



Economic Brief

State Representative Marguerite Quinn

May 2018

Pennsylvania Brings in \$2.46 Billion in Revenue Collections

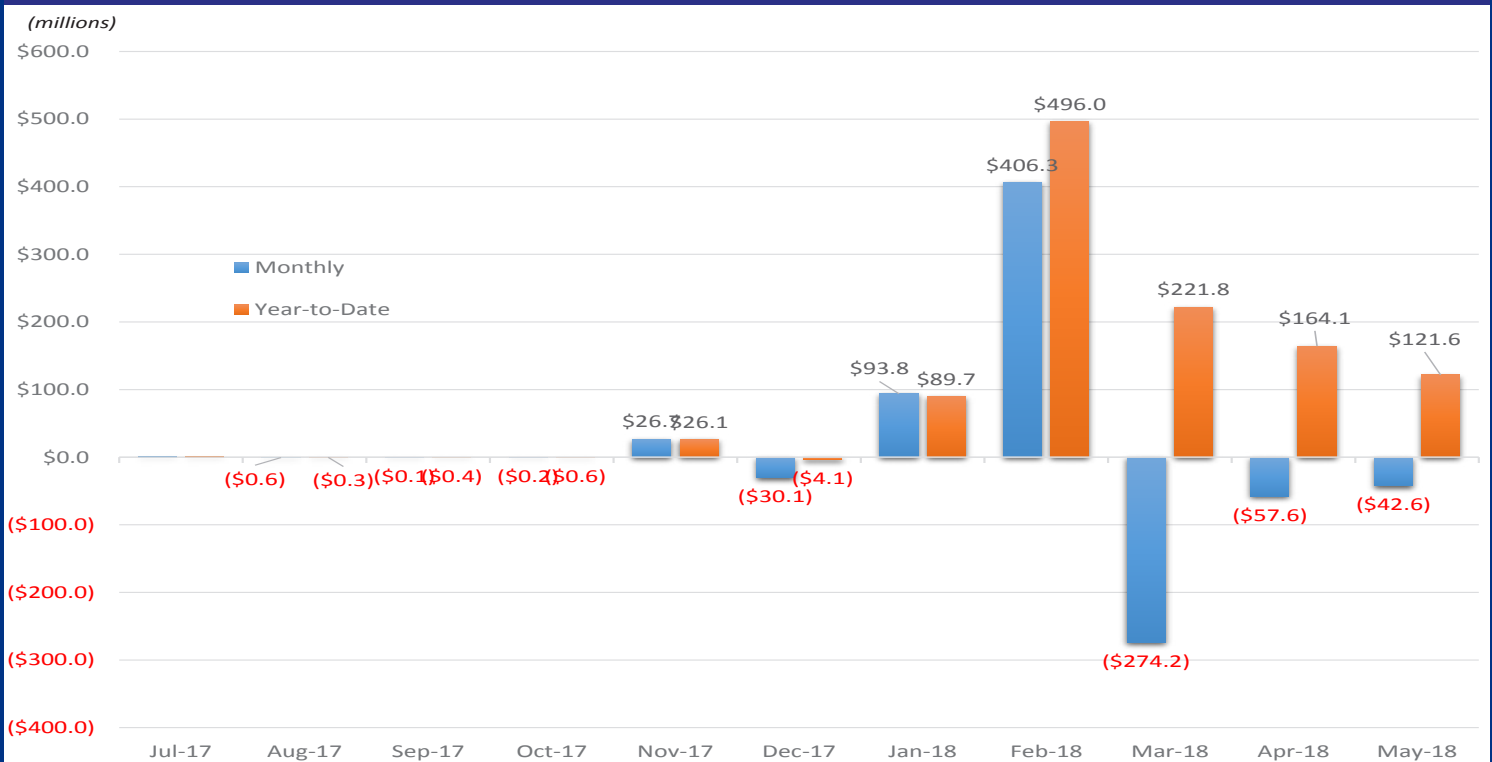
General Fund revenue collections for the month of May were \$2.46 billion, which was \$43 million less than the Department of Revenue's Official Estimate. Tax Revenues were over estimate by \$21 million or 0.86% for the month of May.

Collections of \$277 million for corporation taxes came in below the Official Revenue Estimate projections by \$27 million. Sales tax collections of \$877 million were higher than expected, coming in \$7 million above the Official Estimate. The Personal Income Taxes collected were \$952 million, which was above estimate by \$7.5 million.

For the 2017-18 Fiscal Year, General Fund collections of \$31.48 billion are above the official estimate by \$121.6 million or 0.39%. Year-to-date tax revenues are up 5.4% as compared to the prior fiscal year.

| May Revenue Collections | |
|------------------------------|--------------------------------|
| Official Estimate | Actual Collections |
| Total General Fund | Total General Fund ↓ |
| \$2.50 Billion | \$2.46 Billion |
| Corporation Taxes | Corporation Taxes ↓ |
| \$304 Million | \$277 Million |
| Sales Taxes | Sales Taxes ↑ |
| \$870 Million | \$877 Million |
| Personal Income Taxes | Personal Income Taxes ↑ |
| \$944 Million | \$952 Million |
| All Other Taxes | All Other Taxes ↑ |
| \$304 Million | \$337 Million |
| Non-Tax Revenue | Non-Tax Revenue ↓ |
| \$76 Million | \$12 Million |

Difference From Official General Fund Revenue Estimate





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Chairman's Budget News

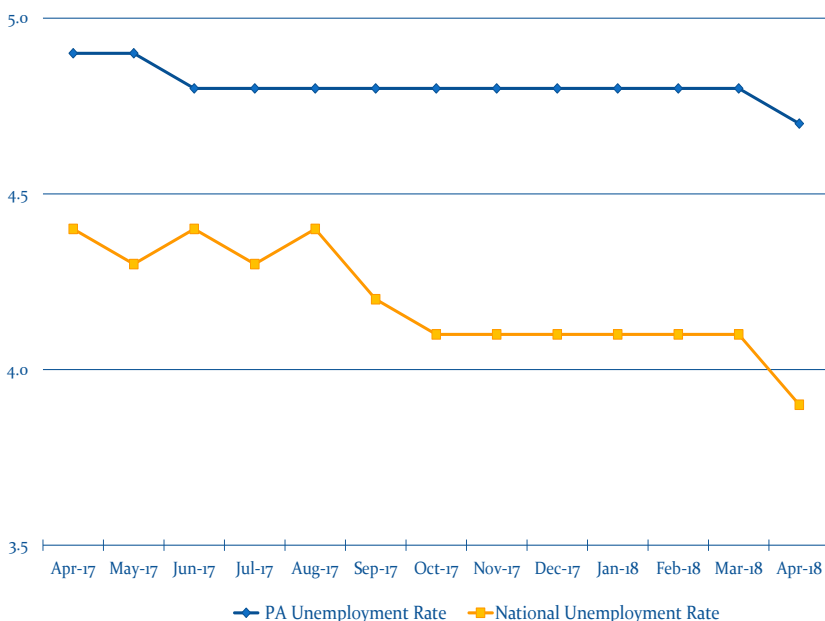
On May 14th the United States Supreme Court struck down a federal law that effectively banned commercial sports betting in most states. In a 6 to 3 vote, the court ruled in *Murphy v. NCAA* that the federal government could not use coercion to prevent states from allowing sports betting. With the ruling striking down the 1992 federal law, Pennsylvania is now positioned to allow sports betting in a controlled and methodical manner.

Act 42 of 2017 contained provisions that would allow the Pennsylvania Gaming Control Board (PGCB) to adopt regulations for allowing sports betting in the Commonwealth should the Supreme Court rule in favor of the plaintiffs. Pursuant to Act 42, the PGCB has approved temporary regulations for the implementation of sports wagering. The temporary regulations provide for definitions of the terms associated with sports wagering implementation as well as delineating the petition requirements for slot machine licensees seeking to offer sports wagering. These regulations are the beginning of a series of regulations that the Board will consider in the roll-out of sports wagering.

Finally, in order to further the development of sports wagering regulations, the PGCB announced that it is accepting comments from any interested entity or person relative to items which they believe the PGCB should take into consideration in promulgating temporary regulations on sports wagering. Comments should be submitted by mail or e-mail no later than June 15, 2018.

Sports betting in Pennsylvania will be done in a controlled and responsible manner. By allowing sports betting in Pennsylvania, the Commonwealth will realize an increase in revenues which can be used to fund important priorities like education and caring for those with physical and mental disabilities.

12-Month Unemployment Rates



PA EMPLOYMENT STATISTICS

| | April 2018 | Monthly Change | |
|---------------------------|---------------|----------------|---|
| Labor Force | 6.378 Million | -16,000 | ↓ |
| Unemployment Rate | 4.7% | -0.1% | |
| Total Nonfarm Jobs | 6.015 Million | +9,100 | ↑ |
| 12-Month Change | | | |
| Total Nonfarm Jobs | +84,000 | | |
| Unemployment Rate | -0.2% | | |

Surrounding States Unemployment Rate

| | | | |
|----|------|----|------|
| DE | 4.2% | NY | 4.6% |
| MD | 4.3% | OH | 4.3% |
| NJ | 4.5% | WV | 5.4% |