

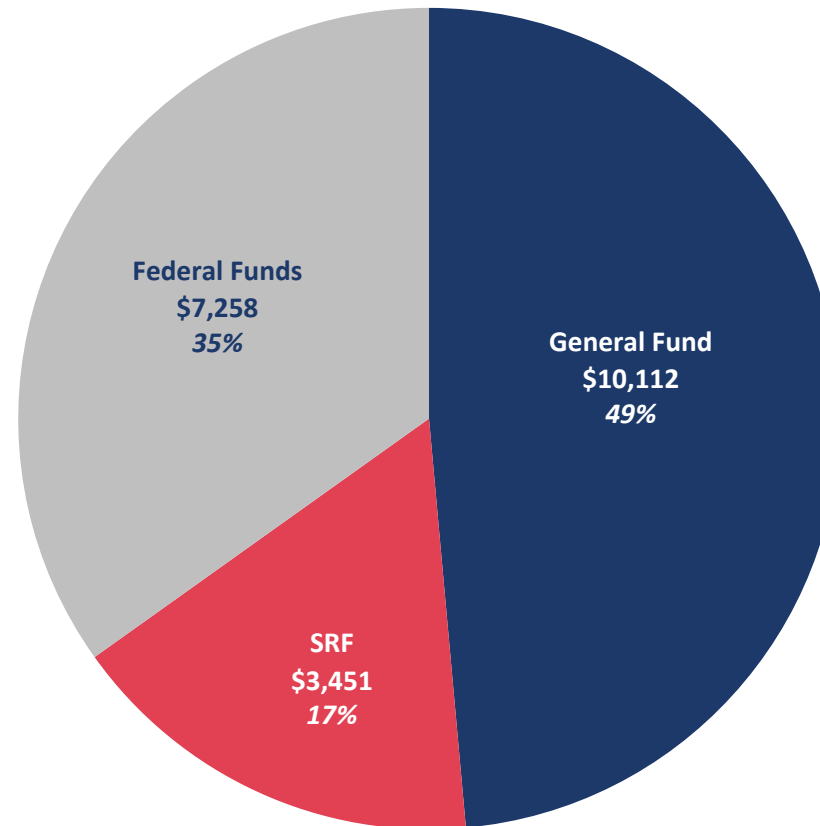


FY22 Budget Overview

May 20, 2021

Components of the FY22 Central Government certified budget including PayGo and excluding Instrumentalities

Total Central Government spending
\$20.820 billion¹



Note: Due to rounding, numbers presented may not add up precisely to the totals provided

1. Excludes Instrumentalities with independent fiscal plans

2. Refers to combined budgets for all agencies, net of PayGo. Groupings are for illustrative purposes only based on 2021 Fiscal Plan

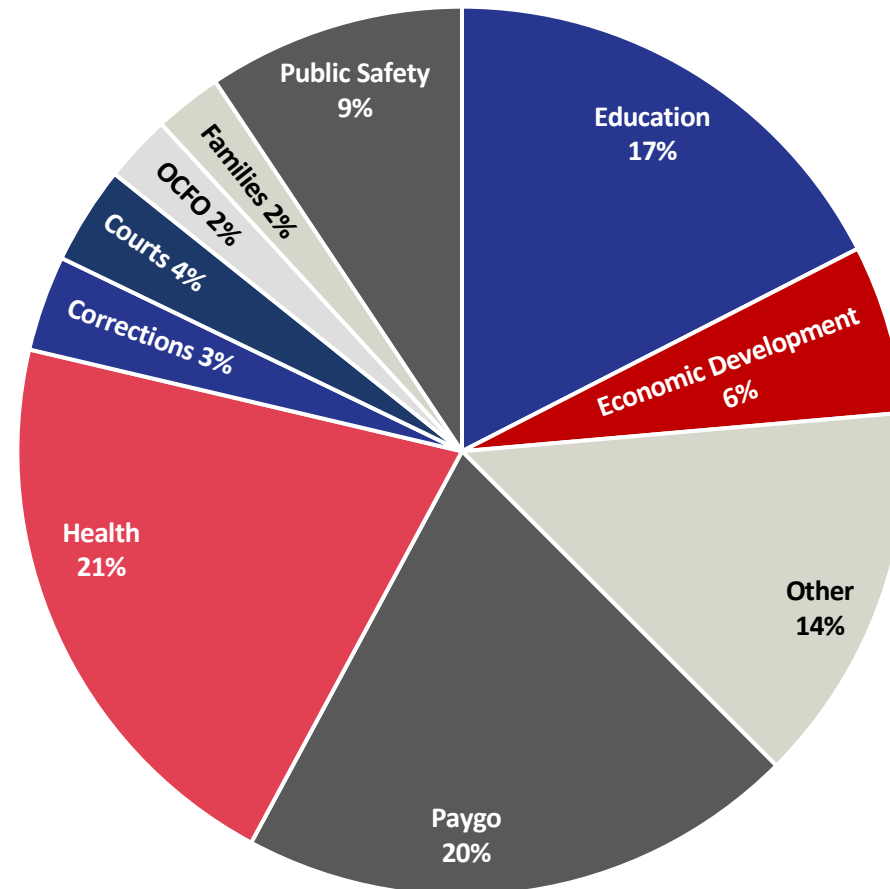
Source: FY22 Compliant Budget



77% of the General Fund Budget is allocated to Education, Public Safety, Health, Economic Development and Pension payments

FY22 Expenditures in General Fund Budget ^{1 & 2}

Total Expenses = \$10.1 Billion



1. Amounts in Hacienda and OMB Custody were reclassified into their respective agencies for presentation purposes
2. Agency budgets are shown net of PayGo pension costs which are allocated to each agency in the budget resolutions
3. Amounts may not foot due to rounding.

The FY22 Budget includes \$273 million of the Governor's individual requests

\$ in millions

Request Area	Amount	Comments
<u>Payroll and Operating Expenditure Requests</u>		
Parametric Insurance	\$32.0	Commonwealth's share of parametric insurance coverage for catastrophic events
Civil Service Reform Pilot	11.5	Pilot program to achieve an aligned and sustainable human capital strategy
Gender Violence	10.8	To combat violent crimes against women and respond more effectively to emergency situations
Cancer Center	10.0	Funding to cover payroll and operational expense shortfalls
Dept. of Transportation	6.7	Funding for road maintenance
Family and Children Admin.	3.3	Funding to hire Social Workers, Family Services Technicians, and Child Protective Services
Grants Management	2.0	Funding to establish a Grants Management Office
Boys and Girls Club	1.2	Funding for The Boys and Girls Club
Climate Change	1.2	Funding to implement initiatives based on the climate change study
Child Poverty	1.2	Pilot program to develop data and policy infrastructure and creation of the Poverty Advisory Commission
Dept. of Justice	1.2	Funding to hire additional attorneys to better manage case loads
Office of the Comptroller	1.0	Funding to perform an audit of all debt issued by the Commonwealth and of its issuers
Consumer Affairs	0.7	Funding to hire Consumer Affairs Field Inspectors for underserved regions
Public Broadcasting Corp. (WIPR)	0.5	Funding for the transition to a not-for-profit and early retirement benefits
Parole Board	0.3	Funding to meet consent decree requirements
State Historic Preservation Office	0.2	Funding to hire architects, archaeologists, and archivists to support reconstruction efforts
Subtotal	\$83.8	
<u>Capital Expenditure Requests</u>		
Dept. of Transportation	87.0	Funding for the 4th phase of the Abriendo Caminos project
Dept. of Public Safety	26.6	Funding for vehicles and IT equipment to support Police reforms through FY25
Dept. of Agriculture	3.0	Programs to incentivize the use of agrotechnology and implement fair labor standards
Subtotal	\$116.6	
<u>Pension Requests</u>		
PayGo	73.0	
Total	\$273.4	



The FY22 Budget includes approximately \$4 billion of General Funds in social wellness and related program spending

\$1,956m

Health System

- Health Infrastructure
- Medicaid Contributions
- Community health centers
- Opioid treatment
- Alcohol and drug substance abuse programs

\$1,771m

Education

- Educational System K – 12 and postsecondary
- UPR Scholarship Fund
- PRDE student scholarships
- Post-secondary and technical scholarships

\$167m

Families and Children

- Counseling and education services
- Food assistance and employment programs
- Child and elderly support services
- Early education programs

\$100m

Public Housing Support

- Residential facilities for displaced adults and minors

\$19m

Culture & Musical Arts

- Institute of Puerto Rican Culture
- Conservatory of Music Corporation
- Musical Arts Corporation

\$19m

Support for High-Risk Students

- Alternative education and support programs for high-risk youth

\$15m

Public Legal Assistance

- Legal assistance funding for underserved populations

\$11m

Fight Against Gender Violence

- Media campaign and training
- Mobile app. development for reporting
- Shelters for victims
- Additional Attorneys to prosecute cases

\$8m

Advocate Offices

- Women's Advocate
- Elderly and Retired People Advocate
- Veteran's Advocate
- Patient's Advocate



The FY22 budget includes \$649m in the GF and \$204m in the SRF to support economic development in addition to \$450m of GF roll-over funds from FY21

GF: \$450m FY21 Roll-over funds <ul style="list-style-type: none"> Broadband Infrastructure 21st Century Technical and Business Education Fund 	GF: \$170m Rum related distributions <ul style="list-style-type: none"> Rum Producers Conservation Trust Science, Technology, & Research Trust 	GF: \$215m Infrastructure <ul style="list-style-type: none"> “Abriendo Caminos” Program HTA Capital Expenditures Ferry Repairs
GF: \$130m SRF: \$41 Economic Incentives <ul style="list-style-type: none"> Economic Incentives Department of Economic Development Roosevelt Roads 	GF: \$104m SRF: \$76 Agriculture <ul style="list-style-type: none"> Dairy Industry Subsidies to agricultural workers Matching incentives for investments in agriculture 	SRF: \$67m Tourism <ul style="list-style-type: none"> Travel marketing Hosting events such as PGA, Equestrian, etc. Airline Industry incentives
GF: \$20m Legislature <ul style="list-style-type: none"> NGO funding 	SRF: \$20m Labor <ul style="list-style-type: none"> Unemployment work opportunities 	GF: \$10m Public Private Partnership (P3) <ul style="list-style-type: none"> P3 development and investment





Appendix

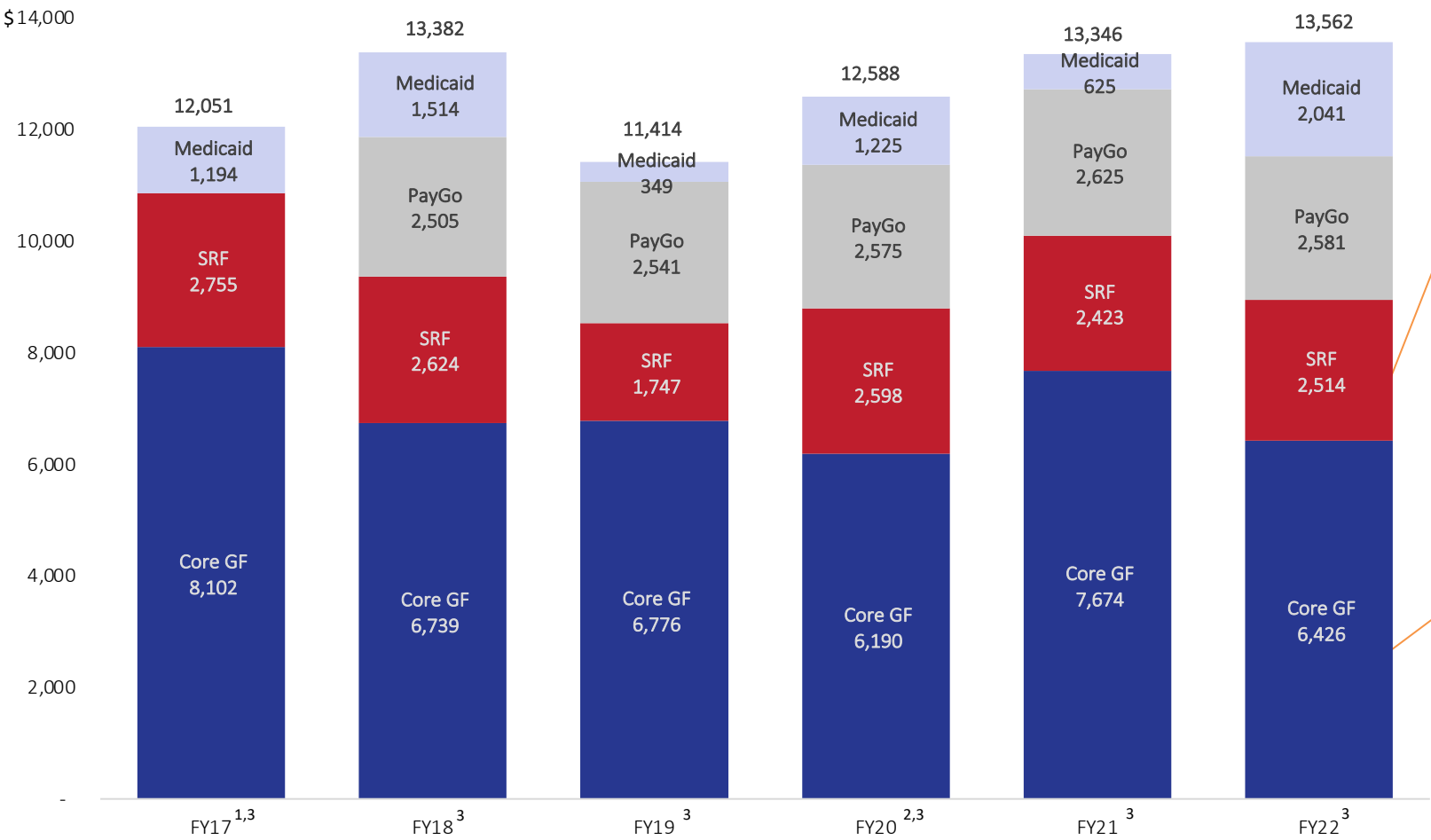
General Fund budget comparison by grouping (FY21 Certified Budget and FY22 Budget)

Grouping (\$ in millions)	FY21 Certified Budget	FY22 Budget
Education	\$2,495	\$2,342
Health	1,035	2,113
Custody Accounts	1,999	1,437
Department of Public Safety	1,258	1,146
UPR	560	466
Courts & Legislature	418	441
Corrections	434	403
Families & Children	338	323
Treasury/Office of the Chief Financial Officer	305	309
Independent Agencies	235	259
Public Works	147	165
Justice	120	120
Environmental	91	95
Municipalities	132	88
Labor	69	80
Other	58	60
Transparency & Control Entities	52	54
Agriculture	102	42
Executive Office	44	40
Housing	46	35
Economic Development	39	33
Culture	27	22
State	15	14
Ombudsman	11	11
Utilities Commission	9	8
Universities	7	7
Closures - per the government's reorganization plan	0	0
Land	-	-
Finance Commission	-	-
Total	\$10,045	\$10,112



The FY22 Budget (GF & SRF) maintains funding for critical services and provides funding for major Government initiatives

\$ in millions



Major Changes in SRF from FY21	
ADEA funding GF to SRF	\$57
Centralized Banking / Digital Platform	30
Municipal Equalization Fund	30
Motor Vehicle Insurance	22
Increase in AAFAF	11

Major Changes in GF from FY21	
Retirement Board funding	\$44
Cigarette Tax Transfer to PRITA	34
Parametric Insurance	32
Civil Service Reform Pilot	12
Fight against Gender Violence	11
Cancer Center funding and supplies	10
State Road Maintenance	7
One-time teacher backpay	(23)
Removal of FEMA Cost Share	(213)
FY21 one-time investments	(650)

1. FY17 includes debt payments and ERS contributions amounting to \$2,149 and \$918 million.
2. After certification of the budget, the FY20 budget was amended to add \$500m for COVID-19 related relief. FY20 SRF includes ~\$820m of items not previously budgeted.
3. FY17-FY22 excludes instrumentalities with the exception of UPR General Fund appropriations and the HTA appropriation for FY21. PayGo excludes amounts from municipalities and certain instrumentalities outside of the Commonwealth except for amounts related to PRIDCO. The Core GF and SRF amounts shown are exclusive of respective PayGo and Medicaid amounts.

