



Budget Facts 2011

from the COMMONWEALTH FOUNDATION

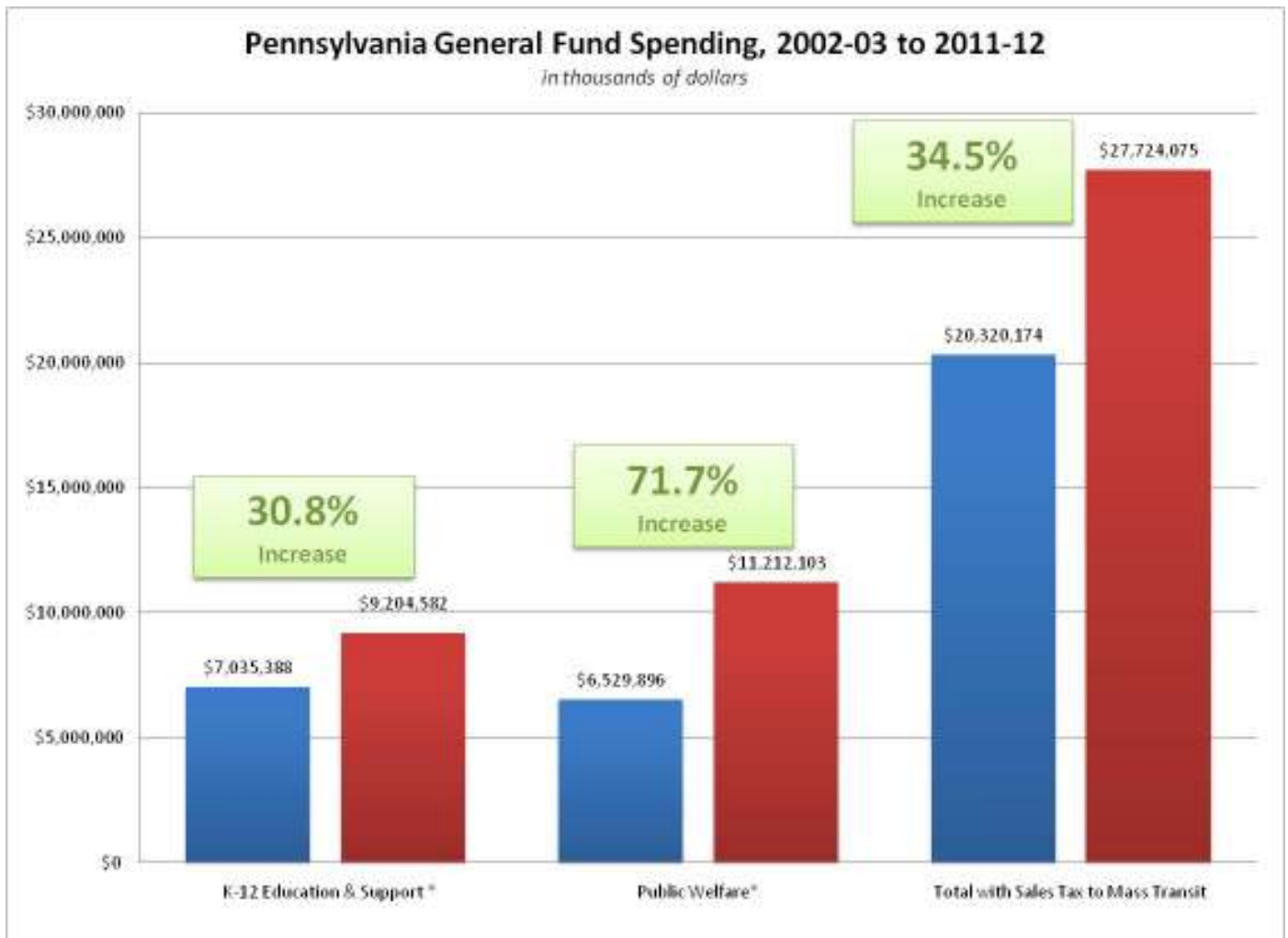
April 2011

Spending Increases by Department

Gov. Tom Corbett's FY 2011-12 budget proposal includes \$63.6 billion in total operating spending—\$27.3 billion in General Fund spending—a reduction of \$3.3 billion from FY 2010-11. This budget restores overall spending to pre-stimulus levels and proposes no new taxes. This is the third in a series of fact sheets on the state budget.

THE BUDGET MAINTAINS ABOVE-INFLATION INCREASES IN SPENDING

- The FY 2011-12 budget proposal represents a 36% increase in total General Fund spending (including sales tax revenue shifted to the Public Transportation Trust Fund) since FY 2002-03.
 - The proposed budget increases spending over fiscal year 2002-03 by inflation and population growth, plus an additional \$1.6 billion.
- Gov. Corbett's budget cuts \$866 million from FY 2010-11 levels, which included more than \$2.7 billion in federal stimulus funds.



CORBETT'S PROPOSAL

- Education and Public Welfare are the two largest departments in the state budget, representing 80% of all General Fund spending.
- Education, including K-12 and higher education, is reduced by \$1.5 billion under Corbett's budget.
 - This still represents a \$1.5 billion increase (18%)—including a \$2.2 billion increase (31%) in K-12 education—since 2002-03.
- Public Welfare spending would increase by \$600 million, primarily in Medical Assistance (Medicaid) with a loss of federal funds and rigid federal rules.
 - Having increased 72% since 2002-03, Public Welfare is consuming a greater share of the state budget, and surpassed Education as the largest department for General Fund spending in the proposed budget.
- Treasury, which includes interest payments on debt, is the fastest growing department, at 183% from 2002-03 to 2011-12.

Pennsylvania General Fund Spending, 2002-03 to 2011-12

in thousands of dollars

Department	2002-03	2010-11 (Available)	2011-12 (Proposed)	2002-03 to 2011-12	
				Change in %	Change in \$
Governor's Office	\$8,034	\$6,400	\$6,228	-22.48%	(\$1,806)
Executive Offices	\$327,197	\$168,997	\$158,975	-51.41%	(\$168,222)
Lt. Governor's Office	\$927	\$995	\$1,359	46.60%	\$432
Attorney General	\$75,058	\$83,007	\$82,199	9.51%	\$7,141
Auditor General	\$47,634	\$46,245	\$45,075	-5.37%	(\$2,559)
Treasury	\$393,100	\$1,023,234	\$1,113,193	183.18%	\$720,093
Agriculture	\$74,205	\$93,039	\$87,711	18.20%	\$13,506
Community & Economic Development	\$396,498	\$327,462	\$223,553	-43.62%	(\$172,945)
Conservation & Natural Resources	\$105,503	\$82,480	\$58,342	-44.70%	(\$47,161)
Corrections*	\$1,247,059	\$1,867,230	\$1,880,810	50.82%	\$633,751
Education*	\$8,509,157	\$11,511,261	\$10,040,143	17.99%	\$1,530,986
Higher Ed*	\$1,473,769	\$1,491,786	\$835,561	-43.30%	(\$638,208)
K-12 Education & Support *	\$7,035,388	\$10,019,475	\$9,204,582	30.83%	\$2,169,194
Environmental Protection	\$241,835	\$145,486	\$138,224	-42.84%	(\$103,611)
General Services	\$112,464	\$120,282	\$120,453	7.10%	\$7,989
Health	\$252,509	\$233,705	\$295,225	16.92%	\$42,716
Higher Education Assistance Agency	\$412,838	\$441,199	\$411,557	-0.31%	(\$1,281)
Historical & Museum Commission	\$32,801	\$18,467	\$17,881	-45.49%	(\$14,920)
Insurance	\$57,219	\$121,880	\$121,099	111.64%	\$63,880
Labor & Industry	\$107,066	\$86,200	\$72,269	-32.50%	(\$34,797)
Military & Veterans Affairs	\$100,992	\$110,334	\$129,992	28.72%	\$29,000
Probation & Parole Board	\$99,369	\$120,578	\$128,115	28.93%	\$28,746
Public Welfare*	\$6,529,896	\$10,604,374	\$11,212,103	71.70%	\$4,682,207
Revenue	\$210,488	\$189,731	\$197,661	-6.09%	(\$12,827)
State	\$6,744	\$8,496	\$10,242	51.87%	\$3,498
State Police	\$169,830	\$175,568	\$185,578	9.27%	\$15,748
Transportation**	\$315,383	\$389,123	\$395,082	25.27%	\$79,699
Legislature	\$258,100	\$300,285	\$296,012	14.69%	\$37,912
Judiciary	\$235,012	\$276,860	\$276,860	17.81%	\$41,848
Total with Sales Tax to Mass Transit	\$20,320,174	\$28,584,488	\$27,724,075	36.44%	\$7,403,901

SOURCES: Governor's Executive Budget, FY 2004-05; FY 2011-12

* Includes federal stimulus funds in 2010-11 totals

** Includes almost \$400 million shifted from transportation to mass transit fund.

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For more information on the **Pennsylvania State Budget**, visit CommonwealthFoundation.org/Budget.

