

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7214

BILL NUMBER: SB 407

DATE PREPARED: Jan 5, 2002

BILL AMENDED:

SUBJECT: School Air Quality.

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires the State Department of Health to establish an Indoor Air Quality in Schools program, to set indoor air quality standards, and to inspect the air quality of schools annually.

Effective Date: July 1, 2002.

Explanation of State Expenditures: The state costs are divided in two components. The State Department of Health must establish indoor air quality standards for schools, public and nonpublic, as well as conduct annual inspections of indoor air quality of schools. It is assumed that the Department can absorb the costs of the rule-making process with its current budget and resources.

There are approximately 1,960 public schools within Indiana's 294 school corporations. In addition, there are 856 nonpublic schools in Indiana, approximately 290 of these are accredited K-12 institutions. The Department will be responsible for inspecting approximately 2,816 schools annually.

The local and county boards of health are currently responsible for performing health inspections of schools. The State Department of Health (SDH) may enter into a memorandum of agreement with local and county boards of health, delegate authority to another entity, contract out services, or utilize in-house staff to perform the indoor air quality inspections. The SDH might also consider entering into a memorandum of agreement with the Office of the State Fire Marshal to conduct these inspections. The Office of the State Fire Marshal has field staff that conduct fire safety inspections of school buildings currently.

If the SDH elects to use in-house staff to perform these inspections, it is estimated that the Department would require an additional 16 inspectors and one program director to staff an Air Quality Inspection program. This assumes that these inspections take a day or less and are conducted during a regular 180-day school year. The cost to the SDH for these new positions is estimated to be \$565,934 in salary, benefit, and indirect costs for

FY 2003 and \$556,770 for FY 2004. Depending upon motor vehicle policy and option selected, the SDH may incur additional costs associated with either vehicle purchase and maintenance or mileage reimbursement. In addition, the SDH may incur increased laboratory expenses if analysis of samples is required. The costs may be higher or lower depending upon actual time required to conduct the air quality inspections. Ultimately, the costs associated with the inspection program will depend upon the method selected to perform these inspections and on the structure of the program.

The funds and resources required could be supplied through a variety of sources, including the following: (1) Existing staff and resources not currently being used to capacity; (2) Existing staff and resources currently being used in another program; (3) Authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) Funds that, otherwise, would be reverted; or (5) New appropriations. The SDH currently has 120 vacant positions with \$3.3 M in salary available.

Explanation of State Revenues:

Explanation of Local Expenditures: Local school corporations may incur costs associated with remedying any air quality problems identified. These costs are case-specific and cannot be estimated at this time.

The local and county boards of health will incur increased expenditures if the SDH delegates inspection responsibilities. Additional costs are not known at this time and are contingent upon program requirements.

Explanation of Local Revenues:

State Agencies Affected: State Department of Health, Office of the State Fire Marshal.

Local Agencies Affected: Local school corporations, local and county boards of health

Information Sources: Marilyn Cage, Legislative Liaison, Indiana State Department of Health, (317) 233-2170; Department of Education SAS and SQL Tables; *Indiana Manning Table*, December 30, 2001.