

AN ACT

1 Providing for the reduction of General Fund Appropriations for
2 the fiscal year 1981-1982; and directing the Governor to take
3 appropriate action to balance the budget.

4 The General Assembly of the Commonwealth of Pennsylvania

5 hereby enacts as follows:

6 Section 1. (a) The Federal economic recovery program
7 recently enacted and embodied in The Economic Recovery Act of
8 1981 (Public Law 97-34) and The Omnibus Reconciliation Act of
9 1981 (Public Law 97-35) will cause a serious shortfall in
10 Commonwealth revenues as well as a substantial reduction in
11 Federal funds available for Commonwealth programs. As a result,
12 the 1981-1982 fiscal year General Fund budget of the
13 Commonwealth will be seriously out of balance unless immediate
14 action is taken to adjust the 1981-1982 appropriations and
15 expenditures in conformity with available revenues.

16 (b) To reduce the impact of the reductions on any particular
17 program, a general reduction in appropriations must be made.

18 Section 2. Each and every 1981-1982 fiscal year General Fund
19 appropriation, except the appropriations to the Department of
20 Education for payment of subsidies to school districts on
21 account of basic instructional costs, for the purpose of
22 protecting school districts from receiving less basic
23 instructional subsidy money than was received during the fiscal
24 period 1980-1981, for payments for student supplies for
25 nonpublic schools, for payments on account of vocational
26 education programs, for payments to school districts and
27 intermediate units on account of pupil transportation; for
28 payments on account of nonpublic school transportation; for
29 payments to school districts, intermediate units and approved

1 private schools on account of special education of exceptional
2 children and for grants to public libraries for the development
3 and improvement of a Statewide system of libraries and library
4 services, is hereby reduced by 1% of the amount of money
5 previously appropriated in the act of July 1, 1981 (No.5A),
6 known as the "General Appropriation Act of 1981," or any other
7 acts making preferred appropriations for the 1981-1982 fiscal
8 year.

9 Section 3. The provisions of this act shall supersede all
10 other acts or parts of acts which require or mandate payments to
11 school districts, persons, or other entities. Each State agency
12 shall take all steps required to reduce operations to the level
13 necessitated by the provisions of this section.

14 Section 4. The General Assembly directs the Governor to take
15 all action necessary to balance the 1981-1982 General Fund
16 budget including, but not limited to, the revision of the
17 official revenue estimate and the abatement of other
18 appropriations.

19 Section 5. This act shall take effect immediately.