

To: Local Health Departments  
From: Bureau of Community Health Systems  
Regarding: LOCAL MAINTENANCE OF EFFORT

H.B. 2040, Section 3 (c) as amended by the 2010 Legislature amended K.S.A. 65-242 reads as follows:

“If local tax revenues allotted to a local health department for a fiscal year fall below the level of local tax revenues allotted to the local health department for the preceding fiscal year, the amount of state financial assistance under this act for which such local health department is eligible for the fiscal year shall be reduced a percentage equal to the percentage of reduction in local tax revenue for that fiscal year.”

The base period for determining maintenance of effort will be the preceding fiscal year. Calendar years will be used for comparing local contribution levels in relation to General Health grants. Comparison of the new local tax revenues for the present calendar year with the amount of new local tax revenues necessary for the coming calendar year permits county governments to know the minimum new local revenue necessary. If local tax revenues are decreased, the amount of the state grant will be decreased a like amount.

A carryover balance that remains in the health fund cannot be transferred out of the health department’s health fund to be used for other than health-related purposes (K.S.A. 79-2934, a part of the municipal budget law). However, transfers to a “health capital outlay” fund would be considered a health-related purpose. Also, a carryover balance that remains in the health fund does not count towards meeting the next year’s requirement for availability of new local tax revenues.

In summary:

- To participate in the General Health Grant program to the fullest extent possible (i.e. collect maximum funds possible), the new local tax revenues available for a calendar year must be equal to or greater than local tax revenues available for the previous calendar year. Levels of state fiscal year funding for each participating local health department are determined by formula and are part of the Grant Application Guidelines distributed to local agencies every year.
- Local health-related tax revenues cannot be transferred for other purposes.
- Year end balances in health-related funds cannot be carried forward and counted when determining the amount of NEW local health-related tax revenues available for compliance with K.S.A. 65-242.