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Raise the Wage PA urges General Assembly to increase minimum wage

Raising minimum wage to \$10.10 would generate \$225.5 million in new state revenue

HARRISBURG (February 8, 2016) The Keystone Research Center (KRC) today released a [Policy Watch Brief](#) that analyzes the impact on state revenues of raising the minimum wage from the current \$7.25 to \$10.10. [Raise the Wage PA](#), a statewide coalition of community, labor, faith-based, and other organizations hold a press conference on Feb 10th in the Capitol Rotunda at 11 a.m. urging lawmakers to raise the minimum wage to at least \$10.10.

“Our analysis shows that raising the minimum wage would have a significant positive impact on the state budget,” said Mark Price, labor economist for KRC. “The combination of increased sales and personal income tax collections, and savings from shifting more people into the range where the federal government picks up most of the cost of Medicaid, results in \$225.5 million more available for Pennsylvania’s General Fund.”

“Anybody who works hard deserves decent pay,” said economist Stephen Herzenberg, KRC’s executive director. “KRC estimates that 1.2 million workers would get a raise. As it turns out, raising the minimum wage would benefit all Pennsylvanians by making more money available in the state budget for education, human services and other important state programs.”

The KRC analysis is based on studies from the Economic Policy Institute and the Institute for Taxation and Economic Policy. Specific revenues and savings are listed in the chart below. See our [online Fact Sheets](#) to see how many workers get raises in each Pennsylvania county.

New state revenue from an increase in the minimum wage to \$10.10 by July 2016
(figures are in millions of dollars)

Revenues/Savings	Fiscal Year 2016-17
Personal Income Tax	\$45.6
Sales and Use Tax	\$75.9
Medicaid Expansion	\$104.0
Total	\$225.5

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