (60,617) |
| Cash Balance, Ending | \$ 707 | \$ 707 | \$ 707 |

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 and is authorized to spend up to 2.5 percent for administrative expenses.

This budget proposes increasing the administrative allowance to 4 percent of funds received from the Environmental Stewardship Fund.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning..... | \$ 53,112 | \$ 62,718 | \$ 60,579 |
| Receipts: | | | |
| Transfer of Cigarette Tax | \$ 25,485 | \$ 25,485 | \$ 25,485 |
| Transfer from Environmental Stewardship Fund..... | 12,421 | 12,807 | 13,038 |
| Interest | 3,395 | 3,675 | 1,807 |
| Total Receipts | <u>41,301</u> | <u>41,967</u> | <u>40,330</u> |
| Total Funds Available..... | \$ 94,413 | \$ 104,685 | \$ 100,909 |
| Disbursements: | | | |
| Agriculture | \$ 31,695 | \$ 44,106 | \$ 40,000 |
| Total Disbursements..... | <u>(31,695)</u> | <u>(44,106)</u> | <u>(40,000)</u> |
| Cash Balance, Ending | \$ 62,718 | \$ 60,579 | \$ 60,909 |

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

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Operator Payments, Interest, Total Receipts); Total Funds Available; Disbursements (Environmental Protection, Total Disbursements); and Cash Balance, Ending.

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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 30 | \$ 38 | \$ 71 |
| Receipts: | | | |
| Assessments | \$ 8,500 | \$ 8,500 | \$ 8,500 |
| Interest | 8 | 34 | 2 |
| Total Receipts | <u>8,508</u> | <u>8,534</u> | <u>8,502</u> |
| Total Funds Available | <u>\$ 8,538</u> | <u>\$ 8,572</u> | <u>\$ 8,573</u> |
| Disbursements: | | | |
| Automobile Theft Prevention Authority | \$ 8,500 | \$ 8,501 | \$ 8,501 |
| Total Disbursements | <u>(8,500)</u> | <u>(8,501)</u> | <u>(8,501)</u> |
| Cash Balance, Ending | <u>\$ 38</u> | <u>\$ 71</u> | <u>\$ 72</u> |

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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 29,500 | \$ 34,500 | \$ 39,500 |
| Institution Resolution: | | | |
| Receipts | 5,000 | 5,000 | 5,000 |
| Disbursements - Banking | - | - | - |
| Restricted Cash Balance, Ending | <u>\$ 34,500</u> | <u>\$ 39,500</u> | <u>\$ 44,500</u> |
| Unrestricted Cash Balance, Beginning | \$ 45,617 | \$ 58,525 | \$ 64,375 |
| Receipts: | | | |
| Licenses and Fees | \$ 34,519 | \$ 34,492 | \$ 34,198 |
| Fines and Penalties | 1,501 | 900 | 900 |
| Interest | 4,295 | 4,830 | 3,255 |
| Total Receipts | <u>40,315</u> | <u>40,222</u> | <u>38,353</u> |
| Total Funds Available | <u>\$ 85,932</u> | <u>\$ 98,747</u> | <u>\$ 102,728</u> |
| Disbursements: | | | |
| Banking and Securities | \$ 22,407 | \$ 29,372 | \$ 27,481 |
| Transfer to Institution Resolution Account | 5,000 | 5,000 | 5,000 |
| Total Disbursements | <u>(27,407)</u> | <u>(34,372)</u> | <u>(32,481)</u> |
| Unrestricted Cash Balance, Ending | <u>\$ 58,525</u> | <u>\$ 64,375</u> | <u>\$ 70,247</u> |
| Total Cash Balance, Beginning | \$ 75,117 | \$ 93,025 | \$ 103,875 |
| Receipts | 45,315 | 45,222 | 43,353 |
| Disbursements | (27,407) | (34,372) | (32,481) |
| Total Cash Balance, Ending | <u>\$ 93,025</u> | <u>\$ 103,875</u> | <u>\$ 114,747</u> |

Ben Franklin Technology Development Authority Fund

Act 38 of 2001 created the Ben Franklin Technology Development Authority Fund. This fund merges the activities of the Ben Franklin Partnership and the Pennsylvania Technology Investment Authority (PTIA) under one authority. The Ben Franklin component assists small and medium sized technology, research, and start-up companies to do applied research and development projects and to develop and introduce new products and processes. PTIA provides high-tech financing to small and medium-sized businesses; stimulates the adoption and expansion of electronic commerce; and coordinates and expands university-based research and development in high-tech fields. Revenue to the fund includes annual transfers from the General Fund, loan repayments, tax credit sale proceeds, and interest earnings.

The Ben Franklin Centers support the Commonwealth's technology strategy by building on regional strengths, capitalizing on new opportunities, and addressing the specific needs of our diverse communities.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|------------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 17,454 | \$ 10,538 | \$ 13,538 |
| Receipts | 585 | 5,000 | 5,000 |
| Disbursements - Community and Economic Development | (7,501) | (2,000) | (2,000) |
| Restricted Cash Balance, Ending | <u>\$ 10,538</u> | <u>\$ 13,538</u> | <u>\$ 16,538</u> |
| Unrestricted Cash Balance, Beginning | \$ 3,346 | \$ 5,042 | \$ 6,210 |
| Receipts: | | | |
| Transfer from General Fund | \$ 17,000 | \$ 17,000 | \$ 17,000 |
| Interest on Loans | 173 | 500 | 1,500 |
| Interest | 1,397 | 1,328 | 657 |
| Other | 87 | 40 | 40 |
| Total Receipts | <u>18,657</u> | <u>18,868</u> | <u>19,197</u> |
| Total Funds Available | <u>\$ 22,003</u> | <u>\$ 23,910</u> | <u>\$ 25,407</u> |
| Disbursements: | | | |
| Community and Economic Development | \$ 16,961 | \$ 17,700 | \$ 17,500 ^a |
| Total Disbursements | <u>(16,961)</u> | <u>(17,700)</u> | <u>(17,500)</u> |
| Unrestricted Cash Balance, Ending | <u>\$ 5,042</u> | <u>\$ 6,210</u> | <u>\$ 7,907</u> |
| Total Cash Balance, Beginning | \$ 20,800 | \$ 15,580 | \$ 19,748 |
| Receipts | 19,242 | 23,868 | 24,197 |
| Disbursements | (24,462) | (19,700) | (19,500) |
| Total Cash Balance, Ending | <u>\$ 15,580</u> | <u>\$ 19,748</u> | <u>\$ 24,445</u> |

^a This budget proposal reflects a change in the administrative allowance of the appropriation to 6 percent.

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) | |
|---|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 4,715 | \$ 10,421 | \$ 10,352 |
| Receipts: | | | |
| Employer Contributions | \$ 7,928 | \$ 3,584 | \$ 3,620 |
| Interest | 376 | 596 | 303 |
| Total Receipts | 8,304 | 4,180 | 3,923 |
| Total Funds Available | \$ 13,019 | \$ 14,601 | \$ 14,275 |
| Disbursements: | | | |
| State Employees' Retirement System..... | \$ 2,598 | \$ 4,249 | \$ 4,262 |
| Total Disbursements | (2,598) | (4,249) | (4,262) |
| Cash Balance, Ending | \$ 10,421 | \$ 10,352 | \$ 10,013 |

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) | |
|---|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 38,980 | \$ 37,921 | \$ 33,697 |
| Transfer from Motor License Fund | 6,000 | 6,000 | 6,000 |
| Disbursements - Fish and Boat Commission | (7,059) | (10,224) | (8,730) |
| Restricted Cash Balance, Ending | \$ 37,921 | \$ 33,697 | \$ 30,967 |
| Unrestricted Cash Balance, Beginning | \$ 39,165 | \$ 39,234 | \$ 27,453 |
| Receipts: | | | |
| Licenses and Fees | 9,111 | 9,622 | 9,622 |
| Fines and Penalties | 196 | 205 | 205 |
| Transfer from Motor License Fund | 7,602 | 6,500 | 7,500 |
| Transfer from Liquid Fuels Tax Fund | 116 | 110 | 116 |
| Federal Receipts | 4,313 | 5,400 | 5,400 |
| Interest | 3,521 | 3,214 | 1,674 |
| Other | 27 | 58 | 58 |
| Total Receipts | 24,886 | 25,109 | 24,575 |
| Total Funds Available | 64,051 | 64,343 | 52,028 |
| Disbursements: | | | |
| Fish and Boat Commission | 24,817 | 36,890 | 31,628 |
| Total Disbursements | (24,817) | (36,890) | (31,628) |
| Unrestricted Cash Balance, Ending | \$ 39,234 | \$ 27,453 | \$ 20,400 |
| Total Cash Balance, Beginning | \$ 78,145 | \$ 77,155 | \$ 61,150 |
| Receipts | 30,886 | 31,109 | 30,575 |
| Disbursements | (31,876) | (47,114) | (40,358) |
| Total Cash Balance, Ending | \$ 77,155 | \$ 61,150 | \$ 51,367 |

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 25 percent of the General Fund fiscal year end surplus. If the ending balance would equal or exceed 6 percent of actual General Fund revenues for the fiscal year in which the surplus occurs, the General Fund transfer would be reduced to 10 percent.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 5,128,620 | \$ 6,374,068 | \$ 7,490,568 |
| Receipts: | | | |
| Transfer from General Fund..... | \$ 898,319 | \$ 736,899 | \$ 321,542 |
| Investment Income..... | 347,129 | 379,601 | 208,221 |
| Total Receipts..... | <u>1,245,448</u> | <u>1,116,500</u> | <u>529,763</u> |
| Total Funds Available | \$ 6,374,068 | \$ 7,490,568 | \$ 8,020,331 |
| Disbursements: | | | |
| Transfer to General Fund..... | \$ - | \$ - | \$ 1,606,055 |
| Total Disbursements..... | <u>-</u> | <u>-</u> | <u>(1,606,055)</u> |
| Cash Balance, Ending | \$ 6,374,068 | \$ 7,490,568 | \$ 6,414,276 |

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) | | |
|---|-------------------------------|---------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 7,199 | \$ 8,154 | \$ 2,963 |
| Receipts: | | | |
| Transfer from Other Funds..... | \$ 1,341,871 | \$ 1,347,030 ^a | \$ 1,581,589 |
| Refunding Bond Maturing Escrow Funds..... | 1,807,529 | 506,307 | - |
| Build America Bond Federal Subsidies..... | 7,227 | 1,903 | 1,714 |
| Interest on Securities..... | 751 | 580 | 10 |
| Total Receipts..... | 3,157,378 | 1,855,820 | 1,583,313 |
| Total Funds Available | \$ 3,164,577 | \$ 1,863,974 | \$ 1,586,276 |
| Disbursements: | | | |
| Treasury..... | \$ 1,348,894 | \$ 1,354,704 | \$ 1,583,179 |
| Refunding Bond Maturing Escrow Funds..... | 1,807,529 | 506,307 | - |
| Total Disbursements..... | (3,156,423) | (1,861,011) | (1,583,179) |
| Cash Balance, Ending | \$ 8,154 | \$ 2,963 | \$ 3,097 |

^a Includes \$52,000,000 from the Pennvest Redemption Fund.

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) | | |
|--|-------------------------------|------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 317,321 | \$ 783,706 | \$ 759,009 |
| Receipts: | | | |
| Sale of Bonds | \$ 1,335,000 | \$ 1,395,000 | \$ 1,570,000 |
| Costs of Issue | (1,057) | (1,000) | (1,500) |
| Premium on Sale of Bonds..... | 143,364 | 132,139 | - |
| Cash Management Loan | 200,000 | - | - |
| Interest on Securities..... | 38,661 | 53,000 | 32,000 |
| Other | 23,918 | 60,000 | - |
| Total Receipts | 1,739,886 | 1,639,139 | 1,600,500 |
| Total Funds Available | \$ 2,057,207 | \$ 2,422,845 | \$ 2,359,509 |
| Disbursements: | | | |
| Community and Economic Development | \$ 241,589 | \$ 390,000 | \$ 325,163 |
| General Services | 636,629 ^a | 1,041,000 ^a | 1,150,920 |
| Transportation | 163,337 | 185,000 | 175,000 |
| Treasury | 883 | - | - |
| Cash Management Loan Repayment..... | 200,000 | - | - |
| Administration: | | | |
| Executive Offices-Redevelopment Assistance Consultant Administration | 8,313 | 16,000 | 20,000 |
| Executive Offices-Redevelopment Assistance Operations..... | - | 4,836 | 4,837 |
| General Services-Capital Programs | 22,750 | 27,000 | 29,080 |
| Total Disbursements | (1,273,501) | (1,663,836) | (1,705,000) |
| Cash Balance, Ending | \$ 783,706 | \$ 759,009 | \$ 654,509 |

^a Includes funding received from agency Letters of Commitment (LOCs).

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 467 | \$ 492 | \$ 518 |
| Receipts: | | | |
| Contribution and Sales | \$ - | \$ - | \$ - |
| Interest | 25 | 26 | 17 |
| Total Receipts | <u>25</u> | <u>26</u> | <u>17</u> |
| Total Funds Available | <u>\$ 492</u> | <u>\$ 518</u> | <u>\$ 535</u> |
| Disbursements: | | | |
| Capitol Preservation Committee | \$ - | \$ - | \$ - |
| Total Disbursements | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash Balance, Ending | <u>\$ 492</u> | <u>\$ 518</u> | <u>\$ 535</u> |

Catastrophic Loss Benefits Continuation Fund

This fund was established by Act 24 of 1989 to replace the Catastrophic Loss Trust Fund. The purpose of the Catastrophic Loss Benefits Continuation Fund (CAT Fund) is to pay all medical claims owed by the Catastrophic Loss Trust Fund. Monies in the former Catastrophic Loss Trust Fund were transferred to this fund effective July 1, 1989.

Act 13 of 2002 established the Medical Care Availability and Reduction of Error (Mcare) Fund and mandated that all surcharges levied and collected under the CAT Fund be remitted to the Mcare Fund beginning in January 2004. Act 50 of 2009 redirected the surcharge to the General Fund for 2009-10 and 2010-11. Act 26 of 2011 redirected the surcharge to the General Fund for 2011-12 and for each fiscal year thereafter.

This fund will continue to pay claimants from its balance and interest earnings until no further obligations exist. The most recent actuarial report estimates final expenditure in 2094.

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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 73,531 | \$ 18,710 | \$ 78,643 |
| Receipts: | | | |
| Interest | \$ 1,462 | \$ 738 | \$ 2,255 |
| Other | 9,186 | 1,800 | 500 |
| Medical Care Availability and Reduction of Error Fund Loan Repayment | - | 66,000 | - |
| Total Receipts | <u>10,648</u> | <u>68,538</u> | <u>2,755</u> |
| Total Funds Available | \$ 84,179 | \$ 87,248 | \$ 81,398 |
| Disbursements: | | | |
| Insurance: | | | |
| Administration | \$ 1,615 | \$ 2,556 | \$ 2,429 |
| Claims | 3,854 | 6,049 | 6,050 |
| Loan to Medical Care Availability and Reduction of Error Fund | 60,000 | - | - |
| Total Disbursements | <u>(65,469)</u> | <u>(8,605)</u> | <u>(8,479)</u> |
| Cash Balance, Ending | \$ 18,710 | \$ 78,643 | \$ 72,919 |

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. State taxpayers may also choose to allocate all or a portion of their state tax return to the fund. Expenditures are for community-based programs and services for child abuse and neglect prevention. Act 112 of 2022 allows a person renewing a driver’s license, identification card, or vehicle registration electronically through the Department of Transportation to make an optional contribution of \$5 to the fund.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 1,149 | \$ 1,376 | \$ 1,429 |
| Receipts: | | | |
| Marriage/Divorce Surcharge | \$ 1,003 | \$ 1,228 | \$ 1,228 |
| Children's Trust Fund Donations | 310 | 317 | 317 |
| Act 151 | 3 | - | 3 |
| Interest | 62 | 70 | 45 |
| Total Receipts | <u>1,378</u> | <u>1,615</u> | <u>1,593</u> |
| Total Funds Available | \$ 2,527 | \$ 2,991 | \$ 3,022 |
| Disbursements: | | | |
| Human Services | \$ 1,151 | \$ 1,562 | \$ 1,400 |
| Total Disbursements | <u>(1,151)</u> | <u>(1,562)</u> | <u>(1,400)</u> |
| Cash Balance, Ending | \$ 1,376 | \$ 1,429 | \$ 1,622 |

Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund

Act 42 of 2008 provides for cigarette fire safety, for certification of compliance by manufacturers, for package markings, and for enforcement and penalties. Certification fees are collected by the Department of Revenue at a rate of \$1,000 per brand family and \$500 for each additional listing within a brand family. Penalties are charged for specified violations. The Attorney General's Office enforces the Act. Pursuant to the enabling legislation, fund money may only be appropriated by the General Assembly to the Department of Revenue and the Office of Attorney General for the purpose of processing, testing, enforcement, and oversight activities related to this act.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 286 | \$ 337 | \$ 276 |
| Receipts: | | | |
| Fees | \$ 74 | \$ 19 | \$ 19 |
| Interest | 17 | 18 | 8 |
| Total Receipts | 91 | 37 | 27 |
| Total Funds Available | \$ 377 | \$ 374 | \$ 303 |
| Disbursements: | | | |
| Attorney General | \$ 40 | \$ 98 | \$ 50 |
| Total Disbursements | (40) | (98) | (50) |
| Cash Balance, Ending | \$ 337 | \$ 276 | \$ 253 |

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. Initially, 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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 8 | \$ 26 | \$ - |
| Receipts: | | | |
| State Tax Share | \$ 16,997 | \$ 15,213 | \$ 17,000 |
| Local Tax Share | 500 | 728 | - |
| Interest | 18 | - | - |
| Total Receipts | 17,515 | 15,941 | 17,000 |
| Total Funds Available | \$ 17,523 | \$ 15,967 | \$ 17,000 |
| Disbursements: | | | |
| Treasury | \$ 17,497 | \$ 15,967 | \$ 17,000 |
| Total Disbursements | (17,497) | (15,967) | (17,000) |
| Cash Balance, Ending | \$ 26 | \$ - | \$ - |

Clean Air Fund

The Clean Air 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.

This budget provides for evaluation of emissions, including identification and quantification of potentially hazardous chemical compounds, from two unconventional well sites during the entire phase of operations.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|------------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 45,621 | \$ 41,015 | \$ 26,204 |
| Receipts: | | | |
| Fines and Penalties..... | \$ 11,494 | \$ 4,918 | \$ 3,725 |
| Fees | 18,514 | 24,220 | 27,440 |
| Interest | 2,266 | 1,847 | 634 |
| Other | 356 | 401 | 413 |
| Total Receipts | <u>32,630</u> | <u>31,386</u> | <u>32,212</u> |
| Total Funds Available | \$ 78,251 | \$ 72,401 | \$ 58,416 |
| Disbursements: | | | |
| Environmental Protection | \$ 37,236 | \$ 46,197 | \$ 41,996 ^a |
| Total Disbursements | <u>(37,236)</u> | <u>(46,197)</u> | <u>(41,996)</u> |
| Cash Balance, Ending | \$ 41,015 | \$ 26,204 | \$ 16,420 |

^a This number does not include fees generated from the Regional Greenhouse Gas Initiative (RGGI). Pennsylvania is prevented from collecting RGGI fees while an appeal regarding the legality of the Commonwealth’s participation in RGGI is before the Pennsylvania Supreme Court. This section will be updated following a resolution of that appeal or once the General Assembly has passed an alternative cap and invest program.

Clean Streams Fund

Act 54 of 2022 established the Clean Streams Fund to receive monies appropriated to the fund for COVID relief as well as other transfers or monies received. Act 54 of 2024 modified the fund’s distributions as follows: 71.5 percent to the Clean Streams Fund for the State Conservation Commission, 12 percent to the Pennsylvania Infrastructure Investment Authority to implement the Pennsylvania Clean Water Procurement Program, 10 percent to the Nutrient Management Fund, 4 percent to the Clean Streams Fund for the Department of Environmental Protection for grants and reimbursements to municipalities and counties, 0.5 percent to the Department of Conservation and Natural Resources for the Keystone Tree restricted account, and 2 percent to the Acid Mine Drainage Abatement and Treatment Fund. Act 56 of 2024 transfers \$50 million annually of Personal Income Tax proceeds to the fund.

Act 54 of 2024 transferred all unconsumed balances appropriated from the COVID State Fiscal Recovery restricted account to the Department of Corrections.

Statement of Cash Receipts and Disbursements

| | | (Dollar Amounts in Thousands) | |
|---|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 143,761 | \$ 111,816 | \$ 4,400 |
| Receipts: | | | |
| Transfer of Personal Income Tax..... | \$ - | \$ 50,000 | \$ 50,000 |
| Federal Funds - COVID-SFR - Transfer to Corrections | - | (7,089) | - |
| Interest | 6,703 | 4,400 | 66 |
| Total Receipts | 6,703 | 47,311 | 50,066 |
| Total Funds Available | \$ 150,464 | \$ 159,127 | \$ 54,466 |
| Disbursements: | | | |
| Agriculture: | | | |
| Agriculture Conservation Assistance Program - COVID-SFR | \$ 38,648 | \$ 90,727 | \$ - |
| Agriculture Conservation Assistance Program | - | 43,498 | 38,896 |
| Transfer to Nutrient Management Fund..... | - | 6,107 | 5,440 |
| Conservation and Natural Resources: | | | |
| Transfer to Keystone Tree Account | - | 693 | 272 |
| Environmental Protection: | | | |
| Storm Water Management Grants - COVID-SFR..... | - | 2,931 | - |
| Storm Water Management Grants | - | 2,443 | 2,176 |
| Transfer to Acid Mine Drainage Abatement and Treatment Fund | - | 1,221 | 1,088 |
| Infrastructure Investment Authority: | | | |
| Transfer to Clean Water Procurement Program | - | 7,107 | 6,528 |
| Total Disbursements | (38,648) | (154,727) | (54,400) |
| Cash Balance, Ending | \$ 111,816 | \$ 4,400 | \$ 66 |

Coal and Clay Mine Subsidence Insurance Fund

Coal and Clay Mine Subsidence Insurance 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) | | |
|--------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 139,112 | \$ 142,096 | \$ 145,831 |
| Receipts: | | | |
| Premiums Collected | \$ 4,585 | \$ 4,777 | \$ 5,400 |
| Interest | 5,661 | 5,976 | 4,366 |
| Total Receipts | <u>10,246</u> | <u>10,753</u> | <u>9,766</u> |
| Total Funds Available | \$ 149,358 | \$ 152,849 | \$ 155,597 |
| Disbursements: | | | |
| Environmental Protection | \$ 7,262 | \$ 7,018 | \$ 7,904 |
| Total Disbursements | <u>(7,262)</u> | <u>(7,018)</u> | <u>(7,904)</u> |
| Cash Balance, Ending | \$ 142,096 ^a | \$ 145,831 ^a | \$ 147,693 ^a |

^a Includes the following reserves for reinsurance and catastrophes: 2023-24 Actual is \$137,886,000, 2024-25 Available is \$132,000,000, and 2025-26 Estimated is \$132,000,000.

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 976 | \$ 968 | \$ 991 |
| Receipts: | | | |
| Interest | \$ 52 | \$ 51 | \$ 30 |
| Total Receipts | <u>52</u> | <u>51</u> | <u>30</u> |
| Total Funds Available | \$ 1,028 | \$ 1,019 | \$ 1,021 |
| Disbursements: | | | |
| Environmental Protection | \$ 60 | \$ 28 | \$ 13 |
| Total Disbursements | <u>(60)</u> | <u>(28)</u> | <u>(13)</u> |
| Cash Balance, Ending | \$ 968 | \$ 991 | \$ 1,008 |

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 9,271 | \$ 12,160 | \$ 1,803 |
| Receipts: | | | |
| Transfer from General Fund..... | \$ 54,161 | \$ 54,161 | \$ 54,161 |
| Interest | 1,025 | 1,454 | 39 |
| Total Receipts | <u>55,186</u> | <u>55,615</u> | <u>54,200</u> |
| Total Funds Available | \$ 64,457 | \$ 67,775 | \$ 56,003 |
| Disbursements: | | | |
| Education | \$ 52,297 | \$ 65,972 | \$ 55,200 |
| Total Disbursements | <u>(52,297)</u> | <u>(65,972)</u> | <u>(55,200)</u> |
| Cash Balance, Ending | \$ 12,160 | \$ 1,803 | \$ 803 |

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.

This budget proposes to replace the .002 multiplier for video gaming to an annual \$1 million transfer.

Statement of Cash Receipts and Disbursements

| | | (Dollar Amounts in Thousands) | |
|---|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 16,196 | \$ 22,194 | \$ 24,285 |
| Compulsive and Problem Gambling Treatment Programs: | | | |
| Receipts: | | | |
| Transfer from State Gaming Fund..... | \$ 7,543 | \$ 7,461 | \$ 7,506 |
| Transfer of iGaming Tax..... | 919 | 1,107 | 1,194 |
| Transfer of Sports Wagering Tax | 984 | 972 | 1,024 |
| Transfer from Video Gaming Fund..... | 82 | 86 | 1,000 |
| Total Receipts | 9,528 | 9,626 | 10,724 |
| Total Funds Available..... | \$ 25,724 | \$ 31,820 | \$ 35,009 |
| Disbursements: | | | |
| Compulsive and Problem Gambling Treatment | \$ 3,530 | \$ 7,535 | \$ 8,275 |
| Total Disbursements..... | (3,530) | (7,535) | (8,275) |
| Restricted Cash Balance, Ending | \$ 22,194 | \$ 24,285 | \$ 26,734 |
| Unrestricted Cash Balance, Beginning | \$ 8,403 | \$ 8,746 | \$ 5,444 |
| Drug and Alcohol Programs: | | | |
| Receipts: | | | |
| Transfer from State Gaming Fund - Drug and Alcohol..... | \$ 5,574 | \$ 6,173 | \$ 6,236 |
| Transfer of iGaming Tax..... | 919 | 1,107 | 1,194 |
| Transfer of Sports Wagering Tax | 984 | 972 | 1,024 |
| Transfer of Fantasy Contest Tax..... | 42 | 39 | 36 |
| Interest | 1,892 | 1,987 | 1,465 |
| Total Receipts | 9,411 | 10,278 | 9,955 |
| Total Funds Available..... | \$ 17,814 | \$ 19,024 | \$ 15,399 |
| Disbursements: | | | |
| Drug and Alcohol Programs | \$ 9,068 | \$ 13,580 | \$ 9,354 |
| Total Disbursements..... | (9,068) | (13,580) | (9,354) |
| Unrestricted Cash Balance, Ending | \$ 8,746 | \$ 5,444 | \$ 6,045 |
| Total Cash Balance, Beginning | \$ 24,599 | \$ 30,940 | \$ 29,729 |
| Receipts | 18,939 | 19,904 | 20,679 |
| Disbursements | (12,598) | (21,115) | (17,629) |
| Total Cash Balance, Ending | \$ 30,940 | \$ 29,729 | \$ 32,779 |

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

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Interest, Total Receipts); Total Funds Available; Disbursements (Historical and Museum Commission, Total Disbursements); and Cash Balance, Ending.

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, 50 percent is distributed directly by the Public Utility Commission in equal payments to all county conservation districts. The remaining 50 percent is deposited into the 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

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Transfer from General Fund, Transfer from Unconventional Gas Well Fund, Interest, Total Receipts); Total Funds Available; Disbursements (Environmental Protection, Agriculture, Total Disbursements); and Cash Balance, Ending.

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 million 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 percent 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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 17,210 | \$ 16,754 | \$ 9,244 |
| Receipts: | | | |
| Interest | \$ 935 | \$ 918 | \$ 262 |
| Total Receipts | <u>935</u> | <u>918</u> | <u>262</u> |
| Total Funds Available | \$ 18,145 | \$ 17,672 | \$ 9,506 |
| Disbursements: | | | |
| State: | | | |
| County Voting Apparatus Reimbursements | \$ 1,391 | \$ 8,428 | \$ 1,139 |
| Total Disbursements | <u>(1,391)</u> | <u>(8,428)</u> | <u>(1,139)</u> |
| Cash Balance, Ending | \$ 16,754 | \$ 9,244 | \$ 8,367 |

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 46,061 | \$ 43,457 | \$ 46,357 |
| Receipts: | | | |
| Employee Contributions | \$ 267,495 | \$ 264,943 | \$ 271,567 |
| Sale or Purchase of Securities | 127,526 | 97,004 | 99,429 |
| Interest | 2,239 ^a | 2,310 ^a | 1,409 ^a |
| Total Receipts | 397,260 | 364,257 | 372,405 |
| Total Funds Available | \$ 443,321 | \$ 407,714 | \$ 418,762 |
| Disbursements: | | | |
| Benefits and Rollovers | \$ 395,209 | \$ 355,466 | \$ 364,353 |
| Fees and Expenses..... | 4,655 | 5,891 | 6,038 |
| Total Disbursements | (399,864) | (361,357) | (370,391) |
| Cash Balance, Ending | \$ 43,457 | \$ 46,357 | \$ 48,371 |

^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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 107,658 | \$ 126,489 | \$ 146,053 |
| Receipts: | | | |
| Transfers from Deferred Compensation Fund | \$ 47,020 | \$ 48,196 | \$ 49,401 |
| Interest | 6,356 | 6,777 | 4,609 |
| Total Receipts | <u>53,376</u> | <u>54,973</u> | <u>54,010</u> |
| Total Funds Available | \$ 161,034 | \$ 181,462 | \$ 200,063 |
| Disbursements: | | | |
| State Employees' Retirement System | \$ 34,545 | \$ 35,409 | \$ 36,294 |
| Total Disbursements | <u>(34,545)</u> | <u>(35,409)</u> | <u>(36,294)</u> |
| Cash Balance, Ending | \$ 126,489 | \$ 146,053 | \$ 163,769 |

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 4,431 | \$ 3,939 | \$ 2,511 |
| Receipts: | | | |
| Assessments | \$ 3,695 | \$ 3,700 | \$ 3,700 |
| Interest | 229 | 221 | 50 |
| Total Receipts | <u>3,924</u> | <u>3,921</u> | <u>3,750</u> |
| Total Funds Available | \$ 8,355 | \$ 7,860 | \$ 6,261 |
| Disbursements: | | | |
| State Police | \$ 4,416 | \$ 5,349 | \$ 5,388 |
| Total Disbursements | <u>(4,416)</u> | <u>(5,349)</u> | <u>(5,388)</u> |
| Cash Balance, Ending | \$ 3,939 | \$ 2,511 | \$ 873 |

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 6,520 | \$ 6,710 | \$ 4,093 |
| Receipts: | | | |
| Transfer from General Fund..... | \$ 13,525 | \$ 13,525 | \$ 14,525 |
| Interest | 788 | 806 | 76 |
| Total Receipts | 14,313 | 14,331 | 14,601 |
| Total Funds Available | \$ 20,833 | \$ 21,041 | \$ 18,694 |
| Disbursements: | | | |
| Military and Veterans Affairs: | | | |
| National Guard Education..... | \$ 12,174 | \$ 13,705 | \$ 13,830 |
| Military Family Education..... | 1,949 | 3,243 | 3,878 |
| Total Disbursements | (14,123) | (16,948) | (17,708) |
| Cash Balance, Ending | \$ 6,710 | \$ 4,093 | \$ 986 |

Emergency Medical Services Operating Fund

The Emergency Medical Services Operating 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 for 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 Rehabilitative 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. Additionally, Act 74 of 2022 authorized a \$1 million annual transfer of consumer fireworks tax revenue to the fund for training emergency medical services personnel. Act 104 of 2022 established the EMS Training Fund and authorized a minimum transfer of \$50,000 each to three institutions of higher education selected to operate pilot programs with high school students with the intent to increase the number of individuals capable of becoming EMS providers.

Statement of Cash Receipts and Disbursements

| | | (Dollar Amounts in Thousands) | |
|---|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 19,949 | \$ 23,797 | \$ 22,806 |
| Receipts: | | | |
| Fines..... | \$ 15,602 | \$ 16,201 | \$ 16,201 |
| Transfer of Consumer Fireworks Tax..... | 1,000 | 1,000 | 1,000 |
| Interest..... | 1,125 | 1,221 | 586 |
| Total Receipts..... | 17,727 | 18,422 | 17,787 |
| Total Funds Available | \$ 37,676 | \$ 42,219 | \$ 40,593 |
| Disbursements: | | | |
| Health..... | \$ 13,729 | \$ 19,263 | \$ 23,871 |
| Transfer to EMS Training Fund..... | 150 | 150 | 150 |
| Total Disbursements..... | (13,879) | (19,413) | (24,021) |
| Cash Balance, Ending | \$ 23,797 | \$ 22,806 | \$ 16,572 |

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) | | |
|---------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 2,523 | \$ 2,889 | \$ 2,863 |
| Receipts: | | | |
| Vending Stand Equipment Rentals | \$ 139 | \$ 100 | \$ 100 |
| Vending Machine Receipts..... | 216 | 160 | 160 |
| Interest | 144 | 154 | 84 |
| Other | 228 | 60 | 60 |
| Total Receipts | <u>727</u> | <u>474</u> | <u>404</u> |
| Total Funds Available | \$ 3,250 | \$ 3,363 | \$ 3,267 |
| Disbursements: | | | |
| Labor and Industry | \$ 361 | \$ 500 | \$ 500 |
| Total Disbursements..... | <u>(361)</u> | <u>(500)</u> | <u>(500)</u> |
| Cash Balance, Ending | \$ 2,889 | \$ 2,863 | \$ 2,767 |

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 PEDA 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.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 2,840 | \$ 2,342 | \$ 1,340 |
| Receipts: | | | |
| Interest | \$ 107 | \$ 96 | \$ 37 |
| Investment Income | 147 | 20 | - |
| Total Receipts | <u>254</u> | <u>116</u> | <u>37</u> |
| Total Funds Available | \$ 3,094 | \$ 2,458 | \$ 1,377 |
| Disbursements: | | | |
| Environmental Protection | \$ 752 | \$ 1,118 | \$ 223 |
| Total Disbursements | <u>(752)</u> | <u>(1,118)</u> | <u>(223)</u> |
| Cash Balance, Ending | \$ 2,342 | \$ 1,340 | \$ 1,154 |

Environmental Education Fund

The Environmental Education 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 5 percent of fines and penalties deposited in the special funds and restricted revenue accounts which are administered by the Department of Environmental Protection. Act 18 of 1995 requires that not less than 25 percent of the annual receipts of this fund shall be provided to the Department of Conservation and Natural Resources.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 2,811 | \$ 2,788 | \$ 1,827 |
| Receipts: | | | |
| Transfers from Other Funds..... | \$ 1,008 | \$ 1,250 | \$ 720 |
| Interest | 167 | 172 | 39 |
| Total Receipts | 1,175 | 1,422 | 759 |
| Total Funds Available | \$ 3,986 | \$ 4,210 | \$ 2,586 |
| Disbursements: | | | |
| Conservation and Natural Resources | \$ 182 | \$ 319 | \$ 356 |
| Environmental Protection | 1,016 | 2,064 | 1,421 |
| Total Disbursements | (1,198) | (2,383) | (1,777) |
| Cash Balance, Ending | \$ 2,788 | \$ 1,827 | \$ 809 |

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 fund. In 2003-04, and thereafter, all revenue from these fees is deposited in this 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 54 of 2022 modified this transfer. The dollars and interest generated by this fund are specifically designated for implementing the programs found in 27 Pa.C.S., Chapter 61.

Statement of Cash Receipts and Disbursements

| | | (Dollar Amounts in Thousands) | |
|---|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 154,296 | \$ 145,334 | \$ - |
| Receipts: | | | |
| Licenses and Fees | \$ 72,858 | \$ 73,745 | \$ 74,611 |
| Transfer from Marcellus Legacy Fund..... | 6,379 | 6,029 | 8,313 |
| Personal Income Tax | 10,538 | 9,944 | 10,001 |
| Interest | 6,521 | 6,755 | 5,170 |
| Total Receipts | 96,296 | 96,473 | 98,095 |
| Total Funds Available | \$ 250,592 | \$ 241,807 | \$ 98,095 |
| Disbursements: | | | |
| Treasury: | | | |
| Debt Service for Growing Greener | \$ 10,217 | \$ 9,938 | \$ 10,001 |
| Agriculture: | | | |
| Agricultural Conservation Easement Program..... | 12,739 | 12,807 | 13,038 |
| Conservation and Natural Resources: | | | |
| Parks and Forest Facility Rehabilitation | 10,807 | 48,180 | 13,902 |
| Community Conservation Grants..... | 8,426 | 19,890 | 7,004 |
| Natural Diversity Conservation Grants | 287 | 1,471 | 325 |
| Environmental Protection: | | | |
| Watershed Protection and Restoration..... | 41,373 | 125,848 | 32,947 |
| Infrastructure Investment Authority: | | | |
| Storm Water, Water and Sewer Grants | 21,409 | 23,673 | 20,878 |
| Total Disbursements..... | (105,258) | (241,807) | (98,095) |
| Cash Balance, Ending | \$ 145,334 | \$ - | \$ - |

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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 1,551 | \$ 1,664 | \$ 1,285 |
| Receipts: | | | |
| Licensee Deposit Accts | \$ 270 | \$ 252 | \$ 244 |
| Fantasy Contest Application Fees | 98 | 60 | 60 |
| Interest | 86 | 87 | 32 |
| Total Receipts | <u>454</u> | <u>399</u> | <u>336</u> |
| Total Funds Available | \$ 2,005 | \$ 2,063 | \$ 1,621 |
| Disbursements: | | | |
| Gaming Control Board: | | | |
| Application and Licensure..... | \$ 29 | \$ 60 | \$ 60 |
| Administrative Appropriations: | | | |
| Gaming Control Board | 266 | 288 | 280 |
| Revenue | 46 | 430 | 418 |
| Total Disbursements | <u>(341)</u> | <u>(778)</u> | <u>(758)</u> |
| Cash Balance, Ending | \$ 1,664 | \$ 1,285 | \$ 863 |

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 General 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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 6,913 | \$ 6,812 | \$ 5,797 |
| Receipts: | | | |
| Transfer from General Fund..... | \$ 5,000 | \$ 5,000 | \$ 5,000 |
| Rentals | 3,147 | 3,760 | 3,873 |
| Parking | 2,412 | 2,823 | 2,908 |
| Exhibit Fees..... | 373 | 618 | 637 |
| Service Charges..... | 780 | 876 | 902 |
| Concession..... | 1,862 | 2,117 | 2,181 |
| Interest | 370 | 446 | 152 |
| Other | 539 | 618 | 637 |
| Total Receipts | <u>14,483</u> | <u>16,258</u> | <u>16,290</u> |
| Total Funds Available | \$ 21,396 | \$ 23,070 | \$ 22,087 |
| Disbursements: | | | |
| Agriculture | \$ 14,584 | \$ 17,273 | \$ 17,636 |
| Total Disbursements..... | <u>(14,584)</u> | <u>(17,273)</u> | <u>(17,636)</u> |
| Cash Balance, Ending | \$ 6,812 | \$ 5,797 | \$ 4,451 |

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 Medical Services Loan Fund.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 58,981 | \$ 59,021 | \$ 52,246 |
| Receipts: | | | |
| Loan Principal and Interest Repayments | \$ 11,047 | \$ 13,636 | \$ 13,000 |
| Interest | 2,644 | 2,614 | 1,548 |
| Total Receipts | <u>13,691</u> | <u>16,250</u> | <u>14,548</u> |
| Total Funds Available | \$ 72,672 | \$ 75,271 | \$ 66,794 |
| Disbursements: | | | |
| Office of State Fire Commissioner | \$ 13,651 | \$ 23,025 | \$ 15,000 |
| Total Disbursements | <u>(13,651)</u> | <u>(23,025)</u> | <u>(15,000)</u> |
| Cash Balance, Ending | \$ 59,021 | \$ 52,246 | \$ 51,794 |

Fire Insurance Tax Fund

This fund was created by Act 205 of 1984 and is administered by the Auditor General. Prior to 2022-23, the revenue for the Fire Insurance Tax Fund results from the 2 percent tax paid upon premiums received from foreign (out-of-state) fire insurance companies on business done within the Commonwealth. Act 53 of 2022 requires the greater of 8.5 percent of all insurance premiums tax collections or \$85 million per fiscal year to be transferred to the fund beginning in 2022-23. 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) | |
|--|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 85,229 | \$ 86,150 | \$ 85,065 |
| Receipts: | | | |
| Insurance Premiums Tax | \$ 85,885 | \$ 85,400 | \$ 85,400 |
| Total Receipts | 85,885 | 85,400 | 85,400 |
| Total Funds Available | \$ 171,114 | \$ 171,550 | \$ 170,465 |
| Disbursements: | | | |
| Auditor General: | | | |
| Transfer to Municipal Pension Aid Fund | \$ 17,401 | \$ 17,835 | \$ 17,835 |
| Aid to Local Jurisdictions | 67,563 | 68,650 | 67,565 |
| Total Disbursements | (84,964) | (86,485) | (85,400) |
| Cash Balance, Ending | \$ 86,150 | \$ 85,065 | \$ 85,065 |

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) | |
|---|----------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 37,858 | \$ 49,441 | \$ 36,153 |
| Receipts | 17,882 | 2,541 | 2,541 |
| Disbursements - Fish and Boat Commission | (6,299) | (15,829) | (12,979) |
| Restricted Cash Balance, Ending | \$ 49,441 | \$ 36,153 | \$ 25,715 |
| Unrestricted Cash Balance, Beginning | \$ 38,079 | \$ 37,372 | \$ 31,743 |
| Receipts: | | | |
| Licenses and Fees | \$ 33,599 | \$ 34,488 | \$ 34,488 |
| Fines and Penalties | 247 | 300 | 300 |
| Federal Receipts | 11,991 | 12,113 | 12,125 |
| Interest | 3,084 | 3,218 | 1,760 |
| Sale of Goods | 91 | 224 | 224 |
| Sale of Publications | 5 | 9 | 9 |
| Other | 910 | 2,298 | 933 |
| Total Receipts | <u>49,927</u> | <u>52,650</u> | <u>49,839</u> |
| Total Funds Available | \$ 88,006 | \$ 90,022 | \$ 81,582 |
| Disbursements: | | | |
| Fish and Boat Commission | \$ 50,634 | \$ 58,279 | \$ 56,875 |
| Total Disbursements | <u>(50,634)</u> | <u>(58,279)</u> | <u>(56,875)</u> |
| Unrestricted Cash Balance, Ending | \$ 37,372 | \$ 31,743 | \$ 24,707 |
| Total Cash Balance, Beginning | \$ 75,937 | \$ 86,813 | \$ 67,896 |
| Receipts | 67,809 | 55,191 | 52,380 |
| Disbursements | (56,933) | (74,108) | (69,854) |
| Total Cash Balance, Ending | \$ 86,813 | \$ 67,896 | \$ 50,422 |

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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 495,173 | \$ 503,712 | \$ 388,879 |
| Receipts: | | | |
| Licenses and Fees | \$ 50,585 | \$ 51,445 | \$ 52,320 |
| Resident License Fee - Transfer for Wildlife Propagation..... | (9,000) | (9,000) | (9,000) |
| Fines and Penalties..... | 1,224 | 1,489 | 1,239 |
| Gas and Oil Leases..... | 87,003 | 84,484 | 88,415 |
| Federal Receipts | 38,986 | 34,103 | 31,137 |
| Habitat License Fee Transfer..... | 9,000 | 9,000 | 9,000 |
| Interest | 17,752 | 18,566 | 17,393 |
| Sale of Goods..... | 1,314 | 1,215 | 1,564 |
| Sale of Wood Products..... | 6,587 | 7,347 | 6,863 |
| Sale of Publications..... | 506 | 376 | 452 |
| Agency Construction Projects | 35,300 | - | 12,000 |
| Cost Sharing Escrow Funds..... | 9,960 | 5,928 | 11,500 |
| Monsanto Settlement | 7,665 | - | - |
| Other | 1,532 | 1,180 | 1,465 |
| Total Receipts | 258,414 | 206,133 | 224,348 |
| Total Funds Available | \$ 753,587 | \$ 709,845 | \$ 613,227 |
| Disbursements: | | | |
| Game Commission..... | \$ 247,936 | \$ 308,221 | \$ 279,500 |
| General Services..... | 1,939 | 12,745 | 70,780 |
| Total Disbursements..... | (249,875) | (320,966) | (350,280) |
| Cash Balance, Ending | \$ 503,712 | \$ 388,879 | \$ 262,947 |

Governor Robert P. Casey Memorial Organ and Tissue Donation Awareness Trust Fund

The Governor Robert P. Casey Memorial Organ and Tissue Donation Awareness Trust 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 may be expended 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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 2,108 | \$ 2,243 | \$ 1,888 |
| Receipts: | | | |
| Donations - State Income Tax Forms..... | \$ 5 | \$ 5 | \$ 5 |
| Donations - Driver’s License Applicants..... | 217 | 226 | 226 |
| Donations - Motor Vehicle Registrations..... | 651 | 652 | 652 |
| Donations - Private..... | 2 | 2 | 2 |
| Interest | 119 | 121 | 47 |
| Total Receipts | <u>994</u> | <u>1,006</u> | <u>932</u> |
| Total Funds Available | \$ 3,102 | \$ 3,249 | \$ 2,820 |
| Disbursements: | | | |
| Education | \$ 238 | \$ 238 | \$ 358 |
| Health | 608 | 1,063 | 1,212 |
| Transportation | 13 | 60 | - |
| Total Disbursements | <u>(859)</u> | <u>(1,361)</u> | <u>(1,570)</u> |
| Cash Balance, Ending | \$ 2,243 | \$ 1,888 | \$ 1,250 |

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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 823 | \$ 867 | \$ - |
| Receipts: | | | |
| Accumulated Interest Transfer for Debt Service | \$ - | \$ (289) | \$ - |
| Interest | 44 | 46 | - |
| Total Receipts | 44 | (243) | - |
| Total Funds Available | <u>\$ 867</u> | <u>\$ 624</u> | <u>\$ -</u> |
| Disbursements: | | | |
| Community and Economic Development: | | | |
| Main Street Downtown Development | \$ - | \$ 624 | \$ - |
| Total Disbursements | - | (624) | - |
| Cash Balance, Ending | <u>\$ 867</u> | <u>\$ -</u> | <u>\$ -</u> |

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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 6 | \$ 6 | \$ - |
| Receipts: | | | |
| Transfer from Environmental Stewardship Fund..... | \$ 10,217 | \$ 9,938 | \$ 10,001 |
| Total Receipts..... | <u>10,217</u> | <u>9,938</u> | <u>10,001</u> |
| Total Funds Available | \$ 10,223 | \$ 9,944 | \$ 10,001 |
| Disbursements: | | | |
| Treasury..... | \$ 10,217 | \$ 9,944 | \$ 10,001 |
| Total Disbursements..... | <u>(10,217)</u> | <u>(9,944)</u> | <u>(10,001)</u> |
| Cash Balance, Ending | \$ 6 | \$ - | \$ - |

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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 900 | \$ 924 | \$ 487 |
| Receipts | 85 | 80 | 80 |
| Disbursements - Labor and Industry | (61) | (517) | (517) |
| Restricted Cash Balance, Ending | \$ 924 | \$ 487 | \$ 50 |
| Unrestricted Cash Balance, Beginning | \$ (302) ^a | \$ 53 | \$ 471 |
| Receipts: | | | |
| Toxic Chemical Release Form Fee | \$ 764 | \$ 875 | \$ 800 |
| Chemical Inventory Fee | 375 | 363 | 360 |
| Interest | 50 | 63 | 25 |
| Other | - | 20 | 20 |
| Total Receipts | <u>1,189</u> | <u>1,321</u> | <u>1,205</u> |
| Total Funds Available | \$ 887 | \$ 1,374 | \$ 1,676 |
| Disbursements: | | | |
| Emergency Management | \$ 834 | \$ 903 | \$ 1,000 |
| Total Disbursements | <u>(834)</u> | <u>(903)</u> | <u>(1,000)</u> |
| Unrestricted Cash Balance, Ending | \$ 53 | \$ 471 | \$ 676 |
| Total Cash Balance, Beginning | \$ 598 | \$ 977 | \$ 958 |
| Receipts | 1,274 | 1,401 | 1,285 |
| Disbursements | (895) | (1,420) | (1,517) |
| Total Cash Balance, Ending | \$ 977 | \$ 958 | \$ 726 |

^a Reflects a timing difference between expenditures posted at year-end and revenues received in the subsequent year.

Hazardous Sites Cleanup Fund

The Hazardous Sites Cleanup 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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 72,582 | \$ 64,428 | \$ 30,040 |
| Receipts: | | | |
| Transfer of Capital Stock and Franchise Tax | \$ 3,841 | \$ 700 | \$ 400 |
| Transfer from Marcellus Legacy Fund (OGLF) | 15,000 | 15,000 | 15,000 |
| Transfer from Marcellus Legacy Fund..... | 3,190 | 3,014 | 4,157 |
| Hazardous Waste Fee..... | 1,597 | 1,695 | 1,650 |
| Cost Recovery..... | 1,565 | 1,124 | 1,050 |
| Interest | 3,168 | 2,898 | 450 |
| Other | 301 | 1,620 | - |
| Total Receipts | 28,662 | 26,051 | 22,707 |
| Total Funds Available | \$ 101,244 | \$ 90,479 | \$ 52,747 |
| Disbursements: | | | |
| Environmental Protection: | | | |
| General Operations | \$ 15,221 | \$ 24,592 | \$ 23,500 |
| Hazardous Sites Cleanup - OGLF | 15,521 | 23,016 | 15,000 |
| Hazardous Sites Cleanup | 1,419 | 7,250 | 9,000 |
| Host Municipality Grants | - | 25 | 25 |
| Small Business Pollution Prevention | 655 | 1,556 | 1,000 |
| 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 | (36,816) | (60,439) | (52,525) |
| Cash Balance, Ending | \$ 64,428 | \$ 30,040 | \$ 222 |

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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 94,193 | \$ 113,457 | \$ 118,871 |
| Receipts: | | | |
| Transfer from General Fund..... | \$ 451,356 | \$ 573,437 | \$ 594,092 |
| Investment Earnings..... | 8,471 | 5,414 | 5,414 |
| Federal Revenue..... | 1,643 | 1,668 | 175 |
| Other | 21,051 | 16,500 | 16,500 |
| Total Receipts | <u>482,521</u> | <u>597,019</u> | <u>616,181</u> |
| Total Funds Available | \$ 576,714 | \$ 710,476 | \$ 735,052 |
| Disbursements: | | | |
| Higher Education Assistance Agency | \$ 463,257 | \$ 591,605 | \$ 610,767 |
| Total Disbursements | <u>(463,257)</u> | <u>(591,605)</u> | <u>(610,767)</u> |
| Cash Balance, Ending | \$ 113,457 | \$ 118,871 | \$ 124,285 |

Highway Beautification Fund

The Highway Beautification Fund was created by Act 5 of Special Session Three of 1966. Highway beautification activities are supported by licenses, fees, fines, penalties, and interest. Activities include the regulating of outdoor advertising and junkyards.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 342 | \$ 402 | \$ 340 |
| Receipts: | | | |
| Licenses and Fees | \$ 329 | \$ 332 | \$ 332 |
| Interest | 19 | 22 | 9 |
| Total Receipts | <u>348</u> | <u>354</u> | <u>341</u> |
| Total Funds Available | \$ 690 | \$ 756 | \$ 681 |
| Disbursements: | | | |
| Transportation | \$ 288 | \$ 416 | \$ 390 |
| Total Disbursements | <u>(288)</u> | <u>(416)</u> | <u>(390)</u> |
| Cash Balance, Ending | \$ 402 | \$ 340 | \$ 291 |

Historical Preservation Fund

The Historical Preservation Fund was created for expenditure by the Pennsylvania Historical and Museum Commission (PHMC) 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 PHMC 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 fund is designated for projects of the PHMC for which they have agreements to complete over a period of several fiscal years.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 2,602 | \$ 2,224 | \$ 1,520 |
| Receipts | 9 | 5 | 5 |
| Disbursements - Historical and Museum Commission..... | (387) | (709) | (709) |
| Restricted Cash Balance, Ending | \$ 2,224 | \$ 1,520 | \$ 816 |
| Unrestricted Cash Balance, Beginning | \$ 3,117 | \$ 4,000 | \$ 4,145 |
| Receipts: | | | |
| Admission Fees..... | \$ 1,208 | \$ 1,000 | \$ 1,000 |
| Interest | 329 | 339 | 158 |
| Other | 278 | 155 | 155 |
| Total Receipts | 1,815 | 1,494 | 1,313 |
| Total Funds Available | \$ 4,932 | \$ 5,494 | \$ 5,458 |
| Disbursements: | | | |
| Historical and Museum Commission..... | \$ 932 | \$ 1,349 | \$ 1,342 |
| Total Disbursements..... | (932) | (1,349) | (1,342) |
| Unrestricted Cash Balance, Ending | \$ 4,000 | \$ 4,145 | \$ 4,116 |
| Total Cash Balance, Beginning | \$ 5,719 | \$ 6,224 | \$ 5,665 |
| Receipts | 1,824 | 1,499 | 1,318 |
| Disbursements | (1,319) | (2,058) | (2,051) |
| Total Cash Balance, Ending | \$ 6,224 | \$ 5,665 | \$ 4,932 |

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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 1,219 | \$ 152 | \$ 151 |
| Receipts: | | | |
| Federal Revenue..... | \$ 1,607 | \$ 4,453 | \$ 7,000 |
| HOME Program Income..... | 88 | 100 | 100 |
| Interest..... | 39 | 10 | 6 |
| Total Receipts..... | <u>1,734</u> | <u>4,563</u> | <u>7,106</u> |
| Total Funds Available | \$ 2,953 | \$ 4,715 | \$ 7,257 |
| Disbursements: | | | |
| Community and Economic Development..... | \$ 2,801 | \$ 4,564 | \$ 7,000 |
| Total Disbursements..... | <u>(2,801)</u> | <u>(4,564)</u> | <u>(7,000)</u> |
| Cash Balance, Ending | \$ 152 | \$ 151 | \$ 257 |

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. For fiscal year beginning after June 30, 2024, Act 56 of 2024 increases the 2024-25 RTT transfer cap by \$10 million for 2025-26 and each fiscal year thereafter until reaching \$100 million per fiscal year in 2027-28.

This budget proposes to increase the RTT transfer cap by an additional \$10 million to \$110 million for 2028-29 and 2029-30 and each fiscal year thereafter.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 8,460 | \$ 7,408 | \$ 9,560 |
| Receipts: | | | |
| Transfer from Unconventional Gas Well Fund | \$ 5,041 | \$ 5,000 | \$ 5,000 |
| Transfer of Realty Transfer Tax | 60,000 | 70,000 | 80,000 |
| Interest | 1,297 | 2,193 | 289 |
| Total Receipts | <u>66,338</u> | <u>77,193</u> | <u>85,289</u> |
| Total Funds Available | <u>\$ 74,798</u> | <u>\$ 84,601</u> | <u>\$ 94,849</u> |
| Disbursements: | | | |
| Pennsylvania Housing Finance Agency: | | | |
| Housing Affordability and Rehabilitation Program | \$ 7,390 | \$ 5,041 | \$ 5,000 |
| Housing Programs-RTT | 60,000 | 70,000 | 80,000 |
| Total Disbursements | <u>(67,390)</u> | <u>(75,041)</u> | <u>(85,000)</u> |
| Cash Balance, Ending | <u>\$ 7,408</u> | <u>\$ 9,560</u> | <u>\$ 9,849</u> |

Industrial Sites Cleanup Fund

Act 2 of 1995 created the Industrial Sites Cleanup Fund to provide grants and loans to political subdivisions, local economic development agencies, and others who, as part of an economic development strategy, undertake voluntary cleanup of property contaminated by industrial activity. Act 6 of 2000 allows the Department of Community and Economic Development to provide performance-based loans, which may be forgiven if performance measures are met. Also, Act 6 expanded the program to include remediation of non-hazardous waste or debris. Revenue to the fund consists of transfers from the Hazardous Sites Cleanup Fund, any funds appropriated by the General Assembly, interest earnings, and loan repayments. Grants and loans are prioritized based on the benefit of the project to the public health and safety, the cost effectiveness of the project, the economic distress of the area, and the potential of the project to result in economic development. Revenue to the fund is primarily derived through transfers from the Hazardous Sites Cleanup Fund. The primary revenue source for the Hazardous Sites Cleanup Fund ended with the full phase-out of the Capital Stock and Franchise Tax on January 1, 2016.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 11,942 | \$ 13,566 | \$ 7,600 |
| Receipts: | | | |
| Loan Principal and Interest Repayments | \$ 70 | \$ 1,100 | \$ 1,100 |
| Transfer from Hazardous Sites Cleanup Fund..... | 3,000 | 3,000 | 3,000 |
| Interest | 655 | 737 | 204 |
| Total Receipts | <u>3,725</u> | <u>4,837</u> | <u>4,304</u> |
| Total Funds Available | \$ 15,667 | \$ 18,403 | \$ 11,904 |
| Disbursements: | | | |
| Community and Economic Development | \$ 2,101 | \$ 10,803 | \$ 5,814 |
| Total Disbursements..... | <u>(2,101)</u> | <u>(10,803)</u> | <u>(5,814)</u> |
| Cash Balance, Ending | \$ 13,566 | \$ 7,600 | \$ 6,090 |

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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 9,934 | \$ 9,782 | \$ 1,907 |
| Receipts: | | | |
| Assessments, Fines and Penalties | \$ 18,762 | \$ 16,783 | \$ 17,236 |
| Interest | 741 | 502 | 50 |
| Total Receipts | <u>19,503</u> | <u>17,285</u> | <u>17,286</u> |
| Total Funds Available | \$ 29,437 | \$ 27,067 | \$ 19,193 |
| Disbursements: | | | |
| Insurance Fraud Prevention Authority | \$ 19,655 | \$ 25,160 | \$ 17,734 |
| Total Disbursements | <u>(19,655)</u> | <u>(25,160)</u> | <u>(17,734)</u> |
| Cash Balance, Ending | \$ 9,782 | \$ 1,907 | \$ 1,459 |

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 2,741 | \$ 6,785 | \$ 7,144 |
| Receipts: | | | |
| Liquidation Services | \$ - | \$ 994 | \$ 994 |
| Liquidation Investments..... | - | 10,000 | 10,000 |
| Interest | 172 | 359 | 216 |
| Investment Income | 3,872 | - | - |
| Total Receipts | 4,044 | 11,353 | 11,210 |
| Total Funds Available | \$ 6,785 | \$ 18,138 | \$ 18,354 |
| Disbursements: | | | |
| Insurance: | | | |
| Administration | \$ - | \$ 994 | \$ 994 |
| Claims | - | 10,000 | 10,000 |
| Total Disbursements..... | - | (10,994) | (10,994) |
| Cash Balance, Ending | \$ 6,785 | \$ 7,144 | \$ 7,360 |

Insurance Regulation and Oversight Fund

The Insurance Regulation and Oversight 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 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.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 52,829 | \$ 50,411 | \$ 41,265 |
| Receipts: | | | |
| Licenses and Fees | \$ 44,386 | \$ 43,150 | \$ 43,600 |
| Examination Reimbursements | 5,842 | 6,100 | 6,100 |
| Federal Receipts | - | 5,000 | 5,000 |
| Interest | 1,764 | 2,118 | 1,115 |
| Other | 821 | - | - |
| Return To General Fund | (21,180) | (16,209) | (5,194) |
| Total Receipts | <u>31,633</u> | <u>40,159</u> | <u>50,621</u> |
| Total Funds Available | \$ 84,462 | \$ 90,570 | \$ 91,886 |
| Disbursements: | | | |
| Insurance | \$ 34,051 | \$ 49,305 | \$ 48,553 |
| Total Disbursements | <u>(34,051)</u> | <u>(49,305)</u> | <u>(48,553)</u> |
| Cash Balance, Ending | \$ 50,411 | \$ 41,265 | \$ 43,333 |

Job Training Fund

This fund was created by Act 5 of 2005 to facilitate advances in workforce development in the Commonwealth. The Job Training Fund awards annual grants to entities in specified rural counties which run workforce education programs and services for job training assistance to incumbent workers, dislocated workers, adult and youth workers, and other workforce development programs. Receipts in the fund are transfers from the Special Administration Fund and are supplemented by interest earnings and other monies appropriated to the fund. Due to anticipated shortfalls in the Unemployment Compensation Administration Fund, the department suspended transfers to the Job Training Fund beginning in 2016-17. Until such time as sufficient revenues become available, all Special Administration Fund revenues will be used for the administration of unemployment compensation.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Interest, Total Receipts); Total Funds Available; Disbursements (Labor and Industry, Total Disbursements); and Cash Balance, Ending.

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 (JRI) 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 JRI 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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 1,346 | \$ 2,519 | \$ 523 |
| Receipts: | | | |
| Transfer from General Fund..... | \$ 2,015 | \$ 5,536 | \$ 16,025 |
| Interest | 132 | 289 | 8 |
| Total Receipts | <u>2,147</u> | <u>5,825</u> | <u>16,033</u> |
| Total Funds Available | \$ 3,493 | \$ 8,344 | \$ 16,556 |
| Disbursements: | | | |
| Commission on Crime and Delinquency | \$ 740 | \$ 6,898 | \$ 16,556 |
| Commission on Sentencing..... | 234 | 923 | - |
| Total Disbursements | <u>(974)</u> | <u>(7,821)</u> | <u>(16,556)</u> |
| Cash Balance, Ending | \$ 2,519 | \$ 523 | \$ - |

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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 256,288 | \$ 254,286 | \$ - |
| Receipts: | | | |
| Realty Transfer Tax..... | \$ 106,446 | \$ 117,100 | \$ 139,500 |
| Interest | 11,349 | 11,003 | 9,807 |
| Total Receipts | <u>117,795</u> | <u>128,103</u> | <u>149,307</u> |
| Total Funds Available | \$ 374,083 | \$ 382,389 | \$ 149,307 |
| Disbursements: | | | |
| Conservation and Natural Resources | \$ 83,083 | \$ 270,432 | \$ 97,050 |
| Education | 22,619 | 49,374 | 32,847 |
| Historical and Museum Commission | 14,095 | 62,583 | 19,410 |
| Total Disbursements | <u>(119,797)</u> | <u>(382,389)</u> | <u>(149,307)</u> |
| Cash Balance, Ending | \$ 254,286 | \$ - | \$ - |

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 percent 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) | |
|--------------------------------------|-------------------------|-------------------------------|-------------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 7,693 | \$ 14,953 | \$ 15,758 |
| Receipts: | | | |
| Tax on Gasoline | \$ 22,097 | \$ 21,757 | \$ 21,496 |
| Tax on Diesel Fuel | 6,234 | 5,996 | 5,879 |
| Total Receipts | <u>28,331</u> | <u>27,753</u> | <u>27,375</u> |
| Total Funds Available | <u>\$ 36,024</u> | <u>\$ 42,706</u> | <u>\$ 43,133</u> |
| Disbursements: | | | |
| Transfer to Boat Fund | \$ 116 | \$ 110 | \$ 116 |
| Transportation | 20,955 | 26,838 | 27,259 |
| Total Disbursements | <u>(21,071)</u> | <u>(26,948)</u> | <u>(27,375)</u> |
| Cash Balance, Ending | <u>\$ 14,953</u> | <u>\$ 15,758</u> | <u>\$ 15,758</u> |

Liquor License Fund

The Liquor License Fund serves as a pass-through account for liquor and/or beer license fees from hotels, restaurants, and clubs. These fees are returned semi-annually to the municipalities in which the licenses are located.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 1,842 | \$ 2,292 | \$ 2,292 |
| Receipts: | | | |
| License Fees | \$ 4,787 | \$ 4,413 | \$ 4,457 |
| Total Receipts | <u>4,787</u> | <u>4,413</u> | <u>4,457</u> |
| Total Funds Available | \$ 6,629 | \$ 6,705 | \$ 6,749 |
| Disbursements: | | | |
| Liquor Control Board | \$ 4,337 | \$ 4,413 | \$ 4,457 |
| Total Disbursements | <u>(4,337)</u> | <u>(4,413)</u> | <u>(4,457)</u> |
| Cash Balance, Ending | \$ 2,292 | \$ 2,292 | \$ 2,292 |

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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 2,039 | \$ 1,267 | \$ - |
| Receipts: | | | |
| Philadelphia Cigarette Tax Collections | \$ 55,134 | \$ 17,900 | \$ 17,300 |
| Act 84 of 2016 Collection Adjustment | - | 39,912 | 40,600 |
| Interest | 237 | 226 | - |
| Offset Department of Revenue Collection Costs | (511) | (500) | (500) |
| Total Receipts | 54,860 | 57,538 | 57,400 |
| Total Funds Available | \$ 56,899 | \$ 58,805 | \$ 57,400 |
| Disbursements: | | | |
| Distribution to the Philadelphia School District..... | \$ 55,632 | \$ 58,805 | \$ 57,400 |
| Total Disbursements | (55,632) | (58,805) | (57,400) |
| Cash Balance, Ending | \$ 1,267 | \$ - | \$ - |

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.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 2,202 | \$ 2,446 | \$ 1,675 |
| Receipts: | | | |
| Loan Principal and Interest Repayments | \$ 120 | \$ 200 | \$ 200 |
| Interest | 124 | 129 | 39 |
| Total Receipts | 244 | 329 | 239 |
| Total Funds Available | \$ 2,446 | \$ 2,775 | \$ 1,914 |
| Disbursements: | | | |
| Community and Economic Development | \$ - | \$ 1,100 | \$ 1,000 |
| Total Disbursements | - | (1,100) | (1,000) |
| Cash Balance, Ending | \$ 2,446 | \$ 1,675 | \$ 914 |

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.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 34,840 | \$ 38,524 | \$ 25,842 |
| Receipts: | | | |
| Loan Principal and Interest Repayments | \$ 7,163 | \$ 6,100 | \$ 7,000 |
| Loan Service Fees | 51 | 65 | 80 |
| Interest | 1,534 | 1,797 | 709 |
| Other | 3 | - | - |
| Total Receipts | <u>8,751</u> | <u>7,962</u> | <u>7,789</u> |
| Total Funds Available | \$ 43,591 | \$ 46,486 | \$ 33,631 |
| Disbursements: | | | |
| Community and Economic Development | \$ 5,067 | \$ 20,644 | \$ 11,778 |
| Total Disbursements | <u>(5,067)</u> | <u>(20,644)</u> | <u>(11,778)</u> |
| Cash Balance, Ending | \$ 38,524 | \$ 25,842 | \$ 21,853 |

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) | | |
|--------------------------------------|-------------------------------|--------------------------|--------------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 31,601 | \$ 38,553 | \$ 23,619 |
| Receipts: | | | |
| Sale of Products..... | \$ 91,884 | \$ 94,569 | \$ 96,933 |
| Interest..... | 1,931 | 2,078 | 607 |
| Total Receipts | <u>93,815</u> | <u>96,647</u> | <u>97,540</u> |
| Total Funds Available | <u>\$ 125,416</u> | <u>\$ 135,200</u> | <u>\$ 121,159</u> |
| Disbursements: | | | |
| Corrections..... | \$ 86,863 | \$ 111,581 | \$ 103,965 |
| Total Disbursements | <u>(86,863)</u> | <u>(111,581)</u> | <u>(103,965)</u> |
| Cash Balance, Ending | <u>\$ 38,553</u> | <u>\$ 23,619</u> | <u>\$ 17,194</u> |

Marcellus Legacy Fund

This fund was created by Act 13 of 2012 to provide for the distribution of unconventional gas well impact fees to counties, municipalities, and Commonwealth agencies. As custodian of the Marcellus Legacy Fund, the PA Public Utility Commission has the fiduciary responsibility to monitor and report on the receipts and disbursements of other agencies that utilize the fund. 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) | |
|--|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 7,056 | \$ 7,512 | \$ 2,089 |
| Receipts: | | | |
| Transfer from Unconventional Gas Well Fund | \$ 63,791 | \$ 60,286 | \$ 83,135 |
| Transfer from Oil and Gas Lease Fund | 15,000 | 15,000 | 15,000 |
| Interest | 457 | 578 | 63 |
| Total Receipts | 79,248 | 75,864 | 98,198 |
| Total Funds Available | \$ 86,304 | \$ 83,376 | \$ 100,287 |
| Disbursements: | | | |
| Public Utility Commission: | | | |
| County Grants | \$ 9,569 | \$ 9,043 | \$ 12,470 |
| Transfer to Commonwealth Financing Authority | 12,758 | 12,057 | 16,627 |
| Transfer to Commonwealth Financing Authority-H2O | 7,974 | 7,536 | 10,392 |
| Environmental Protection | - | 6,001 | - |
| Infrastructure Investment Authority | 7,974 | 7,536 | 10,392 |
| Transfer to Highway Bridge Improvement | 15,948 | 15,071 | 20,784 |
| Transfer to Environmental Stewardship Fund | 6,379 | 6,029 | 8,313 |
| Transfer to Hazardous Sites Cleanup Fund | 3,190 | 3,014 | 4,157 |
| Transfer to Hazardous Sites Cleanup Fund (OGLF) | 15,000 | 15,000 | 15,000 |
| Total Disbursements | (78,792) | (81,287) | (98,135) |
| Cash Balance, Ending | \$ 7,512 | \$ 2,089 | \$ 2,152 |

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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 93,585 | \$ 137,529 | \$ 55,337 |
| Receipts: | | | |
| Assessments | \$ 228,545 | \$ 275,000 | \$ 296,194 |
| Interest | 7,512 | 5,002 | 2,375 |
| Loan from the Catastrophic Loss Benefits Continuation Fund | 60,000 | - | - |
| Other | 25 | - | - |
| Total Receipts | 296,082 | 280,002 | 298,569 |
| Total Funds Available | \$ 389,667 | \$ 417,531 | \$ 353,906 |
| Disbursements: | | | |
| Insurance: | | | |
| Administration | \$ 10,282 | \$ 21,094 | \$ 19,497 |
| Claims | 241,856 | 275,100 | 230,000 |
| Loan Repayment to the Catastrophic Loss Benefits Continuation Fund | - | 66,000 | - |
| Total Disbursements | (252,138) | (362,194) | (249,497) |
| Cash Balance, Ending | \$ 137,529 | \$ 55,337 | \$ 104,409 |

Medical Marijuana Program Fund

The Medical Marijuana Program 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, permit, and program fees as well as from a Gross Receipts Tax from the sale of medical marijuana by a grower/processor to a dispensary.

Funds are distributed 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 (PCCD) for distribution to local police departments which demonstrate a need relating to efforts to support the Act.

Act 34 of 2023 transferred \$31.9 million to the General Fund. This budget reflects the transfer of \$46.5 million to the Tourism Promotion Fund and proposes a transfer of \$9.0 million from PCCD disbursements to the Crime Victim Services and Compensation Fund.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 817 | \$ 164 | \$ 164 |
| Medical Marijuana Assistance Program: | | | |
| Receipts | 1,975 | 3,400 | 3,400 |
| Disbursements - Aging | (2,628) | (3,400) | (3,400) |
| Restricted Cash Balance, Ending | \$ 164 | \$ 164 | \$ 164 |
| Unrestricted Cash Balance, Beginning | \$ 108,046 | \$ 110,733 | \$ 46,500 |
| Receipts: | | | |
| Grower/Processor Application and Permit Fees | \$ 536 | \$ 250 | \$ 250 |
| Dispensary Application and Permit Fees | 613 | 250 | 250 |
| Clinical Registrant Application and Permit Fees | 172 | 135 | 150 |
| Independent Grower/Dispensary Permit Fees | - | 525 | 150 |
| Patient Identification Card Fees | 19,411 | 17,766 | 17,594 |
| Gross Receipts Tax | 34,290 | 34,290 | 33,589 |
| Interest | 5,846 | 5,938 | 2,247 |
| Other | - | 1,397 | 758 |
| Total Receipts | <u>60,868</u> | <u>60,551</u> | <u>54,988</u> |
| Total Funds Available | \$ 168,914 | \$ 171,284 | \$ 101,488 |
| Disbursements: | | | |
| Health | \$ 21,183 | \$ 100,499 | \$ 46,740 |
| Drug and Alcohol Programs | 4,881 | 13,198 | 5,499 |
| Commission on Crime and Delinquency | 217 | 11,087 | 2,749 |
| Transfer to Tourism Promotion Fund | - | - | 46,500 |
| Transfer to General Fund | 31,900 | - | - |
| Total Disbursements | <u>(58,181)</u> | <u>(124,784)</u> | <u>(101,488)</u> |
| Unrestricted Cash Balance, Ending | \$ 110,733 | \$ 46,500 | \$ - |
| Total Cash Balance, Beginning | \$ 108,863 | \$ 110,897 | \$ 46,664 |
| Receipts | 62,843 | 63,951 | 58,388 |
| Disbursements | (60,809) | (128,184) | (104,888) |
| Total Cash Balance, Ending | \$ 110,897 | \$ 46,664 | \$ 164 |

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 3 | \$ 6 | \$ - |
| Receipts: | | | |
| State Tax Share | \$ 21,159 | \$ 16,700 | \$ 22,600 |
| Interest | 3 | - | - |
| Total Receipts | <u>21,162</u> | <u>16,700</u> | <u>22,600</u> |
| Total Funds Available | <u>\$ 21,165</u> | <u>\$ 16,706</u> | <u>\$ 22,600</u> |
| Disbursements: | | | |
| Treasury | \$ 21,159 | \$ 16,706 | \$ 22,600 |
| Total Disbursements | <u>(21,159)</u> | <u>(16,706)</u> | <u>(22,600)</u> |
| Cash Balance, Ending | <u>\$ 6</u> | <u>\$ -</u> | <u>\$ -</u> |

Milk Marketing Fund

The Milk Marketing Fund is a special revenue fund composed of monies received from license fees, fines, penalties, and permits relating to the milk industry. The purpose of this fund is to provide for the operation of the Milk Board and to serve as a depository for money due dairy farmers from underpayments by milk dealers.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (License and Fees, Fines and Penalties, Interest, Total Receipts); Total Funds Available; Disbursements (Milk Board, Total Disbursements); and Cash Balance, Ending.

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

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Fines and Penalties, Interest, Total Receipts); Total Funds Available; Disbursements (Environmental Protection, Total Disbursements); and Cash Balance, Ending.

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.

This budget proposes to reauthorize the Pennsylvania Minority Business Development Authority.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 2,275 | \$ 2,501 | \$ 1,724 |
| Receipts: | | | |
| Loan Principal and Interest Repayments | \$ 405 | \$ 500 | \$ 700 |
| Interest | 131 | 135 | 45 |
| Other | 353 | 280 | 200 |
| Total Receipts | <u>889</u> | <u>915</u> | <u>945</u> |
| Total Funds Available | <u>\$ 3,164</u> | <u>\$ 3,416</u> | <u>\$ 2,669</u> |
| Disbursements: | | | |
| Community and Economic Development | \$ 663 | \$ 1,692 | \$ 1,400 |
| Total Disbursements | <u>(663)</u> | <u>(1,692)</u> | <u>(1,400)</u> |
| Cash Balance, Ending | <u>\$ 2,501</u> | <u>\$ 1,724</u> | <u>\$ 1,269</u> |

Monetary Penalty Endowments Trust Fund

The Monetary Penalty Endowments Trust Fund is a special revenue fund created by Act 1 of 2013 to deposit monetary penalties assessed to higher education institutions. Fund revenues are comprised of monies from installment payments made by the institutions and interest. Fund expenditures are made by the Pennsylvania Commission on Crime and Delinquency to support child abuse treatment and prevention programs within the Commonwealth.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 41,873 | \$ 40,820 | \$ 35,237 |
| Receipts: | | | |
| Interest | \$ 1,441 | \$ 1,492 | \$ 992 |
| Investment Income | 210 | 138 | - |
| Total Receipts | <u>1,651</u> | <u>1,630</u> | <u>992</u> |
| Total Funds Available | \$ 43,524 | \$ 42,450 | \$ 36,229 |
| Disbursements: | | | |
| Commission on Crime and Delinquency | \$ 2,704 | \$ 7,213 | \$ 4,800 |
| Total Disbursements | <u>(2,704)</u> | <u>(7,213)</u> | <u>(4,800)</u> |
| Cash Balance, Ending | \$ 40,820 | \$ 35,237 | \$ 31,429 |

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 (Department). 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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 2,194 | \$ 2,310 | \$ 2,437 |
| Receipts: | | | |
| Title and Registration Fees | \$ 26 | \$ 25 | \$ 25 |
| Interest | 120 | 122 | 74 |
| Total Receipts | 146 | 147 | 99 |
| Total Funds Available | <u>\$ 2,340</u> | <u>\$ 2,457</u> | <u>\$ 2,536</u> |
| Disbursements: | | | |
| Transportation | \$ 30 | \$ 20 | \$ 20 |
| Total Disbursements | (30) | (20) | (20) |
| Cash Balance, Ending | <u>\$ 2,310</u> | <u>\$ 2,437</u> | <u>\$ 2,516</u> |

Multimodal Transportation Fund

The Multimodal Transportation Fund was created by Act 89 of 2013 to provide additional funding for passenger rail, rail freight, ports and waterways, aviation, bicycle and pedestrian facilities, roads and bridges, and other modes of transportation. The program is funded by deposits from the Pennsylvania Turnpike Commission, a portion of certain Motor Vehicle Fees and the Oil Company Franchise Tax.

Effective in 2022, Act 89 replaces deposits from the Pennsylvania Turnpike Commission with a Transfer of Sales and Use Tax from the Public Transportation Trust Fund.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 342,657 | \$ 372,079 | \$ - |
| Receipts: | | | |
| Motor Vehicle Fees | \$ 89,318 | \$ 103,700 | \$ 111,300 |
| Transfer of Vehicle Sales Tax - PTTF | 30,000 | 30,000 | 30,000 |
| Transfer of Oil Company Franchise Tax | 35,000 | 35,000 | 35,000 |
| Interest | 21,139 | 21,697 | 5,324 |
| Other | 14 | - | - |
| Total Receipts | <u>175,471</u> | <u>190,397</u> | <u>181,624</u> |
| Total Funds Available | \$ 518,128 | \$ 562,476 | \$ 181,624 |
| Disbursements: | | | |
| Transportation | \$ 63,312 | \$ 469,199 | \$ 100,701 |
| Transfer to Commonwealth Finance Authority | 82,737 | 93,277 | 80,923 |
| Total Disbursements | <u>(146,049)</u> | <u>(562,476)</u> | <u>(181,624)</u> |
| Cash Balance, Ending | \$ 372,079 | \$ - | \$ - |

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. Prior to 2022-23, the revenue for the Municipal Pension Aid Fund results from the 2 percent tax paid upon premiums received from foreign (out-of-state) casualty insurance companies on business done within the Commonwealth. Act 53 of 2022 requires the greater of 38 percent of all insurance premiums tax collections or \$345 million per fiscal year to be transferred to the fund beginning in 2022-23. The fund also collects 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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 372,506 | \$ 403,773 | \$ 406,166 |
| Receipts: | | | |
| Insurance Premiums Tax | \$ 385,679 | \$ 387,607 | \$ 389,545 |
| Transfer from Fire Insurance Tax Fund | 17,401 | 17,835 | 17,835 |
| Interest | 6,283 | 6,314 | 6,346 |
| Total Receipts | <u>409,363</u> | <u>411,756</u> | <u>413,726</u> |
| Total Funds Available | \$ 781,869 | \$ 815,529 | \$ 819,892 |
| Disbursements: | | | |
| Auditor General: | | | |
| Municipal Pension Aid | \$ 377,386 | \$ 408,742 | \$ 411,210 |
| Post-Retirement Adjustments..... | 710 | 621 | 546 |
| Total Disbursements..... | <u>(378,096)</u> | <u>(409,363)</u> | <u>(411,756)</u> |
| Cash Balance, Ending | \$ 403,773 | \$ 406,166 | \$ 408,136 |

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) | |
|--|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 4,387 | \$ 13,482 | \$ 21,985 |
| Receipts: | | | |
| Transfer from the General Fund..... | \$ 5,500 | \$ 5,500 | \$ 15,500 |
| Loan Principal and Interest Repayments | 5,540 | 5,550 | 5,500 |
| Interest | 374 | 834 | 662 |
| Total Receipts | 21,494 | 21,964 | 21,662 |
| Total Funds Available | \$ 25,881 | \$ 35,446 | \$ 43,647 |
| Disbursements: | | | |
| Community and Economic Development | \$ 12,399 | \$ 13,461 | \$ 21,100 |
| Total Disbursements | (12,399) | (13,461) | (21,100) |
| Cash Balance, Ending | \$ 13,482 | \$ 21,985 | \$ 22,547 |

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 46 | \$ 125 | \$ - |
| Receipts: | | | |
| State Tax Share | \$ 98,147 | \$ 103,400 | \$ 107,000 |
| State Tax Share Return..... | (29,266) | (25,000) | (25,000) |
| Local Tax Share | 4,783 | 2,999 | 3,103 |
| Interest | 122 | 7 | - |
| Total Receipts | 73,786 | 81,406 | 85,103 |
| Total Funds Available | \$ 73,832 | \$ 81,531 | \$ 85,103 |
| Disbursements: | | | |
| Treasury | \$ 73,707 | \$ 81,531 | \$ 85,103 |
| Total Disbursements | (73,707) | (81,531) | (85,103) |
| Cash Balance, Ending | \$ 125 | \$ - | \$ - |

Non-Coal Surface Mining Conservation and Reclamation Fund

The Non-Coal Surface Mining Conservation and Reclamation 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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 6,732 | \$ 8,786 | \$ 7,476 |
| Receipts: | | | |
| Licenses and Fees | \$ 2,227 | \$ 1,930 | \$ 1,930 |
| Penalties..... | 234 | 128 | 133 |
| Interest | 324 | 410 | 224 |
| Collateral | 179 | 87 | 87 |
| Forfeiture | 21 | 78 | 78 |
| Payment in Lieu of Bonds | 78 | 90 | 90 |
| Total Receipts | <u>3,063</u> | <u>2,723</u> | <u>2,542</u> |
| Total Funds Available | \$ 9,795 | \$ 11,509 | \$ 10,018 |
| Disbursements: | | | |
| Environmental Protection | \$ 1,009 | \$ 4,033 | \$ 2,403 |
| Total Disbursements | <u>(1,009)</u> | <u>(4,033)</u> | <u>(2,403)</u> |
| Cash Balance, Ending | \$ 8,786 | \$ 7,476 | \$ 7,615 |

Nutrient Management Fund

The Nutrient Management 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. In accordance with Act 54 of 2024, the fund receives ten percent of receipts deposited to the Clean Streams Fund.

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.

Act 54 of 2024 transferred all unconsumed balances appropriated from the COVID State Fiscal Recovery restricted account to the Department of Corrections.

Statement of Cash Receipts and Disbursements

| | | (Dollar Amounts in Thousands) | |
|---|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 493 | \$ 2,483 | \$ 2,960 |
| Agriculture-Linked Interest Subsidy: | | | |
| Receipts | 2,000 | 500 | 500 |
| Disbursements | (10) | (23) | (10) |
| Restricted Cash Balance, Ending | <u>\$ 2,483</u> | <u>\$ 2,960</u> | <u>\$ 3,450</u> |
| Unrestricted Cash Balance, Beginning | \$ 26,956 | \$ 24,779 | \$ 14,977 |
| Receipts: | | | |
| Transfer from General Fund | \$ 6,200 | \$ 6,200 | \$ 6,200 |
| Fees | 36 | 40 | 40 |
| Fines | 5 | 27 | 27 |
| Federal Funds – COVID-SFR – Transfer to Corrections | - | (2,106) | - |
| Federal Funds - COVID-SFR | - | - | - |
| Interest | 1,542 | 1,555 | 598 |
| Transfer from Clean Streams Fund | - | 6,107 | 5,440 |
| Total Receipts | <u>7,783</u> | <u>11,823</u> | <u>12,305</u> |
| Total Funds Available | <u>\$ 34,739</u> | <u>\$ 36,602</u> | <u>\$ 27,282</u> |
| Disbursements: | | | |
| Agriculture: | | | |
| Planning, Loans, Grants, and Technical Assistance | \$ 2,854 | \$ 3,282 | \$ 3,280 |
| Planning, Loans, Grants, and Technical Assistance - COVID-SFR | 2,907 | 13,035 | - |
| Administration | 1,276 | 1,927 | 2,322 |
| Environmental Protection: | | | |
| Education, Research, and Technical Assistance | 570 | 2,707 | 2,876 |
| Education, Research, and Technical Assistance - COVID-SFR | 2,353 | 674 | - |
| Total Disbursements | <u>(9,960)</u> | <u>(21,625)</u> | <u>(8,478)</u> |
| Unrestricted Cash Balance, Ending | <u>\$ 24,779</u> | <u>\$ 14,977</u> | <u>\$ 18,804</u> |
| Total Cash Balance, Beginning | \$ 27,449 | \$ 27,262 | \$ 17,937 |
| Receipts | 9,783 | 12,323 | 12,805 |
| Disbursements | (9,970) | (21,648) | (8,488) |
| Total Cash Balance, Ending | <u>\$ 27,262</u> | <u>\$ 17,937</u> | <u>\$ 22,254</u> |

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 General Fund expenses replaced by the Oil and Gas Lease Fund include additional support for the Department of Conservation and Natural Resources operations.

Statement of Cash Receipts and Disbursements

| | | (Dollar Amounts in Thousands) | |
|---|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 167,878 | \$ 155,888 | \$ 20,286 |
| Receipts: | | | |
| Rents and Royalties | \$ 79,794 | \$ 80,150 | \$ 76,900 |
| Interest | 8,318 | 8,079 | 523 |
| Other | 347 | 350 | 300 |
| Total Receipts | 88,459 | 88,579 | 77,723 |
| Total Funds Available | \$ 256,337 | \$ 244,467 | \$ 98,009 |
| Disbursements: | | | |
| Conservation and Natural Resources: | | | |
| General Government Operations..... | \$ 19,122 | \$ 30,069 | \$ 21,156 |
| State Parks Operations..... | 32,169 | 25,500 | 25,500 |
| State Forests Operations..... | 25,233 | 21,500 | 21,500 |
| Parks, Forests, and Recreation Projects | 8,925 | 132,112 | - |
| Transfer to Marcellus Legacy Fund | 15,000 | 15,000 | 15,000 |
| Total Disbursements..... | (100,449) | (224,181) | (83,156) |
| Cash Balance, Ending | \$ 155,888 | \$ 20,286 | \$ 14,853 |

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 (PSTF) to independently review medical facilities to ensure patient safety and reduce medical errors. Act 52 of 2007 extended this independent review to the reduction and prevention of health care associated infections at acute care and nursing home facilities. Revenue to the fund includes a surcharge on medical facility and nursing home licensing fees. These fees are assessed by the Department of Health, deposited in the General Fund and transferred to the PSTF. Pursuant to Act 13, the Patient Safety Authority maintains contracts with entities that collect, analyze, and evaluate data from reports of serious events and incidents at medical facilities to identify patterns in frequency or severity at individual medical facilities or in certain regions of this Commonwealth.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Surcharges, Interest, Total Receipts); Total Funds Available; Disbursements (Patient Safety Authority, Total Disbursements); and Cash Balance, Ending.

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.

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.

Act 54 of 2022 established the Sports, Marketing and Tourism Account within the fund to attract high-quality sporting events to the Commonwealth and to promote tourism and economic development. 5 percent of revenue generated from sports wagering, or \$2.5 million, whichever is greater, is deposited into the account. The deposit shall not exceed \$5 million. Act 34 of 2023 transferred \$25 million from the GEDTF to the account.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 5,000 | \$ 33,737 | \$ - |
| Receipts | 30,000 | 10,000 | 10,000 |
| Disbursements - Community and Economic Development..... | (1,263) | (43,737) | (10,000) |
| Restricted Cash Balance, Ending | <u>\$ 33,737</u> | <u>\$ -</u> | <u>\$ -</u> |
| Unrestricted Cash Balance, Beginning | \$ 28,793 | \$ 9,051 | \$ 10,725 |
| Receipts: | | | |
| Gross Terminal Revenue Assessments | \$ 132,859 | \$ 134,700 | \$ 135,300 |
| Build America Bonds Federal Interest Subsidy | 4,771 | 7,492 | 7,232 |
| Interest | 3,638 | 2,500 | 1,500 |
| Total Receipts | <u>141,268</u> | <u>144,692</u> | <u>144,032</u> |
| Total Funds Available | <u>\$ 170,061</u> | <u>\$ 153,743</u> | <u>\$ 154,757</u> |
| Disbursements: | | | |
| Community and Economic Development | \$ 81,900 | \$ 83,900 | \$ 85,900 |
| Transfer to Sports Marketing and Tourism Restricted Acct | 25,000 | 5,000 | 5,000 |
| General Services | 191 | 279 | 242 ^a |
| Transfer to Commonwealth Financing Authority | 53,919 | 53,839 | 54,083 |
| Total Disbursements | <u>(161,010)</u> | <u>(143,018)</u> | <u>(145,225)</u> |
| Unrestricted Cash Balance, Ending | <u>\$ 9,051</u> | <u>\$ 10,725</u> | <u>\$ 9,532</u> |
| Total Cash Balance, Beginning | \$ 33,793 | \$ 42,788 | \$ 10,725 |
| Receipts | 171,268 | 154,692 | 154,032 |
| Disbursements | (162,273) | (186,755) | (155,225) |
| Total Cash Balance, Ending | <u>\$ 42,788</u> | <u>\$ 10,725</u> | <u>\$ 9,532</u> |

^a Excludes a \$3.134M remaining pledge installment owed by a casino operator that is due on April 1, 2025. 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 \$3.376M.

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 percent 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) | | |
|---|-------------------------------|------------------------|------------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 86,466 | \$ 109,229 | \$ 133,839 |
| Receipts: | | | |
| Exchange User Fees on Insurers..... | \$ 85,441 | \$ 93,045 | \$ 93,045 |
| Federal Receipts/Subgrant..... | 20,634 | 19,500 | 19,500 |
| Interest | 4,391 | 5,597 | 3,986 |
| Total Receipts | <u>110,466</u> | <u>118,142</u> | <u>116,531</u> |
| Total Funds Available | \$ 196,932 | \$ 227,371 | \$ 250,370 |
| Disbursements: | | | |
| Health Insurance Exchange Authority | \$ 56,443 | \$ 64,140 ^a | \$ 71,822 ^a |
| Transfer to Reinsurance Fund | 31,260 | 29,392 | 44,400 |
| Total Disbursements | <u>(87,703)</u> | <u>(93,532)</u> | <u>(116,222)</u> |
| Cash Balance, Ending | \$ 109,229 | \$ 133,839 | \$ 134,148 |

^a This number does not include funding for the Affordability Assistance Program. As required in Act 54 of 2024, any funds received as a result of a disbursement from the Joint Underwriters Association shall be deposited into the Exchange Affordability Assistance Account to be used by the Pennsylvania Health Insurance Exchange Authority specifically for the Affordability Assistance Program, up to \$50 million a year. No funds have been received to date. As potential disbursement of those funds into the account is a matter before the Commonwealth Court, this section may be updated following a resolution.

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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 204 | \$ 215 | \$ 226 |
| Receipts: | | | |
| Interest | \$ 11 | \$ 11 | \$ 7 |
| Total Receipts | 11 | 11 | 7 |
| Total Funds Available | \$ 215 | \$ 226 | \$ 233 |
| Disbursements: | | | |
| Historical and Museum Commission | \$ - | \$ - | \$ - |
| Total Disbursements | - | - | - |
| Cash Balance, Ending | \$ 215 | \$ 226 | \$ 233 |

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.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, and 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Loan Principal and Interest Repayments, Interest, Other, Total Receipts); Total Funds Available; Disbursements (Transportation, Total Disbursements); and Cash Balance, Ending. Dollar amounts are in thousands.

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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 3,170,648 | \$ 3,403,160 | \$ 3,609,161 |
| Receipts: | | | |
| Contributions | \$ 103,530 | \$ 113,127 | \$ 104,712 |
| Interest | 36,918 | 39,102 | 34,860 |
| Premium / Discount on Sale of Securities..... | 16,721 | 19,835 | 15,093 |
| Net Investment Adjustment | 244,149 | 222,561 | 213,000 |
| Total Receipts | <u>401,318</u> | <u>394,625</u> | <u>367,665</u> |
| Total Funds Available | \$ 3,571,966 | \$ 3,797,785 | \$ 3,976,826 |
| Disbursements: | | | |
| Municipal Retirement Board | \$ 168,806 | \$ 188,624 | \$ 210,391 |
| Total Disbursements | <u>(168,806)</u> | <u>(188,624)</u> | <u>(210,391)</u> |
| Cash Balance, Ending | \$ 3,403,160 | \$ 3,609,161 | \$ 3,766,435 |

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.

Statement of Cash Receipts and Disbursements

| | 2023-24 Actual | (Dollar Amounts in Thousands) 2024-25 Available | 2025-26 Estimated |
|---|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 6,332 | \$ 6,434 | \$ 4,602 |
| Receipts: | | | |
| Assessments | \$ 186,367 | \$ 187,100 | \$ 185,400 |
| Interest | 609 | 631 | 139 |
| Total Receipts | <u>186,976</u> | <u>187,731</u> | <u>185,539</u> |
| Total Funds Available | \$ 193,308 | \$ 194,165 | \$ 190,141 |
| Disbursements: | | | |
| Revenue: | | | |
| Purse Account | \$ 132,222 | \$ 135,602 | \$ 125,172 |
| Restricted Racing Programs | 26,444 | 27,120 | 25,034 |
| Horsemen's Health and Pension Benefits | 6,611 | 6,780 | 6,259 |
| Agriculture | 9,548 | 7,772 | 14,659 |
| Transfer to State Racing Fund - Drug Testing | 10,066 | 10,425 | 12,405 |
| Transfer to State Racing Fund - Promotion of Racing | 1,983 | 1,864 | 1,871 |
| Total Disbursements | <u>(186,874)</u> | <u>(189,563)</u> | <u>(185,400)</u> |
| Cash Balance, Ending | \$ 6,434 | \$ 4,602 | \$ 4,741 |

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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 453 | \$ - | \$ - |
| Receipts: | | | |
| Interest | \$ 18 | \$ - | \$ - |
| Total Receipts | <u>18</u> | <u>-</u> | <u>-</u> |
| Total Funds Available | \$ 471 | \$ - | \$ - |
| Disbursements: | | | |
| PA Rural Health Redesign Center Authority | \$ 471 | \$ - | \$ - |
| Total Disbursements | <u>(471)</u> | <u>-</u> | <u>-</u> |
| Cash Balance, Ending | \$ - | \$ - | \$ - |

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) | |
|--------------------------------------|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 429 | \$ 215 | \$ 120 |
| Receipts: | | | |
| Public and Private Donations | \$ 13 | \$ 7 | \$ 15 |
| PA Monuments License Plates | - | 2 | 1 |
| Interest | 18 | 12 | 2 |
| Total Receipts | 31 | 21 | 18 |
| Total Funds Available | \$ 460 | \$ 236 | \$ 138 |
| Disbursements: | | | |
| Military and Veterans Affairs | \$ 245 | \$ 116 | \$ 95 |
| Total Disbursements | (245) | (116) | (95) |
| Cash Balance, Ending | \$ 215 | \$ 120 | \$ 43 |

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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 6,415 | \$ 6,764 | \$ - |
| Receipts: | | | |
| Interest | \$ 349 | \$ 358 | \$ - |
| Total Receipts | <u>349</u> | <u>358</u> | <u>-</u> |
| Total Funds Available | <u>\$ 6,764</u> | <u>\$ 7,122</u> | <u>\$ -</u> |
| Disbursements: | | | |
| Infrastructure Investment Authority | \$ - | \$ 7,122 | \$ - |
| Total Disbursements | <u>-</u> | <u>(7,122)</u> | <u>-</u> |
| Cash Balance, Ending | <u>\$ 6,764</u> | <u>\$ -</u> | <u>\$ -</u> |

PENNVEST Drinking Water Revolving Fund

This fund was created under the authority of Act 16 of 1988 to receive funds from the federal government to establish a revolving loan program 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) | | |
|--|-------------------------------|---------------------------|---------------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 274,564 | \$ 318,421 | \$ 348,619 |
| Receipts: | | | |
| Federal Funds | \$ 72,784 | \$ 673,098 ^a | \$ 681,756 ^a |
| Transfer from PENNVEST Water Pollution Control Revolving Fund..... | 75,581 | 20,000 | 20,000 |
| Transfer from Trustee Account..... | 30,000 | 30,000 | 30,000 |
| Loan Principal and Interest Repayments..... | 3,693 | 29,900 | 26,700 |
| Interest..... | 11,643 | 15,415 | 10,222 |
| Other..... | 8,003 | - | - |
| Total Receipts | 201,704 | 768,413 | 768,678 |
| Total Funds Available | \$ 476,268 | \$ 1,086,834 | \$ 1,117,297 |
| Disbursements: | | | |
| Infrastructure Investment Authority..... | \$ 157,847 | \$ 738,215 ^{a,b} | \$ 778,756 ^{a,b} |
| Total Disbursements | (157,847) | (738,215) | (778,756) |
| Cash Balance, Ending | \$ 318,421 | \$ 348,619 | \$ 338,541 |

^a Includes IJA awards: 2024-25 Available is \$568,697,000 and 2025-26 Budget is \$606,238,000.

^b Drinking Water Projects Revolving Loans authorizations: 2024-25 Available is \$512,000,000 and 2025-26 Budget is \$550,000,000 to account for loan commitments 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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 349,108 | \$ 353,689 | \$ 312,227 |
| Receipts: | | | |
| Revolving Loan Payments..... | \$ 25,041 | \$ 52,282 | \$ 64,000 |
| Transfer from Environmental Stewardship Fund..... | 21,409 | 20,507 | 20,878 |
| Transfer from Marcellus Legacy Fund..... | 7,974 | 7,536 | 10,392 |
| Interest | 13,735 | 13,329 | 8,472 |
| Other | 4,445 | - | - |
| Total Receipts | 72,604 | 93,654 | 103,742 |
| Total Funds Available | \$ 421,712 | \$ 447,343 | \$ 415,969 |
| Disbursements: | | | |
| Infrastructure Investment Authority: | | | |
| Grants | \$ - | \$ 35,000 | \$ 35,000 |
| PENNVEST Operations | 2,898 | 6,901 | 6,414 |
| Growing Greener Grants | 12,223 | 18,205 | 20,878 |
| Revenue Bond Loan Pool..... | - | 10 | 10 |
| Marcellus Grants..... | 1,863 | 4,000 | 10,392 |
| Revolving Loans and Administration | 51,039 | 70,000 ^a | 85,000 ^a |
| State Conditional Fund | - | 1,000 | 1,000 |
| Total Disbursements | (68,023) | (135,116) | (158,694) |
| Cash Balance, Ending | \$ 353,689 | \$ 312,227 | \$ 257,275 |

^a Revolving Loans and Administration authorizations: 2024-25 Available is \$100,000,000 and 2025-26 Budget is \$100,000,000 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

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Interest, Repayment, Transfer); Total Receipts; Total Funds Available; Disbursements (Treasury); Total Disbursements; Cash Balance, Ending.

a Debt service on Refunding Bonds that refunded Pennvest Bonds is paid from the Capital Debt Fund.

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.

In accordance with Act 54 of 2024, the fund receives ten percent of receipts deposited to the Clean Streams Fund.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|---------------------------|---------------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 833,381 | \$ 686,883 | \$ 566,971 |
| Receipts: | | | |
| Federal Funds | \$ 55,453 | \$ 397,440 ^a | \$ 422,400 ^a |
| Loan Principal and Interest Repayments | 16,623 | 39,681 | 30,509 |
| Trustee Transfer..... | - | - | - |
| Transfer from Clean Streams Fund..... | - | 7,107 | 6,528 |
| Interest | 34,148 | 26,240 | 15,001 |
| Total Receipts | 106,224 | 470,468 | 474,438 |
| Total Funds Available | \$ 939,605 | \$ 1,157,351 | \$ 1,041,409 |
| Disbursements: | | | |
| Infrastructure Investment Authority | \$ 252,722 | \$ 590,380 ^{a,b} | \$ 599,928 ^{a,b} |
| Total Disbursements..... | (252,722) | (590,380) | (599,928) |
| Cash Balance, Ending | \$ 686,883 | \$ 566,971 | \$ 441,481 |

^a Includes IJA awards: 2024-25 Available is \$269,000,000 and 2025-26 Budget is \$325,000,000.
^b Includes Sewage Projects Revolving Loans authorizations: 2024-25 Available is \$510,000,000 and 2025-26 Budget is \$540,000,000 to account for loan commitments to be disbursed by the PENNVEST Trustee.

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 older 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.

Statement of Cash Receipts and Disbursements

| | | (Dollar Amounts in Thousands) | |
|---|----------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 28,198 | \$ 25,399 | \$ 25,149 |
| Receipts: | | | |
| Special Pharmaceutical Services | \$ 102,518 | \$ 96,736 | \$ 106,328 |
| Chronic Renal Disease Program | 1,166 | 1,807 | 1,386 |
| Total Receipts | 103,684 | 98,543 | 107,714 |
| Disbursements: | | | |
| Health Services | \$ 106,147 | \$ 98,543 | \$ 105,854 |
| Settlement Claims | 336 | 250 | 266 |
| Total Disbursements | (106,483) | (98,793) | (106,120) |
| Restricted Cash Balance, Ending | \$ 25,399 | \$ 25,149 | \$ 26,743 |
| Unrestricted Cash Balance, Beginning | \$ 14,463 | \$ 23,825 | \$ 19,726 |
| Receipts: | | | |
| Transfer from Lottery Fund | \$ 155,000 | \$ 160,000 | \$ 150,000 |
| Interest | 1,508 | 1,899 | 1,789 |
| Federal Funds | 36 | 165 | 110 |
| Other | 1,834 | 2,250 | 2,250 |
| Total Receipts | 158,378 | 164,314 | 154,149 |
| Total Funds Available | \$ 172,841 | \$ 188,139 | \$ 173,875 |
| Disbursements: | | | |
| Aging: | | | |
| Contracted Services | \$ 147,667 | \$ 166,883 | \$ 151,910 |
| Administration | 1,349 | 1,530 | 1,591 |
| Total Disbursements | (149,016) | (168,413) | (153,501) |
| Unrestricted Cash Balance, Ending | \$ 23,825 | \$ 19,726 | \$ 20,374 |
| Total Cash Balance, Beginning | \$ 42,661 | \$ 49,224 | \$ 44,875 |
| Receipts | 262,062 | 262,857 | 261,863 |
| Disbursements | (255,499) | (267,206) | (259,621) |
| Total Cash Balance, Ending | \$ 49,224 | \$ 44,875 | \$ 47,117 |

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

| | 2023-24 | (Dollar Amounts in Thousands) | |
|--|-----------------|-------------------------------|----------------------|
| | Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 782 | \$ 291 | \$ 299 |
| Receipts: | | | |
| Transfer from Philadelphia Regional Port Authority | \$ 6,900 | \$ 7,700 | \$ 8,000 |
| Interest | 42 | 32 | 9 |
| Total Receipts | <u>6,942</u> | <u>7,732</u> | <u>8,009</u> |
| Total Funds Available | \$ 7,724 | \$ 8,023 | \$ 8,308 |
| Disbursements: | | | |
| Philadelphia Regional Port Operations | \$ 7,433 | \$ 7,724 | \$ 8,026 |
| Total Disbursements | <u>(7,433)</u> | <u>(7,724)</u> | <u>(8,026)</u> |
| Cash Balance, Ending | \$ 291 | \$ 299 | \$ 282 |

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 236 | \$ 255 | \$ 271 |
| Receipts: | | | |
| Assessments | \$ 2,143 | \$ 2,647 | \$ 2,193 |
| Interest | 19 | 16 | 8 |
| Total Receipts | 2,162 | 2,663 | 2,201 |
| Total Funds Available | \$ 2,398 | \$ 2,918 | \$ 2,472 |
| Disbursements: | | | |
| Philadelphia Parking Authority | \$ 2,143 | \$ 2,647 | \$ 2,193 |
| Total Disbursements | (2,143) | (2,647) | (2,193) |
| Cash Balance, Ending | \$ 255 | \$ 271 | \$ 279 |

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 7 | \$ 8 | \$ 8 |
| Receipts: | | | |
| Interest | \$ 1 | \$ - | \$ - |
| Total Receipts | <u>1</u> | <u>-</u> | <u>-</u> |
| Total Funds Available | <u>\$ 8</u> | <u>\$ 8</u> | <u>\$ 8</u> |
| Disbursements: | | | |
| Philadelphia Parking Authority | \$ - | \$ - | \$ - |
| Total Disbursements | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash Balance, Ending | <u>\$ 8</u> | <u>\$ 8</u> | <u>\$ 8</u> |

PlanCon Bond Projects Fund

The PlanCon Bond Projects Fund is a special revenue fund created by Act 25 of 2016 for the reimbursement of school construction costs from the net proceeds of bonds issued through the Commonwealth Financing Authority (CFA). The act authorized up to \$2.5 billion in debt to be issued by June 30, 2025, and the first bonds were issued in October 2016. Reimbursements to school districts for approved construction costs are made by the Department of Education. Act 85 of 2016 provides for CFA debt service obligations, which includes bond issuances for PlanCon projects, to be paid through a transfer of Sales and Use Tax receipts.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 176,984 | \$ 131,728 | \$ 138,520 |
| Receipts: | | | |
| Interest | \$ 9,186 | \$ 6,792 | \$ 4,183 |
| Total Receipts | <u>9,186</u> | <u>6,792</u> | <u>4,183</u> |
| Total Funds Available | \$ 186,170 | \$ 138,520 | \$ 142,703 |
| Disbursements: | | | |
| Education | \$ 54,442 | \$ - | \$ - |
| Total Disbursements | <u>(54,442)</u> | <u>-</u> | <u>-</u> |
| Cash Balance, Ending | \$ 131,728 | \$ 138,520 | \$ 142,703 |

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. In fiscal year 2024-25, the commission received a one-time \$4.2M subgrant from the Department of Transportation Multimodal Transportation Fund.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 2,346 | \$ 350 | \$ 3,009 |
| Receipts: | | | |
| State Grants | \$ 1,100 | \$ 5,700 | \$ 1,500 |
| Federal Grants | 73 | 4,800 | 4,800 |
| Interest | 112 | 81 | 90 |
| Total Receipts | <u>1,285</u> | <u>10,581</u> | <u>6,390</u> |
| Total Funds Available | \$ 3,631 | \$ 10,931 | \$ 9,399 |
| Disbursements: | | | |
| Port of Pittsburgh Commission..... | \$ 3,281 | \$ 7,922 | \$ 6,390 |
| Total Disbursements..... | <u>(3,281)</u> | <u>(7,922)</u> | <u>(6,390)</u> |
| Cash Balance, Ending | \$ 350 | \$ 3,009 | \$ 3,009 |

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 7 of 2023 provides additional funds for the Property Rent Rebate Program.

This budget proposes all Property Tax and Rent Rebate costs to be paid from the Property Tax Relief Fund. In addition, this budget proposes \$30 million for supplemental grants to fire companies.

Statement of Cash Receipts and Disbursements

| | | (Dollar Amounts in Thousands) | |
|---|----------------------------------|----------------------------------|----------------------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 1,107,648 | \$ 1,528,317 | \$ 1,776,212 |
| Receipts: | | | |
| Transfer from State Gaming Fund..... | \$ 1,235,369 | \$ 1,313,449 | \$ 1,311,710 |
| Interest | 54,619 | 73,146 | 52,141 |
| Total Receipts | <u>1,289,988</u> | <u>1,386,595</u> | <u>1,363,851</u> |
| Total Funds Available | \$ 2,397,636 | \$ 2,914,912 | \$ 3,140,063 |
| Disbursements: | | | |
| Property Tax Relief Payments: | | | |
| Education: | | | |
| General Property Tax Relief | \$ 750,000 | \$ 900,000 | \$ 1,020,000 |
| Sterling Act | 27,119 | 31,500 | 32,400 |
| Subtotal: Education Property Tax Relief Payments | <u>777,119</u> | <u>931,500</u> | <u>1,052,400</u> |
| Revenue: | | | |
| Base Property Tax and Rent Assistance | - | - | 120,400 |
| Expanded Prop Tax/Rent Rebate/Senior Tax Reductions | 64,900 | 174,300 | 175,300 |
| Cities and High-Burden..... | 22,300 | 27,900 | 28,000 |
| Subtotal: Revenue Property Tax Relief Payments..... | <u>87,200</u> | <u>202,200</u> | <u>323,700</u> |
| Total Property Tax Relief Disbursements | <u>864,319</u> | <u>1,133,700</u> | <u>1,376,100</u> |
| Emergency Management: | | | |
| Fire and Emergency Medical Services Grants | 5,000 | 5,000 | 5,000 |
| Supplemental Grants to Fire Companies | - | - | 30,000 |
| Total Disbursements | <u>(869,319)</u> | <u>(1,138,700)</u> | <u>(1,411,100)</u> |
| Cash Balance, Ending | \$ 1,528,317 ^a | \$ 1,776,212 ^a | \$ 1,728,963 ^a |

^a 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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 201,881 | \$ 356,320 | \$ 504,825 |
| Receipts: | | | |
| Contributions | \$ 123,544 | \$ 135,899 | \$ 149,488 |
| Net Investment Adjustment | 44,415 | 24,942 | 35,343 |
| Total Receipts | <u>167,959</u> | <u>160,841</u> | <u>184,831</u> |
| Total Funds Available | \$ 369,840 | \$ 517,161 | \$ 689,656 |
| Disbursements: | | | |
| Public School Employees' Retirement System: | | | |
| Administrative Expenses | \$ 3,538 | \$ 1,356 | \$ 1,405 |
| Benefits and Other Expenses | 9,982 | 10,980 | 12,078 |
| Total Disbursements | <u>(13,520)</u> | <u>(12,336)</u> | <u>(13,483)</u> |
| Cash Balance, Ending | \$ 356,320 | \$ 504,825 | \$ 676,173 |

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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 71,113,164 | \$ 75,234,842 | \$ 79,242,585 |
| Receipts: | | | |
| Transfer from General Fund: | | | |
| Employer Contribution (non-school entities)..... | \$ 39,553 | \$ 30,000 | \$ 30,000 |
| Transfers from State Employees' Retirement System | 4,683 | 10,000 | 10,000 |
| Contributions of School Employees | 1,283,017 | 1,211,000 | 1,222,000 |
| Contributions of Employers | 5,467,936 | 5,512,000 | 5,746,000 |
| Net Investment Adjustment | 5,124,118 | 5,319,000 | 5,605,000 |
| Total Receipts | <u>11,919,307</u> | <u>12,082,000</u> | <u>12,613,000</u> |
| Total Funds Available | \$ 83,032,471 | \$ 87,316,842 | \$ 91,855,585 |
| Disbursements: | | | |
| Public School Employees' Retirement System: | | | |
| Administrative and Investment Related Expenses | \$ 88,378 | \$ 92,257 | \$ 106,721 |
| Benefits | 7,709,251 | 7,982,000 | 8,124,000 |
| Total Disbursements | <u>(7,797,629)</u> | <u>(8,074,257)</u> | <u>(8,230,721)</u> |
| Cash Balance, Ending | \$ 75,234,842 | \$ 79,242,585 | \$ 83,624,864 |

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

| | 2023-24 Actual | (Dollar Amounts in Thousands) 2024-25 Available | 2025-26 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 12,053 | \$ 12,648 | \$ 11,360 |
| Receipts: | | | |
| Tire Fee, Rental Fee, and Lease Tax | \$ 136,720 | \$ 136,600 | \$ 140,700 |
| Transfer of Sales and Use Tax..... | 149,340 | 152,700 | 158,600 |
| Interest | 1,457 | 1,327 | 338 |
| Total Receipts | <u>287,517</u> | <u>290,627</u> | <u>299,638</u> |
| Total Funds Available | \$ 299,570 | \$ 303,275 | \$ 310,998 |
| Disbursements: | | | |
| Transportation: | | | |
| Grants | \$ 262,094 | \$ 266,727 | \$ 273,869 |
| Transfer to Public Transportation Trust Fund | 24,828 | 25,188 | 25,769 |
| Total Disbursements | <u>(286,922)</u> | <u>(291,915)</u> | <u>(299,638)</u> |
| Cash Balance, Ending | \$ 12,648 | \$ 11,360 | \$ 11,360 |

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 replaces deposits from the Pennsylvania Turnpike Commission to the Multimodal Transportation Fund with a Transfer of Sales and Use Tax from the Public Transportation Trust Fund. The fund balance does not reflect substantial commitments for public transportation operating and capital. Act 54 of 2024 appropriated \$161 million from the General Fund, of which \$80.5 million is to be used for Transportation and Multimodal Improvement Projects.

The 2025-26 budget proposes to dedicate 1.75 percent of total sales tax collections to the Public Transportation Trust Fund to support mass transit statewide, in addition to the current allocations to the fund.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 1,794,365 | \$ 1,993,826 | \$ 1,393,716 |
| Receipts: | | | |
| Transfer of Sales and Use Tax..... | \$ 1,211,549 | \$ 1,238,800 | \$ 1,580,100 |
| Transfer of Vehicle Sales Tax - Multimodal | (30,000) | (30,000) | (30,000) |
| Pennsylvania Turnpike Commission | 50,000 | 50,000 | 50,000 |
| Transfer from General Fund..... | - | 80,500 | - |
| Transfer from Lottery Fund..... | 95,907 | 95,907 | 95,907 |
| Transfer from Public Transportation Assistance Fund | 24,828 | 25,188 | 25,769 |
| Motor Vehicle Fees | 318,697 | 347,039 | 372,680 |
| Vehicle Code Fines | 26,493 | 26,760 | 26,760 |
| Federal Funds | 5,097 | 33,000 | 33,000 |
| Interest | 87,252 | 101,946 | 35,683 |
| Other | 2,286 | 1,050 | 1,050 |
| Total Receipts | <u>1,792,109</u> | <u>1,970,190</u> | <u>2,190,949</u> |
| Total Funds Available | \$ 3,586,474 | \$ 3,964,016 | \$ 3,584,665 |
| Disbursements: | | | |
| Transportation | \$ 1,592,648 | \$ 2,570,300 | \$ 2,579,563 |
| Total Disbursements | <u>(1,592,648)</u> | <u>(2,570,300)</u> | <u>(2,579,563)</u> |
| Cash Balance, Ending | \$ 1,993,826 | \$ 1,393,716 | \$ 1,005,102 |

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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ (6,443) ^a | \$ 1,621 | \$ 3,789 |
| Receipts: | | | |
| Reimbursements to General Services..... | \$ 477,715 | \$ 420,277 | \$ 420,000 |
| IRA Direct Pay Tax Credit Reimbursement..... | - | 223 | - |
| Interest | 564 | 168 | 69 |
| Total Receipts | <u>478,279</u> | <u>420,668</u> | <u>420,069</u> |
| Total Funds Available | <u>\$ 471,836</u> | <u>\$ 422,289</u> | <u>\$ 423,858</u> |
| Disbursements: | | | |
| General Services..... | \$ 470,215 | \$ 418,500 | \$ 423,000 |
| Total Disbursements | <u>(470,215)</u> | <u>(418,500)</u> | <u>(423,000)</u> |
| Cash Balance, Ending | <u>\$ 1,621</u> | <u>\$ 3,789</u> | <u>\$ 858</u> |

^a Reflects a timing difference between expenditures posted at year-end and reimbursements received in the subsequent year.

Real Estate Recovery Fund

The Real Estate Recovery 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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 928 | \$ 1,026 | \$ 991 |
| Receipts: | | | |
| Additional License Fees | \$ 56 | \$ 60 | \$ 60 |
| Interest | 51 | 55 | 29 |
| Total Receipts | <u>107</u> | <u>115</u> | <u>89</u> |
| Total Funds Available | \$ 1,035 | \$ 1,141 | \$ 1,080 |
| Disbursements: | | | |
| State | \$ 9 | \$ 150 | \$ 150 |
| Total Disbursements | <u>(9)</u> | <u>(150)</u> | <u>(150)</u> |
| Cash Balance, Ending | \$ 1,026 | \$ 991 | \$ 930 |

Recycling Fund

The Recycling 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 money in the fund 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.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 58,413 | \$ 58,781 | \$ 5,729 |
| Receipts: | | | |
| Recycling Fees..... | \$ 40,207 | \$ 43,500 | \$ 43,500 |
| Interest | 2,803 | 2,695 | 129 |
| Transfer from Hazardous Sites Cleanup Fund..... | 1,000 | 1,000 | 1,000 |
| Other | 24 | 200 | 200 |
| Total Receipts | <u>44,034</u> | <u>47,395</u> | <u>44,829</u> |
| Total Funds Available | \$ 102,447 | \$ 106,176 | \$ 50,558 |
| Disbursements: | | | |
| Environmental Protection | \$ 43,666 | \$ 100,447 | \$ 47,610 |
| Total Disbursements..... | <u>(43,666)</u> | <u>(100,447)</u> | <u>(47,610)</u> |
| Cash Balance, Ending | \$ 58,781 | \$ 5,729 | \$ 2,948 |

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) | |
|--------------------------------------|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 5,805 | \$ 12,720 | \$ 9,685 |
| Receipts: | | | |
| Client Fees | \$ 42,761 | \$ 25,000 | \$ 26,000 |
| Interest | 526 | 620 | 253 |
| PHEAA Grants | 25 | 25 | 25 |
| Federal Funds | 1,192 | 800 | 800 |
| Other | 641 | 520 | 575 |
| Total Receipts | 45,145 | 26,965 | 27,653 |
| Total Funds Available | \$ 50,950 | \$ 39,685 | \$ 37,338 |
| Disbursements: | | | |
| Labor and Industry | \$ 38,230 | \$ 30,000 | \$ 30,000 |
| Total Disbursements | (38,230) | (30,000) | (30,000) |
| Cash Balance, Ending | \$ 12,720 | \$ 9,685 | \$ 7,338 |

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 fund will be administered by the Insurance Department to fund the Reinsurance Program. Receipts into the 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 fund, available federal money must be expended first.

Statement of Cash Receipts and Disbursements

| | | (Dollar Amounts in Thousands) | |
|---|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 2,328 | \$ 2,767 | \$ 2,967 |
| Receipts: | | | |
| Transfer from PA Health Insurance Exchange Fund | \$ 31,260 | \$ 29,392 | \$ 44,400 |
| Federal Pass-Through..... | 124,250 | 115,500 | 121,129 |
| Interest | 156 | 206 | 90 |
| Total Receipts | <u>155,666</u> | <u>145,098</u> | <u>165,619</u> |
| Total Funds Available | \$ 157,994 | \$ 147,865 | \$ 168,586 |
| Disbursements: | | | |
| Insurance: | | | |
| Administration | \$ 331 | \$ 406 | \$ 400 |
| Payment to Insurers..... | 154,896 | 144,492 | 165,129 |
| Total Disbursements | <u>(155,227)</u> | <u>(144,898)</u> | <u>(165,529)</u> |
| Cash Balance, Ending | \$ 2,767 | \$ 2,967 | \$ 3,057 |

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 4,925 | \$ 5,238 | \$ 4,892 |
| Receipts: | | | |
| Operator Annual Fee..... | \$ 44 | \$ 48 | \$ 48 |
| Interest | 269 | 276 | 137 |
| Total Receipts..... | <u>313</u> | <u>324</u> | <u>185</u> |
| Total Funds Available | \$ 5,238 | \$ 5,562 | \$ 5,077 |
| Disbursements: | | | |
| Environmental Protection | \$ - | \$ 670 | \$ 760 |
| Total Disbursements..... | <u>-</u> | <u>(670)</u> | <u>(760)</u> |
| Cash Balance, Ending | \$ 5,238 | \$ 4,892 | \$ 4,317 |

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, 5 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 95 percent balance of the restitution monies annually escheated from the entities identified are to be deposited to the Crime Victim Services and Compensation Fund.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 90 | \$ 9 | \$ 246 |
| Receipts: | | | |
| Transfers from Unclaimed Property Accounts | \$ 349 | \$ 591 | \$ 591 |
| Interest | 2 | 3 | 4 |
| Total Receipts | <u>351</u> | <u>594</u> | <u>595</u> |
| Total Funds Available | <u>\$ 441</u> | <u>\$ 603</u> | <u>\$ 841</u> |
| Disbursements: | | | |
| Treasury Payments to Claimants | \$ 432 | \$ 357 | \$ 488 |
| Total Disbursements | <u>(432)</u> | <u>(357)</u> | <u>(488)</u> |
| Cash Balance, Ending | <u>\$ 9</u> | <u>\$ 246</u> | <u>\$ 353</u> |

School Safety and Security Fund

Act 44 of 2018 (amending the Public School Code) established the School Safety and Security Committee within the Pennsylvania Commission on Crime and Delinquency (PCCD) for the administration of the School Safety and Security Grant Program. Grant funding is dispersed throughout the Commonwealth and is used by school entities to supplement existing school spending on safety and security. 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 54 of 2022 and Act 22 of 2023 suspended the UJS deposit for fiscal years 2022-23 and 2023-24 respectively. Act 23 of 2020 provided for a subgrant from the Elementary and Secondary School Emergency Relief (ESSER). Act 1A of 2022 appropriated \$100 million to the Department of Education for transfer to the fund and Act 55 of 2022 also authorized a transfer of \$100 million from the appropriation to the department for the Ready-to-Learn Block Grant to be used for school mental health initiatives.

Act 1A of 2023 appropriated \$50 million to the Department of Education for transfer to the fund. Act 33 of 2023 appropriated \$20.7 million for the Safe Schools Initiative to be transferred to PCCD for the distribution of grants and authorized \$100 million for COVID-SFR-School Mental Health Grants.

Act 55 of 2024 appropriated \$100 million to the Department of Education for transfer to the fund and appropriated \$20.7 million for the Safe Schools Initiative to be transferred to PCCD for distribution of grants. Act 54 of 2024 also transferred all unconsumed balances appropriated from the COVID State Fiscal Recovery restricted account to the Department of Corrections.

This budget proposes a permanent suspension to the UJS deposit and transferring \$111 million from the General Fund for the Safe Schools Initiative, school mental health, and safety and security programs.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 189,550 | \$ 272,100 | \$ 36,732 |
| Receipts: | | | |
| Transfer from General Fund..... | \$ 70,700 | \$ 120,700 | \$ 111,000 |
| Federal Funds - COVID..... | 633 | - | - |
| Federal Funds - COVID-SFR-Transfer from Human Services..... | 100,000 | - | - |
| Federal Funds - COVID-SFR-Transfer to Corrections..... | - | (3,966) | - |
| Interest..... | 11,252 | 16,368 | 531 |
| Total Receipts..... | <u>182,585</u> | <u>133,102</u> | <u>111,531</u> |
| Total Funds Available | \$ 372,135 | \$ 405,202 | \$ 148,263 |
| Disbursements: | | | |
| Commission on Crime and Delinquency..... | \$ 94,214 | \$ 277,325 | \$ 148,263 |
| COVID-SFR School Mental Health Grants..... | 348 | 86,464 | - |
| Elementary and Secondary School Emergency Relief (ESSER)..... | 473 | - | - |
| Education: | | | |
| COVID-SFR School-Based MH Training and Pathways to Certification..... | - | 4,681 | - |
| PHEAA: | | | |
| COVID-SFR School Mental Health Internship..... | 5,000 | - | - |
| Total Disbursements..... | <u>(100,035)</u> | <u>(368,470)</u> | <u>(148,263)</u> |
| Cash Balance, Ending | \$ 272,100 | \$ 36,732 | \$ - |

Self-Insurance Guaranty Fund

This fund was created by Act 44 of 1993, the Pennsylvania Workers' Compensation Act. The purpose of this fund is to pay claims arising from defaulting self-insurance employers and defaulting members of self-insurance pooling arrangements under the Workers' Compensation Act for injuries occurring on or after October 30, 1993. The fund is maintained by assessments on self-insurers. Act 53 of 2000 provides for payments of claims resulting from injuries prior to October 30, 1993, through a Prefund Account funded by transfers from the Workers' Compensation Administration Fund. Act 49 of 2001 limited annual transfers to the Prefund Account to \$3.8 million. The Prefund Account and the fund are administered by the Department of Labor and Industry.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 54,492 | \$ 55,727 | \$ 57,098 |
| Receipts: | | | |
| Recoveries and Interest Transfers | \$ 724 | \$ 550 | \$ 533 |
| Assessments and Interest Transfers..... | 3,373 | 1,000 | 4,139 |
| Interest | 2,170 | 2,263 | 1,734 |
| Internal Interest Transfers | (2,348) | (1,350) | (2,212) |
| Investment Income | 204 | - | 154 |
| Total Receipts | <u>4,123</u> | <u>2,463</u> | <u>4,348</u> |
| Total Funds Available | \$ 58,615 | \$ 58,190 | \$ 61,446 |
| Disbursements: | | | |
| Labor and Industry | \$ 2,888 | \$ 1,092 | \$ 1,986 |
| Total Disbursements | <u>(2,888)</u> | <u>(1,092)</u> | <u>(1,986)</u> |
| Cash Balance, Ending | \$ 55,727 | \$ 57,098 | \$ 59,460 |

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 Pennsylvania 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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 146,676 | \$ 242,301 | \$ 336,310 |
| Receipts: | | | |
| Contributions | \$ 77,472 | \$ 79,409 | \$ 81,394 |
| Fees Collected from Employers | 5,345 | 5,979 | 4,836 |
| Interest | 262 | 339 | 78 |
| Net Investment Adjustment | 26,520 | 27,183 | 27,863 |
| Total Receipts | <u>109,599</u> | <u>112,910</u> | <u>114,171</u> |
| Total Funds Available | \$ 256,275 | \$ 355,211 | \$ 450,481 |
| Disbursements: | | | |
| State Employees' Retirement System: | | | |
| Administrative Expenses | \$ 4,834 | \$ 7,020 | \$ 4,836 |
| Benefits and Other Expenses | 9,140 | 11,881 | 15,446 |
| Total Disbursements | <u>(13,974)</u> | <u>(18,901)</u> | <u>(20,282)</u> |
| Cash Balance, Ending | \$ 242,301 | \$ 336,310 | \$ 430,199 |

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 (PIDA), 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

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, and 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Loan Principal and Interest Repayments, Interest, Other, Total Receipts); Total Funds Available; Disbursements (Community and Economic Development, Total Disbursements); and Cash Balance, Ending.

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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 49,565 | \$ 64,710 | \$ 200 |
| Receipts: | | | |
| Penalty and Interest Collections..... | \$ 16,539 | \$ 14,000 | \$ 13,994 |
| Transfer to Unemployment Compensation Contribution Fund..... | - | (15,080) | - |
| Interest | 2,972 | 3,503 | 6 |
| Total Receipts | <u>19,511</u> | <u>2,423</u> | <u>14,000</u> |
| Total Funds Available | \$ 69,076 | \$ 67,133 | \$ 14,200 |
| Disbursements: | | | |
| Labor and Industry | \$ 4,366 | \$ 66,933 | \$ 14,000 |
| Total Disbursements..... | <u>(4,366)</u> | <u>(66,933)</u> | <u>(14,000)</u> |
| Cash Balance, Ending | \$ 64,710 | \$ 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 Pennsylvania 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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 35,512,408 | \$ 37,654,501 | \$ 38,981,304 |
| Receipts: | | | |
| Contributions of Employees | \$ 439,777 | \$ 436,500 | \$ 444,500 |
| Contributions of Employers | 2,288,607 | 2,219,263 | 2,237,227 |
| Transfer to Annuity Reserve Account | 12,153 | 12,153 | 12,153 |
| Directed Commissions | 46 | 46 | 46 |
| Net Investment Adjustment | 3,359,113 | 2,587,993 | 2,679,210 |
| Other | 51,617 | 51,617 | 51,617 |
| Total Receipts | 6,151,313 | 5,307,572 | 5,424,753 |
| Total Funds Available | \$ 41,663,721 | \$ 42,962,073 | \$ 44,406,057 |
| Disbursements: | | | |
| State Employees' Retirement System: | | | |
| Administration and Investment Related Expenses | \$ 39,270 | \$ 51,837 | \$ 55,479 |
| Benefits | 3,969,951 | 3,928,932 | 4,000,278 |
| Total Disbursements | (4,009,220) | (3,980,769) | (4,055,757) |
| Cash Balance, Ending | \$ 37,654,501 | \$ 38,981,304 | \$ 40,350,300 |

State Gaming Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the State Gaming Fund to receive gaming license fees and 34 percent of the gross terminal revenue (GTR) generated by licensed gaming facilities. Act 42 of 2017, expanded gaming in the Commonwealth to include a new category of slot machine licenses, interactive gaming, and airport gaming. The fund receives 52 percent of gross interactive gaming revenue (GIGR) generated through simulated slot machines and 14 percent of GIGR generated through simulated table games. Fund revenues are annually distributed to various programs and the remainder is transferred to the Property Tax Relief Fund. Also, licensed gaming facilities deposit an additional 4 percent of GTR for slot machines, 2 percent of gross table game revenue, and 2 percent of GIGR into the fund for local share distributions where gaming facilities are located. Act 54 of 2024 transferred \$5 million from the Local Law Enforcement Grants to Pennsylvania Commission on Crime and Delinquency.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
|---|--------------------------------|--------------------------------|--------------------------------|
| Cash Balance, Beginning | \$ 522,994 | \$ 566,854 | \$ 293,326 |
| Receipts: | | | |
| State Tax Revenue..... | \$ 1,264,645 | \$ 1,361,000 | \$ 1,374,500 |
| Licensee Deposit Accts..... | 107,114 | 107,928 | 109,405 |
| Local Share Assessment..... | 488,822 | 503,900 | 513,500 |
| Interest..... | 23,694 | 28,231 | 8,929 |
| Other..... | 5,998 | 7,100 | 7,100 |
| Total Receipts..... | 1,890,273 | 2,008,159 | 2,013,434 |
| Total Funds Available | \$ 2,413,267 | \$ 2,575,013 | \$ 2,306,760 |
| Disbursements: | | | |
| Revenue: | | | |
| Transfer to Compulsive and Problem Gambling Treatment Fund..... | \$ 7,543 | \$ 7,461 | \$ 7,506 |
| Transfer to Compulsive and Problem Gambling Treatment Fund - Drug and Alcohol..... | 5,574 | 6,173 | 6,236 |
| Payments in Lieu of Taxes: | | | |
| Conservation and Natural Resources..... | 5,256 | 14,703 | 12,100 |
| Fish and Boat Commission..... | 17 | 70 | 45 |
| Game Commission..... | 3,645 | 15,178 | 9,676 |
| Emergency Management: | | | |
| Fire and Emergency Medical Services Grants..... | 25,000 | 25,000 | 25,000 |
| Community and Economic Development: | | | |
| Transfer to Commonwealth Financing Authority..... | 205,219 | 343,594 | 257,700 |
| Gaming Control Board: | | | |
| Local Law Enforcement Grants..... | 494 | 2,000 | 2,000 |
| Local Share Assessment Distribution: | | | |
| Revenue..... | 165,691 | 348,908 | 161,844 |
| Community and Economic Development..... | 94,691 | 91,118 | 92,492 |
| Education..... | 1,499 | 1,442 | 1,464 |
| Administrative Appropriations: | | | |
| Gaming Control Board..... | 53,530 | 59,699 | 60,423 |
| Revenue..... | 5,182 | 7,344 | 8,032 |
| State Police..... | 36,196 | 38,884 | 41,857 |
| Attorney General..... | 1,507 | 1,664 | 1,700 |
| Transfer to Crime Victim Services and Compensation Fund..... | - | 5,000 | - |
| Transfer to Property Tax Relief Fund..... | 1,235,369 | 1,313,449 | 1,311,710 |
| Total Disbursements..... | (1,846,413) | (2,281,687) | (1,999,785) |
| Cash Balance, Ending | \$ 566,854 ^a | \$ 293,326 ^a | \$ 306,975 ^a |

^a Ending cash balance reflects funds restricted for administration, enforcement, and local share distributions, as well as June tax receipts transferred to the Property Tax Relief Fund in July.

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 4,462 | \$ 5,311 | \$ 5,077 |
| Receipts: | | | |
| Transfer from General Fund..... | \$ 1,500 | \$ 1,500 | \$ 1,500 |
| Interest | 1,212 | 1,566 | 768 |
| Other | - | - | - |
| Total Receipts | <u>2,712</u> | <u>3,066</u> | <u>2,268</u> |
| Total Funds Available | <u>\$ 7,174</u> | <u>\$ 8,377</u> | <u>\$ 7,345</u> |
| Disbursements: | | | |
| General Services..... | \$ 1,863 | \$ 3,300 | \$ 3,500 |
| Total Disbursements..... | <u>(1,863)</u> | <u>(3,300)</u> | <u>(3,500)</u> |
| Cash Balance, Ending | <u>\$ 5,311</u> | <u>\$ 5,077</u> | <u>\$ 3,845</u> |

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 reauthorization of the Act 114 of 2016 drug testing transfer provision from the Pennsylvania Race Horse Development Trust Fund on July 1, 2025 to cover the cost of the drug testing program.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 21,353 | \$ 16,209 | \$ 15,272 |
| Racing Programs: | | | |
| Receipts | 29,971 | 30,552 | 26,320 |
| Disbursements - Agriculture | (35,115) | (31,489) | (29,434) |
| Restricted Cash Balance, Ending | \$ 16,209 | \$ 15,272 | \$ 12,158 |
| Unrestricted Cash Balance, Beginning | \$ 7,178 | \$ 5,629 | \$ 373 |
| Receipts: | | | |
| Admission and Wagering | \$ 6,087 | \$ 6,188 | \$ 8,505 |
| Licenses and Fees | 772 | 788 | 803 |
| Fines and Penalties | 194 | 198 | 202 |
| Transfer from Race Horse Development Fund - Promotion | 1,983 | 1,864 | 1,871 |
| Transfer from Race Horse Development Fund - Drug Testing | 10,066 | 10,425 | 12,405 |
| Other | 671 | 685 | 698 |
| Interest | 1,201 | 1,039 | 414 |
| Total Receipts | <u>20,974</u> | <u>21,187</u> | <u>24,898</u> |
| Total Funds Available | \$ 28,152 | \$ 26,816 | \$ 25,271 |
| Disbursements: | | | |
| Agriculture | \$ 22,357 | \$ 26,164 | \$ 24,988 |
| Revenue | 166 | 279 | 281 |
| Total Disbursements | <u>(22,523)</u> | <u>(26,443)</u> | <u>(25,269)</u> |
| Unrestricted Cash Balance, Ending | \$ 5,629 | \$ 373 | \$ 2 |
| Total Cash Balance, Beginning | \$ 28,531 | \$ 21,838 | \$ 15,645 |
| Receipts | 50,945 | 51,739 | 51,218 |
| Disbursements | (57,638) | (57,932) | (54,703) |
| Total Cash Balance, Ending | \$ 21,838 | \$ 15,645 | \$ 12,160 |

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 396 | \$ 355 | \$ 304 |
| Receipts: | | | |
| Commission / Profit Sharing..... | \$ 76 | \$ 80 | \$ 83 |
| Interest | 22 | 19 | 8 |
| Total Receipts | 98 | 99 | 91 |
| Total Funds Available | \$ 494 | \$ 454 | \$ 395 |
| Disbursements: | | | |
| General Services..... | \$ 139 | \$ 150 | \$ 130 |
| Total Disbursements..... | (139) | (150) | (130) |
| Cash Balance, Ending | \$ 355 | \$ 304 | \$ 265 |

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. Act 57 of 2024 transfers the approval of grants by both the Malt and Brewed Beverages and Wine Marketing and Promotion Boards to the Department of Agriculture.

Statement of Cash Receipts and Disbursements

| | 2023-24 Actual | (Dollar Amounts in Thousands) 2024-25 Available | 2025-26 Estimated |
|--|---------------------|---|----------------------|
| Cash Balance, Beginning | \$ 341,784 | \$ 240,010 | \$ 196,913 |
| Receipts: | | | |
| Fees, Fines and Penalties..... | \$ 31,815 | \$ 36,296 | \$ 36,360 |
| Expired License Auction Proceeds | - | 1,000 | - |
| Sale of Goods..... | 2,521,149 | 2,739,950 | 2,794,749 |
| Liquor Sales Taxes..... | 637,996 | 644,409 | 669,462 |
| Lottery Commissions..... | 2,048 | 1,873 | 2,100 |
| Recovered Losses and Damages | 1,257 | 2,207 | 2,207 |
| Interest | 16,221 | 13,847 | 5,978 |
| Other | 75 | 79 | 79 |
| Total Receipts | 3,210,561 | 3,439,661 | 3,510,935 |
| Total Funds Available | \$ 3,552,345 | \$ 3,679,671 | \$ 3,707,848 |
| Disbursements: | | | |
| Drug and Alcohol Programs | \$ 4,054 | \$ 4,842 | \$ 4,842 |
| Liquor Control Board | 2,450,993 | 2,604,349 | 2,600,159 |
| State Police | 34,192 | 41,058 | 40,316 |
| Transfer of Liquor Sales Taxes to General Fund | 637,996 | 644,409 | 669,462 |
| Transfer for Wine, Beer, and Spirits Boards | - | 3,000 | 3,000 |
| Transfer to General Fund | 185,100 | 185,100 | 185,100 |
| Total Disbursements..... | (3,312,335) | (3,482,758) | (3,502,879) |
| Cash Balance, Ending | \$ 240,010 | \$ 196,913 | \$ 204,969 |

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 678 | \$ 461 | \$ 86 |
| Receipts: | | | |
| Armory Rentals..... | \$ 174 | \$ 165 | \$ 216 |
| Sale of Armories and Land..... | - | - | 275 |
| Interest | 31 | 31 | 1 |
| Other | 94 | 54 | 10 |
| Total Receipts | <u>299</u> | <u>250</u> | <u>502</u> |
| Total Funds Available | \$ 977 | \$ 711 | \$ 588 |
| Disbursements: | | | |
| Military and Veterans Affairs | \$ 516 | \$ 625 | \$ 575 |
| Total Disbursements | <u>(516)</u> | <u>(625)</u> | <u>(575)</u> |
| Cash Balance, Ending | \$ 461 | \$ 86 | \$ 13 |

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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 1,166,437 | \$ 1,150,194 | \$ 1,097,636 |
| Receipts: | | | |
| Premiums | \$ 81,184 | \$ 80,892 | \$ 75,000 |
| Interest | 51,300 | 45,422 | 40,000 |
| Net Investment Adjustment | 13,453 | 34,648 | 35,000 |
| Other | 2,817 | 1,500 | 1,500 |
| Total Receipts | 148,754 | 162,462 | 151,500 |
| Total Funds Available | \$ 1,315,191 | \$ 1,312,656 | \$ 1,249,136 |
| Disbursements: | | | |
| Labor and Industry | \$ 163,253 | \$ 213,402 | \$ 213,520 |
| Premium Tax Payment to General Fund..... | 1,744 | 1,618 | 1,500 |
| Total Disbursements | (164,997) | (215,020) | (215,020) |
| Cash Balance, Ending | \$ 1,150,194 | \$ 1,097,636 | \$ 1,034,116 |

Storage Tank Fund

The Storage Tank 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 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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 17,929 | \$ 21,109 | \$ 23,080 |
| Receipts: | | | |
| Registration Fees | \$ 2,734 | \$ 2,822 | \$ 2,781 |
| Federal Funds - EPA..... | 1,145 | 4,312 | 4,740 |
| Fines and Penalties..... | 1,163 | 540 | 570 |
| Interest | 1,071 | 1,266 | 655 |
| Reimbursement from USTIF | 4,910 | 7,000 | 7,000 |
| Cost Recovery Reimbursements/Settlements | 3,765 | 3,619 | 10 |
| Total Receipts | 14,788 | 19,559 | 15,756 |
| Total Funds Available | \$ 32,717 | \$ 40,668 | \$ 38,836 |
| Disbursements: | | | |
| Environmental Protection | \$ 11,608 | \$ 17,588 | \$ 17,861 |
| Total Disbursements | (11,608) | (17,588) | (17,861) |
| Cash Balance, Ending | \$ 21,109 | \$ 23,080 | \$ 20,975 |

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) | |
|---|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 10,258 | \$ 10,188 | \$ 6,104 |
| Receipts: | | | |
| Assessments | \$ 2,445 | \$ 2,404 | \$ 2,560 |
| Interest | 423 | 437 | 151 |
| Total Receipts | <u>2,868</u> | <u>2,841</u> | <u>2,711</u> |
| Total Funds Available | \$ 13,126 | \$ 13,029 | \$ 8,815 |
| Disbursements: | | | |
| Commission on Crime and Delinquency | \$ 2,938 | \$ 6,925 | \$ 4,800 |
| Total Disbursements | <u>(2,938)</u> | <u>(6,925)</u> | <u>(4,800)</u> |
| Cash Balance, Ending | \$ 10,188 | \$ 6,104 | \$ 4,015 |

Surface Mining Conservation and Reclamation Fund

The Surface Mining Conservation and Reclamation 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 34 of 2023 authorized a transfer of personal income tax to the fund.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 63,292 | \$ 65,352 | \$ 67,560 |
| Forestering and Reclamation Programs: | | | |
| Receipts | 2,515 | 2,902 | 2,644 |
| Disbursements - Environmental Protection | (455) | (694) | (620) |
| Restricted Cash Balance, Ending | \$ 65,352 | \$ 67,560 | \$ 69,584 |
| | | | |
| Unrestricted Cash Balance, Beginning | \$ 7,046 | \$ 8,488 | \$ 5,123 |
| | | | |
| Receipts: | | | |
| Licenses and Fees | \$ 228 | \$ 211 | \$ 234 |
| Fines and Penalties | 260 | 284 | 230 |
| Transfer of Personal Income Tax | 4,000 | - | - |
| Transfer to Environmental Education Fund | (20) | (13) | (12) |
| Reclamation Fee O & M Trust Account | (383) | (247) | (250) |
| Interest | 2,815 | 3,048 | 2,160 |
| Restricted Interest Transfer | (2,499) | (1,800) | (1,000) |
| Other | 382 | 291 | 332 |
| Total Receipts | <u>4,783</u> | <u>1,774</u> | <u>1,694</u> |
| Total Funds Available | \$ 11,829 | \$ 10,262 | \$ 6,817 |
| | | | |
| Disbursements: | | | |
| Environmental Protection | \$ 3,341 | \$ 5,139 | \$ 3,867 |
| Total Disbursements | <u>(3,341)</u> | <u>(5,139)</u> | <u>(3,867)</u> |
| Unrestricted Cash Balance, Ending | \$ 8,488 | \$ 5,123 | \$ 2,950 |
| | | | |
| Total Cash Balance, Beginning | \$ 70,338 | \$ 73,840 | \$ 72,683 |
| Receipts | 7,298 | 4,676 | 4,338 |
| Disbursements | (3,796) | (5,833) | (4,487) |
| Total Cash Balance, Ending | \$ 73,840 | \$ 72,683 | \$ 72,534 |

Tobacco Settlement Fund

The Tobacco Settlement Fund (TSF) is a special revenue fund comprised of monies from all tobacco settlements under the Tobacco Master Settlement Agreement (MSA). Act 77 of 2001 created the 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 2024-25 allocations for the MSA funds anticipated to be received in April 2025 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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 150,477 | \$ 178,655 | \$ 15,143 |
| Receipts: | | | |
| Gross Settlements..... | \$ 352,031 | \$ 333,135 | \$ 310,919 |
| Tobacco Revenue Bond Debt Service..... | (115,338) | (115,336) | (115,340) |
| Transfer of Cigarette Tax..... | 115,338 | 115,336 | 115,340 |
| Federal Receipts..... | 160,813 | 186,660 | 150,287 |
| Interest..... | 10,036 | 13,356 | 457 |
| Other..... | 1 | 89 | - |
| Total Receipts..... | 522,881 | 533,240 | 461,663 |
| Total Funds Available | \$ 673,358 | \$ 711,895 | \$ 476,806 |
| Disbursements: | | | |
| Community and Economic Development: | | | |
| Life Sciences Greenhouses..... | \$ 2,791 | \$ 4,197 | \$ 3,000 |
| Health: | | | |
| Tobacco Use Prevention and Cessation (EA)..... | 17,283 | 21,718 | 13,991 |
| Health Research - Health Priorities (EA)..... | 26,218 | 157,475 | 39,176 |
| Health Research - National Cancer Institute (EA)..... | 1,950 | 12,241 | 3,109 |
| Human Services: | | | |
| Medical Care for Workers with Disabilities (EA)..... | 105,417 | 100,296 | 93,276 |
| (F)Medical Assistance - Workers with Disabilities (EA)..... | 124,925 | 123,020 | 117,839 |
| (F)COVID-Medical Assistance - Workers with Disabilities (EA)..... | 2,441 | (3,706) | - |
| Uncompensated Care (EA)..... | 28,602 | 56,518 | 25,433 |
| (F)Medical Assistance - Uncompensated Care (EA)..... | 32,528 | 67,346 | 32,448 |
| (F)COVID-Medical Assistance - Uncompensated Care (EA)..... | 1,639 | - | - |
| Medical Assistance - Community HealthChoices..... | 150,909 | 157,647 | 132,934 |
| Total Disbursements..... | (494,703) | (696,752) | (461,206) |
| Cash Balance, Ending | \$ 178,655 | \$ 15,143 | \$ 15,600 |

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 12,035 | \$ 12,962 | \$ 13,762 |
| Receipts: | | | |
| Program Funding..... | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| Interest | 20 | - | - |
| Total Receipts | 2,520 | 2,500 | 2,500 |
| Total Funds Available | \$ 14,555 | \$ 15,462 | \$ 16,262 |
| Disbursements: | | | |
| Treasury | \$ 1,593 | \$ 1,700 | \$ 1,700 |
| Total Disbursements..... | (1,593) | (1,700) | (1,700) |
| Cash Balance, Ending | \$ 12,962 | \$ 13,762 | \$ 14,562 |

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) | | |
|---------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 2,886,288 | \$ 2,320,496 | \$ 2,267,157 |
| Adjustment to Beginning Balance | (598,730) ^a | - | - |
| Adjusted Beginning Balance..... | 2,287,558 | 2,320,496 | 2,267,157 |
| Receipts: | | | |
| Application Fees..... | \$ 2,563 | \$ 2,581 | \$ 2,696 |
| Tuition Unit Purchases | 206,773 | 200,000 | 200,000 |
| Net Investment Adjustment | 106,354 | - | - |
| Total Receipts..... | <u>315,690</u> | <u>202,581</u> | <u>202,696</u> |
| Total Funds Available | \$ 2,603,248 | \$ 2,523,077 | \$ 2,469,853 |
| Disbursements: | | | |
| Treasury: | | | |
| Administration | \$ 5,902 | \$ 5,920 | \$ 6,035 |
| Tuition Payments | 276,850 | 250,000 | 250,000 |
| Total Disbursements..... | <u>(282,752)</u> | <u>(255,920)</u> | <u>(256,035)</u> |
| Cash Balance, Ending | \$ 2,320,496 | \$ 2,267,157 | \$ 2,213,818 |

^a Adjustment to beginning balance attributed to change in basis of accounting.

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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 4,629,109 | \$ 5,400,945 | \$ 5,503,945 |
| Receipts: | | | |
| Tuition Investment Purchases..... | \$ 594,799 | \$ 523,000 | \$ 523,000 |
| Net Investment Adjustment..... | 598,152 | - | - |
| Total Receipts..... | <u>1,192,951</u> | <u>523,000</u> | <u>523,000</u> |
| Total Funds Available | \$ 5,822,060 | \$ 5,923,945 | \$ 6,026,945 |
| Disbursements: | | | |
| Treasury..... | \$ 421,115 | \$ 420,000 | \$ 420,000 |
| Total Disbursements..... | <u>(421,115)</u> | <u>(420,000)</u> | <u>(420,000)</u> |
| Cash Balance, Ending | \$ 5,400,945 | \$ 5,503,945 | \$ 5,606,945 |

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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 74 | \$ 73 | \$ - |
| Receipts: | | | |
| Federal Receipts | \$ 317 | \$ - | \$ - |
| Federal Receipts - Refund | - | - | - |
| Interest | 4 | 4 | - |
| Interest Transfer to General Fund | - | (77) | - |
| Total Receipts | <u>321</u> | <u>(73)</u> | <u>-</u> |
| Total Funds Available | <u>\$ 395</u> | <u>\$ -</u> | <u>\$ -</u> |
| Disbursements: | | | |
| Labor and Industry: | | | |
| Claims | \$ 5 | \$ - | \$ - |
| Administration..... | 317 | - | - |
| Total Disbursements | <u>(322)</u> | <u>-</u> | <u>-</u> |
| Cash Balance, Ending | <u>\$ 73</u> | <u>\$ -</u> | <u>\$ -</u> |

Unconventional Gas Well Fund

The Unconventional Gas Well Fund was created by Act 13 of 2012 to provide for the collection and distribution of unconventional gas well impact fees. As custodian of the Unconventional Gas Well Fund, the PA Public Utility Commission has the fiduciary responsibility to monitor and report on the receipts and disbursements of other agencies that utilize the fund. 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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 23,172 | \$ 27,888 | \$ 15,016 |
| Receipts: | | | |
| Impact Fee Revenues | \$ 179,103 | \$ 171,103 | \$ 228,443 |
| Interest | 3,721 | 2,968 | 453 |
| Total Receipts | <u>182,824</u> | <u>174,071</u> | <u>228,896</u> |
| Total Funds Available | \$ 205,996 | \$ 201,959 | \$ 243,912 |
| Disbursements: | | | |
| Public Utility Commission | \$ 95,748 | \$ 95,696 | \$ 125,755 |
| Emergency Management | 1,397 | 6,925 | 1,500 |
| Fish and Boat Commission | 889 | 2,409 | 1,000 |
| Transportation | 413 | 5,683 | 1,000 |
| Transfer to Conservation District Fund | 4,829 | 4,944 | 5,053 |
| Transfer to Well Plugging Account | 6,000 | 6,000 | 6,000 |
| Transfer to Marcellus Legacy Fund | 63,791 | 60,286 | 83,135 |
| Transfer to Housing Affordability and Rehabilitation Enhancement Fund | 5,041 | 5,000 | 5,000 |
| Total Disbursements | <u>(178,108)</u> | <u>(186,943)</u> | <u>(228,443)</u> |
| Cash Balance, Ending | \$ 27,888 | \$ 15,016 | \$ 15,469 |

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 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. Act 61 of 2017 increased the reimbursement to the Storage Tank Fund from \$3,000,000 to \$7,000,000, annually. Act 34 of 2022 extended authority for the Underground Storage Tank Environmental Cleanup Program and the Underground Storage Tank Pollution Prevention Program until December 31, 2027.

Statement of Cash Receipts and Disbursements

| | | (Dollar Amounts in Thousands) | |
|--------------------------------------|-------------------|-------------------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 405,623 | \$ 447,157 | \$ 437,212 |
| Receipts: | | | |
| Gallon Fee..... | \$ 47,032 | \$ 48,131 | \$ 48,131 |
| Tank Capacity Fee..... | 5,535 | 5,770 | 5,770 |
| Interest..... | 697 | 648 | 340 |
| Net Investment Adjustment..... | 29,415 | - | - |
| Other..... | 331 | 340 | 350 |
| Total Receipts..... | 83,010 | 54,889 | 54,591 |
| Total Funds Available | \$ 488,633 | \$ 502,046 | \$ 491,803 |
| Disbursements: | | | |
| Environmental Protection..... | \$ 2,197 | \$ 6,010 | \$ 5,208 |
| Insurance: | | | |
| Administration..... | 10,216 | 20,837 | 17,738 |
| Claims..... | 29,063 | 37,987 | 38,000 |
| Total Disbursements..... | (41,476) | (64,834) | (60,946) |
| Cash Balance, Ending | \$ 447,157 | \$ 437,212 | \$ 430,857 |

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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 447,688 | \$ 1,842 | \$ - |
| Receipts: | | | |
| Regular Unemployment Compensation Program | \$ 1,864,616 | \$ 1,927,000 | \$ 1,875,000 |
| COVID Unemployment Compensation Benefits | (438,315) | 19,640 | 10,000 |
| Extended / Other Benefits | 12,560 | 25,000 | 208,000 |
| Total Receipts | <u>1,438,861</u> | <u>1,971,640</u> | <u>2,093,000</u> |
| Total Funds Available | \$ 1,886,549 | \$ 1,973,482 | \$ 2,093,000 |
| Disbursements: | | | |
| Labor and Industry | \$ 1,884,707 | \$ 1,973,482 | \$ 2,093,000 |
| Total Disbursements | <u>(1,884,707)</u> | <u>(1,973,482)</u> | <u>(2,093,000)</u> |
| Cash Balance, Ending | \$ 1,842 | \$ - | \$ - |

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.

This budget reflects the need for annual authorizations of the Service and Infrastructure Improvement Fund for administration of the Unemployment Compensation system.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 70,563 | \$ 36,864 | \$ - |
| Receipts: | | | |
| Contributions of Employers and Employees | \$ 2,248,077 | \$ 2,165,000 | \$ 2,169,000 |
| Transfer from Special Administration Fund | - | 15,080 | - |
| Transfer from Unemployment Compensation Debt Service Fund | 153,062 | - | - |
| Other | 560,094 | 83,000 | 119,354 |
| Total Receipts | 2,961,233 | 2,263,080 | 2,288,354 |
| Total Funds Available | \$ 3,031,796 | \$ 2,299,944 | \$ 2,288,354 |
| Disbursements: | | | |
| Labor and Industry: | | | |
| UC Contributions | \$ 2,881,932 | \$ 2,194,323 | \$ 2,169,000 |
| Reemployment Services | 11,973 | 29,612 | 15,000 |
| Service and Infrastructure Improvement | 101,027 | 76,009 | 104,354 |
| Total Disbursements | (2,994,932) | (2,299,944) | (2,288,354) |
| Cash Balance, Ending | \$ 36,864 | \$ - | \$ - |

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.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 152,845 | \$ 409 | \$ 555 |
| Receipts: | | | |
| Contributions from Employers | \$ 665 | \$ 146 | \$ - |
| Transfer to Unemployment Compensation Contribution Fund | (153,063) | \$ - | \$ - |
| Total Receipts | (152,398) | 146 | - |
| Total Funds Available | \$ 447 | \$ 555 | \$ 555 |
| Disbursements: | | | |
| Labor and Industry | \$ 38 | \$ - | \$ - |
| Total Disbursements | (38) | - | - |
| Cash Balance, Ending | \$ 409 | \$ 555 | \$ 555 |

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 percent to 0.25 percent 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.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 3,342 | \$ 3,535 | \$ 2,853 |
| Receipts: | | | |
| Assessments/Self-Insurer's Security..... | \$ 6,724 | \$ 6,600 | \$ 6,900 |
| Interest | 313 | 178 | 81 |
| Other | 966 | 715 | 975 |
| Total Receipts..... | <u>8,003</u> | <u>7,493</u> | <u>7,956</u> |
| Total Funds Available | \$ 11,345 | \$ 11,028 | \$ 10,809 |
| Disbursements: | | | |
| Labor and Industry | \$ 7,810 | \$ 8,175 | \$ 8,200 |
| Total Disbursements..... | <u>(7,810)</u> | <u>(8,175)</u> | <u>(8,200)</u> |
| Cash Balance, Ending | \$ 3,535 | \$ 2,853 | \$ 2,609 |

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 \$5 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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 1,604 | \$ 1,485 | \$ 1,195 |
| Receipts: | | | |
| Contributions - Plates, Driver's License, and Registration | \$ 1,039 | \$ 998 | \$ 1,075 |
| Interest | 103 | 81 | 30 |
| Other | 154 | 104 | 100 |
| Total Receipts | <u>1,296</u> | <u>1,183</u> | <u>1,205</u> |
| Total Funds Available | <u>\$ 2,900</u> | <u>\$ 2,668</u> | <u>\$ 2,400</u> |
| Disbursements: | | | |
| Military and Veterans Affairs: | | | |
| Grants and Assistance..... | \$ 1,415 | \$ 1,473 | \$ 1,600 |
| Total Disbursements..... | <u>(1,415)</u> | <u>(1,473)</u> | <u>(1,600)</u> |
| Cash Balance, Ending | <u>\$ 1,485</u> | <u>\$ 1,195</u> | <u>\$ 800</u> |

Video Gaming Fund

Act 42 of 2017 established the Video Gaming Fund to receive all license fees provided for in the act and 42 percent of the gross terminal revenue (GTR) generated by licensed gaming facilities. These monies are to be distributed annually to various programs as set forth in the act with the remainder being transferred to the General Fund. Currently, 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.

This budget proposes changes to the Video Gaming Fund by taxing skill machines as video game terminals (VGTs). All VGTs would be taxed at 52 percent, with 5 percent allocated to the Lottery Fund and the remaining 47 percent being transferred to the General Fund after paying a fixed annual payment for local share assessment and a transfer to the Compulsive and Problem Gambling Treatment Fund.

Statement of Cash Receipts and Disbursements

| | 2023-24 Actual | (Dollar Amounts in Thousands) 2024-25 Available | | 2025-26 Estimated |
|---|-----------------------------|---|--|-----------------------------|
| Cash Balance, Beginning | \$ 2,088 | \$ 3,282 | | \$ 2,900 |
| Receipts: | | | | |
| State Tax Revenue..... | \$ 17,294 | \$ 18,018 | | \$ 399,968 |
| Transfer to Compulsive and Problem Gambling Treatment Fund..... | (82) | (86) | | - |
| Licensee Deposit Accts..... | 824 | 858 | | 15,383 |
| Local Share Assessment..... | 4,118 | 4,290 | | - |
| Testing and Certification Fees..... | 1 | 50 | | 50 |
| Interest..... | 621 | 476 | | 108 |
| Total Receipts..... | 22,776 | 23,606 | | 415,509 |
| Total Funds Available | \$ 24,864 | \$ 26,888 | | \$ 418,409 |
| Disbursements: | | | | |
| Local Share Assessment Distribution: | | | | |
| Revenue..... | \$ 3,082 | \$ 4,290 | | \$ 4,290 |
| Testing and Certification: | | | | |
| Gaming Control Board..... | - | 50 | | 50 |
| Administrative Appropriations: | | | | |
| Gaming Control Board..... | 484 | 480 | | 6,475 |
| Revenue..... | 183 | 760 | | 9,683 |
| Transfer to Compulsive and Problem Gambling Treatment Fund..... | - | - | | 1,000 |
| Transfer to Lottery Fund..... | - | - | | 38,459 |
| Transfer to General Fund..... | 17,833 | 18,408 | | 354,100 |
| Total Disbursements..... | (21,582) | (23,988) | | (414,057) |
| Cash Balance, Ending | \$ 3,282^a | \$ 2,900^a | | \$ 4,352^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) | | |
|---|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 31,108 | \$ 25,471 | \$ 28,264 |
| Receipts: | | | |
| Transfer from General Fund..... | \$ 47,942 | \$ 48,718 | \$ 53,718 |
| Federal Vocational Rehabilitation Funds | 201,618 | 209,015 | 191,756 |
| Interest | 2,188 | 2,609 | 854 |
| Other | 9 | - | - |
| Total Receipts | 251,757 | 260,342 | 246,328 |
| Total Funds Available | \$ 282,865 | \$ 285,813 | \$ 274,592 |
| Disbursements: | | | |
| Labor and Industry | \$ 257,394 | \$ 257,549 | \$ 245,474 |
| Total Disbursements | (257,394) | (257,549) | (245,474) |
| Cash Balance, Ending | \$ 25,471 | \$ 28,264 | \$ 29,118 |

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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 4,514 | \$ 3,686 | \$ - |
| Receipts: | | | |
| Transfer to Water and Sewer Systems Assistance Sinking Fund..... | \$ - | \$ (622) | \$ - |
| Interest | 218 | 195 | - |
| Total Receipts | 218 | (427) | - |
| Total Funds Available | \$ 4,732 | \$ 3,259 | \$ - |
| Disbursements: | | | |
| Infrastructure Investment Authority | \$ 1,046 | \$ 3,259 | \$ - |
| Total Disbursements | (1,046) | (3,259) | - |
| Cash Balance, Ending | \$ 3,686 | \$ - | \$ - |

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

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Transfer from General Fund, Total Receipts); Total Funds Available; Disbursements (Treasury, Total Disbursements); and Cash Balance, Ending.

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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 20,077 | \$ 21,170 | \$ 12,890 |
| Receipts: | | | |
| Accumulated Interest Transfer for Debt Service | \$ - | \$ - | \$ (12,890) |
| Interest | 1,093 | 1,120 | - |
| Total Receipts | 1,093 | 1,120 | (12,890) |
| Total Funds Available | \$ 21,170 | \$ 22,290 | \$ - |
| Disbursements: | | | |
| Community and Economic Development | \$ - | \$ 9,400 | \$ - |
| Total Disbursements | - | (9,400) | - |
| Cash Balance, Ending | \$ 21,170 | \$ 12,890 | \$ - |

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

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Transfer from General Fund, Total Receipts); Total Funds Available; Disbursements (Treasury, Total Disbursements); and 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) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 445 | \$ 512 | \$ 323 |
| Receipts: | | | |
| Tax Check-Offs | \$ 38 | \$ 30 | \$ 30 |
| Voluntary Donations | - | 25 | - |
| License Plate Sales | 11 | 10 | 10 |
| Interest | 25 | 27 | 8 |
| Other | - | 2 | 2 |
| Total Receipts | <u>74</u> | <u>94</u> | <u>50</u> |
| Total Funds Available | <u>\$ 519</u> | <u>\$ 606</u> | <u>\$ 373</u> |
| Disbursements: | | | |
| Conservation and Natural Resources | \$ 7 | \$ 283 | \$ 132 |
| Total Disbursements | <u>(7)</u> | <u>(283)</u> | <u>(132)</u> |
| Cash Balance, Ending | <u>\$ 512</u> | <u>\$ 323</u> | <u>\$ 241</u> |

Workers' 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 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.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Restricted Cash Balance, Beginning | \$ 1,372 | \$ 1,444 | \$ 1,437 |
| Small Business Advocate: | | | |
| Receipts | 551 | 550 | 550 |
| Disbursements - Community and Economic Development | (479) | (557) | (550) |
| Restricted Cash Balance, Ending | \$ 1,444 | \$ 1,437 | \$ 1,437 |
| Unrestricted Cash Balance, Beginning | \$ 102,501 | \$ 103,649 | \$ 78,673 |
| Receipts: | | | |
| Assessments | \$ 69,766 | \$ 66,500 | \$ 86,300 |
| Fines and Penalties | (4) | 5 | 6 |
| Net Investment Adjustment | 5,594 | - | - |
| Other | 389 | 640 | 700 |
| Total Receipts | <u>75,745</u> | <u>67,145</u> | <u>87,006</u> |
| Total Funds Available | \$ 178,246 | \$ 170,794 | \$ 165,679 |
| Disbursements: | | | |
| Labor and Industry | \$ 74,597 | \$ 92,121 | \$ 76,102 |
| Total Disbursements | <u>(74,597)</u> | <u>(92,121)</u> | <u>(76,102)</u> |
| Unrestricted Cash Balance, Ending | \$ 103,649 | \$ 78,673 | \$ 89,577 |
| Total Cash Balance, Beginning | \$ 103,873 | \$ 105,093 | \$ 80,110 |
| Receipts | 76,296 | 67,695 | 87,556 |
| Disbursements | (75,076) | (92,678) | (76,652) |
| Total Cash Balance, Ending | \$ 105,093 | \$ 80,110 | \$ 91,014 |

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 1 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 5 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.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 1,117,939 | \$ 1,187,202 | \$ 1,126,441 |
| Receipts: | | | |
| Assessments and Receipts | \$ 4,924 | \$ 4,846 | \$ 4,846 |
| Net Investment Adjustment | 83,248 | - | - |
| Interest | 1,735 | 1,710 | 944 |
| Other | 12 | 15 | 6 |
| Total Receipts | 89,919 | 6,571 | 5,796 |
| Total Funds Available | \$ 1,207,858 | \$ 1,193,773 | \$ 1,132,237 |
| Disbursements: | | | |
| Insurance: | | | |
| Administration | \$ 6,442 | \$ 9,391 | \$ 9,098 |
| Claims | 14,214 | 57,941 | 29,000 |
| Total Disbursements | (20,656) | (67,332) | (38,098) |
| Cash Balance, Ending | \$ 1,187,202 | \$ 1,126,441 | \$ 1,094,139 |

Workers' 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) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 11,128 | \$ 12,331 | \$ 12,636 |
| Receipts: | | | |
| Assessments | \$ 31,795 | \$ 26,739 | \$ 27,500 |
| Interest | 889 | 566 | 359 |
| Total Receipts | <u>32,684</u> | <u>27,305</u> | <u>27,859</u> |
| Total Funds Available | \$ 43,812 | \$ 39,636 | \$ 40,495 |
| Disbursements: | | | |
| Labor and Industry | \$ 31,481 | \$ 27,000 | \$ 29,000 |
| Total Disbursements | <u>(31,481)</u> | <u>(27,000)</u> | <u>(29,000)</u> |
| Cash Balance, Ending | \$ 12,331 | \$ 12,636 | \$ 11,495 |

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 monthly, the proceeds of which are remitted to the fund quarterly. Up to 2 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.

Act 34 of 2023 extended the provisions of Title 35, Chapter 53 until 2029. Beginning March 1, 2024 and ending January 31, 2026, the 911 surcharge is increased to \$1.95. This budget proposes to extend the surcharge of \$1.95 through February 1, 2028.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 2023-24 Actual | 2024-25 Available | 2025-26 Estimated |
| Cash Balance, Beginning | \$ 95,159 | \$ 95,762 | \$ 74,805 |
| Receipts: | | | |
| Assessments | \$ 329,224 | \$ 381,580 | \$ 393,027 |
| Interest | 5,835 | 5,697 | 2,259 |
| Total Receipts | <u>335,059</u> | <u>387,277</u> | <u>395,286</u> |
| Total Funds Available | \$ 430,218 | \$ 483,039 | \$ 470,091 |
| Disbursements: | | | |
| Emergency Management: | | | |
| Administration | \$ 4,137 | \$ 7,552 | \$ 7,861 |
| Grants | 330,319 | 400,682 | 385,166 |
| Total Disbursements | <u>(334,456)</u> | <u>(408,234)</u> | <u>(393,027)</u> |
| Cash Balance, Ending | \$ 95,762 | \$ 74,805 | \$ 77,064 |



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 | 2021-22 Actual | 2022-23 Actual | 2023-24 Actual | 2024-25 Available | 2025-26 Budget |
|---|-------------------|-------------------|-------------------|----------------------|-------------------|
| Governor's Office | 72 | 88 | 98 | 98 | 98 |
| Lieutenant Governor | 18 | 8 | 8 | 9 | 9 |
| Executive Offices | 3,286 | 3,322 | 3,403 | 3,422 | 3,459 |
| Commission on Crime and Delinquency..... ^a | 125 | 149 | 149 | 158 | 158 |
| Aging | 90 | 98 | 102 | 106 | 106 |
| Agriculture..... | 616 | 646 | 665 | 671 | 678 |
| Banking and Securities | 218 | 218 | 218 | 218 | 218 |
| Civil Service Commission | 14 | 14 | 14 | 14 | 14 |
| Community and Economic Development..... | 324 | 357 | 378 | 417 | 421 |
| Conservation and Natural Resources..... | 1,329 | 1,382 | 1,409 | 1,439 | 1,442 |
| Corrections | 16,907 | 16,926 | 16,933 | 16,934 | 16,851 |
| Drug and Alcohol Programs..... | 102 | 102 | 106 | 122 | 122 |
| Education..... | 526 | 538 | 556 | 583 | 583 |
| Emergency Management Agency..... | 217 | 217 | 229 | 231 | 232 |
| Environmental Hearing Board..... | 12 | 12 | 12 | 12 | 12 |
| Environmental Protection..... | 2,516 | 2,744 | 2,774 | 2,874 | 2,909 |
| Fish and Boat Commission..... | 418 | 422 | 422 | 422 | 422 |
| Game Commission | 803 | 803 | 856 | 906 | 906 |
| General Services | 939 | 1,013 | 1,013 | 1,027 | 1,056 |
| Health | 1,478 | 1,560 | 1,577 | 1,541 | 1,539 |
| Historical and Museum Commission | 214 | 218 | 218 | 218 | 220 |
| Human Services | 16,080 | 16,094 | 16,124 | 15,266 | 15,312 |
| Infrastructure Investment Authority..... | 33 | 33 | 33 | 35 | 35 |
| Insurance | 266 | 279 | 283 | 305 | 313 |
| Labor and Industry..... | 4,670 | 5,161 | 5,161 | 5,193 | 5,208 |
| Liquor Control Board..... | 3,517 | 3,577 | 3,577 | 3,577 | 3,577 |
| Military and Veterans Affairs..... | 2,597 | 2,797 | 2,808 | 2,815 | 2,816 |
| Milk Board..... | 22 | 22 | 22 | 22 | 22 |
| Municipal Employees' Retirement..... | 50 | 50 | 50 | 50 | 50 |
| Public School Employees' Retirement System..... | 375 | 382 | 382 | 382 | 387 |
| Public Utility Commission | 526 | 526 | 526 | 526 | 526 |
| Revenue | 1,789 | 1,789 | 1,792 | 1,797 | 1,797 |
| State | 530 | 550 | 562 | 592 | 602 |
| State Employees' Retirement System | 236 | 238 | 240 | 246 | 248 |
| State Police..... | 6,472 | 6,507 | 6,607 | 6,613 | 6,618 |
| Transportation..... | 11,579 | 11,587 | 11,704 | 11,731 | 11,731 |
| TOTAL ALL DEPARTMENTS | 78,966 | 80,429 | 81,011 | 80,572 | 80,697 |

^a The Executive Offices - Commission on Crime and Delinquency is shown as a separate agency for budget presentation purposes only.

Summary of 2025-26 Complement Changes

The following is a detailed listing, by department, of the recommended authorized salaried complement changes (on a full-time equivalent basis) for 2025-26. It reflects proposed transfers, eliminations, and new positions.

| Department / Fund / Appropriation | Increase/ Decrease | Comment on Complement Change |
|---|-----------------------|---|
| EXECUTIVE OFFICES | | |
| General Fund: | | |
| Office of Administration..... | 23 | NEW: For placement of Penn fellow (1). TRANSFERRED: From Corrections (34) and to Commonwealth Office of Digital Experience (-12). |
| Commonwealth Office of Digital Experience | 12 | TRANSFERRED: From Office of Administration. |
| Office of the Budget..... | 2 | NEW: For enhanced budget operations. |
| DEPARTMENT TOTAL | <u>37</u> | |
| AGRICULTURE | | |
| General Fund: | | |
| Payments to Pennsylvania Fairs | (2) | TRANSFERRED: To PA Race Horse Development Trust Fund Payments to Pennsylvania Fairs (R). |
| General Government Operations..... | 7 | NEW: For Farmland Preservation program support (1) and for PA Veterinary Lab support (6). |
| General Fund Total | <u>5</u> | |
| PA Race Horse Development Trust Fund: | | |
| Payments to Pennsylvania Fairs (R) | 2 | TRANSFERRED: From General Fund Payments to Pennsylvania Fairs. |
| DEPARTMENT TOTAL | <u>7</u> | |
| COMMUNITY AND ECONOMIC DEVELOPMENT | | |
| General Fund: | | |
| General Government Operations..... | (28) | TRANSFERRED: To BusinessPA. |
| Office of International Business Development..... | (14) | TRANSFERRED: To BusinessPA. |
| Marketing to Attract Business | (3) | TRANSFERRED: To BusinessPA. |
| Office of Open Records | 1 | NEW: To administer the Right-to-Know Law. |
| Center for Local Government Services..... | 3 | NEW: For State Planning Board support. |
| BusinessPA | 45 | TRANSFERRED: From General Government Operations (28), from Office of International Business Development (14), and from Marketing to Attract Business (3). |
| DEPARTMENT TOTAL | <u>4</u> | |
| CONSERVATION AND NATURAL RESOURCES | | |
| General Fund: | | |
| General Government Operations..... | 2 | NEW: For program support for petroleum and subsurface geology. |
| Federal Fund: | | |
| Federal Sentinel Landscape Program (F)..... | 1 | NEW: For sentinel landscape coordinator. |
| DEPARTMENT TOTAL | <u>3</u> | |
| CORRECTIONS | | |
| General Fund: | | |
| State Correctional Institutions..... | <u>(83)</u> | TRANSFERRED: To Office of Administration (-34). Eliminated positions (-49). |

Summary of 2025-26 Complement Changes

| Department / Fund / Appropriation | Increase/ Decrease | Comment on Complement Change |
|---|-----------------------|---|
| DRUG AND ALCOHOL PROGRAMS | | |
| Federal Funds: | | |
| SUPTRSBG-Administration and Operation (F)..... | 8 | TRANSFERRED: From State Opioid Response Administration (F). |
| State Opioid Response Administration (F) | <u>(8)</u> | TRANSFERRED: To SUPTRSBG-Administration and Operation (F). |
| DEPARTMENT TOTAL | <u>-</u> | |
| EDUCATION | | |
| General Fund: | | |
| General Government Operations..... | <u>2</u> | NEW: For the State Board of Higher Education. |
| Federal Fund: | | |
| COVID-ESSER-SEA Administration (F) | <u>(2)</u> | Eliminated positions. |
| DEPARTMENT TOTAL | <u>-</u> | |
| EMERGENCY MANAGEMENT AGENCY | | |
| General Fund: | | |
| State Fire Commissioner | <u>1</u> | NEW: For administrative and programmatic support for requirements of Fire Relief Associations. |
| ENVIRONMENTAL PROTECTION | | |
| General Fund: | | |
| General Government Operations..... | 1 | NEW: For fiscal support. |
| Environmental Protection Operations | 7 | NEW: For agricultural conservation (3) and for programmatic requirements for surface mining reclamation and enforcement (4). |
| Environmental Program Management..... | 4 | NEW: For agricultural conservation. |
| Chesapeake Bay Agricultural Source Abatement..... | <u>3</u> | NEW: For agricultural conservation. |
| General Fund Total | <u>15</u> | |
| Federal Funds: | | |
| IIJA-Orphan Well Plugging (F)..... | 10 | NEW: For well plugging activities. |
| IIJA-Abandoned Mine Reclamation (F)..... | <u>10</u> | NEW: For treating and restoring abandoned mine lands. |
| Federal Funds Total | <u>20</u> | |
| DEPARTMENT TOTAL | <u>35</u> | |
| GENERAL SERVICES | | |
| General Fund: | | |
| General Government Operations..... | 20 | NEW: For maintaining the Capitol Complex and other facilities (8), for expanding and promoting contracting opportunities for small and diverse business (5), for capital programs (4), and for Commonwealth Media Center (3). |
| Space Optimization and Utilization | 9 | NEW: For implementation of the space optimization and utilization plan to reduce the Commonwealth's real estate footprint. |
| DEPARTMENT TOTAL | <u>29</u> | |

Summary of 2025-26 Complement Changes

| Department / Fund / Appropriation | Increase/ Decrease | Comment on Complement Change |
|---|-----------------------|--|
| HEALTH | | |
| General Fund: | | |
| General Government Operations..... | 3 | NEW: To support the PA Viral Hepatitis Elimination Plan. |
| Quality Assurance..... | 3 | NEW: To implement Act 109 of 2024. |
| Health Promotion and Disease Prevention..... | 1 | NEW: For maternal health capacity. |
| Long-Term Care Transformation Office..... | 1 | NEW: For long-term care facility support. |
| General Fund Total | <u>8</u> | |
| Restricted: | | |
| Ryan White Rebates..... | <u>11</u> | TRANSFERRED: From HIV Care-Administration and Operation (F). |
| Federal Funds: | | |
| HIV Care-Administration and Operation (F)..... | (11) | TRANSFERRED: To Ryan White Rebates (R). |
| COVID-Strengthening STD Prevention and Control (F) | (11) | Eliminated positions. |
| COVID-Epidemiology and Laboratory Surveillance and Response (F)(EA)..... | 2 | NEW: For Strengthening HAI/Antimicrobial Resistance Program Capacity (SHARP). |
| COVID-Disease Control Immunization (F)(EA) | <u>(1)</u> | Eliminated position. |
| Federal Funds Total | <u>(21)</u> | |
| DEPARTMENT TOTAL | <u>(2)</u> | |
| HISTORICAL AND MUSEUM COMMISSION | | |
| General Fund: | | |
| General Government Operations..... | <u>2</u> | NEW: For streamlining environmental reviews of historic properties affected by IJJA projects. |
| HUMAN SERVICES | | |
| General Fund: | | |
| General Government Operations..... | 101 | NEW: For BHA support (16), OCYF support (19), ODP Fiscal Monitoring (7), OMHSAS Grants Manager (1), CMS Final Rule compliance (8), and OLTL support (10). TRANSFERRED: From County Assistance Offices (40). |
| County Administration-Statewide..... | 45 | NEW: For implementation of the federal Sun Bucks Program (1), CMS Final Rule compliance (14), and OLTL support (10). TRANSFERRED: From County Assistance Offices (20). |
| County Assistance Offices..... | (100) | TRANSFERRED: To General Government Operations (-40) and to County Administration-Statewide (-20). Eliminated positions (-40). |
| DEPARTMENT TOTAL | <u>46</u> | |
| INSURANCE DEPARTMENT | | |
| Insurance Regulation and Oversight Fund: | | |
| General Government Operations..... | <u>8</u> | NEW: To continue the implementation of Act 77 of 2024. |
| LABOR AND INDUSTRY | | |
| Administration Fund: | | |
| Workforce Development (F)(EA) | <u>15</u> | NEW: For program support to connect additional Pennsylvanians seeking employment with services. |

Summary of 2025-26 Complement Changes

| Department / Fund / Appropriation | Increase/ Decrease | Comment on Complement Change |
|---|-----------------------|--|
| MILITARY AND VETERANS AFFAIRS | | |
| General Fund: | | |
| General Government Operations..... | 4 | NEW: For compliance with environmental laws and regulations (1). TRANSFERRED: From Facilities Maintenance (F) (3). |
| Federal Fund: | | |
| Facilities Maintenance (F)..... | (3) | TRANSFERRED: To General Government Operations. |
| DEPARTMENT TOTAL | <u>1</u> | |
| SCHOOL EMPLOYEES' RETIREMENT SYSTEM | | |
| School Employees' Retirement Fund: | | |
| Administration-Public School Employees' Retirement Board | <u>5</u> | NEW: For retirement representative trainees. |
| STATE | | |
| General Fund: | | |
| General Government Operations..... | 3 | NEW: For administrative and legal support (2). TRANSFERRED: Bureau of Corporations and Charitable Organizations (EA)(R) (1). |
| General Fund Total | <u>3</u> | |
| Restricted: | | |
| Professional and Occupational Affairs (R)..... | 8 | NEW: For enforcement support (5), for professional licensure certification (2), and for professional health monitoring specialist (1). |
| Bureau of Corporations and Charitable Organizations (EA)(R) | (1) | TRANSFERRED: To General Government Operations. |
| Restricted Total | <u>7</u> | |
| DEPARTMENT TOTAL | <u>10</u> | |
| STATE EMPLOYEES' RETIREMENT SYSTEM | | |
| State Employees' Retirement Fund: | | |
| Administration-State Employees' Retirement Board..... | <u>2</u> | NEW: For internal audit capacity and risk management. |
| STATE POLICE | | |
| General Fund: | | |
| General Government Operations..... | <u>5</u> | NEW: For lab operations. |
| TRANSPORTATION | | |
| Motor License Fund: | | |
| Driver and Vehicle Services..... | 233 | TRANSFERRED: From Homeland Security-Real ID. |
| Homeland Security-Real ID | (233) | TRANSFERRED: To Driver and Vehicle Services. |
| DEPARTMENT TOTAL | <u>-</u> | |
| GRAND TOTAL | <u>125</u> | |

Filled Salaried Complement by Agency

The following is a summary, by department, of the Commonwealth's filled salaried complement levels for departments under the Governor's jurisdiction.

| Department | January 2022 | January 2023 | January 2024 | January 2025 | Difference Current - January 2022 |
|---|-----------------|-----------------|-----------------|-----------------|--|
| Governor's Office..... | 68 | 69 | 90 | 91 | 23 |
| Lieutenant Governor..... | 16 | 7 | 8 | 8 | (8) |
| Executive Offices..... ^a | 2,953 | 3,035 | 3,144 | 3,262 | 309 |
| Commission on Crime and Delinquency..... ^a | 109 | 120 | 130 | 139 | 30 |
| Aging..... | 80 | 92 | 90 | 99 | 19 |
| Agriculture..... | 557 | 573 | 599 | 621 | 64 |
| Banking and Securities..... | 171 | 169 | 174 | 169 | (2) |
| Civil Service Commission..... | 14 | 13 | 13 | 14 | - |
| Community and Economic Development..... | 281 | 307 | 340 | 366 | 85 |
| Conservation and Natural Resources..... | 1,271 | 1,282 | 1,362 | 1,394 | 123 |
| Corrections..... | 15,656 | 15,703 | 15,899 | 16,048 | 392 |
| Drug and Alcohol Programs..... | 83 | 83 | 92 | 96 | 13 |
| Education..... | 444 | 455 | 495 | 514 | 70 |
| Emergency Management Agency..... | 169 | 178 | 191 | 209 | 40 |
| Environmental Hearing Board..... | 9 | 10 | 10 | 12 | 3 |
| Environmental Protection..... | 2,327 | 2,419 | 2,563 | 2,641 | 314 |
| Fish and Boat Commission..... | 367 | 363 | 370 | 373 | 6 |
| Game Commission..... | 656 | 712 | 738 | 810 | 154 |
| General Services..... | 794 | 807 | 906 | 927 | 133 |
| Health..... | 1,181 | 1,263 | 1,330 | 1,384 | 203 |
| Historical and Museum Commission..... | 186 | 185 | 196 | 195 | 9 |
| Human Services..... | 14,191 | 13,654 | 13,429 | 13,751 | (440) |
| Infrastructure Investment Authority..... | 32 | 31 | 32 | 32 | - |
| Insurance..... | 239 | 240 | 250 | 266 | 27 |
| Labor and Industry..... | 3,924 | 4,140 | 4,436 | 4,503 | 579 |
| Liquor Control Board..... | 3,202 | 3,236 | 3,271 | 3,342 | 140 |
| Military and Veterans Affairs..... | 2,356 | 2,342 | 2,348 | 2,406 | 50 |
| Milk Board..... | 17 | 16 | 16 | 18 | 1 |
| Municipal Employees' Retirement..... | 36 | 43 | 40 | 46 | 10 |
| Public School Employees' Retirement System..... | 327 | 336 | 349 | 360 | 33 |
| Public Utility Commission..... | 464 | 455 | 449 | 456 | (8) |
| Revenue..... | 1,546 | 1,527 | 1,582 | 1,617 | 71 |
| State..... | 467 | 443 | 488 | 526 | 59 |
| State Employees' Retirement System..... | 198 | 213 | 218 | 222 | 24 |
| State Police..... | 6,145 | 6,164 | 6,218 | 6,286 | 141 |
| Transportation..... | 11,073 | 10,822 | 11,099 | 11,438 | 365 |
| TOTAL ALL DEPARTMENTS..... | 71,609 | 71,507 | 72,965 | 74,641 | 3,032 |

^a 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 presents historical data for various Pennsylvania economic indicators. The data are obtained from published sources noted on each page. Additional data are available from the [Penn State Data Center](#).

Selected Data on The Commonwealth of Pennsylvania

General Overview

Pennsylvania's economy is relatively diverse compared with many other states, as evidenced by the distribution of employment and output among major industry sectors. The state is bookended by two of the larger metro areas in the country in Philadelphia and Pittsburgh, with the rest of the state featuring smaller cities and towns that support both service and goods-producing sectors.

The combined education and healthcare industry, the so-called eds and meds sector, is a vital part of the state economy. The state's education providers, especially its notable research universities, not only provide jobs on campus but also help to nurture new businesses. The Pittsburgh region has seen rapid growth in high-tech fields such as software development and robotics, thanks in part to the presence of its universities and the graduates they produce. Philadelphia's universities continue to support regional health systems and spawn startups in the life sciences that are a major economic driver in the region.

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 "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.

Pennsylvania's transportation and warehousing sector continues to benefit from its location in the midst of tens of millions of people along the Northeast Corridor, and access via interstate highways, railroads, ocean and river ports, and air cargo hubs. The northeastern part of the state in particular provides a lower-cost distribution hub for cargo coming through the ports around New York City.

Population

The Commonwealth is highly urbanized. Its largest metropolitan statistical areas include the cities of Philadelphia and Pittsburgh, which together contain most of the state’s total population. According to the U.S. Bureau of the Census, the population of Pennsylvania was just under 13.0 million people in 2023. Unlike the nation as a whole, Pennsylvania’s population is declining, and it has a higher percentage of the individuals aged 45 or over compared to the nation or its region. The following tables present the population trend from 2019 to 2023 and the age distribution of the population for 2023.

Population Trends Pennsylvania, Region, and the United States 2019-2023

| As of July 1 | Total Population (Amounts in Thousands) | | | Total Population as a share of 2019 base | | | | | |
|--------------|--|---------------------|---------------|---|---|---------------------|---|---------------|---|
| | Pennsylvania | Region ^a | United States | Pennsylvania | | Region ^a | | United States | |
| 2019..... | 12,802 | 70,880 | 328,240 | 100.0 | % | 100.0 | % | 100.0 | % |
| 2020..... | 12,995 | 72,436 | 331,527 | 101.5 | % | 102.2 | % | 101.0 | % |
| 2021..... | 13,014 | 72,194 | 332,049 | 101.7 | % | 101.9 | % | 101.2 | % |
| 2022..... | 12,972 | 71,973 | 333,271 | 101.3 | % | 101.5 | % | 101.5 | % |
| 2023..... | 12,962 | 71,987 | 334,915 | 101.2 | % | 101.6 | % | 102.0 | % |

^a Region: Pennsylvania, Delaware, Maryland, New Jersey, New York, Ohio, Virginia, West Virginia, and Washington D.C.
Source: U.S. Census Bureau.

Population by Age Group - 2023 Pennsylvania, Region, and the United States

| Age | Pennsylvania | | Region ^a | | United States | |
|-------------------------|--------------|---|---------------------|---|---------------|---|
| Under 5 Years | 5.1 | % | 5.4 | % | 5.5 | % |
| 5-24 Years | 24.1 | % | 24.4 | % | 25.3 | % |
| 25-44 Years | 25.5 | % | 26.4 | % | 26.9 | % |
| 45-64 Years | 25.2 | % | 25.3 | % | 24.6 | % |
| 65 Years and over | 20.0 | % | 18.5 | % | 17.7 | % |

^a Region: Pennsylvania, Delaware, Maryland, New Jersey, New York, Ohio, Virginia, West Virginia, and Washington D.C.
Source: U.S. Census Bureau.

Employment

Preliminary data for 2024 show that non-agricultural employment grew compared to the previous year, not just in Pennsylvania, but also across the region and throughout the United States. The following table shows employment trends in those areas from 2020 to 2024.

Non-Agricultural Establishment Employment Trends Pennsylvania, Region, and the United States 2020-2024

| Calendar Year | Total Establishment Employment (Amounts in Thousands) | | | Total Establishment Employment as a share of 2020 base | | | | | |
|-------------------------|--|---------------------|---------------|---|---------------------|---------------|---|-------|---|
| | Pennsylvania | Region ^a | United States | Pennsylvania | Region ^a | United States | | | |
| 2020 | 5,605 | 31,826 | 142,165 | 100.0 | % | 100.0 | % | 100.0 | % |
| 2021 | 5,761 | 32,713 | 146,276 | 102.8 | % | 102.8 | % | 102.9 | % |
| 2022 | 5,984 | 33,989 | 152,531 | 106.8 | % | 106.8 | % | 107.3 | % |
| 2023 | 6,087 | 34,620 | 156,066 | 108.6 | % | 108.8 | % | 109.8 | % |
| 2024 ^b | 6,170 | 35,032 | 158,499 | 110.1 | % | 110.1 | % | 111.5 | % |

^a Region: Pennsylvania, Delaware, Maryland, New Jersey, New York, Ohio, Virginia, West Virginia, and Washington D.C.

^b 2024 Figures are preliminary.

Source: U.S. Bureau of Labor Statistics.

Non-manufacturing employment in Pennsylvania increased in 2024 to 90.8 percent of total non-agricultural employment from 90.7 percent during the previous year. Manufacturing, contributing 9.2 percent of 2024 non-agricultural employment, has fallen behind the services, trade, and government sectors as the 4th largest single source of employment within the Commonwealth. In 2024, the services sector accounted for 50.9 percent of all non-agricultural employment while the trade sector accounted for 13.1 percent. The following table shows trends in employment by sector for Pennsylvania from 2020 through 2024.

Non-Agricultural Establishment Employment by Sector Pennsylvania 2020-2024

| | Calendar Year | | | | | | | | | |
|-----------------------------|------------------------|-------|-----------|-------|-----------|-------|-----------|-------|-------------------|-------|
| | (Amounts in Thousands) | | | | | | | | | |
| | 2020 | | 2021 | | 2022 | | 2023 | | 2024 ^a | |
| | Employees | % | Employees | % | Employees | % | Employees | % | Employees | % |
| Manufacturing: | | | | | | | | | | |
| Durable | 318.9 | 5.7 | 321.5 | 5.6 | 332.3 | 5.6 | 334.0 | 5.5 | 334.4 | 5.4 |
| Non-Durable | 219.0 | 3.9 | 222.9 | 3.9 | 231.5 | 3.9 | 232.1 | 3.8 | 231.8 | 3.8 |
| Total Manufacturing | 537.9 | 9.6 | 544.4 | 9.5 | 563.8 | 9.4 | 566.1 | 9.3 | 566.2 | 9.2 |
| Non-Manufacturing: | | | | | | | | | | |
| Trade..... ^b | 763.3 | 13.6 | 791.4 | 13.7 | 810.6 | 13.5 | 812.4 | 13.3 | 808.0 | 13.1 |
| Finance..... ^c | 327.1 | 5.8 | 328.8 | 5.7 | 335.1 | 5.6 | 339.7 | 5.6 | 343.0 | 5.6 |
| Services..... ^d | 2,731.3 | 48.7 | 2,832.2 | 49.2 | 2,984.2 | 49.9 | 3,068.1 | 50.4 | 3,141.7 | 50.9 |
| Government..... | 684.6 | 12.2 | 676.6 | 11.7 | 677.8 | 11.3 | 687.4 | 11.3 | 697.3 | 11.3 |
| Utilities..... ^e | 295.9 | 5.3 | 310.6 | 5.4 | 331.3 | 5.5 | 330.2 | 5.4 | 333.2 | 5.4 |
| Construction | 241.7 | 4.3 | 254.9 | 4.4 | 259.1 | 4.3 | 259.8 | 4.3 | 257.7 | 4.2 |
| Mining | 23.3 | 0.4 | 21.7 | 0.4 | 22.3 | 0.4 | 22.9 | 0.4 | 23.2 | 0.4 |
| Total Non-Manufacturing .. | 5,067.2 | 90.4 | 5,216.2 | 90.5 | 5,420.3 | 90.6 | 5,520.4 | 90.7 | 5,604.0 | 90.8 |
| Total Employees | 5,605.2 | 100.0 | 5,760.6 | 100.0 | 5,984.1 | 100.0 | 6,086.5 | 100.0 | 6,170.2 | 100.0 |

^a 2024 figures are preliminary.

^b Wholesale and Retail Trade.

^c Finance, Insurance, and Real Estate.

^d Information, Professional and Business Services, Education and Health Services, Leisure and Hospitality, and Other Services.

^e Transportation, Warehousing, and Utilities.

Source: U.S. Bureau of Labor Statistics.

The following table presents the percentages of non-agricultural employment in various sectors in Pennsylvania and the United States in 2024.

Non-Agricultural Establishment Employment by Sector Pennsylvania and the United States

| | 2024 Calendar Year ^a | | | |
|-----------------------------|---------------------------------|---|---------------|---|
| | Pennsylvania | | United States | |
| Manufacturing | 9 | % | 8 | % |
| Trade ^b | 13 | % | 14 | % |
| Finance..... ^c | 6 | % | 6 | % |
| Services..... ^d | 51 | % | 47 | % |
| Government | 11 | % | 15 | % |
| Utilities..... ^e | 5 | % | 5 | % |
| Construction | 4 | % | 5 | % |
| Mining..... | 0 | % | 0 | % |
| Total | 100 | % | 100 | % |

^a Figures are preliminary.

^b Wholesale and Retail Trade.

^c Finance, Insurance, and Real Estate.

^d Information, Professional and Business Services, Education and Health Services, Leisure and Hospitality, and Other Services.

^e Transportation, Warehousing, and Utilities.

Source: U.S. Bureau of Labor Statistics.

The table below presents trends in manufacturing employment by industry in Pennsylvania from 2020 to 2024. In 2024, the state’s manufacturing employment is projected to exceed 566,200 workers, with durable goods industries accounting for 59 percent of that total. Within durable goods, fabricated metals remains the largest sector, followed by machinery and transportation equipment. The non-durable goods sector, comprising 41 percent of manufacturing employment, includes key industries like food and chemical products. Over the five-year period, manufacturing employment has experienced gradual increases, reflecting steady growth.

Manufacturing Establishment Employment by Industry Pennsylvania 2020-2024

| | Calendar Year | | | | | | | | | |
|--|------------------------|-------|-------|-------|-------|-------|-------|-------|-------------------|-------|
| | (Amounts in Thousands) | | | | | | | | | |
| | 2020 | % | 2021 | % | 2022 | % | 2023 | % | 2024 ^a | % |
| Durable Goods: | | | | | | | | | | |
| Primary Metals | 32.1 | 6.0 | 31.0 | 5.7 | 33.2 | 5.9 | 34.0 | 6.0 | 34.0 | 6.0 |
| Fabricated Metals | 76.4 | 14.2 | 76.9 | 14.1 | 79.2 | 14.0 | 79.6 | 14.1 | 79.3 | 14.0 |
| Machinery (excluding electrical) | 42.7 | 7.9 | 42.5 | 7.8 | 44.5 | 7.9 | 45.1 | 8.0 | 45.2 | 8.0 |
| Electrical Equipment | 25.6 | 4.8 | 25.4 | 4.7 | 25.3 | 4.5 | 25.5 | 4.5 | 25.5 | 4.5 |
| Transportation Equipment | 34.7 | 6.4 | 35.5 | 6.5 | 36.7 | 6.5 | 37.7 | 6.7 | 38.8 | 6.9 |
| Furniture Related Products | 14.2 | 2.6 | 15.1 | 2.8 | 15.6 | 2.8 | 15.2 | 2.7 | 15.1 | 2.7 |
| Other Durable Goods | 93.4 | 17.4 | 95.1 | 17.5 | 97.9 | 17.4 | 96.9 | 17.1 | 96.5 | 17.1 |
| Total Durable Goods | 318.9 | 59.3 | 321.5 | 59.1 | 332.3 | 58.9 | 334.0 | 59.0 | 334.4 | 59.1 |
| Non-Durable Goods: | | | | | | | | | | |
| Pharmaceutical/ Medicine | 19.6 | 3.6 | 20.5 | 3.8 | 20.9 | 3.7 | 20.6 | 3.6 | 19.8 | 3.5 |
| Food Products | 71.7 | 13.3 | 73.2 | 13.5 | 77.8 | 13.8 | 80.1 | 14.2 | 81.3 | 14.4 |
| Chemical Products | 42.2 | 7.9 | 43.6 | 8.0 | 44.4 | 7.9 | 44.3 | 7.8 | 43.2 | 7.6 |
| Printing and Publishing | 19.8 | 3.7 | 18.7 | 3.4 | 18.6 | 3.3 | 17.8 | 3.2 | 17.2 | 3.0 |
| Plastics/Rubber Products | 38.7 | 7.2 | 39.7 | 7.3 | 41.3 | 7.3 | 40.0 | 7.1 | 39.9 | 7.0 |
| Other Non-Durable Goods | 26.9 | 5.0 | 27.1 | 5.0 | 28.4 | 5.0 | 29.3 | 5.2 | 30.4 | 5.4 |
| Total Non-Durable Goods | 219.0 | 40.7 | 222.9 | 40.9 | 231.5 | 41.1 | 232.1 | 41.0 | 231.8 | 40.9 |
| Total Manufacturing Employees | 537.9 | 100.0 | 544.4 | 100.0 | 563.8 | 100.0 | 566.1 | 100.0 | 566.2 | 100.0 |

^a 2024 figures are preliminary.
Source: U.S. Bureau of Labor Statistics.

Unemployment

In 2023, Pennsylvania had an annual unemployment rate of 3.4 percent, which was lower than the United States unemployment rate of 3.6 percent. As of October 2024, Pennsylvania maintains an average monthly unemployment rate of 3.5 percent. The following table represents the annual unemployment rate in Pennsylvania, its region, and the United States from 2020 through 2024.

Annual Average Unemployment Rate Pennsylvania, Region, and the United States 2020-2024

| Calendar Year | Pennsylvania | | Region ^a | | United States | |
|---------------|--------------|---|---------------------|---|---------------|---|
| 2020 | 8.9 | % | 8.5 | % | 8.1 | % |
| 2021 | 5.9 | % | 5.9 | % | 5.3 | % |
| 2022 | 4.1 | % | 3.9 | % | 3.6 | % |
| 2023 | 3.4 | % | 3.6 | % | 3.6 | % |
| 2024 | 3.5 | % | 4.0 | % | 4.0 | % |

^a Region: Pennsylvania, Delaware, Maryland, New Jersey, New York, Ohio, Virginia, West Virginia, and Washington D.C.

^b 2024 figures are preliminary.

Source: U.S. Bureau of Labor Statistics.

The following table presents the thirty largest non-governmental employers in Pennsylvania:

Commonwealth of Pennsylvania Thirty Largest Non-Governmental Employers 2nd Quarter, 2024

| Company | Rank | Company | Rank |
|---|------|----------------------------------|------|
| Wal-Mart Associates Inc | 1 | Vanguard Group Inc | 16 |
| Trustees of the University of PA | 2 | Lehigh Valley Hospital Center | 17 |
| Giant Food Stores LLC | 3 | Merck Sharp & Dohme Corporation | 18 |
| Pennsylvania State University | 4 | Comcast Cablevision Corp (PA) | 19 |
| Amazon.com Services Inc | 5 | Wawa Inc | 20 |
| UPMC Presbyterian Shadyside | 6 | Universal Protection Service LLC | 21 |
| The Children's Hospital of Philadelphia | 7 | Federal Express Corp | 22 |
| University of Pittsburgh | 8 | Sheetz Inc | 23 |
| Lowe's Home Centers LLC | 9 | Western Penn Allegheny Health | 24 |
| PNC Bank NA | 10 | Milton S Hershey Medical Center | 25 |
| Saint Luke's Hospital | 11 | Excel Companion Care LLC | 26 |
| Giant Eagle Inc | 12 | Wegmans Food Markets Inc | 27 |
| Home Depot USA Inc | 13 | Bayada Home Health Care Inc | 28 |
| Weis Markets Inc | 14 | Albert Einstein Medical Center | 29 |
| Target Corporation | 15 | Pennsylvania CVS Pharmacy LLC | 30 |

Source: Pennsylvania Department of Labor & Industry.

Personal Income

In 2023, total personal income in the Commonwealth reached \$893.6 billion, a 5.3 percent increase over the previous year. Meanwhile, national personal income saw a higher growth of 5.9 percent during the same period. Per capita income in the Commonwealth stood at \$68,945, slightly below the national figure of \$69,810. The following tables represent annual personal income data and per capita income from 2019 through 2023.

Personal Income Pennsylvania, Region, and the United States 2019-2023^a

| Calendar Year | Total Personal Income (Dollar Amounts in Millions) | | | Total Personal Income As a share of 2019 Base | | | | | |
|---------------|---|---------------------|----------------------------|--|---------------------|----------------------------|---|-------|---|
| | Pennsylvania | Region ^b | United States ^c | Pennsylvania | Region ^b | United States ^c | | | |
| 2019..... | \$ 729,329 | \$ 4,349,880 | \$ 18,349,584 | 100.0 | % | 100.0 | % | 100.0 | % |
| 2020..... | \$ 782,959 | \$ 4,601,989 | \$ 19,600,945 | 107.4 | % | 105.8 | % | 106.8 | % |
| 2021..... | \$ 830,115 | \$ 4,937,874 | \$ 21,403,979 | 113.8 | % | 113.5 | % | 116.6 | % |
| 2022..... | \$ 848,383 | \$ 5,046,383 | \$ 22,077,232 | 116.3 | % | 116.0 | % | 120.3 | % |
| 2023..... | \$ 893,649 | \$ 5,336,927 | \$ 23,380,269 | 122.5 | % | 122.7 | % | 127.4 | % |

^a Revised statistics for 2019-2022.

^b Region: Pennsylvania, Delaware, Maryland, New Jersey, New York, Ohio, Virginia, West Virginia, and Washington D.C.

^c Sum of states.

Source: U.S. Bureau of Economic Analysis.

Per Capita Income Pennsylvania, Region, and the United States 2019-2023^a

| Calendar Year | Per Capita Income | | | As a share of United States | | |
|---------------|-------------------|---------------------|---------------|-----------------------------|---------------------|---------|
| | Pennsylvania | Region ^b | United States | Pennsylvania | Region ^b | |
| 2019..... | \$ 56,139 | \$ 60,006 | \$ 55,566 | 101.0 | % | 108.0 % |
| 2020..... | \$ 60,249 | \$ 63,532 | \$ 59,123 | 101.9 | % | 107.5 % |
| 2021..... | \$ 63,788 | \$ 68,397 | \$ 64,460 | 99.0 | % | 106.1 % |
| 2022..... | \$ 65,401 | \$ 70,115 | \$ 66,244 | 98.7 | % | 105.8 % |
| 2023..... | \$ 68,945 | \$ 74,138 | \$ 69,810 | 98.8 | % | 106.2 % |

^a Revised statistics for 2019-2022.

^b Region: Pennsylvania, Delaware, Maryland, New Jersey, New York, Ohio, Virginia, West Virginia, and Washington D.C.

Source: U.S. Bureau of Economic Analysis.

The Commonwealth’s average hourly wage rate of \$33.01 for manufacturing and production workers is slightly below the national average of \$33.90 for 2024. The following table presents the average hourly wage rates for 2020 through 2024.

Average Hourly Wages Production Workers on Manufacturing Payrolls Pennsylvania and the United States 2020-2024

| Calendar Year | Pennsylvania | United States |
|------------------------|--------------|---------------|
| 2020..... | \$ 27.65 | \$ 28.77 |
| 2021..... | \$ 28.82 | \$ 29.69 |
| 2022..... | \$ 30.55 | \$ 30.98 |
| 2023..... | \$ 31.95 | \$ 32.44 |
| 2024..... ^a | \$ 33.01 | \$ 33.90 |

^a 2024 figures are preliminary.
Source: U.S. Bureau of Labor Statistics.

Market and Assessed Valuation of Real Property

Annually, the State Tax Equalization Board, Tax Equalization Division (“STEB”) calculates an aggregate market value of all taxable real property in the Commonwealth. This determination involves applying assessment to sales ratio studies to assessment valuations provided by local assessing officials. The market values certified by STEB include taxable properties, exclude tax-exempt ones, and include adjustments for preferential assessments granted to specific farm and forestlands.

The table below shows the assessed valuation certified by the counties, along with the market value and the assessed to market value ratio determined by STEB for real property from 2019 to 2023. When computing the market values for odd-numbered years, STEB is legally constrained to certify changes resulting from properties added to or removed from the assessment rolls. In even-numbered years, STEB can adjust the market valuation to reflect changes in real estate values or other economic factors.

Valuations of Taxable Real Property 2019-2023

| Calendar Year | Market Value ^a | Assessed Valuation | Rate of Assessed Valuation to Market Value ^a |
|---------------|---------------------------|--------------------|--|
| 2019..... | \$ 921,740,258,352 | \$ 677,135,861,022 | 73.5 % |
| 2020..... | \$ 965,836,433,494 | \$ 696,790,394,130 | 72.1 % |
| 2021..... | \$ 975,443,133,973 | \$ 729,487,795,164 | 74.8 % |
| 2022..... | \$ 1,057,970,532,347 | \$ 735,677,350,066 | 69.5 % |
| 2023..... | \$ 1,069,761,081,286 | \$ 773,981,821,412 | 72.4 % |

^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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