



## Fiscal Estimate Narratives

DHFS 2/20/02

LRB Number	01-4932/1	Introduction Number	AB-831	Estimate Type	Original
<b>Subject</b>					
Prohibit organization or affiliate that engages in abortion-related activities from receiving public funds, restrict affiliation between organizations					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law public funds may not be used to pay for abortions unless the pregnancy threatens the woman's health or was caused by rape or incest. In addition, current law imposes additional restrictions in regards to the use of public funds under certain programs, such as programs supported by the federal maternal and child health services block grant, on non-profit organizations and public entities that provide all of the following services: (a) pregnancy prevention; (b) family planning; (c) pregnancy testing; (d) pregnancy counseling; (e) prenatal care; and (f) pregnancy services and reproductive health care services that are related to pregnancy. Current law prohibits the use of certain public funding for pregnancy programs, as defined, if those services do any of the following: (a) provides abortion services; (b) promotes, encourages or counsels in favor of abortion services; or (c) makes abortion referrals either directly or through an intermediary in any instance other than when an abortion is needed to save the life of the mother. Also, public funds may not be distributed to any program that receives funding from a source requiring performance of abortion related activities. Current law suspends these prohibitions if it would result in the loss of federal funds. Current law allows providing non-directive information explaining pregnancy termination.

AB 831 would modify current law to expand the restrictions on funding pregnancy programs to apply to all public programs except for Medical Assistance (MA) and BadgerCare. Also, the bill would modify the definition of pregnancy program so that the restrictions apply to any non-profit organization or public entity that provides one or more of the pregnancy services listed above rather than only those organizations that provide the whole set of services listed above. Further, the legislation adds new restrictions that must be met by publicly funded pregnancy programs by: (a) requiring that affiliates of the organization that provides the pregnancy program or services and engages in any of the prohibited activities be physically and financially independent from the organization; and (b) specifying that prohibited activities include non-medical activities such as lobbying in favor of abortion. AB 831 also eliminates the explicit authorization to provide non-directive information regarding pregnancy termination, and deletes the provision that would suspend the prohibitions if it would result in the loss of federal funds. Federal funds for MA and BadgerCare would not be at risk since the bill exempts those programs from the prohibitions. The bill requires the Legislative Audit Bureau to audit organizations to determine compliance.

The fiscal impact of this bill is not possible to quantify but there could be significant increased costs to the state's family planning services and Maternal and Child Health (MCH) programs. Currently the DHFS funds family planning programs (\$1.8 million FED and \$2.0 million GPR in FY02) and Maternal and Child Health programs (\$11.7 million in FED and \$6.8 million GPR in FY02). If AB 831 becomes law, at least one provider, which currently serves approximately one-third of the clients receiving family planning services, would be ineligible to receive funds from the state treasury if the organization does not change to meet compliance. If this occurred, the state would have to find other providers to contract with unless current providers reorganize to meet the requirements of the bill. In many areas of the state, there would not be another cost-effective provider and it would therefore cost the state more to maintain the current level of service. If current levels of service were not maintained, there would be a risk of violating the federal maintenance of effort provisions associated with MCH and family planning grants which could trigger the loss of all federal funds for these programs.

### Long-Range Fiscal Implications