



# Budget Facts 2009

from the COMMONWEALTH FOUNDATION

June 2009

## Spending Increases by Department

Pennsylvania faces a \$3 billion tax revenue shortfall in the state's General Fund Budget. Competing proposals from Gov. Ed Rendell and the Republican-led Senate differ on raising taxes and reducing/reprioritizing spending. This is the second in a series of fact sheets on the state budget.

### SENATE BILL 850 MAINTAINS ABOVE-INFLATION INCREASES IN SPENDING OVER RENDELL TENURE

- Senate Bill 850 represents a **36.2% increase in spending** since he took office in 2003 (a 17.2% increase in inflation-adjusted spending)—despite reducing Gov. Rendell's proposal by \$1.7 billion.
  - ⇒ SB 850 represents an increase in spending over fiscal year 2002-03 by inflation and population growth, plus an additional \$2.8 billion.

### Pennsylvania General Fund Spending, 2002-03 to 2009-10 (SB 850)

in thousands of dollars

Department	2002-03	2009-10 (SB 850)	2002-03 to 2009-10	
			Change in %	Change in \$
Governor's Office	\$8,034	\$6,527	-18.8%	(\$1,507)
Executive Offices	\$327,197	\$154,781	-52.7%	(\$172,416)
Lt. Governor's Office	\$927	\$1,315	41.9%	\$388
Attorney General	\$75,058	\$88,680	18.1%	\$13,622
Auditor General	\$47,634	\$48,447	1.7%	\$813
Treasury	\$393,100	\$987,839	151.3%	\$594,739
Agriculture	\$74,205	\$59,273	-20.1%	(\$14,932)
Community & Economic Development	\$396,498	\$192,933	-51.3%	(\$203,565)
Conservation & Natural Resources	\$105,503	\$94,343	-10.6%	(\$11,160)
Corrections	\$1,247,059	\$1,772,186	42.1%	\$525,127
Education	\$8,509,157	\$10,921,744	28.4%	\$2,412,587
Higher Ed	\$1,473,769	\$1,237,954	-16.0%	(\$235,815)
K-12 Education & Support	\$7,035,388	\$9,683,790 *	37.6%	\$2,648,402
Environmental Protection	\$241,835	\$160,890	-33.5%	(\$80,945)
General Services	\$112,464	\$118,160	5.1%	\$5,696
Health	\$252,509	\$230,862	-8.6%	(\$21,647)
Higher Education Assistance Agency	\$412,838	\$442,665	7.2%	\$29,827
Historical & Museum Commission	\$32,801	\$19,543	-40.4%	(\$13,258)
Insurance	\$57,219	\$112,053	95.8%	\$54,834
Labor & Industry	\$107,066	\$82,928	-22.5%	(\$24,138)
Military & Veterans Affairs	\$100,992	\$98,615	-2.4%	(\$2,377)
Probation & Parole Board	\$99,369	\$112,723	13.4%	\$13,354
Public Welfare	\$6,529,896	\$10,620,539	62.6%	\$4,090,643
Revenue	\$210,488	\$169,906	-19.3%	(\$40,582)
State Police	\$169,830	\$178,445	5.1%	\$8,615
Transportation	\$315,383	\$396,081	25.6%	\$80,698
Legislature	\$258,100	\$293,028	13.5%	\$34,928
Judiciary	\$235,012	\$276,360	17.6%	\$41,348
<b>TOTAL</b>	<b>\$20,320,174</b>	<b>\$27,679,568</b>	<b>36.2%</b>	<b>\$7,359,394 *</b>

\* Does not reflect an additional \$720,163,400 in federal stimulus aid given directly to school districts.

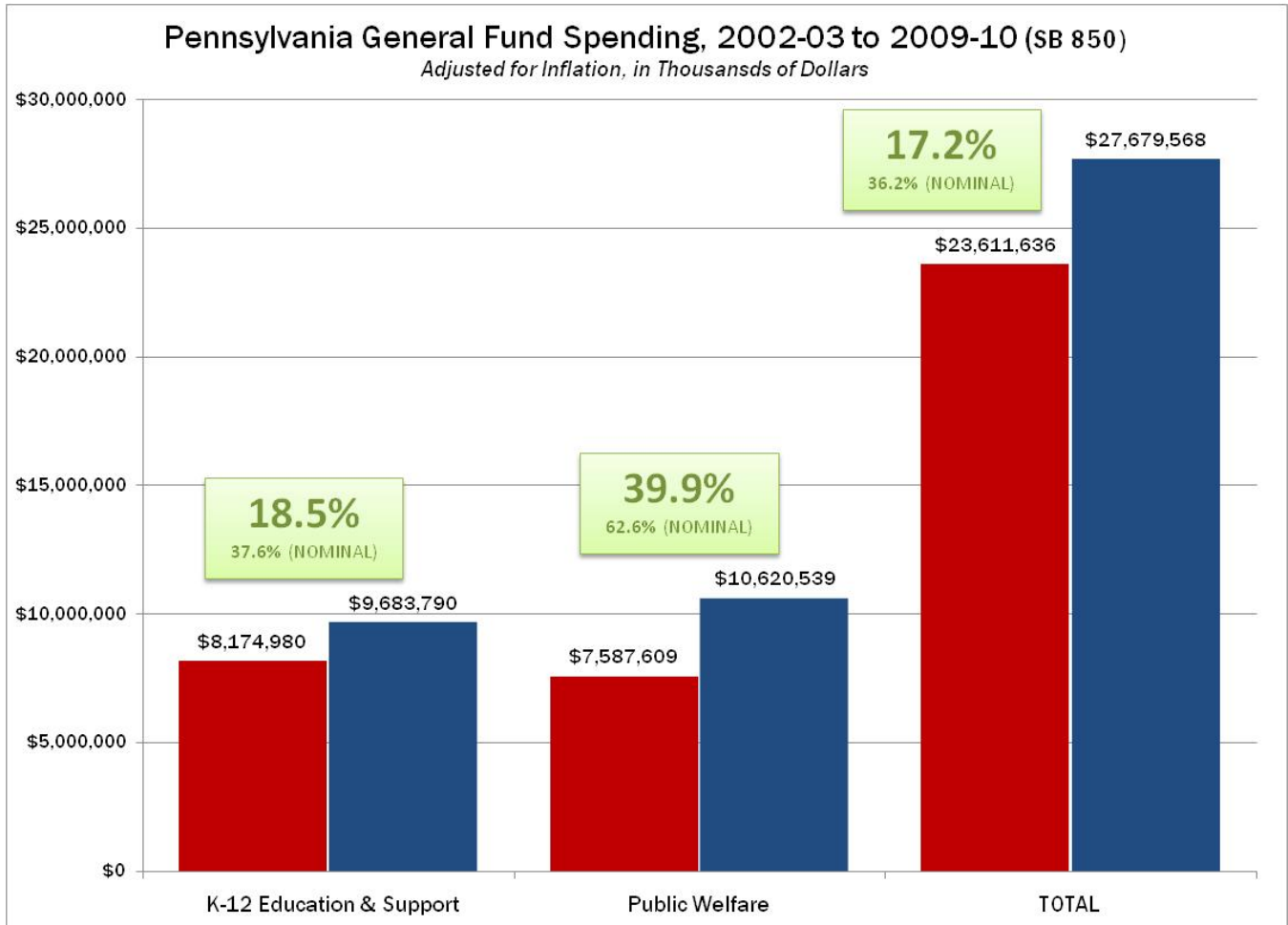
SOURCES: Governor's Executive Budget, FY 2004-05; Senate Bill 850 of 2009

Technology; Medical Assistance programs moved from Public Welfare to Aging are included in Public Welfare total; Transportation and TOTAL includes sales tax revenue dedicated to Public Transportation Trust Fund. This accounts for the difference between the final spend of SB 850 (\$27,296,068) and the \$27,679,568 shown here.

Prepared by the Commonwealth Foundation, www.CommonwealthFoundation.org (05.19.09)

**SENATE BILL 850 INCREASES SPENDING IN K-12 PUBLIC EDUCATION AND PUBLIC WELFARE**

- **K-12 Public Education and Public Welfare**—the two largest budgetary items in the General Fund Budget (representing 80% of all General Fund Budget spending)—would receive increased state and federal funding in FY 2009-10 over the current fiscal year
  - ⇒ **K-12 Public Education** would receive \$360 million more in 2009-10 than in 2008-09—a **37.6% increase in spending since 2003** (18.5% in inflation-adjusted spending).
  - ⇒ **Public Welfare** would receive \$504 million more in 2009-10 than in 2008-09—a **62.6% increase in spending since 2003** (39.9% in inflation-adjusted spending).



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