The 2020/21 executive budget proposal spends $36.056 billion, an increase of $1.46 billion, or 4.22 percent, over the current year, after considering the request of $588 million in supplemental funding for the current year.

Increases the minimum wage:
- $12 per hour effective 7/1/20, with 50¢ annual increases up to $15 per hour on 7/1/26
- Generates $133.3 million in additional Personal Income and Sales and Use Tax revenue for 2020/21
- $10.7 million in costs for 2020/21 due to increased salaries for child care, direct care and other workers

Address the Benefits Cliff:
- Utilizes $23.4 million in federal funds to allow families to receive TANF longer through a work expense deduction to ease the transition
- Restructures co-payment contribution for Child Care Works program
- Invests $15.3 million in federal funds in child care base rates to create stability of providers and ensure access to child care services

Provides a Quality Education to All Children:
- Basic Education: $100 million increase
- Special Education: $25 million increase
- Pre-K Counts: $25 million increase
- Head Start: $5 million increase
- Charter Reform: $280 million savings to school districts
- Mandates full day kindergarten
- $45,000 minimum teacher salary

Makes Higher Education Affordable and Attainable:
- PHEAA: Additional $30 million to increase grant amounts
- Nellie Bly Scholarship Program:
  - $204 million for last-dollar, needs-based scholarship program for full-time PASSHE students with a commitment to stay in PA
  - Funded through a transfer from the Race Horse Development Fund

Keeps Pennsylvania Safe:
- $2.5 million increase for DEP operations: $1 million Chesapeake Bay Watershed Implementation Plan and $1.5 million Bureau of Air Quality
- $1-per-ton increase to the tipping fee to provide solvency to the Hazardous Sites Cleanup Fund
- $2.5 million increase for DCNR operations to hire additional state park and forest rangers
- Call for legislative action on pipeline safety
- School Safety and Security Fund:
  - $15 million transferred from the Judiciary directed toward mental health services and counselors in schools
  - $45 million transfer from personal income tax revenue discontinued
- Gun Violence initiatives:
  - $6 million for PCCD gun violence prevention and reduction grants
  - $4 million for the Gun Violence Task Force in Philadelphia
- Lead and Asbestos Remediation:
  - $1 billion in RACP projects to fix hazardous school facilities
  - $4 million in state CHIP funding, matched with $10 million in federal funds, to remediate lead in homes and childcare centers and train additional inspectors
Protects Vulnerable Populations:
- Cost Savings Measures for 2020/21:
  - Community Health Choices Cycle Roll
  - Reauthorization of MCO Assessment
  - Implementation of the Statewide Preferred Drug List
- No changes to delivery model for MA-Transportation
- Waiting List Initiatives:
  - $1.25 million for 20 Community Health Integration Projects Program (CHIPP) discharges
  - $8.1 million to fund 1,700 seniors on the OPTIONS in-home services waiting list
  - $15 million ID/Autism investment
    - 732 individuals added to the Community Living Waiver
    - 100 individuals added to the Consolidated Waiver
    - Up to 40 of these 832 individuals will be children with complex medical needs transitioning from congregate cares settings to appropriate waivers
    - High school graduates will continue to be served through attrition
- $1 million increase to the Pennsylvania Agricultural Surplus System

Assumes the following sources of revenue are legislatively enacted:
- PSP Fee on Municipalities ($136 million)
- Business Tax Reform – reduces CNIT rate and implements Combined Reporting (raises $240 million in first year, amount decrease over time)

<table>
<thead>
<tr>
<th>$'s in 000's</th>
<th>2018/19 Actual</th>
<th>2019/20 Available</th>
<th>2020/21 Budget</th>
<th>% Chg</th>
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<tbody>
<tr>
<td>Adjusted Beginning Balance</td>
<td>$ (33,485)</td>
<td>$ 9,000</td>
<td>$ 3,257</td>
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<tr>
<td>REVENUE:</td>
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<tr>
<td>Official estimate</td>
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<td>$ 37,299,800</td>
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<td>Revenues Over/(Under) Estimate</td>
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<td>Less Refund Reserves</td>
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<td>(1,306,000)</td>
<td>(1,316,000)</td>
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<tr>
<td>Plus prior year lapses</td>
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<td>Funds Available</td>
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<td>EXPENDITURES:</td>
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<tr>
<td>Enacted Appropriations</td>
<td>$ 33,401,521</td>
<td>$ 34,007,687</td>
<td>$ 36,055,896</td>
<td>6.0%</td>
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<tr>
<td>Supplemental Appropriation</td>
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<tr>
<td>Total expenditures</td>
<td>$ 33,401,521</td>
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<td>$ 36,055,896</td>
<td>4.2%</td>
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<tr>
<td>Preliminary Balance</td>
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<tr>
<td>Less Transfer to Budget Stabilization Reserve Fund</td>
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<td>(1,540)</td>
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<tr>
<td>Ending Balance</td>
<td>$ -</td>
<td>$ 3,257</td>
<td>$ 4,621</td>
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