

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 543.

Senate Bill 543 would require the Governor to include in the State budget funds for local health services at certain specified levels. As enacted, this bill would increase general fund expenditures by \$1.1 million in fiscal year 1996; \$8 million in fiscal year 1997; \$15.4 million in fiscal year 1998; and \$24 million in fiscal year 1999.

I certainly cannot argue with the benefits of increasing State funding for local health services. However, the proliferation of statutory mandates on State spending erodes the ability of the Executive to establish spending priorities and develop a budget that reflects those priorities. Such mandates also limit the ability of the Governor to respond to fiscal crises in times of economic distress.

Senate Bill 543 is a continuation of Chapter 593 of 1993 which required the Governor to include \$34 million in the fiscal year 1995 budget and requires \$39 million in fiscal year 1996 to fund local health services. While I signed this legislation to demonstrate my commitment to restore local health services funding, I cannot support additional mandates in this area. Funding for local health services in fiscal year 1996 is already mandated at \$39 million and there is no reason to enact further mandates this year. The next Governor should decide whether to accept additional spending mandates or preserve the flexibility to increase funding as an executive priority.

The Department of Budget and Fiscal Planning has predicted that in the near future, the growth in spending as a result of existing statutory requirements will far outweigh projected revenue growth. Therefore, I believe it is unwise to tie the hands of the future executive with additional spending mandates.

For these reasons, I have vetoed Senate Bill 543.

Sincerely,  
William Donald Schaefer  
Governor

#### Senate Bill No. 543

AN ACT concerning

#### Local Health Services Funding

FOR the purpose of ~~establishing a formula for the financing of local health services in the counties; specifying the purpose of the formula; defining certain terms; specifying certain services to be provided in a county by a local health department using certain funds; specifying the method of calculating the estimated minimum budget for local health services for a county; requiring the Department of Health and Mental Hygiene to calculate the estimated minimum budget for each county each year; providing that the estimated minimum budget for local health services shall be based on certain staffing ratios; specifying methods for determining the components of the estimated minimum budget for a county; specifying the method of determining the local share of the estimated minimum budget under certain~~