

February 14, 2011

The Honorable Carolyn McGinn, Chairperson
Senate Committee on Ways and Means
Statehouse, Room 545-S
Topeka, Kansas 66612

Dear Senator McGinn:

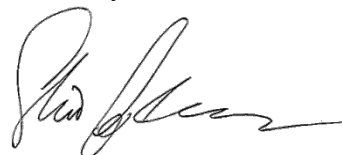
SUBJECT: Fiscal Note for SB 89 by Senate Committee on Public Health and Welfare

In accordance with KSA 75-3715a, the following fiscal note concerning SB 89 is respectfully submitted to your committee.

Current law requires counties to match dollar for dollar state financial assistance to local health departments. When local tax revenue allotted for local health departments falls below the previous fiscal year amount, existing law requires that the amount of state financial assistance for these departments for the current fiscal year be reduced by an amount equal to the dollar amount of the reduction in local tax revenue. SB 89 would amend the law so that the reduction would be a percentage equal to the percentage of the local tax revenue allotment reduction rather than a dollar amount.

According to the Kansas Department of Health and Environment, passage of SB 89 would result in minimizing the loss of formula grant awards to counties. In FY 2010, \$137,000 of the total allocation of \$2.2 million was withheld from grant awards due to reductions in maintenance of effort at the local level. Passage of this bill is expected to reduce the amount not awarded. Because the amount not awarded has typically been carried forward, a reduction of this amount would affect the grant funds available to spend in the following fiscal years. It would not, however, change the amount of State General Fund appropriated in those years.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Pat Kuester, KDHE