



2024/25 Budget-in-Depth

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2024/25 BUDGET PACKAGE

Components

The 2024/25 budget package includes the following bills:

- General Appropriations Act ([SB1001](#), Act 1A of 2024)
- Fiscal Code ([HB2310](#), Act 54 of 2024)
- Tax Code ([SB654](#), Act 56 of 2024)
- School Code ([SB700](#), Act 55 of 2024)
- Higher education school code package ([SB1150](#) or Act 89 of 2024, [SB1154](#) or Act 90 of 2024, [HB897](#) or Act 69 of 2024).
- Capital budget ([HB2328/SB1072](#))
- “Housekeeping” Appropriations:
 - Bureau of Professional and Occupational Affairs ([SB1002](#), Act 2A of 2024)
 - Workers’ Compensation Act Administration for the Department of Labor & Industry ([SB1003](#), Act 3A of 2024)
 - Office of Small Business Advocate ([SB1004](#), Act 4A of 2024)
 - Office of Consumer Advocate ([SB1005](#), Act 5A of 2024)
 - Public School Employees’ Retirement System ([SB1006](#), Act 6A of 2024)
 - State Employees’ Retirement System ([SB1007](#), Act 7A of 2024)
 - Philadelphia Parking Authority ([SB1008](#), Act 4A of 2024)
 - Public Utility Commission ([SB1009](#), Act 9A of 2024)
 - Pennsylvania Gaming Control Board ([SB1010](#), Act 10A of 2024)
- Non-Preferred Appropriations ([HB613](#), Act 11A of 2024)
 - University of Pennsylvania for Veterinary Activities and for the Center for Infectious Diseases
 - State-related universities
 - Agricultural College Land Scrip Fund

General Fund Appropriations

In total, the 2024/25 budget reflects \$47.59 billion in enacted state appropriations from the General Fund. This represents a \$2.72 billion or 6.2% increase over the 2023/24 fiscal year.

State appropriations include a year-over-year increase of \$493 million to replace enhanced Federal Medical Assistance Percentage (FMAP) funds that offset Medical Assistance (MA) program expenditures within the Department of Human Services (DHS). The enhanced federal match received by states during the pandemic was phased down and ended December 2023.

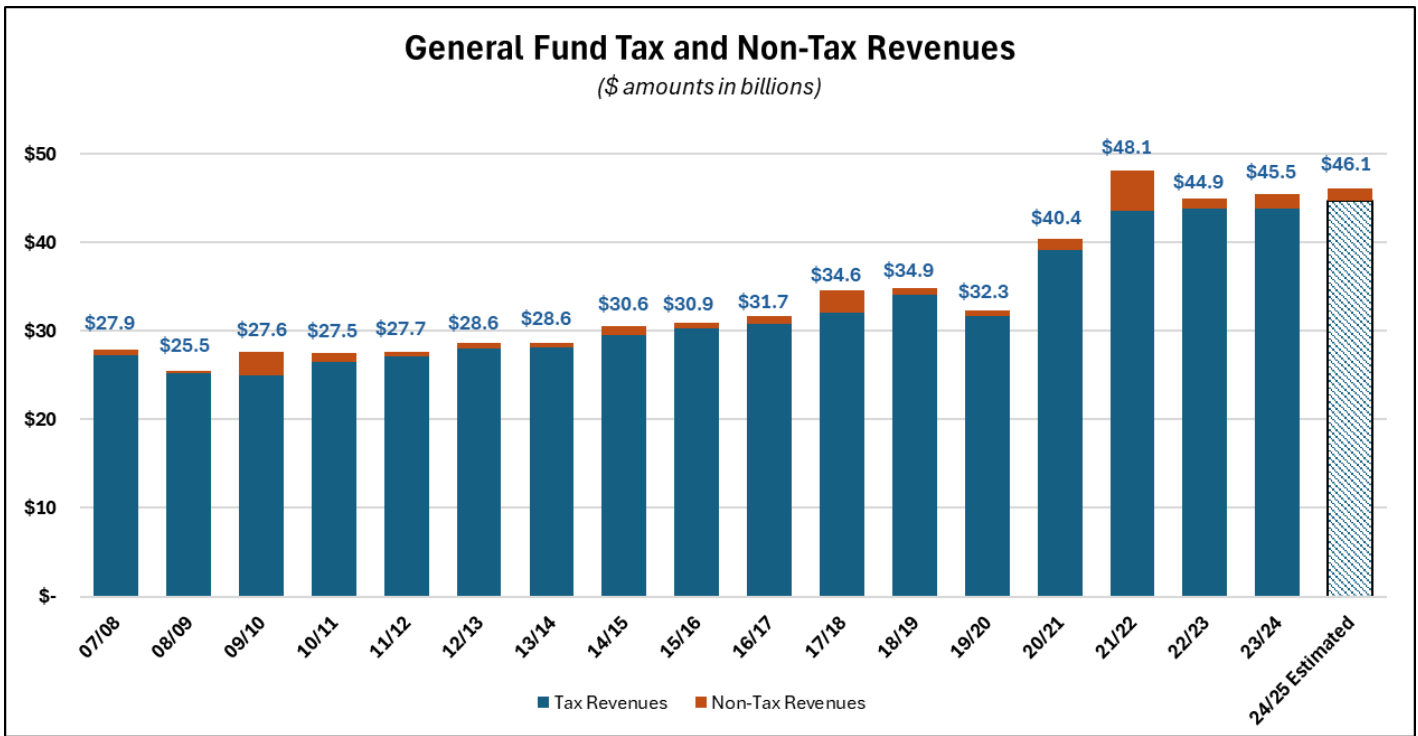
General Fund Revenues

General Fund revenues for the 2023/24 fiscal year finished at \$862.8 million or 1.9%, above the official estimate for a total of \$45.47 billion. The final revenue collections were supported by above estimate receipts for Corporate Net Income Tax (CNIT) of \$180.18 million or 2.3% above estimate, Consumption Taxes (SUT, Cigarette, Other Tobacco Products, Malt Beverage, and Liquor) of \$167.98 million or 1.1% above estimate, and nontax revenues of \$490.8 million or 43.9% above estimate, the majority of which is due to Treasury Investment Income.

After adjusting for changes in the Fiscal and Tax Code bills and for revenue transfers, the 2024/25 official General Fund revenue estimate, before refunds, is \$46.087 billion. This is an increase of \$614 million, or 1.35% over the prior year’s actual revenues.

The chart on the following page highlights the General Fund’s actual revenues from Tax and Non-Tax sources throughout the years.





Rainy Day Fund

The Fiscal Code includes a requirement that articulates a portion of the budget surplus at the end of the fiscal year be deposited into the Budget Stabilization Reserve Fund, more commonly referred to as the Rainy Day Fund. Current law provides that 25 percent of the surplus in a given fiscal year be transferred to the Rainy Day Fund (Section 1702-A(b)(1)(i)) unless the balance in the fund equals or exceeds 6 percent of the actual General Fund revenues received during the fiscal year in which the surplus occurs, at which point the transfer requirement is reduced to 10 percent (Section 1702-A(b)(2)). With a current Rainy Day Fund balance of \$6.25 billion, the reduced statutory transfer of 10% of 2023/24 surplus would be triggered. As of this writing, the actual surplus transfer to the Rainy Day Fund, which is estimated to be \$736.89 million, has not occurred.

TAX AND REVENUE CHANGES

Tax Code notable components:

- **Student Loan Interest Deduction** permits a taxpayer to deduct student loan interest from the individual's taxable income under the personal income tax
- **Employer 529/ABLE Contribution Tax Credit** for employer contributions to 529 tuition savings accounts
- **Neighborhood Assistance Tax Credit Program (NAP)** increases the limit of total tax credits for NAP programs per fiscal year from \$36 million to \$72 million
- **Childcare Contribution Tax Credit** tax credit for employers who contribute to employees' childcare costs
- **Coal Refuse Energy and Reclamation Tax Credit** cap increased from \$20 million to \$55 million
- **Rural Jobs and Investment Tax Credit** extended the current program with up to \$50 million in investment authority, with \$30 million authorized as credit eligible contributions
- **Historic Preservation Tax Credit** cap increased from \$5 million to \$20 million



Transfers

- Fiscal Code - authorizes a transfer of \$9.944 million to the Environmental Stewardship Fund from Personal Income Tax revenue in the General Fund
- Tax Code - authorizes a transfer of \$50 million to the Clean Streams Fund from Personal Income Tax revenue in the General Fund

EDUCATION - PRE-K TO 12

The General Assembly approved a \$1.03 billion, or 10.8%, increase for school districts in the 2024/25 budget. Almost half of that amount is being allocated through a new adequacy supplement that begins to address the February 2023 Court ruling declaring Pennsylvania's public education funding system unconstitutional.

Adequacy Supplement

Act 55 of 2024 calculates a statewide adequacy gap of \$4.5 billion. In 2024/25, \$493 million will be proportionally allocated to districts to start to close this gap. This represents a little less than 1/9th of the gap. There is no multi-year commitment in statute to pay down the identified adequacy gap.

Out of PA's 500 school districts, 348 have an adequacy gap, although the proportion varies widely. With adequacy gaps greater than 80% of their current expenditures, Reading School District and Lebanon School District have the highest funding needs.

Adequacy Gap as a Share of the School District's Current Expenditures	Number of School Districts in Range	Amount of Adequacy Gap in Range
0%	152	\$0
0-10%	134	\$282,721,122
10-20%	112	\$759,328,640
20-30%	54	\$603,377,528
30-40%	25	\$1,673,539,744
40-50%	10	\$275,860,146
50-60%	8	\$418,708,587
60-70%	1	\$76,777,647
70-80%	2	\$136,189,560
80-90%	2	\$292,890,895
90-100%	0	\$0

The adequacy gap calculation closely resembles the methodology proposed in the Basic Education Funding Commission's majority report. It is calculated by:

1. Determining each school district's needs-adjusted ("weighted") student count using the weights in Pennsylvania's existing basic and special education funding formulas. The special education weights are modified slightly to reflect true cost ratios and prevent double counting.
2. Determining an adequate level of spending by multiplying each school district's weighted student count by \$14,120, which is the amount per weighted student that school districts that are meeting Pennsylvania's performance standards ("successful" school districts) are spending.
3. Determining the adequacy gap by subtracting the school district's current expenditures from its calculated adequacy level.

The difference between the Act 55 formula and the BEFC majority report formula is the poverty metric. The BEFC majority report recommended using the reported number of economically disadvantaged students, while the Act 55 formula uses the Census' American Community Survey poverty data. The Act 55 formula includes a poverty adjustment for 11 school districts with some of the highest discrepancies between the two poverty data sources.



The 2024/25 adequacy supplement funding is in the Ready to Learn Block Grant appropriation. In subsequent years, the adequacy payments become locked-in as part of the Ready to Learn Block Grant foundation amount. School districts will have to report how they use the adequacy supplement dollars among a broad list of allowable uses that focus on high-quality academics, foster supportive learning environments, promote data-informed decision making, or design a system of multitiered supports.

Tax Equity Supplement

The tax equity supplement is for school districts with a local tax effort rate above the 90th percentile, meaning it is for the 50 school districts with the highest tax burdens in the commonwealth.

The tax equity calculation in the school code identifies a \$257.6 million tax equity gap and allocates \$32.2 million (1/8th of the total gap) as a tax equity supplement in 2024/25.

The local tax effort rate is a school district's local tax-related revenue divided by the sum of its market value and personal income. The tax equity formula in the school code calculates how much local revenue these school districts would bring in if they "only" taxed at the local effort rate representing the 90th percentile. A school district's tax equity gap is equal to the difference between its actual local tax-related revenue and the amount it would bring in if it taxed at the 90th percentile rate.

The 2024/25 tax equity supplement funding is in the Ready to Learn Block Grant appropriation. Eligible school boards will have to pass a resolution indicating how they will use the funds among the allowable uses below. The tax equity supplement will not be included in the charter school tuition calculation.

School districts are required to use the tax equity funds to:

- ✓ Mitigate or prevent an increase in the millage rate of real estate property taxes;
- ✓ Supplement the amount calculated by the school district for homestead and farmstead exclusion;
- ✓ Establish, maintain, or expand a program that supplements the Property Tax / Rent Rebate program;
- ✓ Mitigate the loss of revenue related to a court decision regarding assessment appeals; or
- ✓ Reduce debt.

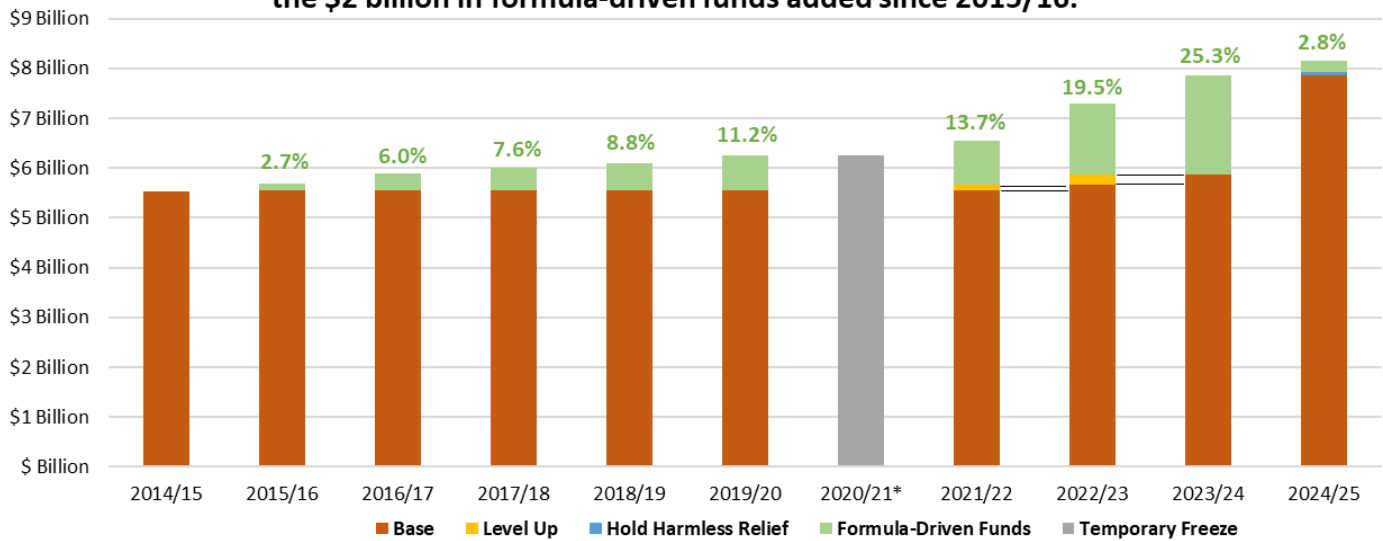
Basic Education Funding (BEF)

The policy differences that caused the reconstituted Basic Education Funding Commission (BEFC) to have a majority and minority report did not extend to how to improve the existing fair funding formula. Both BEFC [reports](#) recommended resetting the "base" at the 2023/24 allocation and "smoothing" certain factors by using three-year averages. These measures add much needed stability and predictability to the state's largest education subsidy.

The 2024/25 budget increases BEF by \$285 million or 3.6%. Of that amount, \$225 million will be distributed using the updated fair funding formula, and \$60 million will be distributed through a new hold-harmless relief supplement. The hold-harmless relief distribution prorates the \$60 million between the 182 school districts that are negatively impacted (i.e., collectively shorted by about \$1 billion) by the fair funding formula not applying to the entire BEF distribution.



The 2024/25 budget resets the basic education funding base, locking in the \$2 billion in formula-driven funds added since 2015/16.



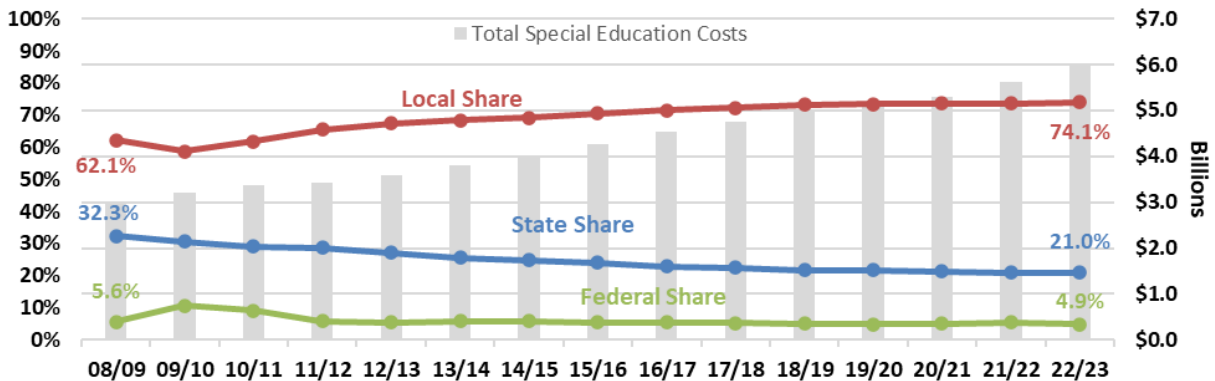
Note: Since 2015/16, new money had been distributed using the BEFC's fair funding formula, while the 2014/15 allocation served as the "hold-harmless" base. Level Up funding was a targeted investment in the 100 lowest spending school districts. Level Up funds became part of the recurring "base" in subsequent years.

Special Education Funding (SEF)

Special education services are one of the top cost-drivers for school district budgets. The 2024/25 budget provides a \$100 million or 7.2% increase in SEF. There is also a \$33 million or 9% increase for Early Intervention to meet the growing costs.

School districts' total special education costs increased by \$986 million, or 20%, over the past five years, with local revenues covering 79% of the growth.

The state special education subsidy has not kept pace with rising total costs, causing the state share to fall from 32 percent in 2008/09 to 21 percent in 2021/22.



Note: Local special education payments are PDE's AFR Codes (1200+2140+2150) net of the state special education revenues AFR Codes (7271+7272) and federal special education revenues AFR Codes (6832+6833+8512+8513+8701+8702+8746).

Cyber Charter School Reimbursement and Savings

In 2022/23, the latest data available, school districts spent \$1.085 billion on cyber charter school tuition. In oversimplified terms, in Pennsylvania, for each student enrolled in a charter school, the school district of residence pays a tuition amount equal to its spending (net of some deductions) per student.



The 2024/25 budget includes a new \$100 million appropriation for cyber charter transition. This appropriation provides a prorated reimbursement to school districts based upon their share of cyber charter tuition expenditures. In other words, in 2024/25, the state is covering 9.2% of each school district's 2022/23 cyber charter school tuition bill.

Pennsylvania's previous charter school reimbursement program was eliminated in 2011/12. In its final year, it provided a roughly 26% reimbursement, included an equity component, and encompassed brick and mortar charter school costs in addition to cyber costs. In 2010/11, the charter school reimbursement appropriation was \$220 million.

Act 55 of 2024 reforms the cyber charter school tuition calculation through changes to the special education tuition calculation. This reform takes effect January 1, 2025, so it is only in place for half of the 2024/25 school year. The full-year savings to school districts are estimated to be \$69 million, or about 6% of cyber charter school costs.

The savings are a result of using actual data instead of an outdated assumption. Previously, the special education add-on tuition rate for charter school students was determined by dividing the resident school district's special education expenditures (net of deductions) by an arbitrary 16% of the school district's average daily membership. When the Charter School Law was enacted in 1997, most school districts' special education population was about 16% of its total. However, for 2022/23, the median school district's special education population was 19.6%.

Therefore, school districts have been dividing their special education expenditures by an artificially low number of students, which yields a higher per-student tuition rate. Act 55 changed the calculation to use each school district's actual special education average daily membership in place of the 16% assumption. These savings will be realized directly by school districts.

School Facilities

Last year's fiscal code, which was enacted in December, provided \$175 million for school facilities between two programs. For the Public School Facility Improvement Grant Program, \$100 million was transferred from the stalled Level Up appropriation, and the \$75 million for the School Environmental Repairs Program came from a surplus of prior year funding across several government agencies.

The 2024/25 budget includes a regular \$100 million appropriation for the Public School Facility Improvement Grant Program. Of that amount, \$25 million is set aside for the new Solar for Schools program established by Act 68 of 2024.

The Commonwealth Financing Authority, which administers the Public School Facility Improvement Grant Program, received over \$1 billion in requested funds for the initial \$100 million provided. Therefore, rather than opening another application round, the additional \$75 million allocated in the 2024/25 budget is going to expand the number awards made for the initial application round. Award announcements are expected in early fall 2024.

The Public School Facility Improvement Grant Program provides competitive grants to school districts and area career and technical schools to use on a wide range of facility projects such as roof repairs, HVAC equipment, window replacement, plumbing systems, environmental hazards, and more. The maximum award is \$5 million, and a 25 percent local match is required in most cases.

Early Childhood Education

After level-funding pre-K programs last year, the 2024/25 budget provides a \$15 million increase for Pre-K Counts and a \$2.7 million increase for Head Start Supplemental Assistance. For Pre-K Counts, the funding increase will support a 5 percent increase in the rate the state pays to providers, raising it from \$10,000 per full-time seat to \$10,500. In the Pre-K Counts program, workforce challenges are a major contributor to [unfilled slots](#), and providers can use these dollars to attract and retain the teachers needed to operate a full classroom.



Career and Technical Education

The budget provides a \$25 million increase to the Career and Technical Education (CTE) appropriation, which has several components. The largest component is the CTE subsidy, which supports area career and technical centers and qualifying programs at school districts and charter schools. The CTE subsidy receives an estimated \$12.7 million or 12.1% increase, which is distributed through a formula prescribed in the school code that considers CTE enrollments, local wealth, and other factors.

Separately, there is a Career and Technical Education Equipment Grants appropriation that provides formula-driven funds to CTE programs to purchase lasting, hands-on training equipment costing \$3,000 or more. The 2024/25 budget increases the equipment grant appropriation to \$20 million, which is a \$5 million or 33% increase.

Career and Technical Education (CTE) Appropriation Components						
(\$ amounts in thousands)						
	2021/22	2022/23	2023/24	Est. 2024/25	\$ change	% change
Secondary CTE Subsidy	\$ 66,639	\$ 78,934	\$ 105,315	\$ 118,028	\$ 12,713	12.1%
Personnel Development	\$ 3,220	\$ 3,220	\$ 3,220	\$ 3,220	\$ -	0.0%
Curriculum Development	\$ 437	\$ 437	\$ 437	\$ 437	\$ -	0.0%
Licensed Practical Nursing	\$ 4,150	\$ 4,150	\$ 4,086	\$ 4,150	\$ 64	1.6%
Adult Affidavits and Travel	\$ 1,800	\$ 1,800	\$ 1,300	\$ 1,800	\$ 500	38.5%
Economic Development	\$ 115	\$ 210	\$ 210	\$ 115	\$ (95)	-45.2%
Competitive Grants	\$ 2,639	\$ 2,639	\$ 2,570	\$ 2,639	\$ 69	2.7%
PA Smart*	\$ 20,000	\$ 13,748	\$ -	\$ 11,749	\$ 11,749	
Industry in the Schools	\$ -	\$ -	\$ 2,000	\$ 2,000	\$ -	0.0%
Appropriation Total:	\$ 99,000	\$ 105,138	\$ 119,138	\$ 144,138	\$ 25,000	21.0%

*PA Smart used prior year funds to support activities in 2023/24

Dual Enrollment

The 2024/25 budget includes a \$7 million appropriation for dual enrollment. Dual enrollment or dual credit funding supports approved costs for a secondary student to concurrently enroll in postsecondary courses. The student receives both postsecondary and secondary credit for completed classes, which makes higher education more affordable and exposes the student to post-secondary pathways.

Act 69 of 2024 created the Dual Credit Innovation Grant Program to distribute these resources. Under the grant program, PDE will award grants to public institutions of higher education (PASSHE, Community Colleges, Thaddeus Stevens College of Technology, the Pennsylvania College of Technology, or the Rural Regional College) that offer tuition-free dual credit opportunities to high school students enrolled in a school entity, which includes school districts, area career and technical schools, and charter schools. The grant funds may also be used to attain accreditation, provide academic supports to students, reduce textbook costs, or enable high school teachers to become dual credit certified.

State support for dual enrollment was discontinued between 2011/12 and 2021/22. In 2022/23, \$7 million was appropriated, but in 2023/24, the appropriation was again zeroed out.

School Safety

The 2024/25 budget combines the mental health and physical safety funding into one \$100 million appropriation. Last year, there was \$150 million for school safety between two appropriations, with \$100 million of it coming from one-time federal dollars. Therefore, while the 2024/25 funding represents a year-over-year decrease, it also is an increase in the state support for school safety. Under the formula, each eligible school entity receives a base cost, and then the roughly \$30 million remaining is prorated to school districts based upon student population size.



Estimated Breakdown of the \$100 million for Mental Health and Physical Safety Grants to Schools in 2024/25	Base Amount per Entity	Number of Entities	Total Base Cost per Entity
School Districts:	\$100,000	500	\$50,000,000
Charter Schools:	\$70,000	179	\$12,530,000
Intermediate Units:	\$70,000	29	\$2,030,000
Area Career and Technical Schools:	\$70,000	74	\$5,180,000
	Cost of Base Amount:		\$69,740,000
	Appropriation:		\$100,000,000
Amount Prorated to School Districts based on Average Daily Membership:			\$30,260,000

Separately, the \$20.7 million school safety targeted grants appropriation under PCCD supports the school security equipment and personnel grants, for which nonpublic schools are eligible. PCCD's Violence Intervention and Prevention funding is also administered by the School Safety and Security Committee, and of the \$56.5 million allocated in 2024/25, \$11.5 million is for afterschool program grants.

Educational Tax Credits

The 2024/25 budget package, specifically the accompanying school code, increased Pennsylvania's Educational Tax Credit program by \$75 million or 14%. Tax credits are revenue expenditures, not an appropriation of funds. The charts and summary below provide information on the five distinct programs within the overall Educational Tax Credit program.

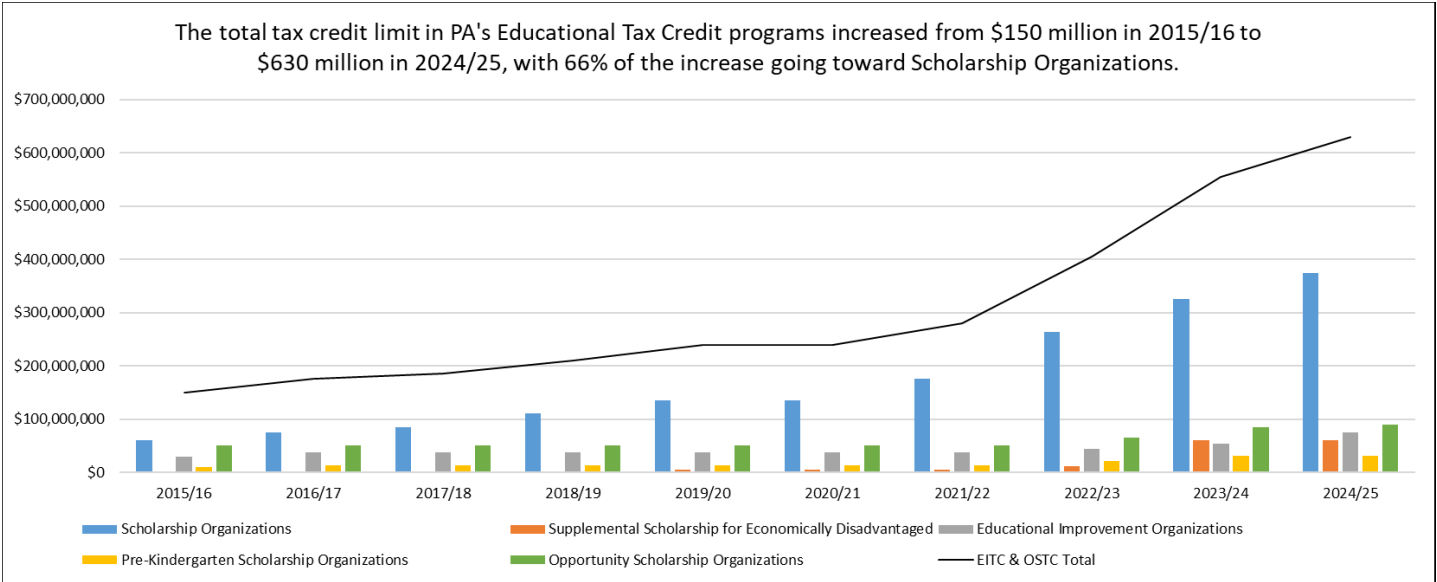
Educational Tax Credits Summary	2023/24 Cap	Increase in 23/24		23/24 credits still available on June 1, 2024	2024/25 Cap	Increase in 24/25	
		Amount	Percentage			Amount	Percentage
EITC - Scholarship Organizations	\$325,000,000	\$62,000,000	24%	\$25,000,000	\$375,000,000	\$50,000,000	15%
EITC - Supp. Scholarships for Econ. Disadvantaged	\$60,000,000	\$48,000,000	400%	\$47,000,000	\$60,000,000	\$0	0%
EITC - Educational Improvement Organizations	\$54,500,000	\$10,000,000	22%	\$0	\$74,500,000	\$20,000,000	37%
EITC - Pre-Kindergarten Scholarship Organizations	\$30,500,000	\$10,000,000	49%	\$9,000,000	\$30,500,000	\$0	0%
Educational Improvement Tax Credit (EITC) Total:	\$470,000,000	\$130,000,000	38%	\$81,000,000	\$540,000,000	\$70,000,000	15%
Opportunity Scholarship Tax Credit (OSTC) Total:	\$85,000,000	\$20,000,000	31%	\$18,000,000	\$90,000,000	\$5,000,000	6%
Educational Tax Credits (EITC and OSTC) Total:	\$555,000,000	\$150,000,000	37%	\$99,000,000	\$630,000,000	\$75,000,000	14%

Note: The 2023/24 EITC and OSTC increase was not approved until halfway through the fiscal year

Program Descriptions:

- Educational Improvement Tax Credit (EITC)
 - Scholarship Organizations – benefits tuition-paying students (i.e., private school students)
 - Educational Improvement Organizations – benefits innovative education programs (e.g., libraries, museums, civic clubs, community centers, school districts, charter schools, private schools, etc.)
 - Pre-Kindergarten Scholarship Organizations – benefits public and private pre-k students
 - Supplemental Scholarships for Economically Disadvantaged – up to a \$4,000 supplemental scholarship for students attending a school where at least 51% of the students received a qualifying scholarship in the prior year
 - Given the unused credits from 2023/24, to spur increased support for students attending economically disadvantaged schools, the 2024/25 school code increased the tax credit for contributions to the supplemental scholarship program to 99% for a two-year commitment and exempts businesses from the \$750,000 limit.
- Opportunity Scholarship Tax Credit (OSTC) – Opportunity Scholarship Organizations – benefits students residing in the attendance area of a low-achieving (bottom 15%) school; award goes toward school-based fees for private or public school





In its 2022 performance-based budget review of the Educational Tax Credits, the Independent Fiscal Office (IFO) noted that the program's lack of transparency and accountability made it impossible to evaluate the programs. Act 33 of 2023 implemented some recommendations to make the program more transparent and accountable that take effect beginning with the reporting for the 2025/26 program year. Namely, scholarship granting organizations will be required to include individual scholarship award amounts (instead of merely the average) and the name of both the school the scholarship recipient attended and the school district in which the scholarship recipient resides.

HIGHER EDUCATION

The State Board of Higher Education

Act 69 of 2024 creates the State Board of Higher Education, which was previously a subfunction of the State Board of Education. The State Board of Higher Education's duties include developing a strategic plan, making policy recommendations, creating a database for the collection and analysis of postsecondary data, promoting the coordination of institutions of higher education, focusing on meeting the workforce needs, establishing a performance-based funding council, assisting with assessing fiscal health of institutions, and developing recommendations for repurposing and reducing under-utilized facilities.

Act 90 of 2024 establishes the **Performance Based Funding Council** within the State Board of Higher Education. The Council's duty is to recommend, by a two-thirds vote, a process to distribute state funding to Penn State University, the University of Pittsburgh, and Temple University that is predictable, transparent, outcomes-driven, and considerate of student access and attainment needs.

The Council is required to share its recommendations by April 30, 2025, and then the Council is dissolved until reconstituted five years later by the State Board of Higher Education to reevaluate the performance metrics utilized for the distribution of funds to state-related universities.

Two New Scholarship Programs

Act 89 of 2024 created two new scholarship programs designed to encourage students to study in-demand fields and incentivize them to come, stay, and work in Pennsylvania.



	Grow Pennsylvania Scholarship Program	Grow Pennsylvania Merit Scholarship Program
Who?:	- Commonwealth residents - Studying an in-demand occupation	- Out-of-state students - Studying an in-demand occupation
What?:	\$5,000 grant	In-state rate at PASSHE
When?:	Begins in 2024/25	Begins in 2025/26
Where?:	Any PA Institution of Higher Education approved by PHEAA	A PASSHE University
Why?:	The policy goal is to "grow" Pennsylvania. Students who receive a grant award must commit to work in PA in the in-demand occupation for 12 months per grant award. Students will have to pay back the grant funds if they fail to fulfill this commitment.	
How Much?:	\$25 million state appropriation	No upfront state money; PA will reimburse PASSHE if fewer than 300 out-of-state students are attracted, which is the rough break-even point
Administered by?:	PHEAA	PHEAA and PASSHE

[Pennsylvania Higher Education Assistance Agency \(PHEAA\)](#)

PHEAA's flagship program is the **State Grant Program**, which provides needs-based financial aid to Pennsylvania students that attend an approved postsecondary institution. The 2024/25 budget increased the State Grant Program appropriation by \$54.1 million or 15.6% to keep the maximum grant award level at \$5,750. This cost-to-carry increase largely stems from the inflation adjustment on the federal need calculation, which benefits students by showing more financial need.

The 2024/25 budget increases the **Ready-to-Succeed Scholarships** by \$36 million or 150 percent. This is a first-come, first-served program that provides a scholarship of up to \$2,500 for high-performing students recommended by their postsecondary institution. Act 89 of 2024 increased the family income allowance from \$126,000 to \$175,000, which will expand the number of eligible students.

Act 33 of 2023 established the Educator Pipeline Support Grant Program which is being renamed to the **Student Teacher Support Grant Program**. The late authorization of the \$10 million provided in 2023/24 caused PHEAA to begin the program with fall 2024 student teachers. Therefore, the \$20 million appropriated for student teacher stipends in the 2024/25 budget will mean \$30 million is available for the 2024/25 school year. Based upon application demand, PHEAA estimated that it would need at least \$45 million in order to provide the \$10,000 stipend to each student teacher and \$2,500 grant to each cooperating mentor teacher. Of that estimated demand, \$17.5 million is for the fall 2024 term and \$27.5 million for the spring 2025 term.

Other investments:

- **Higher Education for the Disadvantaged (Act 101)** -- \$2.5 million or 50% increase
 - Funds for institutions to provide supports and assistance to disadvantaged students so that they can complete their postsecondary study
- **Cheyney University Honors Academy** -- \$1.5 million or 38% increase
 - Scholarships and special programming for high-achieving students
- **Bond-Hill Scholarship** -- \$1 million or 120% increase



- Provides financial assistance to students from Cheyney University and Lincoln University who pursue approved graduate programs at a state-related or PASSHE university.

Pennsylvania State System of Higher Education (PASSHE)

PASSHE receives a \$35 million or 6% increase in the 2024/25 budget. On July 17th, PASSHE's Board voted to freeze tuition for in-state undergraduate students for the seventh year in a row. PASSHE's Board uses its allocation formula to distribute the state appropriation to the universities.

Through a supplemental appropriation to 2023/24, Act 1A of 2024 provides \$85 million to PASSHE for legacy debt relief. Act 1A for 2023 provided a \$65 million supplemental appropriation to 2022/23 for a similar purpose.

Community Colleges

The distribution of Community College funding is determined by a formula in the school code. Except for the Erie County Community College which opened in 2021, the additional funding is prorated based upon each Community College's share of full-time equivalent (FTE) enrollment. The Community College Capital Fund appropriation is level funded.

Community Colleges	22/23 FTE	2023/24	2024/25 Est.	\$ Difference	% Diff.
	Enrollment				
ALLEGHENY	8,853	\$38,263,088	\$40,101,206	\$1,838,118	4.8%
BEAVER	1,228	\$5,207,050	\$5,462,015	\$254,966	4.9%
BUCKS	6,604	\$21,596,668	\$22,967,834	\$1,371,166	6.3%
BUTLER	2,390	\$9,048,709	\$9,544,936	\$496,227	5.5%
DELAWARE	6,505	\$20,721,399	\$22,072,010	\$1,350,611	6.5%
ERIE	270	\$2,911,140	\$3,267,199	\$356,059	12.2%
HARRISBURG	9,688	\$36,332,569	\$38,344,055	\$2,011,486	5.5%
LEHIGH	5,089	\$14,917,952	\$15,974,564	\$1,056,612	7.1%
LUZERNE	3,357	\$13,165,064	\$13,862,066	\$697,002	5.3%
MONTGOMERY	6,820	\$21,356,758	\$22,772,771	\$1,416,013	6.6%
NORTHAMPTON	6,163	\$18,146,957	\$19,426,559	\$1,279,602	7.1%
PA HIGHLANDS	1,221	\$3,163,770	\$3,417,281	\$253,512	8.0%
PHILADELPHIA	9,365	\$34,133,059	\$36,077,482	\$1,944,423	5.7%
READING	3,538	\$9,511,822	\$10,246,405	\$734,583	7.7%
WESTMORELAND	3,071	\$13,163,995	\$13,801,617	\$637,622	4.8%
TOTAL:	74,162	\$261,640,000	\$277,338,000	\$15,698,000	6.0%

State-Related Universities

Pennsylvania has four "state-related" universities that receive direct state appropriations in return for providing in-state tuition rates for commonwealth students. The Pennsylvania Constitution requires appropriations to education or charitable institutions that are not under the absolute control of the commonwealth to receive the support of two-thirds of each chamber rather than a simple majority. This is called a non-preferred appropriation, and Act 11A of 2024 is the non-preferred appropriation bill for the state-related universities for 2024/25.



State-Related University Funding (in thousands)	2022/23	2023/24	2024/25	Year-over-Year Change	
Penn State University	\$242,096	\$242,096	\$242,096	\$0	0.0%
Pennsylvania College of Technology	\$26,736	\$29,971	\$33,971	\$4,000	13.3%
University of Pittsburgh	\$151,507	\$151,507	\$151,507	\$0	0.0%
Pitt - Rural Education Outreach	\$3,346	\$3,346	\$3,791	\$445	13.3%
Temple University	\$158,206	\$158,206	\$158,206	\$0	0.0%
Lincoln University	\$15,166	\$18,401	\$20,848	\$2,447	13.3%
State-Related Total:	\$597,057	\$603,527	\$610,419	\$6,892	1.1%

HEALTH AND HUMAN SERVICES

Health

The budget appropriates a total of \$252.1 million in state General Funds to the Department of Health, an increase of \$13.3 million, or 5.6%, over the 2023/24 fiscal year. Administrative funding to the department increased by \$903,000, or 2.9%, to \$32 million.

Funding for School District Health Services increases by \$3 million, or 8.7%, to a total of \$37.6 million. The School Code designates \$3 million in appropriated funds for menstrual hygiene product grants.

Funding for health promotion and disease prevention increased by \$2.7 million, or 115.4% over the 2023/24 fiscal year, for a total of \$5 million. This appropriation provides funding to expand maternal health programming to allow for implementation of prevention strategies to reduce maternal mortality and morbidity. The budget increases funding for newborn screening by \$237,000, or 3.3%, to a total of \$7.3 million. Maternal and Child Health appropriation increased by \$9,000, or 0.6%, to \$1.4 million.

Funding for the quality assurance increases by \$1.4 million, or 4.7%, to a total of \$30.7 million. These funds help the department monitor regulatory and grant compliance for the department and its grantees and the increase includes \$765,000 to provide additional resources for increased monitoring for facilities identified as at risk.

The enacted budget increases funding for state health care centers by \$3 million, or 10.9%, to \$31.2 million. Local health departments also saw a funding increase of \$824,000 to a total of \$36.6 million. The budget also increases funding to State Laboratories by \$542,000, or 10.5%, to a total of \$5.7 million. Tuberculosis screening and treatment saw a funding increase of \$8,000, or 0.9%, to a total of \$921,000. Funding appropriated for Bio-Technology research increases by \$600,000, or 5.7%, to a total of \$11.2 million.

Primary health care practitioner appropriation was funded at the same level as 2023/24, which totals \$8.35 million. The Primary Health Care Practitioner appropriation is allocated as follows:

- \$3,451,000 to Primary Care Loan Repayment grant awards;
- \$1,500,000 for Pennsylvania Academy of Family Physicians Family Medicine Residency Expansion program; and
- \$1,300,000 to Pennsylvania Academy of Family Physicians Family Medicine Physician Recruitment and Retention Programs.

The department has several appropriations directed to specific diseases and conditions. These funds are generally distributed by the department to grantees for research or to provide services related to those conditions. The enacted budget maintains funding levels from the 2023/24 fiscal year and available funds are allocated using the same distributions of those funds as was used in 2023/24.

- Health Innovation - \$798,000
- Sexually Transmitted Disease Screening and Treatment - \$1.8 million
- Achieving Better Care by Monitoring all Prescriptions Program (ABC-MAP) Administration - \$3.1 million
- Diabetes Programs - \$112,000
- Community Based Health Care Subsidy - \$2 million
- Cancer Screening Services - \$2.6 million



- AIDS Programs and Special Pharmaceutical Services - \$10.4 million
- Regional Cancer Institutes - \$2 million
- Local Health – Environmental - \$2.7 million
- Renal dialysis - \$6.7 million
- Services for Children with Special Needs - \$1.7 million
- Adult Cystic Fibrosis and Other Chronic Respiratory Illnesses - \$795,000
- Cooley's Anemia - \$106,000
- Hemophilia - \$1 million
- Lupus - \$106,000
- Sickle cell - \$1.3 million
- Lyme disease - \$3.2 million
- Regional Poison Control Centers - \$742,000
- Trauma Prevention - \$488,000
- Epilepsy Support Services - \$583,000
- Tourette Syndrome - \$159,000
- Amyotrophic Lateral Sclerosis Support Services - \$1.5 million

Drug and Alcohol Programs

The state General Fund appropriation to the Department of Drug and Alcohol Programs (DDAP) for 2024/25 increases by \$95,000, or 0.2%, to a total of \$48.2 million over 2023/24. State funding for Assistance to Drug and Alcohol Programs was held flat at \$44.7 million. The appropriation for General Government Operations is enacted at \$3.5 million, a 2.8% increase over 2023/24.

Funds appropriated to DDAP from the Opioid Settlement Restricted Account increased by \$10.5 million, or 77.6%, to a total of \$24.1 million in 2024/25. These funds will be used to support opioid rescue, treatment, and prevention efforts in accordance with the settlement agreements.

Human Services

The enacted budget includes a \$574.3 million decrease for 2023/24 state General Funds for supplemental appropriations to result in total appropriated General Funds of \$18.1 billion. Most of this supplemental decrease relates to decreased enrollment in the Medical Assistance (MA) program.

During the COVID-19 pandemic and the corresponding public health emergency, the Department of Human Services (DHS) was required to maintain all eligible individuals' MA eligibility until the public health emergency ended. Beginning in April 2023, the DHS was required to complete MA eligibility redeterminations for all eligible individuals within one year. Eligibility redeterminations were completed in March 2024, and resulted in a decrease in eligible individuals for the MA program in 2024/25.

The 2024/25 enacted budget appropriates \$19 billion in state General Funds to the DHS. This represents a \$901.2 million, or 5.0%, increase over 2023/24.

During the COVID-19 pandemic, the federal government picked up an additional percentage of the MA program costs resulting in a reduced need for state General Funds. The enhanced Federal Medical Assistance Percentage (FMAP) ended on December 31, 2023. The enhanced FMAP received in 2023/24 totaled \$522 million which reduced the need for state General Funds. Since the enhanced FMAP is not available in 2024/25 the result is a year-over-year increase in state General Funds due as result of this decrease to federal funds.

The loss of the enhanced FMAP is offset by changes to Pennsylvania's regular FMAP which will increase effective October 1, 2024, from 54.12% to 55.09%. The increase in FAMP results in increased federal funds available in 2024/25 for the MA program.

Medical Assistance

State General Funds increase by \$12.7 million, or 0.4%, for MA – Capitation, which is the largest of the MA appropriations. MA Fee-for-Service also has a year-over-year decrease of \$48.4 million, or -6.9%. Both the



limited increase for Capitation and the decrease for Fee-for-Service are due to the year-over-year decrease in MA eligibility, as less individuals are projected to be covered in 2024/25 by each program.

The 2024/25 MA Fee-for-Service appropriation also maintains payments at 2023/24 levels for certain hospitals, as follows:

- Community Access Fund grants, formula-based;
- \$405,000 for Cleft Palate and other Craniofacial Anomalies;
- \$800,000 for clinical ophthalmological services located in Philadelphia;
- \$5 million to a hospital in the City of Chester in Delaware County;
- \$2 million to a university located in Philadelphia to research the impact of trauma informed programs;
- \$3 million to an outpatient services provider located in the City of Pittsburgh in Allegheny County that provides behavioral health and medical rehabilitation pediatric outpatient services; and
- \$1.25 million to a hospital with 500 beds to 530 beds in the City of Pittsburgh in Allegheny County.

The MA – Fee-for-Service appropriation also includes \$10 million for one-time payments to rural hospitals.

In addition to the hospital payments lists, there is also a \$7 million, or 190.1%, increase to MA – Obstetric and Neonatal Services appropriation. Funding in this appropriation is used by DHS to make MA payments to eligible hospitals that have maternity and neonatal services. The MA – Critical Access Hospitals appropriation increased by \$1.4 million, or 9.8%, over 2023/24. Funding in this appropriation is used by DHS to make MA payments to eligible rural hospitals.

Long Term Living

The state General funds increase by \$273.4 million, or 5.2%, over 2023/24 for the MA – Community HealthChoices appropriation. This appropriation includes funding for a 7.04% annualized increase in the MA nursing home rates beginning January 1, 2025. There is also funding for nursing home payments, as follows:

- \$1.5 million will be distributed to a nursing home located in a home rule county that was formerly a county of the second class A with more than 126 beds and a Medicaid Acuity at 0.89 as of February 1, 2023.
- \$1.5 million will be distributed to a nonprofit skilled nursing home located in a city of the second class A in a county of the third class with a Medicaid acuity of 1.11 as of February 1, 2023.

The Long-term Care Managed Care appropriation increases by \$12.6 million, or 7.3%, over 2023/24. This appropriation funds the Living Independence for the Elderly (LIFE) program and includes \$7.5 million for an increase to the LIFE program provider rates beginning January 1, 2025.

MA – Long-term Living has a year-over-year decrease of \$16 million, or -8.5%. In 2023/24, DHS made one-time nonrecurring payments from this appropriation. As these payments are not continued in 2024/25, the result is a decrease in state General Funds from 2023/24.

The 2024/25 appropriation for MA – Long-term Living also maintains funding for certain nursing home payments at 2023/24 levels, as follows:

- No less than the fiscal year 2014/15 amount (\$2 million) to county nursing homes located in Delaware County, with more than 725 beds and a Medicaid acuity at 0.79 as of August 1, 2015.
- No less than the fiscal year 2020/21 (\$1 million) to a nonpublic nursing home located in Philadelphia County with more than 395 beds and a Medicaid acuity at 1.06 as of August 1, 2022.
- \$5 million to a nonpublic nursing home located in Sullivan County with more than 119 beds and a Medicaid acuity at 1.11 as of August 1, 2022.
- \$500,000 to nursing facilities that provide ventilator care and tracheostomy care with greater than 90% of MA residents who require this care.

In addition to the nursing home payments listed above, the MA – Long-term Living appropriation includes \$21 million for MA Day-One Incentive Payments and two new payments to certain nursing homes as follows:

- \$250,000 paid to a nursing facility located in township of the first class in a county of the second class A which remains open and has residents who require medically necessary ventilator care or tracheostomy care equal to or greater than 90% as of August 1, 2022.



- \$250,000 paid to the nursing facility located in the City of Philadelphia which commenced operations after December 31, 2017, and remains open and has residents who require medically necessary ventilator care or tracheostomy care equal to or greater than 90% as of August 1, 2022.

Mental Health

The Mental Health Services appropriation increases by \$71 million, or 8.0%, over 2023/24. This appropriation maintains funding for web portals that provide support for individuals with mental health or substance abuse conditions and for services and resources for veterans and their families. It also includes the governor's initiative to increase county mental health funding by \$20 million over 2023/24. This funding will be distributed to counties using the following formula:

- 20% based on the percentage of a county's population;
- 40% based on the percentage of a county's population whose income is greater than 125% but not greater than 200% of the federal poverty level; and
- 40% based on the percentage of a county's uninsured population.

The following Mental Health initiatives were not included in the 2024/25 budget:

- \$10 million for the 988 network,
- \$5 million for crisis stabilization centers,
- \$5.75 million for diversion and discharge programs, and
- \$1.6 million for spots to transition state hospital resident to the community.

Intellectual Disabilities and Autism

The 2024/25 budget includes an increase of \$13.9 million, or 13.8%, for Intellectual Disabilities (ID) State Centers and \$17.4 million, or 10.0%, increase for ID - Intermediate Care Facilities.

There is a \$261.3 million, or 11.4%, increase for ID - Community Waiver Program, a \$9.1 million, or 6.1%, increase for ID - Community Base Program, and a \$3.5 million, or 11.0%, increase for Autism Intervention and Services. These appropriations include funding to provide an increase for MA rates paid for Home and Community Based Services.

The ID - Community Waiver Program also includes funding to add 250 Consolidated Waiver (uncapped waiver that includes residential services) and 1,250 Community Living Waiver spots to help reduce the number of individuals currently waiting for waiver services (\$85,000 annual cap and no residential services).

Child Development

The 2024/25 budget includes an increase in state General Funds of \$26.2 million, or 9.6%, over 2023/24 for DHS's subsidized child care program. This increase includes the governor's initiative to pay child care rates at the 75th percentile, which is 75% of the amount that private pay individuals would pay.

The County Child Welfare appropriation is funded as requested by the governor at \$1.49 billion, which is a \$2 million, or 0.1%, increase over 2023/24. In addition to the increase, DHS will use available funds from the prior year totaling \$128.7 million for the county child welfare program.

The Early Intervention program, which provides services to infants and young children experiencing developmental delays, is increased by \$9.1 million, or 4.9%, over 2023/24.

Other

The Hospital Assessment, which allows for the City of Philadelphia to establish and collect an assessment from eligible hospitals located in the City, is reauthorized for an additional 5 years and is expected to end on June 30, 2029. Additionally, the Assessment on Intermediate Care Facilities for persons with Intellectual Disabilities was reauthorized for 5 additional years and will now end on June 30, 2029.

The 2024/25 budget maintains funding at the same level as 2023/24 for the following appropriations:



- Hospital Burn Centers - \$4.4 million
- Trauma Centers - \$8.7 million
- Academic Medical Centers - \$24.7 million
- Community Based Family Centers - \$34.6 million
- Rape Crisis - \$11.9 million
- 211 Communications - \$750,000
- Blind and Vision Services - \$4.7 million
- Nurse Family Partnership - \$14 million
- Expanded Medical Services for Women - \$8.3 million
- Behavioral Health Services - \$57.1 million
- Special Pharmaceutical Services for Schizophrenia - \$500,000
- Child Care Assistance - \$123.3 million
- Breast Cancer Screening - \$1.8 million
- Human Services Development Fund - \$13.5 million

There is a decrease to Health Program Assistance Services of \$7.3 million, or -18.2%, over 2023/24.

The 2024/25 budget does not include the governor's initiative to increase the minimum Supplemental Nutrition Assistance Program (SNAP) benefit from \$23 to \$35 per month.

TOBACCO SETTLEMENT FUND

Act 43 of 2017 authorized the governor to issue \$1.5 billion in bonds backed by future revenues from the Tobacco Master Settlement Agreement (MSA). The act established procedures for the resulting debt payments, which allowed for repayment either from MSA revenues or from general tax revenues.

The Fiscal Code continues the requirement that MSA revenues sufficient to make annual debt service payments must be deposited into the debt service account established by Act 43. Debt service payments will total \$115.3 million in 2024/25, representing nearly thirty-five percent of expected MSA revenues for the fiscal year. However, the Fiscal Code also continues to require revenues equal to the debt service amount to be transferred from cigarette tax collections and deposited into the Tobacco Settlement Fund (TSF). Consequently, the TSF is again held harmless for debt service costs in 2024/25.

The Fiscal Code maintains the same TSF distribution levels of various health-related programs and purposes from 2023/24 in the 2024/25 budget. The distribution is as follows:

- Tobacco Use Prevention and Cessation - 4.5%
- Health and Related Research - 12.6%
 - 70% to National Institute of Health grantees, formula-based
 - 30% remainder on as follows:
 - \$1 million for spinal cord injury research
 - Remainder on as the following:
 - 75% for pediatric cancer research
 - 25% for research grants for biomedical research institutions to research neurodegenerative diseases
- Health and Related Research (National Cancer Institute grantees, formula-based) - 1%
- Uncompensated Care - 8.18%
- Medical Assistance for Workers with Disabilities (MAWD) - 30%
- To be appropriated for other health-related purposes - 43.72%

The General Appropriations Act includes the appropriations for the other health related purposes of \$3 million for Life Sciences Greenhouse in the Department of Community and Economic Development and \$157.6 million for Community HealthChoices in the Department of Human Services.

The Fiscal Code directs unspent and uncommitted amounts from fiscal years 2021/22 and 2022/23 to eligible pediatric research institutions.



PENNSYLVANIA HEALTH INSURANCE EXCHANGE

The 2024/25 budget establishes the State Health Insurance Exchange Affordability Program which allows the Pennsylvania Health Insurance Exchange, known as Pennie, to provide financial assistance to eligible individuals that are purchasing a health insurance policy from Pennie. Eligible individuals include an individual that has qualifying income between 150% to 300% of the federal poverty limit, or an individual that has qualifying income at less than 150% of the federal poverty level and is not eligible for the Medical Assistance program.

A restricted revenue account is established to receive funding for the affordability assistance program. Funding received by the account includes:

- Up to \$50 million disbursed from the Joint Underwriters Association, and
- Funds appropriated by the General Assembly.

LOTTERY FUND

The 2024/25 budget includes \$1.358 billion for senior programs. The Lottery Funding for Senior Programs table provides a summary of the allocations for programs across a number of agencies.

Notable changes include the \$15 million increase in the transfer to the Pharmaceutical Assistance Fund, which supports the Pharmaceutical Assistance Contract for Elderly (PACE) and PACE Needs Enhancement Tier (PACENET) programs. The PACE and PACENET programs provide prescription drug assistance for eligible senior citizens. Additionally, a new appropriation for Aging Our Way includes \$2.95 million in funding for an initiative which would transform the infrastructure and coordination of services for older adults. There is also a \$25 million increase to Medical Assistance-Community HealthChoices and \$116.8 million increase to Property Tax and Rent Assistance.

Lottery Funding for Senior Programs					
(\$ amounts in thousands)					
Agency/Program	2023/24	2024/25	\$ Chng	% Chng	
	Actual	Enacted			
Department of Aging					
PENNCARE	\$ 287,848	\$ 287,848	\$ -		
Pharmaceutical Assistance Fund	\$ 155,000	\$ 170,000	\$ 15,000	9.7%	
Pre-Admission Assessment	\$ 8,750	\$ 8,750	\$ -		
Caregiver Support	\$ 12,103	\$ 12,103	\$ -		
Grants to Senior Centers	\$ 3,000	\$ 3,000	\$ -		
Alzheimer's Outreach	\$ 250	\$ 250	\$ -		
Aging Our Way	\$ -	\$ 2,950	\$ 2,950		
Department of Human Services					
Medical Assistance - Community HealthChoices	\$ 348,966	\$ 373,966	\$ 25,000	7.2%	
Medical Assistance - Transportation Services	\$ 4,000	\$ 4,000	\$ -		
Department of Revenue					
Property Tax and Rent Assistance*	\$ 207,600	\$ 324,400	\$ 116,800	56.3%	
Department of Transportation					
Older Pennsylvanians Share Rides*	\$ 75,000	\$ 75,000	\$ -		
Transfer to Public Transportation Trust Fund*	\$ 95,907	\$ 95,907	\$ -		
Total	\$ 1,198,424	\$ 1,358,174	\$ 159,750	13.3%	

* Executive Authorization (EAs) are not included in the General Appropriations Act



PENSIONS

As it has been the case for a decade, the enacted budget continues to fully fund the commonwealth's obligations related to its two major pension funds, the Public School Employees' Retirement System (PSERS) and the State Employees' Retirement System (SERS).

PSERS' employer contributions are divided, with approximately half coming from the local school district and the other half coming from the commonwealth. The appropriation for the commonwealth share is housed within the Department of Education. For the 2024/25 fiscal year the enacted budget includes an increase of \$87 million, or 2.9%, for a total of \$3.089 billion.

Employer contributions to SERS are housed within the personnel costs of the various offices and agencies which participate in the system. Therefore, there is no single appropriation for the commonwealth's total employer contributions for SERS. While the final contributions will be a function of the exact employer payroll over the course of the fiscal year, those contributions are forecasted to be approximately \$2.2 billion across all funds. Additionally, for the 2024/25 fiscal year the composite employer contribution rate is expected to decrease to 33.65% of payroll, with the key factors affecting the decrease include exceeding the 2023 investment return and a change in amortization as a result of change in payroll.

Appropriations that provide for the administrative costs for staff and operations of PSERS and SERS are funded within the two "housekeeping" appropriations acts, which are traditionally passed as part of the combined budget package each year. For the 2024/25 fiscal year, Act 6A appropriated funding to PSERS while Act 7A appropriated funds to SERS. Act 6A appropriated \$61.4 million for administration of the PSERS defined benefit plan and \$1.28 million for administration of its defined contribution plan, an increase of \$3.91 million and \$100,000 respectively. Act 7A appropriated \$39.79 million for administration of the SERS defined benefit plan and \$5.97 million for administration of its defined contribution plan, an increase of \$3.83 million and \$634,000 respectively.

LABOR AND INDUSTRY

The enacted budget provides \$94.99 million in state funding for the department, which represents an increase of \$5.44 million, or 6.1%, over 2023/24 fiscal year. This includes appropriation changes of \$1.2 million, or 12% increase for general government operations and \$884,000, or a 24.7%, increase for occupational and industrial safety for a total of \$4.45 million.

The commonwealth's assistive technology appropriations are level funded at 2023/24 fiscal year amounts. Specifically, assistive technology financing receives \$1 million, which supports the Pennsylvania Assistive Technology Foundation and assistive technology demonstration and training receives \$850,000, which supports TechOWL at Temple University.

Lastly, the Fiscal Code includes a \$68 million transfer to the Service Infrastructure and Improvement Fund, an increase of \$3 million that supports investments meant to facilitate the improvement of operations and administration of the Pennsylvania's Unemployment Compensation program. Additionally, language within the Fiscal Code authorizes an annual transfer of \$15 million from the Unemployment Compensation Fund to the Reemployment Fund through September of 2028, which would be an increase from the current 5% annual transfer. The funding increase, which would be about \$5 million per year, would be utilized by the Pennsylvania Outdoor Corps. They offer paid work experience, skills training, professional development, and environmental education opportunities to youth and young adults who are engaged in projects on public lands.

PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION

The Pennsylvania Historical and Museum Commission's 2024/25 general government operations appropriation, which supports the functions of the Commission throughout the fiscal year, was increased by \$1.8 million, or 8.1%. The cultural and historical support appropriation, which funds grants and subsidies across the commonwealth, was increased by \$2 million for a total of \$4 million for the fiscal year.



DEPARTMENT OF STATE

The 2024/25 budget for the Department of State includes several changes from the 2023/24 fiscal year. The General Government Operations appropriation was increased by \$1.187 million or 12.8% over the prior year. The Statewide Uniform Registry of Electors (SURE) appropriation increased by \$7.1 million, or 52.7%. This increase is aimed at maintaining and improving the current SURE system, preparing to upgrade the SURE system, and increasing the compliment to work on election administration activities. Finally, the Publishing Constitutional Amendments appropriation received \$1.3 million.

COMMUNITY AND ECONOMIC DEVELOPMENT

The 2024/25 budget for the Department of Community and Economic Development (DCED) includes a total of \$499.325 million in state funding. This is an increase of \$8.322 million, or 1.7%, over the 2023/24 fiscal year.

The General Government Operations appropriation increased by \$4.514 million, or 13.9%. The Office of Open Records received a \$156,000, or 4%, increase to address staffing issues rising from the continued increase of Right-to-Know requests. The Marketing to Attract Tourists appropriation increased by \$24.422 million, or 77.9%. Within this appropriation, the Tourism Office within DCED receives an increase of \$15.17 million, or 365%.

Several appropriations are increased with a focus on job creation and workforce development, including:

- Pennsylvania First, a program that provides grants, loans, or loan guarantees to assist job creators and support workforce development, was increased by \$5 million (15.2%).
- Workforce Development, which addresses the issue of poverty, unemployment, and underemployment in Lancaster, York, Lebanon, and Berks counties, was increased by \$7 million (87.5%).
- The PA Sites program, which will address site readiness and development to attract businesses to Pennsylvania, was authorized in the Fiscal Code and will allow DCED to issue loans and grants for eligible projects. \$15.404 million was appropriated for debt service for PA Sites.

Two appropriations aimed at improving and developing Pennsylvania's downtown and main street communities received funding. The Keystone Communities program received a \$7.677 million, or 20.4%, increase. The Main Street Matters program was created with an initial \$20 million appropriation.

The Fiscal Code includes language to create the Mixed-Use Revitalization Program within the Commonwealth Financing Authority (CFA). This program authorizes the CFA to provide grants to increase corridor mixed-use development, including affordable housing opportunities.

Finally, a new appropriation was created at \$2.5 million called Local Government Emergency Housing Support. This fund will help local governments with emergency housing support when situations arise that do not rise to the level where the Pennsylvania Emergency Management Agency or the Federal Emergency Management Agency would step in.

ENVIRONMENTAL PROTECTION

The department's enacted General Fund budget is \$232.14 million which provides an increase of \$29.19 million, or 14.4%, over the 2023/24 fiscal year. The majority of the agency's year-over-year increase can be attributed to the department's major appropriations. Specific changes include:

- General Government Operations - \$9.89 million increase
- Environmental Program Management - \$2.79 million increase
- Environmental Protection Operations - \$9.43 million increase

To support the Oil & Gas Program, the enacted budget includes a transfer of \$6 million to the Well Plugging Account. Additionally, the Fiscal Code provides for the transfer of an additional \$5 million from the Waste Transportation Safety Account to the Well Plugging Account.

As was the case in 2023/24, this budget provides a significant infusion of Federal Funds, specifically from the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA). In total, combined federal



funding included in the 2024/25 budget, delivers \$2.29 billion in spending authority, which represents an increase of \$1.27 billion over the 2023/24 fiscal year.

The enacted budget provides level funding for most of the Water Commissions, part of the agency's appropriations, except for the Chesapeake Bay Commission, which receives a \$45,000 increase over the 2023/24 fiscal year.

It is worth noting that the Fiscal Code and the Tax Code include changes related to the Clean Streams Fund. The Fiscal Code included changes to allocations made from the fund as follows:

- 71.5% to the State Conservation Commission
- 12% to PennVEST
- 10% to the Nutrient Management Fund
- 4% to DEP
- 0.5% to DCNR
- 2% to Acid Mine Drainage Abatement and Treatment Fund.

Lastly, the Tax Code includes an annual \$50 million transfer to the Clean Streams Fund from Personal Income Tax revenues.

CONSERVATION AND NATURAL RESOURCES

In a shift from last fiscal year, the enacted budget provides for an increase in General Fund appropriations whereas utilization of the Oil & Gas Lease Fund decreases in relation to the department's major appropriations. The agency's 2024/25 budget includes \$175.36 million for an increase of \$23.25 million, or 15.3%, over the 2023/24 fiscal year.

Each of the department's major appropriations receives General Fund increases, while funding from the Oil & Gas Lease Funds decreases. The following table highlights the changes within the General Fund and the Oil & Gas Lease Fund.

2024/25 DCNR Major Appropriations Summary				
General Fund and Oil & Gas Lease Fund Comparison				
<i>(\$ amounts in thousands)</i>				
Funding Source/FY	Actual	Enacted	Enacted less Available	
	2023/24	2024/25	\$ Chng	% Chng
General Fund (GF)				
General Gov't Ops	\$ 29,465	\$ 33,031	\$ 3,566	12.1%
State Parks Ops	\$ 60,787	\$ 71,967	\$ 11,180	18.4%
State Forests Ops	\$ 44,431	\$ 51,435	\$ 7,004	15.8%
GF Subtotal	\$134,683	\$ 156,433	\$ 21,750	16.1%
Oil & Gas Lease Fund (OGLF)				
General Gov't Ops	\$ 19,178	\$ 20,790	\$ 1,612	8.4%
State Parks Ops	\$ 32,169	\$ 25,500	\$ (6,669)	(20.7%)
State Forests Opts	\$ 25,233	\$ 21,500	\$ (3,733)	(14.8%)
State Parks/Forest Facilities	\$112,000	\$ -	\$ (112,000)	(100.0%)
OGLF Subtotal	\$188,580	\$ 67,790	\$ (120,790)	(64.1%)
GF/OGLF Total	\$323,263	\$ 224,223	\$ (99,040)	-30.6%

AGRICULTURE

The 2024/25 enacted budget delivers \$261.26 million for the Department of Agriculture, an increase of \$53.69 million, or 25.9%, over the 2023/24 fiscal year. It's worth noting that the increase includes \$33.35 million for the University of Pennsylvania's veterinary activities, a nonpreferred appropriation, which wasn't funded in last year's budget. Included in the overall package of bills, Act 11A provides funding for the University of Pennsylvania



for the 2024/25 and 2023/24 budget years. However, the combined amounts appropriated within both fiscal years provide level funding for the university's veterinary activities as compared to the 2022/23 fiscal year, for a total of \$33.55 million.

Notable changes in this budget include \$10 million for the newly created Agricultural Innovation Development program (included in Act 54, which is the Fiscal Code) and \$4 million for Payments to Pennsylvania Fairs. Those changes also deliver a \$5.24 million increase for general government operations.

Another item worth noting is the continued funding for the PA Farm Bill components, which are funded at \$17.4 million.

Included in the Fiscal Code, this budget also provides \$6 million for a new animal diagnostic and testing facility in Western Pennsylvania, from funds allocated prior to the 2024/25 fiscal year.

Furthermore, the 2024/25 budget provides level funding of \$26.688 million for the State Food Purchase Program (SFPP) appropriation, which houses programs that combat food insecurity such as:

- Core State Food Purchase Program (SFPP) - \$18.688 million
- Pennsylvania Agricultural Surplus System (PASS) - \$5.5 million
- Emergency Food Assistance Program (TEFAP) - \$1 million
- TEFAP Distribution - \$500,000
- Senior Food Box Program - \$1 million

Similar to last fiscal year, this budget also provides \$2 million for the Fresh Food Financing Initiative that will be utilized to provide grants to support local food systems and increase market opportunities in underserved and low- or moderate-income communities in Pennsylvania. Those grants may be used to construct, rehabilitate, or expand grocery stores, farmers' markets, and other retail food establishments.

Another component that was level funded for the 2024/25 fiscal year is the Transfer to Agricultural Land Scrip Fund, which provides funding for Penn State's College of Agriculture and the school's Agricultural Extension offices throughout the commonwealth. The budget provides \$57.71 million for this component.

Lastly, this budget includes \$11.35 million from the General Fund for the Animal Health and Diagnostic Commission. This represents the same amount provided within the 2023/24 fiscal year and based on language in the Fiscal Code, the funding shall be equally distributed between Penn State's and University of Pennsylvania's New Bolton labs. While this funding is allocated from the General Fund, in prior years \$5.35 million was allocated within the Race Horse Development Fund (RHDF).

TRANSPORTATION

The Department of Transportation utilizes the Motor License Fund (MLF) for most of its operating needs. The 2024/25 budget provides \$2.488 billion in state MLF appropriations, which represents an increase of \$92.06 million over the 2023/24 fiscal year. PennDOT's budget can be broken down into three components:

- General Government Operations
- Safety Administration and Licensing
- State & Local Highway and Bridge

Please refer to the table that follows this section for changes associated with each component.

Additionally, the budget provides supplemental funding of \$161 million within the 2023/24 fiscal year. Part of this funding, \$80.5 million, shall be transferred to the Public Transportation Trust Fund and the Fiscal Code allocates the funding as follows: 86.76% to Operating Assistance and 13.26% for Projects of Statewide Significance. The remaining \$80.5 million are to be utilized by PennDOT's Maintenance Road and Bridge program.

Another aspect of the 2024/25 budget worth mentioning, is the reduction of MLF utilization within the Pennsylvania State Police's budget. 2024/25 funds available to be utilized by PennDOT would increase by \$125 million, because of this reduction. Accordingly, this funding would provide \$75 million of resources to the Maintenance program and \$50 million for the Construction program.



Lastly, as it relates to the Department of Transportation's operating needs, the agency's budget is unique in the sense that several line items within its budget are Executive Authorizations (EAs). EAs are determined by the Office of the Budget and are based on the availability of funds within the myriads of special funds that the department utilizes. As of this writing, Executive Authorizations within the MLF, Lottery Fund, Multimodal Transportation Fund, Public Transportation Trust Fund, Public Transportation Assistance Fund, and others have not been finalized.

MLF PENNDOT STATE APPROPRIATIONS				
<i>\$ amounts in thousands</i>				
Appropriation	Actual	Enacted	Enacted less Actual	
	2023/24	2024/25	\$ Chng	% Chng
General Government Operations				
General Government Operations	\$ 82,399	\$ 85,476	\$ 3,077	3.7%
Welcome Centers	\$ 4,640	\$ 4,807	\$ 167	3.6%
General Gov't Operations Subtotal	\$ 87,039	\$ 90,283	\$ 3,244	3.7%
Safety Administration & Licensing				
Driver and Vehicle Services	\$ 236,055	\$ 231,055	\$ (5,000)	-2.1%
Homeland Security - Real ID	\$ 31,308	\$ 32,535	\$ 1,227	3.9%
Safety Admin & Licensing Subtotal	\$ 267,363	\$ 263,590	\$ (3,773)	-1.4%
State & Local Hwy/Bridge				
Highway Safety & Improvement	\$ 650,000	\$ 630,000	\$ (20,000)	-3.1%
Highway Maintenance	\$ 1,033,412	\$ 1,144,293	\$ 110,881	10.7%
Highway Systems Technology & Innovation	\$ 16,000	\$ 20,000	\$ 4,000	25.0%
Reinvestment - Facilities	\$ 16,500	\$ 16,500	\$ -	0.0%
Municipal Roads and Bridges	\$ 30,000	\$ 30,000	\$ -	0.0%
Local Road Maintenance & Constr Pmts	\$ 246,195	\$ 243,911	\$ (2,284)	-0.9%
Supplemental Local Rd Maintenance & Constr Pm	\$ 5,000	\$ 5,000	\$ -	0.0%
Maintenance & Constr of County Bridges	\$ 5,000	\$ 5,000	\$ -	0.0%
Municipal Traffic Signals	\$ 40,000	\$ 40,000	\$ -	0.0%
State & Local Hwy/Bridge Subtotal	\$ 2,042,107	\$ 2,134,704	\$ 92,597	4.5%
MLF STATE TOTAL	\$ 2,396,509	\$ 2,488,577	\$ 92,068	3.8%

CORRECTIONS

The 2024/25 budget appropriates \$3.15 billion to the Department of Corrections, \$185.9 million, or 6.3% more than 2023/24. Most of the appropriation (\$2.4 billion) is for state correctional institutions. The budget includes 2023/24 fiscal year supplemental appropriations for State Correctional Institutions and State Field Supervision in the amount of \$68.2 million and \$5.7 million respectively.

State Field Supervision receives a \$5.1 million increase. The Parole Board, the Board of Pardons, and the Sexual Offenders Assessment Board each receive relatively small increases.

The appropriation for the Office of Victim Advocate continues to be restored in this budget and was funded at \$3.8 million. The line item was eliminated in the 2020/21 and 2021/22 budgets, although the office continued to receive funding through the Department of Correction's General Government Operations (GGO) appropriation.



Major Department of Corrections Appropriations				
(\$ amounts in thousands)	2023/24	2024/25	\$ Change	% Change
GGO	\$ 39,931	\$ 40,735	\$ 804	2.0%
Medical Care	\$ 357,965	\$ 410,408	\$ 52,443	14.7%
Correctional Education and Training	\$ 47,537	\$ 50,871	\$ 3,334	7.0%
State Correctional Institutions	\$ 2,316,609	\$ 2,439,267	\$ 122,658	5.3%
State Field Supervision	\$ 179,123	\$ 184,210	\$ 5,087	2.8%
Pennsylvania Parole Board	\$ 12,967	\$ 13,373	\$ 406	3.1%
Sexual Offenders Assessment Board	\$ 7,349	\$ 8,031	\$ 682	9.3%
Board of Pardons	\$ 2,700	\$ 2,880	\$ 180	6.7%
Office of Victim Advocate	\$ 3,489	\$ 3,809	\$ 320	9.2%

Act 54 of 2024 (The Fiscal Code) allows for the transfer of unexpended, uncommitted, or unencumbered funds, as of December 20, 2024, from the COVID-19 Response Restricted Account to be transferred to the Department of Corrections for payroll or similar expenses

STATE POLICE

The General Fund appropriation for state police general government operations is \$1.07 billion dollars. This amount is \$113.9 million, or 11.9%, more than 2023/24. PSP general government operations are funded by the General Fund and the Motor License Fund. Combined General Fund and Motor License Fund appropriations for the state police increased by \$73.5 million, or 5.4%.

Appropriations for general government operations from the Motor License Fund decreased by \$35.5 million, or 12.8%, to \$250 million. Combined General Fund and Motor License Fund appropriations for state police general government operations (GGO) increased by \$77.4 million, or 6.2%. The GGO appropriation includes funding for four new cadet classes with the target of graduating approximately 432 new troopers.

The enacted budget includes a \$1.6 million, or 27% increase to the Gun Checks appropriation, which supports the operations of the Pennsylvania Instant Check System (PICS). The budget also funds an initiative to improve the patrol vehicle replacement cycle and replace high-mileage vehicles.

State Police: Major Fund Summary		2023/24	2024/25	1-Year Change	
(\$ amounts in thousands)		Available	Enacted	\$ Change	% Change
General Government Operations	General Fund	\$ 958,449	\$ 1,072,441	\$ 113,992	11.9%
	Motor License Fund	\$ 286,546	\$ 250,000	\$ (36,546)	-12.8%
	GF + MLF	\$ 1,244,995	\$ 1,322,441	\$ 77,446	6.2%
Total	General Fund	\$ 982,037	\$ 1,180,573	\$ 198,536	20.2%
	Motor License Fund	\$ 375,000	\$ 250,000	\$ (125,000)	-33.3%
	GF + MLF	\$ 1,357,037	\$ 1,430,573	\$ 73,536	5.4%

The 2024/25 budget continues the multi-year effort to reduce reliance on the Motor License Fund by the state police. Total state police expenditures from the Motor License Fund for 2024/25 were \$250 million, down from \$375 million in 2023/24. To accomplish this, the current year budget completely shifts funding for the Law Enforcement Information Technology, Statewide Public Radio System, Municipal Police Training, Municipal Police Training Grants, Patrol Vehicles, and Commercial Vehicle Inspection from the Motor License Fund to the General Fund. The Patrol Vehicle, Commercial Vehicle Inspection, and Municipal Police Training Grants appropriations had historically been funded solely by the Motor License Fund.

COMMISSION ON CRIME AND DELINQUENCY

The 2024/25 budget appropriates \$24.4 million to the Pennsylvania Commission on Crime and Delinquency, a \$800,000 or 3.4% increase from 2023/24. From this amount, Pennsylvania Court Appointed Special Advocates received \$1.8 million, and the Fiscal Code continued the \$2 million allocation to a nonprofit organization to monitor conditions in State and county correctional institutions (PA Prison Society) and increased the amount provided for a diversion program for first-time nonviolent offenders to \$700,000. The Fiscal Code also continues



to allocate \$1.75 million for a nonnarcotic medication substance use disorder treatment program. This funding was allocated to the Department of Corrections, in the same amount, prior to 2023/24.

The enacted budget provides \$7.5 million for Indigent Defense. Indigent Defense was flat funded from 2023/24. The Office of Safe Schools Advocate, shifted from the Department of Education to PCCD in 2020/21, and funding for the Improvement of Adult Probation Services, shifted from the Department of Corrections in 2021/22, were both flat funded.

Funding for the Nonprofit Security Grant Fund has increased by \$5 million to \$10 million. The enacted budget also provides the School Safety and Security Fund with \$20.7 million for targeted grants.

\$56.5 million in State funds are appropriated for Violence Intervention and Prevention Programs to be used for Community Violence reduction programs. This represents an increase of \$16.5 million in State funding from 2023/24. From this amount, \$11.5 million was allocated to be used by the School Safety and Security Committee to provide grants for out-of-school programming for at-risk school-age youth (BOOST).

The Fiscal Code authorizes a transfer of \$5 million from the State Gaming Fund to the Crime Victim Services and Compensation Fund. The Victims Compensation Assistance Program helps victims and their families through the emotional and physical aftermath of a crime by easing the financial impact placed upon them by the crime.

JUDICIARY

The enacted budget appropriates \$435.6 million in state funds to the Judiciary, a \$27.2 million or 6.7% increase. Prior to 2023/24, funding for the judiciary had remained relatively flat for several fiscal years. New for the 2024/25 fiscal year was a \$3.5 million appropriation for Unified Judicial System Cybersecurity and Disaster Recovery. The 2024/25 budget also includes a total of \$13.3 million in Supplemental Appropriations for the Judiciary. These supplemental appropriations are included to support the operations of the courts following a delay in reauthorizing the Act 49 fines in 2023/24.

Judiciary Appropriation Increases				
(\$ amounts in thousands)	2023/24	2024/25	\$ Change	% Change
Supreme Court	\$ 67,400	\$ 75,009	\$ 7,609	11.3%
Superior Court	\$ 36,638	\$ 38,944	\$ 2,306	6.3%
Commonwealth Court	\$ 23,028	\$ 24,476	\$ 1,448	6.3%
Court of Common Pleas	\$ 145,185	\$ 154,273	\$ 9,088	6.3%
Community Courts - MDJs	\$ 95,186	\$ 101,152	\$ 5,966	6.3%
Philadelphia Municipal Court	\$ 9,475	\$ 10,074	\$ 599	6.3%
Judicial Conduct	\$ 3,417	\$ 3,432	\$ 15	0.4%
Reimbursement of County Costs	\$ 28,102	\$ 28,258	\$ 156	0.6%
Total State Funding	\$ 408,431	\$ 435,618	\$ 27,187	6.7%

Act 54 of 2024 (The Fiscal Code) continues the suspension of the \$15 million transfer from the Judicial Computer System Augmentation Account to the School Safety and Security Fund for 2024/25.

JUVENILE COURT JUDGE'S COMMISSION (JCJC)

The JCJC receives \$3.4 million for 2024/25, an increase of \$205,000 or 6.5% over 2023/24. Grants for juvenile probation services are level funded at \$18.9 million.

EMERGENCY MANAGEMENT AGENCY

The budget appropriates \$15.9 million to the Pennsylvania Emergency Management Agency (PEMA) for general government operations, an increase of \$221,000 or 1.4% from the 2023/24 fiscal year (when adjusted for a \$1.4



million supplemental appropriation for the 2023/24 fiscal year). The Office of the State Fire Commissioner receives \$3.5 million, a 1.4% increase.

The budget maintains funding for the Red Cross Extended Care program at \$350,000. The budget also provides \$1 million for Hazard Mitigation, \$5 million for Disaster Relief, and \$5 million for State Disaster Assistance and further established that these three funds would be non-lapsing funds. State Disaster Assistance funds will be available for emergencies and non-federally declared disasters. This includes critical needs assistance or repair to damage to residential properties that were not covered by insurance or other funding sources. Act 54 of 2024 (The Fiscal Code) includes language earmarking funds for this purpose. PEMA is required to public guidelines to implement this program.

The enacted budget provides \$6 million for a new appropriation for Urban Search and Rescue. The Fiscal Code establishes that these funds will be used for an urban search and rescue task force established within a regional counterterrorism task force covering Allegheny County. The funding can be used for equipment, equipment storage, and any training necessary for the task force to meet or exceed the minimum requirements of a Type 3 urban search and rescue task force as defined by the Federal Emergency Management Agency.

The Fiscal Code also extends the authority of the State Fire Commissioner to award grants to fire and emergency medical services companies through December 31, 2029. The section further stipulates that the State Fire Commissioner may extend the grant application period for up to 45 additional days for a single EMS company or fire company, upon request, if that company demonstrates hardship or undue burden that prevents them from applying within the specified application period.

The Emergency Medical Services Operating Fund appropriation for emergency medical services is increased from \$11.5 million in 2023/24 (including an \$850,000 supplemental appropriation) to \$12.2 million, an increase of 7%.

MILITARY AND VETERANS AFFAIRS

Within the Department of Military and Veterans Affairs (DMVA), the appropriation for general government operations increased by \$3.6 million, or 10.9%, to \$36.6 million. This appropriation includes funding for a new Veterans Outreach Center. The appropriation for Veteran's Outreach Services, which provides funding for veterans' services organizations such as the American Legion and the Veterans of Foreign Wars to connect veterans with benefits and services, increased by \$424,000 to \$4.8 million.

Spending on Pennsylvania's six veterans' homes increased by \$10.4 million, or 6.9%, to a total of \$161.6 million.

The enacted budget also includes increases in the appropriations for Education of Veterans Children (\$60,000 or 44.4%), Armory Maintenance and Repair (\$250,000 or 8.6%), and Paralyzed Veterans Pensions (\$222,000 or 5.6%).

INSURANCE

The 2024/25 budget authorizes the Department of Insurance to provide a refund to an eligible insurance carrier that paid the 2009 assessment on worker compensation policies, as required by Public Notice Number 2010-01. An eligible insurance carrier must submit the required form by the due date established by the department to claim this refund. Refunds to carriers will decrease the balance in the Workers' Compensation Security Fund by an estimated \$24 million.

ROW OFFICES

Attorney General

The Office of Attorney General received a \$1.2 million, or 2.3% increase for general government operations, for costs related to a special prosecutor for mass transit. The 2024/25 budget creates two new appropriations for the office. The first, at \$1 million, will fund human trafficking enforcement and prevention. The second, at \$2.7



million, will fund organized retail theft prevention (Act 42 of 2023). The school safety appropriation, which supports the Safe2Say program, increased by \$211,000, or 9.0%.

Act 54 of 2024 (The Fiscal Code) permits the Attorney General to use funds from a set list of restricted accounts for their general government operations. These accounts include:

- The Criminal Enforcement Restricted Account established under section 1713-A.1.
- The Collection Administration Account established under section 922.1 of the Administrative Code of 1922
- The restricted account established under section 1795.1-E(c)(3)(iii)
- The Straw Purchase Prevention Education Fund established under 18 Pa.C.S. § 6186
- The restricted account established under section 4 of the Telemarketer Registration Act
- The restricted account known as the Public Protection Law Enforcement Restricted Account

Office of Attorney General Appropriation Increases				
(\$ amounts in thousands)	2023/24	2024/25	\$ Change	% Change
General Government Operations	\$ 52,709	\$ 53,909	\$ 1,200	2.3%
School Safety	\$ 2,346	\$ 2,557	\$ 211	9.0%
Human Trafficking Enforcement and Prevention	\$ -	\$ 1,000	\$ 1,000	
Organized Retail Theft	\$ -	\$ 2,720	\$ 2,720	

Auditor General

The 2024/25 enacted budget includes an increase of \$70,000 for the Auditor General for a total of \$45.84 million, which is a result of the increase within the Board of Claims, that is funded at \$2.05 million.

Treasury

Funding for the Treasury Department decreased by \$61.16 million, or 4.9%, over the 2023/24 fiscal year largely due to the \$64 million reduction in general obligation debt service. Other notable changes include the \$262,000, or 7.7%, increase for the Board of Finance and the \$2.39 million increase for divestiture reimbursement, a line item that provides for the reimbursement of losses associated with divestiture from investments in companies doing business in certain countries within the State Employees' Retirement System (SERS), the Public School Employees' Retirement System (PSERS), and the Pennsylvania Municipal Retirement System (PMRS) as provided by the General Assembly. Currently, the list of countries includes Iran, Sudan, Russia, and Belarus.

