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Steven J. Anderson, CPA, MBA, Director

Division of the Budget March 17, 2011

Sam Brownback, Governor

The Honorable Steve Brunk, Chairperson House Committee on Federal and State Affairs Statehouse, Room 149-S Topeka, Kansas 66612

## Dear Representative Brunk:

SUBJECT: Fiscal Note for HB 2377 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2377 is respectfully submitted to your committee.

HB 2377 would create the No Taxpayer Funding for Abortion Act, which would include the following:

- 1. The bill would define abortion, health benefits coverage, health benefits plan, death from a wrongful act or omission, and person as an unborn child.
- 2. The bill would prohibit the use of state funds for abortions, prohibit any state health benefits plan from coverage of abortion, prohibit health care services provided by any state agency to include abortion, and not allow the use of any tax credit for abortion as a medical procedure. The prohibitions would exclude any services that are required by federal law.
- 3. The bill would allow any individual or organization to purchase separate abortion coverage; however, it would restrict insurance coverage for elective abortions, and clarify the restrictions, and clarify that there is no requirement for any state agency or municipality to pay or cover abortion. No abortion coverage could be provided by a qualified health plan offered through a health insurance exchange.
- 4. The bill would allow abortion to save the life of a mother or for which a delay would cause the substantial and irreversible impairment of a major bodily function. This would apply to a physical impairment only. The bill would expand the definition of abortion; redefine medical emergency for which an abortion may be performed; and would exclude the mental and emotional health exception for a late term abortion; and would expand the definition of viability to not exclude ongoing artificial life support measures.
- 5. The bill would not allow any discrimination against a physician or other provider who does not provide, pay for, provide coverage for, or provide a referral for an abortion, and would not create or recognize the right to an abortion.

- 6. The bill contains a severability clause, so that if any part of the bill is found to be unconstitutional, the remaining sections of the bill would stand.
- 7. The bill would specify physician practice and penalties for the administration of the drug RU-486.
- 8. The bill would prohibit abortion based on the race or sex of a child and would allow the father, parents, or others to file civil actions for violations of the Act. The bill would clarify how the abortion provisions would apply to insurers operating in Kansas, insurance codes, and tax credits.
- 9. The bill would require physicians to retain medical records for five years; retain the certification of consent for ten years; and would change a physician's legal penalty for violations of the Act from a nonperson misdemeanor to a person felony.
- 10. The bill would also contain specific information about the Department of Health and Environment's Woman's Right to Know (WRTK) handbooks and videos, would allow additional charges for WRTK materials, and clarify that those publications do not constitute informed consent.
- 11. The bill would add a provision to state abortion is a risk factor for breast cancer.

Estimated State Fiscal Effect				
	FY 2011	FY 2011	FY 2012	FY 2012
	SGF	All Funds	SGF	All Funds
Revenue				
Expenditure			\$16,700	\$16,700
FTE Pos.				

The Sentencing Commission indicates that passage of the bill would have no impact on prison bed space because felony sentences for penalties described in HB 2377 are extremely rare. Should there be a conviction; the offender would likely be sentenced to probation. The Department of Health and Environment indicates that passage of the bill would increase State General Fund expenditures by \$16,700 in FY 2012. The estimate would include approximately 160 hours of legal work to be done by existing staff to update the WRTK handbooks and videos in English and Spanish. The fiscal effect of HB 2377 is not included in *The FY 2012 Governor's Budget Report*.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget

Scott Brunner, KHPA Diane Duffy, Board of Regents

cc: Pat Kuester, KDHE Steve Neske, Revenue Brenda Harmon, Sentencing