

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 497 (Senator Currie, *et al.*) (Prince George's County Executive)
Budget and Taxation

Prince George's County - Local Health Services Funding

This bill provides that Prince George's County expenditures for the rental, lease, insurance, repair, and maintenance of local health department physical facilities are eligible expenditures in calculating the county's local match for the Targeted Local Health Services program.

The bill takes effect July 1, 1997.

Fiscal Summary

State Effect: None. The bill expands the categories of eligible Prince George's County local match funds and would not affect State finances as discussed below.

Local Effect: Potential decrease in Prince George's County expenditures on direct public health services of up to \$550,000. Revenues would not be affected.

Small Business Effect: Potential minimal effect on small businesses as discussed below.

Fiscal Analysis

Background: The proposed fiscal 1998 budget for the Targeted Local Health Services Program includes \$7.4 million in State funds for Prince George's County. The county is required to provide matching funds of \$5.9 million to receive the full amount of State funds (\$7.4 million). For each matching dollar that the county provides, it gets \$1.24 in State funds.

Local Effect: Prince George's County spends approximately \$550,000 each year on physical facilities related to local health services. If Prince George's County expenditures for local health service facilities become eligible to match State Targeted Local Health Services

funding dollars, the county's expenditures on direct public health services would likely decrease by up to \$550,000.

Prince George's County advises that, absent this legislation, it will be unable to contribute the required \$5.9 million in matching funds in fiscal 1998. The county thus stands to lose \$682,000 in State aid. However, any State aid not awarded to Prince George's County could be awarded to other local jurisdictions that can provide additional matching funds.

Small Business Effect: Small business health care providers and community health centers that contract with the Prince George's County local health department to provide public health care services could be adversely affected, depending upon the extent to which the county reduces its spending on direct care services.

Information Source(s): Department of Health and Mental Hygiene, Prince George's County, Department of Fiscal Services

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