



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 157

PRINTER'S NO. 475

PRIME SPONSOR: Rapp

COST / (SAVINGS)

| FUND | FY 2024/25 | FY 2025/26 |
|--------------|------------|------------|
| General Fund | \$0 | \$200,000 |

SUMMARY:

This legislation establishes the Rural Health Care Grant Program within the Department of Health to provide grants to entities in rural counties and designated medically underserved areas to pay for the education debt of their employed practitioners.

ANALYSIS:

House Bill 157, Printer's Number 475 establishes a Rural Health Care Grant Program within the Department of Health (DOH) to provide grants to certain healthcare entities, including rural health clinics or hospitals, federally qualified health centers, or birth centers located in rural counties or in designated medically underserved areas. Entities shall use these grants to repay the educational debt of their employed practitioners, including physicians, nurses, midwives, nurse-midwives, dentists, and dental hygienists.

Duties of the Department of Health:

- Select an appropriate number of entities to receive a grant each calendar year depending upon the amount of money appropriated for the program by the General Assembly.
- Approve or deny the application within 60 days of submission or resubmission.
- Enter into a grant agreement with the entity and disburse grant money within 90 days after the approval of the application.
- Award grant in increments of \$10,000 for a maximum of \$250,000 to an entity in a calendar year. For approved grants, DOH may award a grant of less than \$10,000 if the department determines that a decrease is necessary to preserve adequate funding for more grants.
- Determine compliance with the requirements of this act.
- Publish a report by no later than December 31st of each year on data elements required by this legislation. After the disbursement of all money appropriated for the program, DOH must publish a final report for the program.

This legislation will take effect in 120 days upon enactment.

FISCAL IMPACT:

Assuming this legislation is enacted prior to June 30, 2025, the effective date for DOH to establish a Rural Health Care Grant Program would be after July 1, 2025, and there would be no fiscal impact for FY 2024/25. For FY 2025/26, DOH estimates an increase to administrative costs of \$200,000 due to the establishment of this new grant program.

PREPARED BY: Aniam Iqbal, Budget Analyst
House Appropriations Committee (D)
DATE: March 19, 2025

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.