

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 357 (Senator Hollinger)
Economic and Environmental Affairs and Finance

**Primary and Secondary Education - School Health Services - School Health 2000
Partnership Committees**

This bill requires each county board of education to establish a School Health 2000 Partnership Committee to encourage private sector organizations and individuals to make financial and in-kind contributions to support school health programs. The bill establishes membership requirements and responsibilities of the committees. County boards of education are required to establish a School Health 2000 Partnership Fund to assist schools in providing adequate health care services to its students. The bill enables corporations and individuals to deduct the dollar amount of a contribution or the fair market value of an in-kind contribution from State income taxes.

The bill requires school nurses to develop a school health plan that includes (1) a review of students' health needs; (2) strategies for implementing the plan; and (3) provisions for intra-school and inter-agency collaborations.

Each county board is required to report annually to the Governor and the General Assembly on the implementation of the partnership committees.

Fiscal Summary

State Effect: General fund revenues could decrease by an indeterminate amount as discussed below. Expenditures would not be affected.

Local Effect: Local government finances could be affected as discussed below. **This bill imposes a mandate on a unit of local government.**

Fiscal Analysis

State Revenues: General fund revenues could decrease to the extent that corporations and individuals make contributions to the School Health 2000 Partnership Fund. The Department of Fiscal Services (DFS) advises that each \$100,000 contributed by individuals would decrease State revenues by \$5,000. Each \$100,000 contributed by corporations will result in a general fund and Transportation Trust Fund loss of \$7,000, assuming the contributions exceed 10% of the corporation's revenues. However, the extent of any revenue decrease is indeterminable.

State Expenditures: No effect. DFS advises that since tax forms and instructions are updated annually, the tax form changes resulting from this bill can be absorbed within existing resources.

Local Revenues: Local revenues could increase to the extent that corporations and individuals make contributions to the School Health 2000 Partnership Fund. This increase will be partially offset, however, by reduced local income tax revenues. DFS advises that for each \$100,000 contribution, local income tax revenue would decrease by \$2,725, for a net increase in revenue of \$97,275. This estimate uses the statewide average 54.5% piggyback tax rate.

Local Expenditures: Each county board of education is currently required to provide adequate school health services to its students. However, the level of services varies by jurisdiction. For example, in Anne Arundel County the health services program provides periodic health screenings, maintains student health records, provides wellness programs for students and staff, coordinates and provides health services in conjunction with the county health department, and assists classroom teachers with implementation of the health education curriculum. However, in many smaller school systems, the health program only incorporates the required vision screening, immunization requirements, and scoliosis testing.

Further, funding for health services also varies by jurisdictions. Baltimore County Public Schools appropriated approximately \$6.5 million (\$68 per pupil) for health services in fiscal 1996, whereas the appropriation in Kent County totaled only \$30,500 (\$11 per student). Talbot and Washington counties did not appropriate any funds for student health services in fiscal 1996.

The average cost of a school nurse totals approximately \$28,500. If each public school would be required to hire a nurse or an additional nurse, local government expenditures could increase by \$36 million. However, since many school districts already have a comparable health program in place, actual costs could be significantly lower.

Accordingly, mandated local government expenditures could increase to the extent that local school systems do not already provide extensive health services and whether additional health needs are identified by the School Health 2000 Partnership Committee. However, any additional expenditures could be partially or totally funded through the School Health 2000 Partnership Fund.

DFS advises that the local health departments are already required to provide assistance to county boards of education in developing and implementing a school health program. Accordingly, any additional workload resulting from providing technical assistance could be absorbed within existing resources.

Information Source(s): Maryland State Department of Education, Department of Health and Mental Hygiene, Comptroller's Office, Department of Fiscal Services

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