**PENNSYLVANIA**

Do pension contributions crowd out education funding?

*No.* The slope of the education expenditure trend line is steeper than that of pension contributions. Crowding out would be likely only if the two lines were on a path to convergence.

Are state and local revenue systems out of sync with the economy?

*Yes.* The slope of the trend line for the economy is steeper than that of revenues. This means revenues cannot keep pace with the funding needs of a growing economy and will never be enough without reform.