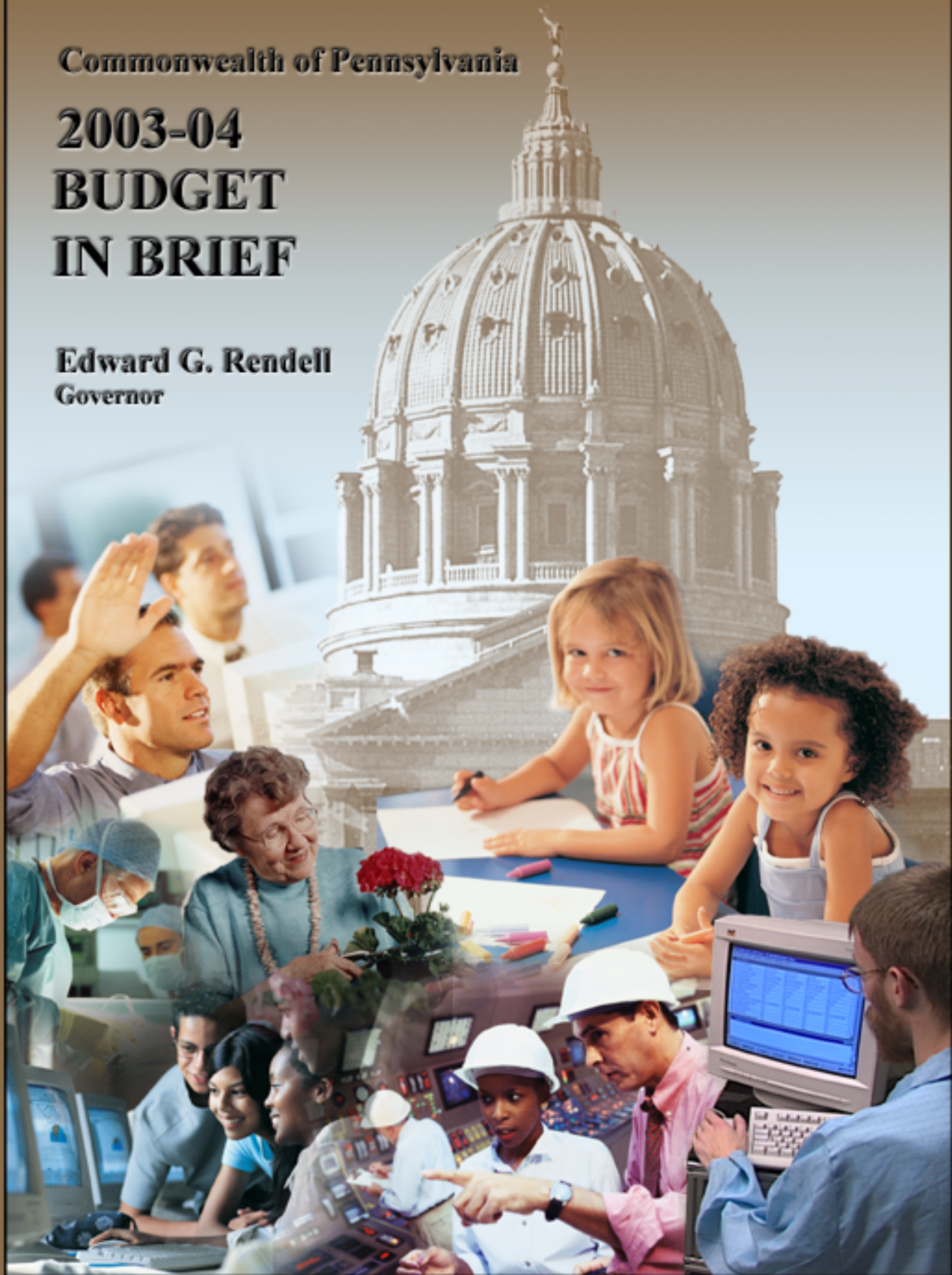


Commonwealth of Pennsylvania

**2003-04
BUDGET
IN BRIEF**

**Edward G. Rendell
Governor**





COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE GOVERNOR
HARRISBURG

THE GOVERNOR

March 4, 2003

To the People of Pennsylvania:

Pursuant to Article VIII, Section 12 of the Constitution of Pennsylvania, and Section 613 of the Administrative Code of 1929 (71 P.S. Section 233), I am transmitting to your representatives in the General Assembly my proposed budget for Fiscal Year 2003-2004.

Over the past several years, Pennsylvania's economy has staggered under the weight of new challenges and long-standing burdens. We have weathered a sudden and wrenching period of economic recession. We are struggling to cope with the impact and aftermath of the devastating attacks of September 11, 2001. Economic growth remains fitful. Job losses continue to mount. Working families and seniors are suffering as the prospects for a real economic recovery recede further into the future.

Real and substantial change is needed if we are to weather this storm and emerge as an economic leader among states. Too many of our best and brightest young people continue to leave this Commonwealth to build their lives elsewhere. Our schools are in great need of our increased support, and we need those schools to teach our students how to achieve at higher levels than ever before. Our economic infrastructure must be transformed, so our industries can remain competitive in the new global economy, and our people can find work with decent wages and positive prospects for the future.

But first, we must get our fiscal house in order.

In Fiscal Year 2003-04, we face a third consecutive year of revenue shortfalls and double digit increases in key expenditure areas like health care and social services. Without corrective action, weak revenues and inflationary forces will combine to create a budget deficit next year in excess of \$2.4 billion dollars. Over the past two years, the growing structural gap in the Pennsylvania state budget was addressed using one-time revenue sources, in the hopes that economic recovery would spare us the need to make hard choices in order to bring the budget back to stable recurring balance.

It is now clear that this is not going to happen and hard choices cannot be avoided. Therefore, the budget I submit to you today lays bare the budget choices we face as a result of our current economic condition.

Without question, our first imperative must be to make government more efficient and more effective, doing more with less. This budget responds to that challenge by making a ten percent across-the-board reduction in the cost of government – a reduction that will decrease the size and cost of government administration in virtually every state department and agency.

Unfortunately, this reduction is not enough to bring the budget into balance, because the gap between current state expenditure levels and forecast state revenues is so large. To balance the budget within the confines of existing revenues, other cuts are also necessary, painful cuts that reduce support for social service programs, institutions of higher learning, cultural institutions, and many other state agencies, programs and services.

We face these challenges because we must. But no one should think that this current budget is the last word with respect to Pennsylvania's future. Pennsylvania's citizens and businesses deserve better and I have promised them more. I know that we can realize our hopes for a brighter future and revitalize Pennsylvania's economy. While the budget outlined herein addresses the painful reality of our current fiscal condition, the short-term pain embodied in this budget can be reduced and overcome through a plan for Pennsylvania's long-term growth and revitalization.

Our current budget deficit is only a symptom of our larger economic problems. And so too, by shaping a balanced budget we only take a first step to pave the way for a real and sustainable economic recovery in Pennsylvania.

There is an achievable path to Pennsylvania's economic recovery, and it will require substantial and strategic investment in economic development and job growth, increased investment in our public schools tied irreversibly to rigorous accountability and high expectations, and tax reform and property tax relief for local school districts and taxpayers. These are the elements we need to put in place in order to build a sound foundation for our future prosperity. Over the coming weeks, my administration will propose new programs designed to stimulate our economy, bring property tax relief across the Commonwealth, and make increased investments in effective and imaginative improvements to the education of our children. And we will identify the resources required to achieve these essential goals.

While we will never flinch from making tough choices to reduce spending, cut waste and increase our taxpayers' return on their investment, we must also understand that the current budget proposal represents only the beginning of a new day for Pennsylvania. While our current realities are sobering, it is with a great sense of optimism that we can look forward to working together to achieve the revival of our economy, the renewal of our communities, and the rekindling of our belief that we can chart a better future for the next generation.

Sincerely,

A handwritten signature in black ink that reads "Edward G. Rendell". The signature is written in a cursive, slightly slanted style.

Edward G. Rendell

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This *Budget in Brief* and more budget information can be found on our web site
<http://www.state.pa.us/>
PA Keyword: Budget

GENERAL FUND FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

	<u>2002-03</u> <u>Available</u>	<u>2003-04</u> <u>Budget</u>
Beginning Balance.....	\$142,535	(\$36,007)
Revenue:		
Revenue Receipts.....	\$21,214,100	\$21,859,200
Less Refunds.....	(929,600)	(1,062,200)
Total Revenue.....	\$20,284,500	\$20,797,000
Prior Year Lapses.....	93,500	---
Funds Available.....	\$20,520,535	\$20,760,993
Expenditures:		
Appropriations.....	\$20,697,126	\$21,008,525
Supplemental Appropriations.....	16,670	---
Less Current Year Lapses.....	(407,254)	---
Total Expenditures.....	\$20,306,542	\$21,008,525
Preliminary Balance.....	\$213,993	(\$247,532)
Transfer from Budget Stabilization Reserve Fund...	50,000	250,000
Transfer to Budget Stabilization Reserve Fund.....	(300,000)	(617)
Ending Balance.....	=====	=====

GENERAL FUND

2003-04 Fiscal Year

This presentation reflects major revenue sources and the shares of the total General Fund allocated by the major program areas.

Income



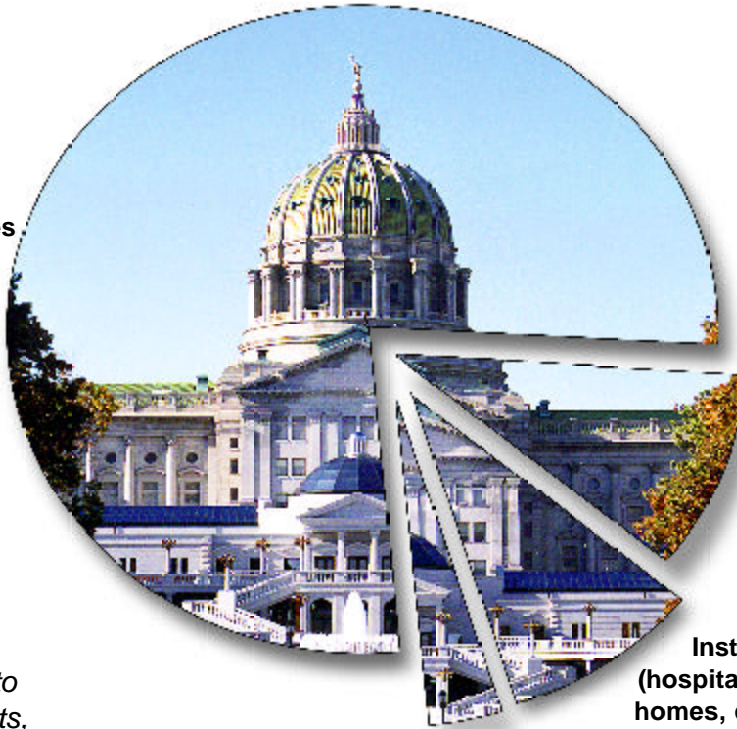
SALES	36.4%
PERSONAL INCOME	34.6%
OTHER BUSINESS	10.7%
OTHER REVENUES	8.0%
CORPORATE NET INCOME	6.8%
INHERITANCE	3.5%

Outgo



EDUCATION	42.8%
HEALTH AND HUMAN SERVICES	35.7%
PROTECTION	11.8%
DIRECTION	4.1%
OTHER PROGRAMS	2.9%
ECONOMIC DEVELOPMENT	2.7%

Grants and Subsidies
74.3¢



General Government
11.9¢

Institutions
(hospitals, veterans homes, correctional institutions, etc.)
10.6¢

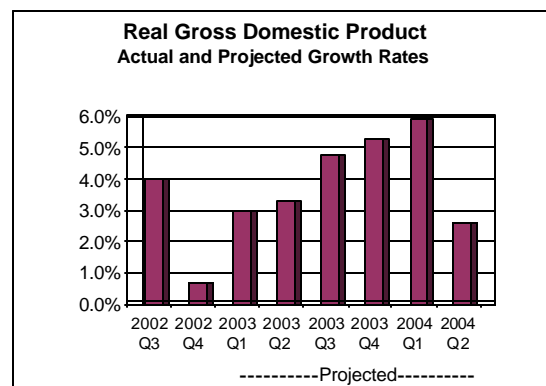
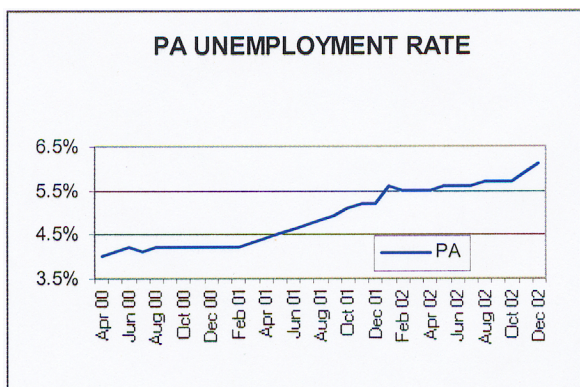
Debt Service Requirements
3.2¢

Nearly three quarters of each 2003-04 General Fund dollar is returned to individuals, governments, institutions, school districts, etc., in the form of grants and subsidies.

ECONOMIC OUTLOOK

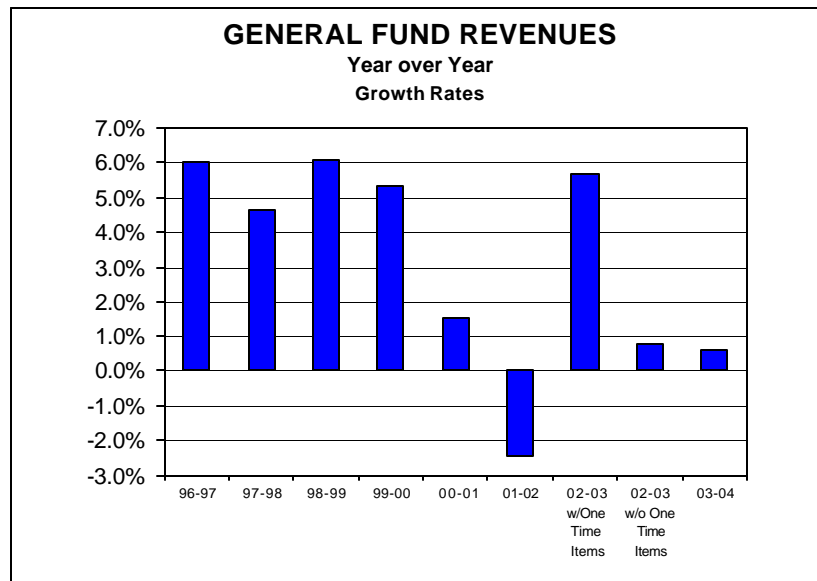
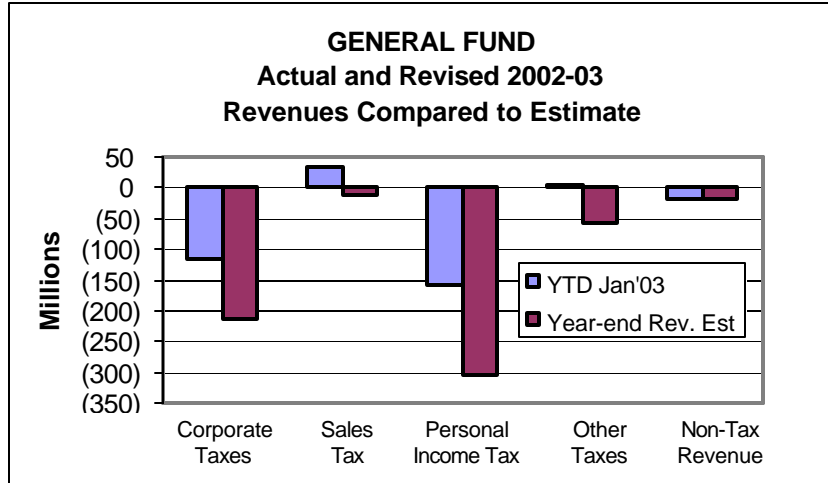
The Economic Outlook

- The recovery from the national recession of 2001 has been slow in developing and has been plagued with fits and starts.
- Recovery activity that has occurred to date has not reduced the unemployment rate and the recovery has been a jobless one so far.
- Uncertainty has continued to adversely impact growth in economic activity as businesses, and more recently, consumers refrain from commitments to investment and consumption in the face of concerns over the highly volatile diplomatic, military and economic situation at present.
- The General Fund budget has continued to be adversely impacted by current economic trends, including significant cost inflation in some sectors, most notably health care, and slow growing — and in some cases, declining — net revenues from various revenue sources.
- The rate of growth in projected real Gross Domestic Product (GDP) for the 2002-03 fiscal year enacted budget was forecast to average 3.1 percent. Recent econometric forecasts have reduced the projected rate of growth in real GDP in the 2002-03 fiscal year to 2.2 percent.
- Consumer spending and more recently government expenditures have supported nearly the full weight of the subdued recovery to date. Businesses have not yet begun to expand their investments in capital, inventories or employment.
- Continued job losses and the lack of job creation during the recovery to date are beginning to impact consumer spending.
- “Geo-political risks”, the Federal Reserve Board’s euphemism for possible war with Iraq and ever-increasing nuclear saber-rattling on the Korean Peninsula, are delaying progress towards a more robust economic recovery.



GENERAL FUND REVENUES

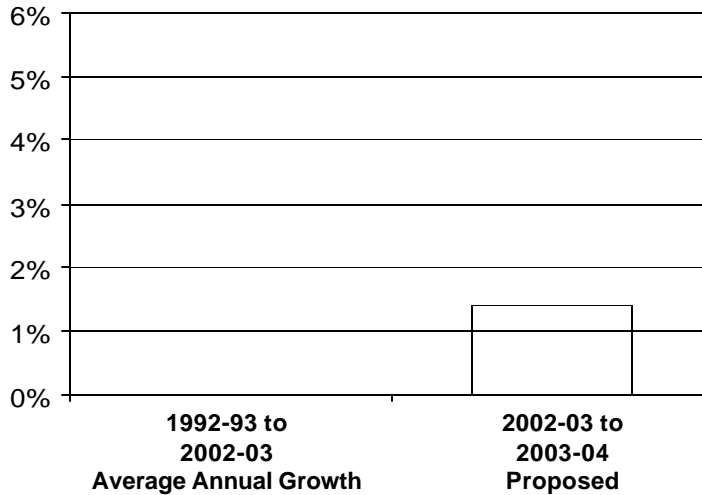
- Estimates of General Fund revenues are developed, in part, based upon econometric forecasts provided by Global Insight, a private economic forecasting and consulting firm.
- The national and state economies are under-performing the growth estimates for real GDP that were assumed when the 2002-03 budget was enacted, and General Fund revenues have been adversely impacted as a result.
- Based on revised estimates of real GDP growth in 2002-03, General Fund revenues for 2002-03 are projected to be \$606.1 million below the official revenue estimate.
- Weakness in revenue collections is occurring primarily within the corporate taxes, the personal income tax, the inheritance tax, and certain non-tax revenue categories.
- The 2003-04 General Fund revenue estimate is based on fairly optimistic assumptions regarding 2003-04 economic growth, and anticipates growth in recurring revenue sources of over 5%. However, after adjusting for the elimination of the nonrecurring revenue items that were used to balance the 2002-03 budget, the year-over-year General Fund revenue growth rate drops to 0.6%.



2003-04 BUDGET OVERVIEW

- The proposed 2003-04 General Fund Budget is \$21.0 billion, an increase of \$294.7 million or just 1.4 percent. Over the last ten years, the General Fund budget increased at an average annual rate of 4.9%.

Percentage Growth Rate



- The budget closes a \$2.4 billion deficit that was projected for 2003-04 before the Rendell Administration assumed office. The projected deficit resulted primarily from the non-recurrence of one-time budget balancing measures that were utilized to balance the 2002-03 budget.

One-Time Items Utilized to Balance the 2002-03 General Fund Budget

Revenues:	<u>Millions</u>
One-Time Benefit – Decoupling from Federal Depreciation Tax Treatment	\$ 350.1
One-Time Benefit – Various Escheat Changes	197.6
Reduction in Scheduled Rate Cut – Capital Stock and Franchise Tax	144.5
One-Time Extraordinary Increase – Transfer from State Stores Fund (over \$50M)	105.0
Loan from Underground Storage Tank Fund	100.0
Other	91.3
Revenue Subtotal	\$ 988.5
Expenditures:	
Accelerated Drawdown of Public Welfare's Intergovernmental Transfer Funds Reserves	\$ 550.0
Reduction in Debt Service Due to Securitization of PA Industrial Development Authority Revenues	258.4
One-Time Use of Unspent Tobacco Settlement Funds Due to Delays in Implementation of Tobacco Fund Programs	198.5
Use of Debt to Fund Projects Previously Funded Out of the Operating Budget	90.0
One-Time Use of Federal Reimbursements to Cover Some Public Welfare Costs	60.0
Other	52.3
Expenditure Subtotal	\$ 1,209.2
TOTAL	\$ 2,197.7

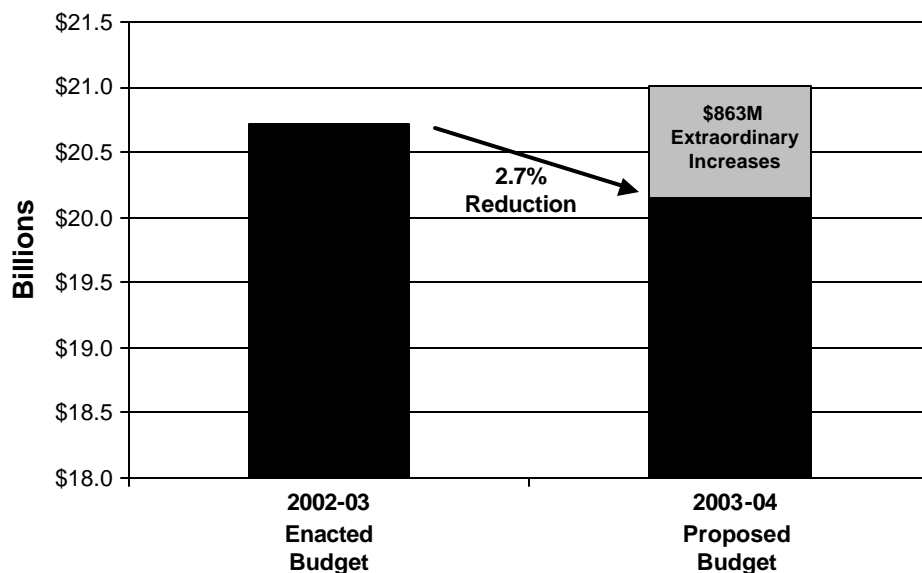
2003-04 BUDGET OVERVIEW

- The 2003-04 General Fund budget begins to address the Commonwealth's structural deficit by significantly reducing the General Fund's reliance on one-time budget balancing measures.

- A balanced spending plan for 2003-04 is achieved even though extraordinary cost increases occur in the following areas:

– Medical Assistance	\$ 420 Million
– Debt Service	320 Million
– School Employees' Retirement	123 Million
Total	\$ 863 Million

2003-04 Budget



- The remainder of the General Fund budget has a net reduction of \$568 million, or 2.7%, from the 2002-03 enacted budget.

2003-04 BUDGET OVERVIEW

The Projected FY 2003-04 Budget – Prior to Corrective Action

- The proposed budget closes a deficit gap of over \$2.4 billion that was projected for 2003-04 before the Rendell Administration assumed office.

	(In Thousands)			
	2002-03 Available	2003-04 Budget	\$ Change	% Change
Beginning Balance	\$ 142,535	\$ -36,007		
Revenue				
<i>Receipts – Existing Revenue Sources</i>	20,138,900	\$ 20,560,500		
<i>add: New Recurring Revenues (Added in FY2002-03)</i>	692,800	781,000		
Total Recurring Revenues (Budgeted)	20,831,700	21,341,500	\$ 509,800	2.4%
<i>less: Revenue Shortfall – Receipts Lower Than Projection</i> ..	-606,100		
Total Recurring Revenues	20,225,600	21,341,500	\$ 1,115,900	5.5%
<i>add: Non-Recurring Revenue Sources – FY2002-03</i>	988,500		
Total Revenue Prior to Refunds	21,214,100	21,341,500	\$ 127,400	0.6%
<i>less: Refunds</i>	-929,600	-1,062,200		
Total Revenue	\$ 20,284,500	\$ 20,279,300		
<i>add: Prior Year Lapses</i>	93,500		
Funds Available	\$ 20,520,535	\$ 20,243,293	\$ -277,242	-1.4%
Expenditures:				
Initial Appropriation – FY 2003-04 Base		\$ 21,906,326		
<i>add: Projected Increase in Public Welfare Costs</i>		478,477		
<i>add: Increase in School Employees' Retirement Costs</i>		123,181		
<i>add: Projected Increase in Corrections Costs</i>		150,766		
<i>add: All Other Base Cost Adjustments</i>		-12,770		
Appropriations (prior to One-Time Cost Avoidance actions)	\$ 21,906,326	\$ 22,645,980	\$ 739,654	3.4%
<i>less: One-Time Cost Avoidance – FY2002-03</i>	-1,209,200		
Appropriations Adjusted for One-Time Cost Avoidance	\$ 20,697,126	\$ 22,645,980	1,948,854	9.4%
<i>add: Supplemental Appropriations</i>	\$ 16,670		
Total Appropriation	\$ 20,713,796	\$ 22,645,980		
<i>less: Current Year Lapses</i>	-407,254		
Total Expenditures	\$ 20,306,542	\$ 22,645,980	\$ 2,339,438	11.5%
Preliminary Balance	\$ 213,993	\$ -2,402,687		
Use of Budget Stabilization Fund				
<i>Transfer (to) the Budget Stabilization Fund</i>	\$ -300,000		
<i>less: Transfer from Budget Stabilization Fund</i>	50,000		
Net Transfer (to)/from Budget Stabilization Reserve Fund	-250,000		
Ending Balance	\$ -36,007	\$ -2,402,687		

2003-04 BUDGET OVERVIEW

- The Administration's approach to gap closing:
 - Leave no stone unturned
 - Substantially reduce reliance on non-recurring budget balancers
 - Cut bureaucracy first — and deeply as possible / prudent
 - Limit cuts that adversely affect Pennsylvania's people – especially most vulnerable populations

- The proposed 2003-04 budget includes a 10% reduction in general government administration expenses. This cut in the bureaucracy is a prudent step on the road to making state government more efficient and effective. These cuts, while deep, are not enough to balance the budget. Other reductions are also necessary.

Reductions In General Government Administration

Excluding Independent Elected Officials, Legislature and Judiciary
(State Funds Only)

<i>Department</i>	<i>(in Millions)</i>
Governor's Executive Offices	\$ (71.7)
Public Welfare	(27.1)
Revenue	(23.8)
Community & Economic Development	(17.9)
Environmental Protection *	(14.8)
Conservation & Natural Resources	(14.6)
General Services	(5.5)
Health	(5.4)
Emergency Management Agency	(5.0)
Aging	(4.7)
Education	(4.2)
State Police	(3.7)
Probation & Parole Board	(3.4)
Labor & Industry	(2.9)
Military & Veterans Affairs	(1.9)
Historical & Museum Commission	(1.9)
Agriculture	(1.4)
Insurance	(1.1)
Transportation	(0.4)
Public Television Network	(0.2)
Securities Commission	(0.1)
Tax Equalization Board	(0.1)
TOTAL REDUCTIONS	\$ (211.8)

* Includes Environmental Hearing Board

PROPOSED REVENUE ENHANCEMENTS

- The proposed 2003-04 budget includes the following revenue enhancement initiatives to help close the projected General Fund gap.

		In Thousands
Tax Revenue:		
Delay Capital Stock and Franchise Tax Phase Out.....	\$	52,600
<p>The tax will continue to be phased out although at a temporarily modified rate. Beginning January 1, 2003 the tax rate will be 7.24 mills and for 2004 the rate will be 6.99 mills. Beginning January 1, 2005 the tax will be phased out through a one mill reduction of the tax rate that year and each year thereafter until the tax is eliminated.</p>		
Revenue Enforcement Enhancements.....		13,500
<p>Various enforcement enhancements in order to assist with the collection of tax liabilities owed to the Commonwealth.</p> <ul style="list-style-type: none"> • Provide revenue enforcement collection agents with citation authority in order to increase the efficiency of the collection of tax liabilities owed to the Commonwealth. • Businesses professionally licensed by the Commonwealth will be required to receive tax clearances prior to the renewal of their business licenses. • It is proposed that the Commonwealth receive parity with local governments regarding wage garnishment for tax liabilities. 		
Interest Paid by the Commonwealth.....		2,300
<p>An administrative change to reduce the interest rate paid by the Commonwealth on tax refunds to match the state treatment of refund interest and late penalty interest to Federal practices.</p>		
Non-Tax Revenue:		
Tobacco Settlement Fund.....	\$	330,000
<p>Transfer of Endowment Account funds to the General Fund.</p>		
Escheats.....		90,000
<p>Changes to the Escheats program including the calculation of the dormancy period for mutual insurance companies.</p>		
Fee Increase.....		29,300
<p>Increases in selected license and fee amounts to catch up with inflation since the fee amounts were last increased. Some license and fee amounts have not been increased in nearly 23 years.</p>		
SUBTOTAL	\$	517,700
Rainy Day Fund:		
Transfer from Rainy Day Fund.....	\$	250,000
<p>This is in addition to the \$50 million proposed to be transferred in 2002-03.</p>		
TOTAL	\$	767,700

PROGRAM HIGHLIGHTS

Education

- \$4.1 billion maintained for the Basic Education Funding subsidy.
- \$874.3 million maintained for Special Education.
- \$347.9 million maintained for higher education Grants to Students.
- \$210.3 million maintained for Community Colleges.
- In the coming weeks, the Governor will propose increased investments in our public schools tied to rigorous accountability standards and property tax relief for local school districts and taxpayers.

Economic Development

- \$42 million community and economic development package:
 - \$22 million increase for the Opportunity Grants program to enhance job creation and retention.
 - \$10 million for the Remodel Pennsylvania initiative to make Pennsylvania communities more attractive for business and residential growth.
 - \$5 million for the Main Street initiative to revitalize downtown areas.
 - \$5 million for the Elm Street initiative to address the infrastructure needs of neighborhoods surrounding downtown centers.
- \$2.5 million for a tourism development initiative to provide grants for multi-county attractions and destination development.
- In the coming weeks, the Governor will propose additional programs to stimulate our economy.

Homeland Security

- \$113.2 million in total state and federal funds for homeland security activities to strengthen radio communication systems, state and local emergency preparedness and response, and public health readiness and response capabilities.
- \$25 million for grants to assist volunteer fire and emergency medical service companies.

Children's Services

- \$474.1 million in total state and federal funds to provide child care services to over 200,000 children of low-income working families and families receiving or formerly receiving Temporary Assistance for Needy Families.
- \$198 million in total state, federal and other funds to serve over 137,000 children through the Children's Health Insurance Program.
- \$187.5 million in state funds for Early Intervention services in the Departments of Public Welfare and Education.

Services to Older Pennsylvanians

- \$19.4 million in total funds to expand home- and community-based services to over 3,300 additional older Pennsylvanians.
- \$2.4 million in Tobacco Settlement Funds to initiate a one-year extension of the PACE/PACENET moratorium provided in Act 149 of 2002 until December 31, 2004. The total cost of this extension for the period 2003-04 through 2005-06 is \$51.4 million.
- \$1.6 million increase to provide services to an additional 158 persons in the PENNCARE Attendant Care Program.

Human Services

- \$8.7 million increase to annualize community mental retardation services and \$1.7 million to provide community services to 56 additional persons with mental retardation.
- \$4.7 million increase to provide home- and community-based services to 514 persons with disabilities.
- \$1.3 million increase to provide home- and community-based services to 33 persons currently residing in State hospitals.

Medical Assistance

- \$600 million in cost containment measures to keep Medical Assistance costs within available resources without reducing client eligibility:
 - \$261 million in provider payment adjustments.
 - \$193 million in curtailed costs for managed care.
 - \$111 million in various program eliminations, including medical education and non-hospital residential drug and alcohol treatment.
 - \$39 million in cash flow adjustments.

Transportation

- \$50 million for a Smoother Roads initiative that will provide highway remediation before costly rehabilitation is required.
- \$8 million increase for airport development grants in order to promote economic development.

Recreation and Cultural Enrichment

- \$14 million maintained for Grants to the Arts.
- \$400,000 for the operation of the new visitor and environmental education center at Presque Isle State Park.
- \$260,000 for operational support and equipment at Benjamin Rush State Park.
- \$150,000 increase for the Museum Assistance Grants Program.

Other

- \$32.2 million increase for the Department of Corrections.
- \$3 million in the Lottery Fund for self-service Player Activated Terminals to widen accessibility to online games in order to increase revenues for Lottery-funded programs.
- \$2 million to enhance revenue enforcement efforts.
- \$1.6 million to continue implementation of the Statewide Uniform Registry of Electorate (SURE) system.

2003-04 GENERAL FUND BUDGET SUMMARY

(Dollar Amounts in Thousands)

	2002-03 Available	2003-04 Budget	Inc./ Dec.	%
Governor's Office.....	\$ 8,034	\$ 7,619	\$ -415	-5.17%
Executive Offices.....	341,020	251,793	-89,227	-26.16%
Lieutenant Governor's Office.....	1,112	1,112	0	0.00%
Attorney General.....	75,058	73,842	-1,216	-1.62%
Auditor General.....	47,691	47,560	-131	-0.27%
Treasury.....	395,659	714,357	318,698	80.55%
Aging.....	38,880	33,548	-5,332	-13.71%
Agriculture.....	76,110	70,715	-5,395	-7.09%
Civil Service Commission.....	1	1	0	0.00%
Community and Economic Development.....	403,622	322,598	-81,024	-20.07%
Conservation and Natural Resources.....	108,878	91,575	-17,303	-15.89%
Corrections.....	1,266,336	1,298,500	32,164	2.54%
*Education.....	8,559,284	8,468,785	-90,499	-1.06%
Emergency Management Agency.....	23,969	44,173	20,204	84.29%
Environmental Protection.....	245,636	179,365	-66,271	-26.98%
Fish and Boat Commission.....	12	13	1	8.33%
General Services.....	115,896	111,718	-4,178	-3.60%
Health.....	257,754	236,364	-21,390	-8.30%
Higher Education Assistance Agency.....	412,838	407,641	-5,197	-1.26%
Historical and Museum Commission.....	33,454	31,528	-1,926	-5.76%
Insurance.....	57,769	58,483	714	1.24%
Labor and Industry.....	108,639	85,751	-22,888	-21.07%
Military and Veterans Affairs.....	107,061	109,953	2,892	2.70%
Probation and Parole Board.....	101,708	99,965	-1,743	-1.71%
Public Television Network.....	12,153	11,232	-921	-7.58%
Public Welfare.....	6,683,591	7,048,007	364,416	5.45%
Revenue.....	229,031	212,722	-16,309	-7.12%
Securities Commission.....	2,177	2,110	-67	-3.08%
State.....	6,744	7,562	818	12.13%
State Employees' Retirement System.....	0	2	2	N/A
State Police.....	178,213	174,633	-3,580	-2.01%
Tax Equalization Board.....	1,366	1,335	-31	-2.27%
Transportation.....	319,488	300,153	-19,335	-6.05%
Legislature.....	258,100	257,702	-398	-0.15%
Judiciary.....	236,512	246,108	9,596	4.06%
TOTAL.....	\$ 20,713,796	\$ 21,008,525	\$ 294,729	1.42%

* Includes State System of Higher Education.

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Governor's Office			
Governor's Office.....	8,027	7,619	(408)
Portrait of Former Governor.....	7	0	(7)
Department Total.....	8,034	7,619	(415)
Executive Offices			
Office of Administration.....	8,702	8,592	(110)
Medicare Part B Penalties.....	440	440	0
Health Insurance Portability and Accountability Act.....	12,474	4,000	(8,474)
Information Communication.....	13,193	0	(13,193)
Technology Investment Program.....	18,874	7,245	(11,629)
Commonwealth Technology Services.....	33,816	30,190	(3,626)
Electronic Government.....	3,500	1,500	(2,000)
Communications Management.....	5,367	4,910	(457)
Integrated Management Systems.....	68,791	45,000	(23,791)
Integrated Criminal Justice System.....	12,376	10,454	(1,922)
Office of Inspector General.....	3,183	3,230	47
Inspector General - Welfare Fraud.....	12,590	12,645	55
Office of the Budget.....	30,824	29,719	(1,105)
Audit of the Auditor General.....	78	0	(78)
Office of General Counsel.....	6,209	4,722	(1,487)
Rural Development Council.....	213	222	9
Human Relations Commission.....	10,725	10,135	(590)
Latino Affairs Commission.....	229	219	(10)
African American Affairs Commission.....	355	338	(17)
Council on the Arts.....	1,152	1,123	(29)
Commission for Women.....	280	273	(7)
Juvenile Court Judges Commission.....	2,251	2,149	(102)
Public Employee Retirement Commission.....	665	672	7
Commission on Crime and Delinquency.....	4,901	4,796	(105)
Partnership for Safe Children.....	6,243	6,003	(240)
Victims of Juvenile Crime.....	3,760	3,647	(113)
Weed and Seed Program.....	3,510	3,390	(120)
State Match for DCSI Subgrants.....	1,632	935	(697)
Intermediate Punishment Programs.....	5,331	3,180	(2,151)
Intermediate Punishment Drug and Alcohol Treatment.....	13,000	7,754	(5,246)
Drug Education and Law Enforcement.....	5,200	3,101	(2,099)
Research-Based Violence Prevention.....	10,000	5,965	(4,035)
Improvement of Juvenile Probation Services.....	6,033	5,918	(115)
Specialized Probation Services.....	15,623	15,326	(297)
Law Enforcement Activities.....	5,500	0	(5,500)
Grants to the Arts.....	14,000	14,000	0
Department Total.....	341,020	251,793	(89,227)

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Lieutenant Governor			
Lieutenant Governor's Office.....	758	751	(7)
Board of Pardons.....	347	361	14
Portrait - Former Lieutenant Governor.....	7	0	(7)
Department Total.....	1,112	1,112	0
Attorney General			
General Government Operations.....	37,796	37,796	0
Computer Enhancements.....	2,216	1,000	(1,216)
Drug Law Enforcement.....	22,334	22,334	0
Local Drug Task Forces.....	8,788	8,788	0
Drug Strike Task Force.....	1,700	1,700	0
Capital Appeals Case Unit.....	612	612	0
Charitable Nonprofit Conversions.....	949	949	0
Tobacco Law Enforcement.....	513	513	0
County Trial Reimbursement.....	150	150	0
Department Total.....	75,058	73,842	(1,216)
Auditor General			
Auditor General's Office.....	45,351	45,351	0
Board of Claims.....	1,734	1,879	145
Municipal Pension System State Aid.....	331	330	(1)
Transition - Governor.....	175	0	(175)
Security and Other Expenses - Outgoing Governor.....	100	0	(100)
Department Total.....	47,691	47,560	(131)
Treasury			
State Treasurer's Office.....	23,475	23,475	0
Computer Integration Program.....	1,950	1,498	(452)
Escheats Administration.....	12,500	12,750	250
Board of Finance and Revenue.....	2,374	2,385	11
Tuition Account Program Advertising.....	2,000	1,000	(1,000)
Intergovernmental Organizations.....	970	933	(37)
Publishing Monthly Statements.....	25	25	0
Replacement Checks (EA).....	2,500	2,500	0
Law Enforcement Officers Death Benefits.....	727	739	12
Loan and Transfer Agents.....	75	75	0
General Obligation Debt Service.....	349,063	668,977	319,914
Department Total.....	395,659	714,357	318,698
Aging			
General Government Operations - Lottery Programs.....	20,683	16,071	(4,612)

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Family Caregiver.....	11,461	11,461	0
Pre-Admission Assessment.....	5,886	5,871	(15)
Legal Advocacy for Older Pennsylvanians.....	600	0	(600)
Alzheimer's Outreach.....	250	145	(105)
Department Total.....	38,880	33,548	(5,332)
 Agriculture			
General Government Operations.....	30,909	30,588	(321)
Agriculture Law Center.....	150	0	(150)
Farmers' Market Food Coupons.....	1,455	1,397	(58)
Agricultural Conservation Easement Administration.....	631	583	(48)
Agricultural Research.....	3,503	3,363	(140)
Agricultural Promotion, Education, and Exports.....	1,379	1,186	(193)
Hardwoods Research and Promotion.....	771	728	(43)
Farm Safety.....	118	111	(7)
Nutrient Management.....	295	288	(7)
Animal Health Commission.....	4,250	4,250	0
Veterinary Distance Learning.....	100	0	(100)
Animal Indemnities.....	300	50	(250)
Transfer to State Farm Products Show Fund.....	1,000	1,000	0
Payments to Pennsylvania Fairs.....	4,400	3,400	(1,000)
Livestock Show.....	225	225	0
Open Dairy Show.....	225	225	0
Junior Dairy Show.....	50	50	0
4-H Club Shows.....	55	55	0
State Food Purchase.....	16,450	16,450	0
Product Promotion and Marketing.....	950	850	(100)
Future Farmers.....	104	104	0
Agriculture & Rural Youth.....	0	110	110
Transfer to Nutrient Management Fund.....	3,280	3,280	0
Local Soil and Water Districts.....	1,210	1,210	0
Crop Insurance.....	1,200	1,000	(200)
Plum Pox Virus - Fruit Tree Indemnities.....	3,100	212	(2,888)
Department Total.....	76,110	70,715	(5,395)
 Community and Economic Development			
General Government Operations.....	18,222	16,727	(1,495)
International Trade.....	7,436	6,000	(1,436)
Interactive Marketing.....	4,900	2,400	(2,500)
Cultural Exposition.....	1,000	0	(1,000)
Marketing to Attract Tourists.....	14,164	11,447	(2,717)
Marketing to Attract Business.....	4,900	2,900	(2,000)
Regional Marketing Partnerships.....	5,390	5,000	(390)
Brain Gain.....	1,960	1,000	(960)
Marketing to Attract Film Business.....	733	400	(333)

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
International Marketing - Health Care.....	200	0	(200)
Housing Research Center.....	238	0	(238)
Team Pennsylvania.....	4,887	4,000	(887)
PENNPORTS.....	14,053	11,000	(3,053)
Land Use Planning Assistance.....	3,917	3,500	(417)
Base Realignment and Closure.....	96	98	2
Transfer to Ben Franklin Tech. Development Authority Fund.....	54,397	53,500	(897)
Opportunity Grant Program.....	28,000	50,000	22,000
Customized Job Training.....	37,500	32,500	(5,000)
Workforce Leadership Grants.....	5,000	5,000	0
Infrastructure Development.....	29,350	25,000	(4,350)
CyberStart.....	1,600	1,000	(600)
Housing & Redevelopment Assistance.....	15,000	25,000	10,000
Family Savings Accounts.....	1,076	826	(250)
Shared Municipal Services.....	900	900	0
New Communities.....	10,000	15,000	5,000
Appalachian Regional Commission.....	850	900	50
Industrial Development Assistance.....	4,500	3,500	(1,000)
Local Development Districts.....	5,640	4,500	(1,140)
Small Business Development Centers.....	6,000	6,400	400
Tourist Promotion Assistance.....	11,500	11,000	(500)
Tourism - Accredited Zoos.....	2,000	0	(2,000)
Community Revitalization.....	70,000	0	(70,000)
Urban Development.....	9,500	0	(9,500)
Rural Leadership Training.....	210	200	(10)
Flood Plain Management.....	150	0	(150)
Community Conservation and Employment.....	7,000	6,000	(1,000)
Super Computer Center.....	1,500	1,500	0
Infrastructure Technical Assistance.....	4,000	2,500	(1,500)
Fay Penn.....	400	0	(400)
Tourist Product Development.....	0	2,500	2,500
Industrial Resource Center.....	11,203	10,200	(1,003)
Manufacturing and Business Assistance.....	3,000	0	(3,000)
PENNTAP.....	300	0	(300)
Powdered Metals.....	200	200	0
Agile Manufacturing.....	750	0	(750)
Department Total.....	403,622	322,598	(81,024)

Conservation and Natural Resources

General Government Operations.....	19,639	18,914	(725)
State Parks Operations.....	61,795	51,207	(10,588)
State Forests Operations.....	15,587	14,318	(1,269)
Forest Pest Management.....	3,430	2,380	(1,050)
Heritage and Other Parks.....	5,450	1,950	(3,500)
Annual Fixed Charges - Flood Lands.....	42	55	13
Annual Fixed Charges - Project 70.....	35	30	(5)
Annual Fixed Charges - Forest Lands.....	2,450	2,421	(29)

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Annual Fixed Charges - Park Lands.....	450	300	(150)
Department Total.....	108,878	91,575	(17,303)
 Corrections			
General Government Operations.....	33,248	34,187	939
Medical Care.....	152,249	171,681	19,432
Inmate Education and Training.....	35,545	37,043	1,498
State Correctional Institutions.....	1,045,294	1,055,589	10,295
Department Total.....	1,266,336	1,298,500	32,164
 Education			
General Government Operations.....	27,171	26,219	(952)
Office of Safe Schools Advocate.....	783	350	(433)
Information and Technology Improvement.....	7,158	5,142	(2,016)
PA Assessment.....	20,656	20,356	(300)
State Library.....	4,338	4,165	(173)
Youth Development Centers - Education.....	11,083	11,086	3
Scranton State School for the Deaf.....	6,041	6,202	161
Basic Education Funding.....	4,086,326	4,086,326	0
Philadelphia School District.....	25,000	25,000	0
Performance Incentives.....	25,000	0	(25,000)
School Improvement Grants.....	26,661	0	(26,661)
Education Support Services.....	23,600	0	(23,600)
School Readiness.....	1,500	0	(1,500)
Technology Initiative.....	6,360	1,290	(5,070)
Science Education Program.....	2,000	0	(2,000)
Teacher Professional Development.....	5,811	3,867	(1,944)
Read to Succeed.....	15,000	0	(15,000)
Adult and Family Literacy.....	19,707	18,534	(1,173)
Vocational Education.....	55,378	55,378	0
New Choices / New Options.....	2,000	0	(2,000)
Authority Rentals and Sinking Fund Requirements.....	283,078	294,483	11,405
Pupil Transportation.....	438,882	454,951	16,069
Nonpublic and Charter School Pupil Transportation.....	75,339	74,064	(1,275)
Special Education.....	874,319	874,319	0
Early Intervention.....	107,725	113,111	5,386
Homebound Instruction.....	840	850	10
Tuition for Orphans and Children Placed in Private Homes.....	45,528	47,288	1,760
Payments in Lieu of Taxes.....	180	180	0
Education of Migrant Laborers' Children.....	751	759	8
PA Charter Schools for the Deaf and Blind.....	25,749	25,749	0
Special Education - Approved Private Schools.....	63,450	63,450	0
Intermediate Units.....	6,311	6,311	0
School Food Services.....	25,800	26,542	742
School Employees' Social Security.....	418,244	426,403	8,159

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
School Employees' Retirement.....	44,466	167,647	123,181
School District Demonstration Projects.....	4,000	0	(4,000)
Education of Indigent Children.....	100	100	0
Education Mentoring.....	1,200	1,200	0
Services to Nonpublic Schools.....	71,976	71,976	0
Textbooks, Materials and Equipment for Nonpublic Schools.....	22,030	22,030	0
Technology for Nonpublic Schools.....	8,000	0	(8,000)
Teen Pregnancy and Parenthood.....	1,725	1,725	0
Comprehensive Reading.....	300	300	0
Improvement of Library Services.....	75,289	37,644	(37,645)
Library Services for the Visually Impaired and Disabled.....	2,965	2,965	0
Recording for the Blind and Dsylexic.....	70	0	(70)
Library Access.....	7,386	7,386	0
Electronic Library Catalog.....	4,042	3,842	(200)
Ethnic Heritage.....	165	165	0
Governor's Schools of Excellence.....	2,492	2,492	0
Job Training Programs.....	5,100	0	(5,100)
Charter Schools.....	1,800	1,000	(800)
Independent Schools.....	1,500	500	(1,000)
Charter Schools - Nonpublic Transfers.....	1,000	0	(1,000)
Charter Schools - Transitional Grants.....	2,000	0	(2,000)
Reimbursement of Charter Schools.....	52,940	52,940	0
Safe and Alternative Schools.....	30,000	23,326	(6,674)
Alternative Education Demonstration Grants.....	7,200	7,200	0
Community Colleges.....	210,277	210,277	0
Regional Community Colleges Services.....	550	0	(550)
Higher Education for the Disadvantaged.....	9,320	9,320	0
Higher Education of Blind or Deaf Students.....	54	54	0
Higher Education Technology Grants.....	4,500	0	(4,500)
Higher Education Equipment.....	6,000	0	(6,000)
Enhanced Technology Initiative.....	500	0	(500)
Engineering Equipment Grants.....	1,000	0	(1,000)
Dormitory Sprinklers.....	6,000	3,000	(3,000)
Rural Initiatives.....	1,968	1,343	(625)
Osteopathic Education.....	1,750	0	(1,750)
Thaddeus Stevens College of Technology.....	7,861	7,948	87
The Pennsylvania State University			
Educational and General.....	244,744	232,508	(12,236)
Medical Programs.....	5,044	4,793	(251)
Children's Hospital.....	5,044	4,793	(251)
Agricultural Research.....	24,128	22,922	(1,206)
Agricultural Extension Services.....	27,580	26,201	(1,379)
Recruitment of the Disadvantaged.....	348	332	(16)
Central Pennsylvania Psychiatric Institute.....	1,963	1,864	(99)
Pennsylvania College of Technology.....	12,288	11,673	(615)
Pennsylvania College of Technology - Debt Service.....	1,453	1,379	(74)

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Subtotal.....	322,592	306,465	(16,127)
University of Pittsburgh			
Educational and General.....	153,290	145,625	(7,665)
Medical Programs.....	6,903	6,558	(345)
Dental Clinics.....	1,083	1,029	(54)
Recruitment of the Disadvantaged.....	337	321	(16)
Western Psychiatric Institute.....	8,087	7,682	(405)
Western Teen Suicide Center.....	522	496	(26)
Graduate School of Public Health.....	263	249	(14)
Rural Education Outreach.....	1,013	963	(50)
Student Life Initiatives.....	434	413	(21)
Subtotal.....	171,932	163,336	(8,596)
Temple University			
Educational and General.....	161,060	153,006	(8,054)
Medical Programs.....	9,189	8,729	(460)
Dental Clinics.....	1,083	1,029	(54)
Recruitment of the Disadvantaged.....	337	321	(16)
Maxillofacial Prosthodontics.....	131	125	(6)
Podiatric Medicine.....	1,346	1,280	(66)
Bio-Medical Center.....	475	451	(24)
Subtotal.....	173,621	164,941	(8,680)
Lincoln University			
Educational and General.....	12,153	11,544	(609)
Recruitment of the Disadvantaged.....	337	321	(16)
International Affairs Institute.....	305	290	(15)
Subtotal.....	12,795	12,155	(640)
Non-State Related Universities and Colleges			
Drexel University.....	6,810	6,470	(340)
University of Pennsylvania - Dental Clinics.....	891	846	(45)
University of Pennsylvania - Cardiovascular Studies.....	1,600	1,520	(80)
University of Pennsylvania - Medical Programs.....	4,034	3,832	(202)
University of Pennsylvania - Veterinary Activities.....	38,445	36,523	(1,922)
Philadelphia Health and Education Corp. - Medical Programs.....	8,142	7,329	(813)
Phila. Health & Education Corp - Operations & Maintenance.....	1,708	1,623	(85)
Phila. Health & Educ. Cor - Recruitment of the Disadvantaged.....	305	290	(15)
Phila. Health & Education Corp - Cardiovascular Studies.....	500	0	(500)
Philadelphia Health and Education Corporation.....	2,000	1,900	(100)
Thomas Jefferson University - Doctor of Medicine Instruction.....	5,869	5,282	(587)
Thomas Jefferson University - Operations & Maintenance.....	4,050	3,847	(203)
Philadelphia College of Osteopathic Medicine.....	6,222	4,650	(1,572)

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Pennsylvania College of Optometry.....	1,598	1,391	(207)
Philadelphia University of the Arts.....	1,181	1,122	(59)
Subtotal.....	83,355	76,625	(6,730)
 Non-State Related Institutions			
Berean - Operations and Maintenance.....	1,676	1,392	(284)
Berean - Rental Payments.....	90	85	(5)
Johnson Technical Institute.....	192	182	(10)
Williamson Free School of Mechanical Trades.....	69	65	(4)
Subtotal.....	2,027	1,724	(303)
Department Total.....	8,101,617	8,034,001	(67,616)
 Environmental Protection			
General Government Operations.....	20,669	22,171	1,502
Cleanup of Scrap Tires.....	2,000	0	(2,000)
Environmental Program Management.....	44,224	43,679	(545)
Chesapeake Bay Agricultural Source Abatement.....	3,330	3,105	(225)
Office of Pollution Prevention and Compliance Assistance.....	3,751	3,569	(182)
Environmental Protection Operations.....	76,323	76,393	70
Safe Water.....	11,000	0	(11,000)
Black Fly Control and Research.....	4,703	4,419	(284)
West Nile Virus Control.....	7,907	7,430	(477)
Flood Control Projects.....	2,793	2,793	0
Storm Water Management.....	1,200	1,200	0
Sewage Facilities Planning Grants.....	1,950	1,950	0
Sewage Facilities Enforcement Grants.....	5,000	5,000	0
Sewage Treatment Plant Operations Grants.....	52,122	0	(52,122)
Delaware River Master.....	97	92	(5)
Ohio River Basin Commission.....	14	14	0
Susquehanna River Basin Commission.....	700	725	25
Interstate Commission on the Potomac River.....	44	46	2
Delaware River Basin Commission.....	1,133	1,132	(1)
Ohio River Valley Water Sanitation Commission.....	172	172	0
Chesapeake Bay Commission.....	265	265	0
Local Soil and Water District Assistance.....	3,100	3,100	0
Interstate Mining Commission.....	32	38	6
Northeast-Midwest Institute.....	58	58	0
Small Water System Regionalization.....	400	0	(400)
Sea Grant Program.....	250	250	0
Agricultural Consumptive Water Use Study (6/05).....	610	0	(610)
Department Total.....	243,847	177,601	(66,246)

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
General Services			
General Government Operations.....	66,816	64,166	(2,650)
Capitol Police Operations.....	12,091	11,212	(879)
Harristown Rental Charges.....	6,945	6,666	(279)
Utility Costs.....	14,593	13,979	(614)
Harristown Utility and Municipal Charges.....	10,485	10,463	(22)
Printing the Pennsylvania Manual.....	201	0	(201)
Asbestos Response.....	427	318	(109)
Excess Insurance Coverage.....	3,227	3,802	575
Capital Project Leasing.....	91	92	1
Capitol Fire Protection.....	1,020	1,020	0
Department Total.....	115,896	111,718	(4,178)
Health			
General Government Operations.....	30,114	27,271	(2,843)
Organ Donation.....	116	109	(7)
Diabetes Programs.....	443	426	(17)
Quality Assurance.....	15,971	15,367	(604)
Vital Statistics.....	7,034	6,469	(565)
State Laboratory.....	4,192	4,202	10
State Health Care Centers.....	21,416	21,290	(126)
Sexually Transmitted Disease Screening and Treatment.....	2,310	2,000	(310)
Newborn Screening.....	4,000	4,000	0
Primary Health Care Practitioner.....	4,710	4,630	(80)
Cancer Programs.....	3,595	2,085	(1,510)
AIDS Programs.....	7,159	6,159	(1,000)
Regional Cancer Institutes.....	2,000	899	(1,101)
Rural Cancer Outreach.....	200	0	(200)
School District Health Services.....	39,000	38,700	(300)
Local Health Departments.....	28,642	28,901	259
Local Health - Environmental.....	7,568	7,568	0
Maternal and Child Health.....	3,905	3,975	70
Assistance to Drug and Alcohol Programs.....	40,360	40,498	138
Tuberculosis Screening and Treatment.....	1,009	959	(50)
Renal Dialysis.....	8,555	8,895	340
Services for Children with Special Needs.....	1,732	1,645	(87)
Adult Cystic Fibrosis.....	721	685	(36)
Cooley's Anemia.....	198	188	(10)
Arthritis Outreach and Education.....	250	145	(105)
Hemophilia.....	1,672	1,428	(244)
Lupus.....	200	58	(142)
Sickle Cell.....	1,903	1,808	(95)
Hepatitis Screening and Prevention.....	300	174	(126)
Regional Poison Control Centers.....	1,250	725	(525)
Trauma Programs Coordination.....	300	174	(126)
Rural Trauma Preparedness and Outreach.....	200	0	(200)
Epilepsy Support Services.....	500	290	(210)

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Keystone State Games.....	220	220	0
Bio-Technology Research.....	4,000	0	(4,000)
Tourette Syndrome.....	100	58	(42)
Emergency Care Research.....	1,500	0	(1,500)
Newborn Hearing Screening Demonstration.....	750	435	(315)
Osteoporosis Prevention and Education.....	100	58	(42)
Health Research and Services.....	5,250	0	(5,250)
Fox Chase Institute for Cancer Research.....	817	776	(41)
The Wistar Institute - Research: Operation and Maintenance.....	225	214	(11)
The Wistar Institute - Research: AIDS Research.....	97	92	(5)
Central Penn Oncology Group.....	136	130	(6)
Cardiovascular Studies - St. Francis Hospital.....	125	0	(125)
Lancaster - Cleft Palate Clinic.....	53	49	(4)
Pittsburgh - Cleft Palate Clinic.....	53	49	(4)
Tay Sachs Disease - Jefferson Medical College.....	53	49	(4)
Burn Foundation.....	439	418	(21)
The Children's Institute, Pittsburgh.....	927	781	(146)
Children's Hospital of Philadelphia.....	475	451	(24)
Phila. Health & Educ Corp-Pediatric Outpatient & Inpatient.....	751	712	(39)
Phila. Health & Educ Corp -Med-Handicapped Children's Clinic.....	158	149	(9)
Department Total.....	257,754	236,364	(21,390)

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Insurance			
General Government Operations.....	20,126	20,042	(84)
Children's Health Insurance Administration.....	2,346	1,602	(744)
Children's Health Insurance.....	32,753	34,296	1,543
Adult Health Insurance Administration.....	2,544	2,543	(1)
Department Total.....	57,769	58,483	714
 Labor and Industry			
General Government Operations.....	17,567	17,011	(556)
Occupational and Industrial Safety.....	11,633	11,375	(258)
PENNSAFE.....	1,355	1,294	(61)
Pennsylvania Conservation Corps.....	6,028	5,676	(352)
Employer Information Resources.....	1,181	0	(1,181)
Pathways.....	98	0	(98)
Occupational Disease Payments.....	2,292	2,041	(251)
Vocational Rehabilitation Services.....	4,000	4,000	0
Entrepreneurial Assistance.....	1,061	1,061	0
Transfer to Vocational Rehabilitation Fund.....	37,083	37,083	0
Supported Employment.....	1,155	1,155	0
Centers for Independent Living.....	1,600	1,600	0
Workers' Compensation Payments.....	210	198	(12)
Training Activities.....	2,500	2,250	(250)
Assistive Technology.....	890	890	0
Self Employment Assistance.....	2,500	0	(2,500)
Employment Services.....	17,364	0	(17,364)
Beacon Lodge Camp.....	122	117	(5)
Department Total.....	108,639	85,751	(22,888)
 Military and Veterans Affairs			
General Government Operations.....	18,303	16,786	(1,517)
Burial Detail Honor Guard.....	38	36	(2)
American Battle Monuments.....	6	7	1
Armory Maintenance and Repair.....	1,499	1,339	(160)
Drug Interdiction.....	60	18	(42)
Special State Duty.....	99	66	(33)
Erie Soldiers and Sailors Home.....	6,444	6,545	101
Holidaysburg Veterans Home.....	21,769	22,558	789
Southeastern Veterans Home.....	12,491	13,980	1,489
Gino J. Merli Veterans Center.....	8,282	8,769	487
Southwestern Veterans Home.....	8,281	8,462	181
Delaware Valley Veterans Home.....	8,400	12,319	3,919
Scotland School for Veterans' Children.....	8,167	8,000	(167)
Education of Veterans Children.....	190	190	0
Education - National Guard.....	10,527	8,948	(1,579)
Veterans Assistance.....	1,230	1,230	0

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Blind Veterans Pension.....	235	235	0
Paralyzed Veterans Pension.....	460	460	0
National Guard Pension.....	5	5	0
PA Air National Guard.....	25	0	(25)
Civil Air Patrol.....	300	0	(300)
Disabled American Veterans Transportation.....	250	0	(250)
Department Total.....	107,061	109,953	2,892
Public Welfare			
General Government Operations.....	60,778	59,499	(1,279)
Information Systems.....	53,494	54,904	1,410
County Administration - Statewide.....	46,166	41,323	(4,843)
County Assistance Offices.....	255,806	252,318	(3,488)
Child Support Enforcement.....	17,772	11,998	(5,774)
New Directions.....	71,664	64,252	(7,412)
Youth Development Institutions and Forestry Camps.....	65,971	67,509	1,538
Mental Health Services.....	625,567	657,128	31,561
State Centers for the Mentally Retarded.....	112,005	111,523	(482)
Cash Grants.....	304,674	313,493	8,819
Supplemental Grants - Aged, Blind and Disabled.....	149,608	152,336	2,728
Medical Assistance - Outpatient.....	516,832	688,286	171,454
Medical Assistance - Inpatient.....	407,104	372,614	(34,490)
Medical Assistance - Capitation.....	1,867,646	2,064,547	196,901
Long-Term Care.....	358,744	446,038	87,294
Medical Assistance - Transportation.....	32,380	32,380	0
Expanded Medical Services for Women.....	8,686	8,686	0
AIDS Special Pharmaceutical Services.....	9,365	10,452	1,087
Special Pharmaceutical Services.....	5,527	5,789	262
Behavioral Health Services.....	47,909	0	(47,909)
Psychiatric Services in Eastern PA.....	3,500	0	(3,500)
Intermediate Care Facilities - Mentally Retarded.....	108,633	110,729	2,096
Community Mental Retardation Services.....	675,552	674,210	(1,342)
Early Intervention.....	66,394	74,345	7,951
Pennhurst Dispersal.....	3,093	2,939	(154)
MR Residential Services - Lansdowne.....	402	382	(20)
County Child Welfare.....	605,187	610,213	5,026
Community Based Family Centers.....	3,248	3,086	(162)
Child Care Services.....	59,683	59,683	0
Domestic Violence.....	11,912	11,316	(596)
Rape Crisis.....	6,067	5,764	(303)
Breast Cancer Screening.....	1,575	1,496	(79)
Human Services Development Fund.....	36,803	3,500	(33,303)
Legal Services.....	2,600	2,470	(130)
Homeless Assistance.....	24,212	23,001	(1,211)
Services to Persons with Disabilities.....	12,442	17,076	4,634
Attendant Care.....	26,838	32,579	5,741
Acute Care Hospitals.....	17,600	0	(17,600)

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Arsenal Family and Children's Center.....	152	143	(9)
Department Total.....	6,683,591	7,048,007	364,416
 Revenue			
General Government Operations.....	140,526	133,564	(6,962)
General Operations - Lottery Administration.....	46,141	28,744	(17,397)
Commissions - Inheritance & Realty Transfer Taxes (EA).....	6,064	6,664	600
Revenue Enforcement.....	0	2,000	2,000
Distribution of Public Utility Realty Tax.....	36,300	41,750	5,450
Department Total.....	229,031	212,722	(16,309)
 State			
General Government Operations.....	4,073	4,073	0
Voter Registration.....	1,411	3,015	1,604
Publishing Constitutional Amendments (EA).....	742	466	(276)
Voting of Citizens in Military Service.....	8	8	0
County Election Expenses (EA).....	510	0	(510)
Department Total.....	6,744	7,562	818
 Transportation			
Transit and Rail Freight Operations.....	1,981	1,907	(74)
Rail Safety Inspection.....	455	434	(21)
Vehicle Sales Tax Collections.....	1,948	1,829	(119)
Welcome Centers.....	2,300	2,370	70
Voter Registration.....	996	938	(58)
Organ Donor Operations.....	102	99	(3)
Comprehensive Rail Freight Study.....	124	0	(124)
Mass Transportation Assistance.....	270,019	253,919	(16,100)
Regional Mass Transit Planning & Assistance.....	2,000	0	(2,000)
Rural Transportation Assistance.....	1,000	1,000	0
Fixed Route Transit.....	27,800	26,394	(1,406)
Intercity Transportation.....	6,513	7,013	500
Rail Freight Assistance.....	4,250	4,250	0
Department Total.....	319,488	300,153	(19,335)

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
State Police			
General Government Operations.....	142,454	148,219	5,765
CLEAN System.....	22,791	15,000	(7,791)
Municipal Police Training.....	5,616	4,243	(1,373)
Patrol Vehicles.....	2,989	2,768	(221)
Automated Fingerprint Identification System.....	2,163	2,247	84
Gun Checks.....	2,200	2,156	(44)
Department Total.....	178,213	174,633	(3,580)
Civil Service Commission			
General Government Operations.....	1	1	0
Emergency Management Agency			
General Government Operations.....	7,598	7,459	(139)
Information Systems Management.....	2,032	1,027	(1,005)
State Fire Commissioner.....	2,052	2,140	88
Security.....	10,027	6,212	(3,815)
May-June 1998 Storm Disaster - Hazard Mitigation.....	100	0	(100)
1999 Disasters - Public Assistance & Hazard Mitigation(6/01).....	0	75	75
September 1999 Tropical Storm Disaster-Hazard Mitigation(EA).....	0	500	500
June 2001 Storm Disaster - Public Assistance.....	1,650	0	(1,650)
June 2001 Storm Disaster - Hazard Mitigation (6/04).....	0	750	750
September 2001 Disaster Relief.....	0	500	500
Firefighters' Memorial Flag.....	10	10	0
Volunteer Company Grants.....	0	25,000	25,000
Red Cross Extended Care Program.....	500	500	0
Department Total.....	23,969	44,173	20,204
Fish and Boat Commission			
Atlantic States Marine Fisheries Commission.....	12	13	1
State System of Higher Education			
State Universities.....	439,181	417,222	(21,959)
Recruitment of the Disadvantaged.....	345	328	(17)
McKeeever Center.....	215	204	(11)
Affirmative Action.....	1,161	1,103	(58)
Program Initiatives.....	16,765	15,927	(838)
Department Total.....	457,667	434,784	(22,883)
Higher Education Assistance Agency			
Grants to Students.....	347,911	347,911	0
Matching Payments for Student Aid Funds.....	14,472	14,472	0
Institutional Assistance Grants.....	40,460	38,437	(2,023)
Horace Mann Bond-Leslie Pinckney Hill Scholarship.....	750	750	0

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Agricultural Loan Forgiveness.....	284	210	(74)
SciTech and Technology Scholarships.....	6,200	3,100	(3,100)
SciTech and Technology Scholarships - Administration.....	661	661	0
Cheyney University Keystone Academy.....	2,100	2,100	0
Department Total.....	412,838	407,641	(5,197)
 Historical and Museum Commission			
General Government Operations.....	24,319	23,682	(637)
Maintenance Program.....	1,940	1,000	(940)
Museum Assistance Grants.....	4,450	4,600	150
Regional History Centers.....	200	0	(200)
University of Pennsylvania Museum.....	236	225	(11)
Carnegie Museum of Natural History.....	236	225	(11)
Carnegie Science Center.....	236	225	(11)
Franklin Institute Science Museum.....	713	500	(213)
Academy of Natural Sciences.....	437	416	(21)
African American Museum in Philadelphia.....	333	317	(16)
Everhart Museum.....	43	42	(1)
Mercer Museum.....	181	172	(9)
Whitaker Center for Science and the Arts.....	130	124	(6)
Department Total.....	33,454	31,528	(1,926)
 Environmental Hearing Board			
Environmental Hearing Board.....	1,789	1,764	(25)
 Probation and Parole			
General Government Operations.....	78,259	76,101	(2,158)
Sexual Offenders Assessment Board.....	3,019	2,815	(204)
Drug Offenders Work Program.....	285	244	(41)
Improvement of Adult Probation Services.....	20,145	20,805	660
Department Total.....	101,708	99,965	(1,743)

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Public Television Network			
General Government Operations.....	3,607	3,461	(146)
Public Television Station Grants.....	8,546	7,771	(775)
Department Total.....	12,153	11,232	(921)
Securities Commission			
General Government Operations.....	2,177	2,110	(67)
State Employees' Retirement System			
National Guard - Employer Contribution.....	0	2	2
Tax Equalization Board			
General Government Operations.....	1,366	1,335	(31)
Legislature			
Legislative Miscellaneous and Commissions			
Health Care Cost Containment Council.....	3,953	3,755	(198)
State Ethics Commission.....	1,761	1,761	0
Subtotal.....	5,714	5,516	(198)
Senate			
Fifty Senators.....	4,560	4,560	0
Senate President - Personnel Expenses.....	290	290	0
Employes of Chief Clerk.....	4,800	4,800	0
Salaried Officers and Employes.....	7,236	7,236	0
Incidental Expenses.....	2,700	2,700	0
Postage - Chief Clerk and Legislative Journal.....	1,400	1,400	0
President.....	5	5	0
President Pro Tempore.....	20	20	0
Floor Leader (R).....	7	7	0
Floor Leader (D).....	7	7	0
Whip (R).....	6	6	0
Whip (D).....	6	6	0
Chairman of the Caucus (R).....	3	3	0
Chairman of the Caucus (D).....	3	3	0
Secretary of the Caucus (R).....	3	3	0
Secretary of the Caucus (D).....	3	3	0
Chairman of the Appropriations Committee (R).....	6	6	0
Chairman of the Appropriations Committee (D).....	6	6	0
Chairman of the Policy Committee (R).....	2	2	0
Chairman of the Policy Committee (D).....	2	2	0
Caucus Administrator (R).....	2	2	0
Caucus Administrator (D).....	2	2	0
Expenses - Senators.....	1,149	1,149	0

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Legislative Printing and Expenses.....	7,077	7,077	0
Computer Services (R).....	4,532	4,532	0
Computer Services (D).....	4,532	4,532	0
Committee on Appropriations (R).....	3,400	3,400	0
Committee on Appropriations (D).....	3,400	3,400	0
Special Leadership Account (R).....	9,170	9,170	0
Special Leadership Account (D).....	9,170	9,170	0
Legislative Management Committee (R).....	5,678	5,678	0
Legislative Management Committee (D).....	5,678	5,678	0
Senate Flag Purchase.....	24	24	0
Subtotal.....	74,879	74,879	0
 House of Representatives			
Members' Salaries, Speaker's Extra Compensation.....	19,222	19,222	0
House Employes (D).....	11,251	11,251	0
House Employes (R).....	11,251	11,251	0
Speaker's Office.....	897	897	0
Bi-Partisan Committee, Chief Clerk, Comptroller.....	7,959	7,959	0
Mileage - Representatives, Officers and Employes.....	200	200	0
Chief Clerk and Legislative Journal.....	1,500	1,500	0
Speaker.....	20	20	0
Chief Clerk.....	643	643	0
Floor Leader (D).....	7	7	0
Floor Leader (R).....	7	7	0
Whip (D).....	6	6	0
Whip (R).....	6	6	0
Chairman - Caucus (D).....	3	3	0
Chairman - Caucus (R).....	3	3	0
Secretary - Caucus (D).....	3	3	0
Secretary - Caucus (R).....	3	3	0
Chairman - Appropriations Committee (D).....	6	6	0
Chairman - Appropriations Committee (R).....	6	6	0
Chairman - Policy Committee (D).....	2	2	0
Chairman - Policy Committee (R).....	2	2	0
Caucus Administrator (D).....	2	2	0
Caucus Administrator (R).....	2	2	0
Administrator for Staff (D).....	20	20	0
Administrator for Staff (R).....	20	20	0
Legislative Office for Research Liaison.....	622	622	0
Incidental Expenses.....	6,845	6,845	0
Expenses - Representatives.....	3,100	3,100	0
Legislative Printing and Expenses.....	14,000	14,000	0
Members' Home Office Expenses.....	2,033	2,033	0
National Legislative Conference - Expenses.....	194	194	0
Committee on Appropriations (R).....	1,945	1,945	0
Committee on Appropriations (D).....	1,945	1,945	0
Special Leadership Account (R).....	12,329	12,329	0

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Special Leadership Account (D).....	12,329	12,329	0
Legislative Management Committee (R).....	14,057	14,057	0
Legislative Management Committee (D).....	14,057	14,057	0
Commonwealth Emergency Medical System.....	35	35	0
House Flag Purchase.....	24	24	0
Information Technology.....	14,000	14,000	0
School for New Members.....	15	15	0
Subtotal.....	150,571	150,571	0
Legislative Reference Bureau			
Legislative Reference Bureau - Salaries & Expenses.....	6,783	6,783	0
Contingent Expenses.....	20	20	0
Printing of PA Bulletin and PA Code.....	595	595	0
Subtotal.....	7,398	7,398	0
Legislative Budget and Finance Committee.....	2,250	2,250	0
Commonwealth Mail Processing Center.....	400	400	0
Legislative Miscellaneous and Commissions			
Legislative Data Processing Center.....	3,751	3,751	0
Joint State Government Commission.....	1,764	1,764	0
Local Government Commission.....	979	979	0
Local Government Codes.....	28	28	0
Joint Legislative Air and Water Pollution Control Committee.....	483	483	0
Legislative Audit Advisory Commission.....	154	154	0
Independent Regulatory Review Commission.....	1,850	1,850	0
Capitol Preservation Committee.....	730	730	0
Capitol Restoration.....	4,150	4,150	0
Flag Conservation.....	60	60	0
Colonial History.....	197	197	0
Capitol Centennial.....	100	100	0
Rare Books Conservation.....	400	400	0
Commission on Sentencing.....	992	992	0
Center For Rural Pennsylvania.....	1,050	1,050	0
Council of State Governments - Annual Meeting.....	200	0	(200)
Subtotal.....	16,888	16,688	(200)
Department Total.....	258,100	257,702	(398)

Judiciary

Supreme Court

Supreme Court.....	12,226	12,696	470
Justices Expenses.....	180	180	0
Judicial Council.....	179	183	4

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
District Court Administrators.....	13,621	14,487	866
Court Management Education.....	150	157	7
Civil Procedural Rules Committee.....	403	423	20
Appellate/Orphans Rules Committee.....	175	180	5
Rules of Evidence Committee.....	163	169	6
Minor Court Rules Committee.....	171	178	7
Criminal Procedural Rules Committee.....	409	415	6
Domestic Relations Committee.....	167	196	29
Juvenile Court Rules Committee.....	167	198	31
Committee on Racial and Gender Bias.....	199	0	(199)
Court Administrator.....	7,482	7,189	(293)
Integrated Criminal Justice System.....	3,140	1,999	(1,141)
Subtotal.....	38,832	38,650	(182)
 Superior Court			
Superior Court.....	24,493	25,733	1,240
Judges Expenses.....	237	237	0
Subtotal.....	24,730	25,970	1,240
 Commonwealth Court			
Commonwealth Court.....	15,219	16,019	800
Judges Expenses.....	143	143	0
Subtotal.....	15,362	16,162	800
 Courts of Common Pleas			
Courts of Common Pleas.....	61,042	64,274	3,232
Senior Judges.....	3,798	3,879	81
Judicial Education.....	727	727	0
Ethics Committee.....	40	40	0
Subtotal.....	65,607	68,920	3,313
 District Justices			
District Justices.....	49,131	52,364	3,233
District Justice Education.....	576	605	29
Subtotal.....	49,707	52,969	3,262
 Philadelphia Courts			
Traffic Court.....	679	747	68
Municipal Court.....	4,655	4,855	200
Law Clerks.....	39	39	0
Domestic Violence Services.....	204	204	0
Subtotal.....	5,577	5,845	268

2003-04 GENERAL FUND Budget

(Dollar Amounts in thousands)

Department/Appropriation	2002-03 Available	2003-04 Budget	Inc./ Dec.
Judicial Conduct Board.....	1,046	1,094	48
Court of Judicial Discipline.....	426	433	7
Reimbursement of County Costs			
Jurors.....	1,369	1,369	0
County Courts.....	31,356	32,196	840
Senior Judge Reimbursement.....	2,500	2,500	0
Subtotal.....	35,225	36,065	840
 Department Total.....	 236,512	 246,108	 9,596
 GRAND TOTAL.....	 20,713,796	 21,008,525	 294,729