

PA Gov. Schweiker Directs Administration to Take Steps to Erase Potential Budget Shortfall

HARRISBURG, Pa., Dec. 10 /PRNewswire/ -- Pennsylvania Gov. Mark Schweiker today took steps to erase a projected \$433 million revenue shortfall to help ensure the state ends the fiscal year in balance.

To combat the shortfall, Gov. Schweiker directed his Cabinet to reduce operating expenditures by 2 percent. As a result, the Administration will freeze \$270 million in state spending and propose drawing \$50 million from the state's Rainy Day Fund. These actions, along with a carryover balance of \$22 million and an anticipated \$91 million in appropriation lapses between now and June 30, 2003, will allow Pennsylvania to end the fiscal year in balance. A list of frozen appropriations is attached.

"While other states are facing deficits in the billions and exhausting their rainy day funds, Pennsylvania is eliminating its revenue shortfall with relatively little pain," Gov. Schweiker said. "This Administration has always prided itself on its strong fiscal discipline. That discipline has put us in the position to focus our budgetary freezes primarily on operating costs, while leaving \$250 million in the Rainy Day Fund, nearly four times what the Administration inherited in 1995."

Revenues through the first quarter of this fiscal year were \$96.3 million, or 1.2 percent, below estimate.

2002-03 SPENDING FREEZE ITEMS

(amounts in thousands)

DEPARTMENT /APPROPRIATION	2002-03	Freeze
Available Amount		
<u>Governor's Office</u>		
Governor's Office	8,027	(161)
<u>Executive Offices</u>		
<u>Office of Administration</u>	8,702	(165)
Medicare Part B Penalties	440	(9)
Health Insurance Portability Act	12,474	(1,000)
Information Communication	13,193	(251)
Technology Investment Program	18,874	(470)
Commonwealth Technology Services	33,816	(643)
Electronic Government	3,500	(66)
Communications Management	5,367	(102)

Integrated Management System	68,791	(1,326)
Integrated Criminal Justice System	12,376	(235)
Office of Inspector General	3,183	(60)
Inspector General - Welfare Fraud	12,590	(239)
Office of the Budget	30,824	(308)
Office of General Counsel	6,209	(118)
Rural Development Council	213	(4)
Human Relations Commission	10,725	(215)
Latino Affairs Commission	229	(4)
African American Affairs Commission	355	(7)
Council on the Arts	1,152	(22)
Commission for Women	280	(5)
Juvenile Court Judges Commission	2,251	(43)
Public Employees Retirement Commission	665	(13)
State Match for DCSI Subgrants	1,715	(715)
Intermediate Punishment Programs	5,331	(80)
Drug Education and Law Enforcement	5,200	(288)
Improvement of Juvenile Probation Svcs	6,033	(115)
Specialized Probation Services	15,623	(297)
Grants to the Arts	14,000	(266)
Lieutenant Governor Lieutenant Governor's Office	758	(18)
Treasury General Obligation Debt Service	349,063	(34,000)
<u>Aging</u>		
General Government Operations - Lottery Programs	20,683	(4,000)

Agriculture

General Government Operations	30,909	(25)
Plum Pox Virus - Fruit Tree		
Indemnities	3,100	(784)

Community & Economic Development

General Government Operations	18,222	(364)
International Trade	7,436	(149)
Interactive Marketing	4,900	(98)
Cultural Exposition	1,000	(20)
Marketing to Attract Tourists	14,164	(283)
Marketing to Attract Business	4,900	(98)
Regional Marketing Partnerships	5,390	(500)
Brain Gain	1,960	(39)
Marketing to Attract Film Business	733	(15)
International Marketing - Health Care	200	(4)
Housing Research Center	238	(5)
Team Pennsylvania	4,887	(98)
PENNPORIS	14,053	(2,031)
Land Use Planning Assistance	3,917	(78)
Base Realignment and Closure	96	(2)
Housing & Redevelopment Assistance	15,000	(500)
Community Conservation and Employment	7,000	(2,000)

Conservation & Natural Resources

General Government Operations	19,639	(118)
State Parks Operations	61,795	(785)
State Forests Operations	15,587	(173)
Forest Pest Management	3,430	(550)
Heritage and Other Parks	5,450	(200)

Annual Fixed Charges - Project 70	35	(5)
Annual Fixed Charges - Forest Lands	2,450	(29)
Annual Fixed Charges - Park Lands	450	(150)

Corrections

General Government Operations	33,248	(2,843)
Medical Care	152,249	(50)
Inmate Education and Training	35,545	(146)
State Correctional Institutions	1,045,294	(54,835)

Education

General Government Operations	27,171	(543)
Office of School Victims Advocate	783	(20)
Information Technology Improvement	7,158	(143)
PA Assessment	20,656	(100)
State Library	4,338	(87)
Youth Development Centers - Education	11,083	(20)
Scranton State School for the Deaf	6,041	(30)
School Improvement Grants	26,661	(500)
Education Support Services	23,600	(7,771)
School Employes' Social Security	418,244	(2,000)
Independent Schools	1,500	(500)
Charter Schools - Nonpublic Transfers	1,000	(1,000)
Charter Schools - Transitional Grants	2,000	(2,000)
Higher Education Equipment	6,000	(2,000)

Penn State University

Educational and General	244,744	(2,447)
Medical Programs	5,044	(50)
Children's Hospital	5,044	(50)
Agricultural Extension Services	24,128	(241)

Recruitment of the Disadvantaged	27,580	(276)	
Central Pennsylvania Psychiatric			
Institute	348	(3)	
Agricultural Research	1,963	(20)	
<u>Workforce Development & Technology</u>			
Transfer	12,288	(123)	
PA College of Technology	1,453	(15)	
<u>University of Pittsburgh</u>			0
Educational and General	153,290	(1,533)	
Medical Programs	6,903	(69)	
Dental Clinics	1,083	(11)	
Recruitment of the Disadvantaged	337	(3)	
Western Psychiatric Institute	8,087	(81)	
Western Teen Suicide Center	522	(5)	
Graduate School of Public Health	263	(3)	
Rural Education Outreach	1,013	(10)	
Student Life Initiatives	434	(4)	
<u>Temple University</u>			0
Educational and General	161,060	(1,611)	
Medical Programs	9,189	(92)	
Dental Clinics	1,083	(11)	
Recruitment of the Disadvantaged	337	(3)	
Maxillofacial Prosthodontics	131	(1)	
Podiatric Medicine	1,346	(13)	
Bio-Medical Center	475	(5)	
<u>Lincoln University</u>			0
Educational and General	12,153	(122)	
Recruitment of the Disadvantaged	337	(3)	

International Affairs Institute	305	(3)
<u>Drexel University</u>	6,810	(68)
<u>University of Pennsylvania</u>		0
Dental Clinics	891	(9)
Cardiovascular Studies	1,600	(16)
Medical Programs	4,034	(40)
Veterinary Activities	38,445	(384)
<u>Phila. Health & Education Corp.</u>		0
Medical Programs	8,142	(81)
Operations & Maintenance	1,708	(17)
Recruitment of the Disadvantaged	305	(3)
Cardiovascular Studies	500	(5)
<u>Philadelphia Health & Education Corporation</u>	2,000	(20)
<u>Thomas Jefferson University</u>		0
Doctor of Medicine Instruction	5,869	(59)
Operations & Maintenance	4,050	(41)
<u>Phila. College of Osteopathic Medicine</u>	6,222	(62)
PA College of Optometry	1,598	(16)
Philadelphia University of the Arts	1,181	(12)
Berean - Operations and Maintenance	1,676	(17)
- Rental Payments	90	(1)
Johnson Technical Institute	192	(2)
<u>Williamson Free School of Mechanical Trades</u>	69	(1)

Environmental Protection

General Government Operations	20,669	(413)
Cleanup of Scrap Tires	2,000	(40)
Environmental Program Management	44,224	(442)
Chesapeake Bay Agricultural Source Abate.	3,330	(67)
Office of Pollution Prevention & Compliance Assistance	3,751	(75)
Environmental Protection Operations	76,323	(763)
Black Fly Control and Research	4,703	(94)
West Nile Virus Control	7,907	(158)

General Services

General Government Operations	66,816	(338)
Capitol Police Operations	12,091	(242)
Utility Costs	14,593	(587)

Harristown Utility and Municipal

Charges	10,485	(328)
Excess Insurance Coverage	3,227	(92)

Health

General Government Operations	30,114	(125)
Quality Assurance	15,971	(129)
Vital Statistics	7,034	(200)
Primary Health Care Practitioner	4,710	(80)
Cancer Programs	3,595	(483)
School District Health Services	39,000	(300)
Newborn Hearing Screening Demo Project	750	(305)
Fox Chase Institute for Cancer		

Research	817	(8)
Wistar: Operation and Maintenance	225	(2)
Wistar: AIDS Research	97	(1)
Central Penn Oncology Group	136	(1)
Cardiovascular Studies - St. Francis Hospital	125	(1)
Lancaster - Cleft Palate Clinic	53	(1)
Pittsburgh - Cleft Palate Clinic	53	(1)
Tay Sachs Disease - Jefferson Med'l College	53	(1)
Burn Foundation	439	(4)
The Children's Institute, Pittsburgh	927	(9)
Phila Hlth & Ed Corp-Handicapped Children's Clinic	158	(2)
Phila Hlth & Ed Corp-Pediatric Outpatient & Inpatient	751	(8)
Children's Hospital of Philadelphia	475	(5)
<u>Labor & Industry</u>		
General Government Operations	17,567	(293)
Pennsylvania Conservation Corps	6,028	(120)
Pathways	98	(95)
Dislocated Workers	2,500	(250)
Beacon Lodge Camp	122	(1)
<u>Military & Veterans Affairs</u>		
General Government Operations	18,303	(700)
Delaware Valley Veterans Center	8,400	(2,467)
Veterans Assistance	1,230	(179)
<u>Public Welfare</u>		

County Administration - Statewide	46,166	(224)
County Assistance Offices	255,806	(3,197)
Child Support Enforcement	17,772	(3,529)
New Directions	71,664	(1,052)
Youth Development Institutions & Forestry Camps	65,971	(720)
Medical Assistance - Capitation	1,887,376	(3,424)
Long-Term Care	376,064	(79,271)
Behavioral Health Services	47,909	(700)
ICF / MR	108,633	(1,000)
Community Mental Retardation Services	675,552	(3,446)
County Child Welfare	605,187	(2,448)
Arsenal Family and Children's Center	152	(2)
<u>Revenue</u>		
General Government Operations	140,526	(2,259)
General Operations - Lottery		
Administration	46,141	(1,475)
<u>Distribution of Public Utility Realty</u>		
Tax	36,300	(10,685)
<u>State</u>		
General Government Operations	4,073	(81)
Voter Registration	1,411	(28)
<u>Publishing Constitutional Amendments</u>		
(EA)	576	(12)
<u>Transportation</u>		
Transit and Rail Freight Operations	1,981	(40)
Rail Safety Inspection	455	(9)
Vehicle Sales Tax Collections	1,948	(39)

Voter Registration	996	(20)
Organ Donor Annual Operating Costs	102	(2)
Comprehensive Rail Freight Study	124	(2)
Fixed Route Transit	27,800	(1,406)
<u>State Police</u>		
General Government Operations	142,454	(2,063)
CLEAN System	22,791	(610)
Municipal Police Training	5,616	(250)
Patrol Vehicles	2,989	(640)
<u>Emergency Management Agency</u>		
Information Systems Management	2,032	(197)
Security	9,877	(235)
<u>Historical & Museum Commission</u>		
General Government Operations	24,319	(426)
Maintenance Program	1,940	(39)
Museum Assistance Grants	4,450	(60)
University of Pennsylvania Museum	236	(2)
Carnegie Museum of Natural History	236	(2)
Carnegie Science Center	236	(2)
Franklin Institute Science Museum	713	(7)
Academy of Natural Sciences	437	(4)
African American Museum in Philadelphia	333	(3)
Mercer Museum	43	(0)
Everhart Museum	181	(2)
Whitaker Center for Science and the Arts	130	(1)
Environmental Hearing Board	1,789	(36)

Probation & Parole Board

General Government Operations	78,259	(1,471)
Sexual Offenders Assessment Board	3,019	(120)
Drug Offenders Work Program	285	(40)

Public Television Network

General Government Operations	3,607	(47)
Public Television Station Grants	8,546	(25)
Securities Commission	2,177	(44)
Tax Equalization Board	1,366	(27)

0

Subtotal (267,435)

Deputy Sheriffs' Training Account (2,000)

TOTAL (269,435)

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