

## Common Sense Budget Solutions for Strengthening Our Middle Class

The CLEAR Coalition has identified more than \$2.5 billion in savings, efficiencies, tax reforms and revenue enhancements that will protect middle class jobs and families; ensure long-term fair funding for our schools while reducing the reliance on local property taxes; help to lower the cost of college tuition; and support healthcare programs for elderly and needy Pennsylvanians.

**Raise the Minimum Wage:** Raising the minimum wage to \$10.10 – as a first incremental step toward a \$15 wage – would immediately boost the income of 1.2 million Pennsylvanians (almost 90 percent of whom are over 20 years old, and 60 percent of whom are women) and drive up wages for all working Pennsylvanians. The higher spending that would result from these wage increases would generate 6,000. An increase in the minimum wage would also generate significant savings in the state Medicaid program.  
**Potential Revenue: \$225 million**

**Eliminate corporate loopholes:** It's time to close the Delaware loophole by strengthening the corporate addback rules and moving to combined reporting.  
**Potential Revenue: \$200 million**

**Enact a Millionaire's Tax:** Imposing a modest income tax increase on the wealthy would help keep property taxes down for middle class families and increase funding for public schools.  
**Potential Revenue: \$1.2 billion**

**Broaden the Sales Tax:** Expanding the sales tax to goods and services that are largely consumed by those in higher income tax brackets, such as airline catering and investments in bullion and coins, would raise state revenue.  
**Potential Revenue: Up to \$638 million**

**Impose a Marcellus Tax on Big Oil:** Of the 11 major gas producing states, Pennsylvania is the only one that does not have a statewide severance tax, and the local impact fee is dwindling.  
**Potential Revenue: \$218 million**

**CLEAR has also identified more than \$500 million in savings and efficiencies in state government operations, including:**

- ❖ Right-sizing the management-worker ratio in state government (\$214 million)
- ❖ Reforming state contracting rules (\$200 million)
- ❖ Ending Medicaid fraud and abuse by providers, and ending charter and cyber school giveaways (\$135 million)

**Potential savings: \$549 million**

**For more information, please visit [www.clesrforpa.org](http://www.clesrforpa.org).**