

## State Revenue Up, But Little Hope for Meaningful Relief

**MAY 19, 2017** – The latest state revenue forecasts released on Monday showed a welcome uptick in the money expected to flow into state coffers.

The Delaware Economic and Financial Advisory Council (DEFAC) reported that total revenues for the remainder of the current fiscal year and the fiscal year starting July 1st increased by a combined \$12.9 million.

With the modest influx, the state's projected budget gap for the upcoming FY 2018 fell to \$381.8 million.

However, the new cash was not the result of increased economic activity but was rather primarily from funds the Office of Management and Budget recovered from state agency accounts that had not been fully utilized.



State revenue forecasters will issue one additional prognostication (June 19th) before the end of the current fiscal year. Given that state revenue estimates have collectively fallen by more than \$100 million since last July, most observers hold little hope the last revenue forecast will provide lawmakers with much relief as they struggle with decisions to pass a balanced budget before the June 30th deadline.