



February 17, 2021

**Senate Bill 563**  
**Local Health Departments - Funding**  
**Senate Budget and Taxation Committee**

**Position: FAVORABLE**

The COVID-19 pandemic has underscored the critical role that Local Health Departments (LHDs) fill as the state's front line for public health services. Recession-driven cuts to LHDs have lingered for years, despite the increasing need for preventive care, immunizations, substance and mental health counseling, communicable disease prevention, and health education. Senate Bill 563 will restore and strengthen LHD funding to support delivery of these vital health services.

The Core Public Health Services funding formula was put into law during the 1995 legislative session in order to establish a minimum level of funding for LHDs and a basis for annual growth. The funding formula underwent a series of dramatic cuts beginning in fiscal year 2009. Although the Governor's fiscal year 2022 budget includes an increase over current year funding, the funding level still remains below the \$67.0 million provided in fiscal year 2008. This bill will rebase the formula to \$80.0 million by fiscal year 2024, in order to approximate the appropriate level of funding for LHDs had the formula not been cut during the Great Recession.

This bill also addresses costly technology changes that have stretched LHD budgets beyond annual inflationary pressure, but have never been recognized in the Core funding formula. In addition to rebasing the Core funding formula, this bill will allow Core funding to be used for data management and exchange services and will require an evaluation of technology services.

The lasting reductions to Core formula funding have threatened the capacity of LHDs, especially since the onset of the pandemic. This bill will help to ensure that LHDs have the support necessary to deliver valuable public health services. **For those reasons, we urge a FAVORABLE report on Senate Bill 563.**