

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3509-01  
Bill No.: HB 1444  
Subject: Abortion; Appropriations; Health Care Professionals; Medical Procedures and Personnel  
Type: Original  
Date: March 1, 2006

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

ASSUMPTION

Officials from the **Office of State Courts Administrator**, the **Department of Social Services**, the **Office of Prosecution Services**, the **Department of Mental Health**, and the **Coordinating Board of Higher Education** assume this proposal would not fiscally impact their agencies.

Officials from the **State Auditor's Office (SAO)** state in order for the SAO to perform the audits required by this proposed legislation (once every three years), it would require an additional .5 FTE to perform one third of the audits each year.

**Oversight** assumes audits required by this proposal could be absorbed by the SAO.

Officials from the **Office of Attorney General (AGO)** assume that the implementation of this proposal would create no fiscal impact for the AGO. However, because the AGO is responsible for defending such legislation in constitutionality claims, AGO assumes that the nature of these provisions could create a fiscal impact. As a result, AGO assumes costs are unknown, but under \$100,000.

**Oversight** assumes, because the potential for litigation is speculative, the AGO may or may not

ASSUMPTION (continued)

incur costs related to this proposal. Oversight assumes if a fiscal impact were to result, the AGO may request funds to through the appropriations process.

Officials from the **Department of Health and Senior Services (DOH)** assume the fiscal impact to the DOH would be greater than \$100,000. The DOH states Subsection 2, subdivision 6 of this legislation requires that an independent audit of any entity that receives public funds in connection with any health and social service program be conducted at least once every three years or sooner. Currently the Division of Community Health has 1,900 contracts. The cost to reimburse contractors for each independent audit would be \$2,400 (based on current audits conducted for Child & Adult Care Food program). If one third of these contracts are audited each year, the reimbursement cost would be \$1,520,000.  
(1,900 x \$2,400 x 1/3 = \$1,520,000).

In a similar fiscal note from the previous year (SB 1000, L.R. 2968-02) the DOH assumed it would select the option to approve the independent auditing firm with the contractor being responsible for the cost of the independent audit, as provided for in said subsection.

**Oversight** assumes the DOH would pass the audit cost to the contractor and have no fiscal impact.

Officials from the **University of Missouri (UM)** assume this proposal would result in a potential financial impact for the costs of the record keeping and audit expenses related to this legislation. UM states the amounts related to these requirements are not readily identifiable and it is doubtful they will exceed \$100,000 annually.

**Oversight** assumes the UM can absorb related costs.

Officials from the **State Public Defender (SPD)** did not respond to our fiscal note request. In a similar proposal from last year (L. R. 0499-06, HCS No. 2 for HB 586) the SPD assumed the proposal would not have a fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

### DESCRIPTION

This proposal prohibits the expenditure of public funds to existing or proposed health and social services programs that directly or indirectly subsidize abortion services. An entity that is affiliated with another entity that provides abortion services may only receive public funds if the affiliated entity is an independent affiliate. Entities that provide counseling to pregnant women and receive public funds may only provide non-directive pregnancy counseling and may not display or distribute material promoting abortion services.

Entities that receive public funds will be required to maintain records that demonstrate strict compliance with this provision. An independent audit of these entities must be conducted at least once every three years. If the recipient of public funds is affiliated with an entity that provides abortion services, an audit must be conducted each year to ensure compliance. The proposal includes exceptions for reimbursement to entities that provide services that are required under Missouri Medicaid regulations and certain services required under the federal Public Health Services Act.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

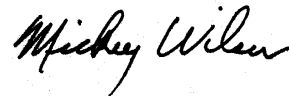
### SOURCES OF INFORMATION

Office of State Courts Administrator

CM:LR:OD (12/02)

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Department of Social Services  
Office of Prosecution Services  
Department of Mental Health  
Coordinating Board of Higher Education  
State Auditor's Office  
Office of Attorney General  
Department of Health and Senior Services  
University of Missouri  
**NOT RESPONDING: STATE PUBLIC DEFENDER**



Mickey Wilson, CPA  
Director  
March 1, 2006