



COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0461-18  
Bill No.: SS for SCS for HB 126  
Subject: Abortion  
Type: Original  
Date: May 16, 2019

**Bill Summary:** This proposal requires the use of a fetal heartbeat detection test prior to an abortion and prohibits an abortion if a fetal heartbeat is detected.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2026)
General Revenue	\$0	\$0	(Could exceed \$1,400,000)	(Could exceed \$4,900,000)
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>(Could exceed \$1,400,000)</b>	<b>(Could exceed \$4,900,000)</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2026)
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses. This fiscal note contains 14 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2026)
Federal	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>Total Estimated Net Effect on All Federal Funds</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2026)
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2026)
Local Government	\$0	\$0	\$0	\$0

HW-C:LR:OD



## FISCAL ANALYSIS

### ASSUMPTION

Due to time constraints of less than 1 hour, Oversight was unable to receive some of the agency responses in a timely manner and performed limited analysis. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

### §135.630 Pregnancy Resource Center Tax Credit

Oversight notes according to the Tax Credit Analysis submitted by the Department of Social Services regarding this program, the Pregnancy Resource Center tax credit program had the following activity;

	FY 2016	FY 20167	FY 2018	FY 2019 (projected)	FY 2020 (projected)
Certificates Issued	4,363	4,628	4,416	4,400	5,400
Amount Authorized	\$2,499,442	\$2,443,386	\$2,499,394	\$2,500,000	\$3,500,000
Amount Issued	\$2,499,442	\$2,443,386	\$2,499,394	\$2,500,000	\$3,500,000
Amount Redeemed	\$1,845,875	\$2,183,505	\$2,094,375	\$2,000,000	\$3,000,000

Amount Outstanding - \$2,346,957 Amount Authorized but Unissued - 0

Oversight notes the pregnancy resource center tax credit program currently has a \$2.5 million annual cap. The cap is scheduled to increase to \$3.5 million starting July 1, 2019. Also, if the amount of tax credits redeemed in a fiscal year is less than the cumulative amount, the difference shall be carried over to a subsequent fiscal year or years and shall be added to the cumulative amount of tax credits that may be authorized in that fiscal year or years. Therefore, adding unused credits from the previous year(s), the cap in any given year past FY 2019 could well exceed \$3.5 million. The tax credit is scheduled to sunset on December 31, 2024, unless extended. In response to similar legislation this year, DOR confirmed that this tax credit is a first come first served credit and they have not had to apportion the credit.

Oversight notes the pregnancy resource center tax credit program allows a taxpayer to receive a tax credit up to 50% of the contribution they make to a pregnancy resource center. Currently a pregnancy resource center can provide counseling, emotional and material support to a client but are prohibited from providing childbirth or abortion services.

In response to similar legislation filed this year, SB 204, officials at the Department of Revenue assumed this proposed section increases the amount of tax credit awarded to taxpayers from 50 percent of their contribution to the pregnancy resource centers to 70 percent of their contribution to pregnancy resource centers.

**ASSUMPTION** (continued)

During the 2018 Regular Session; HB 1288 increased the pregnancy resource tax credit cap to \$3.5 million. This proposed legislation removes this cap, along with the sunset provisions. The Department in FY18 redeemed a total of \$2,094,375 in the Pregnancy Resource Center tax credit, which consisted of credits at 50 percent of the contribution amount. If the tax credit award is increased from 50 percent of the contribution to 70 percent of the contribution, the Department estimates, based on FY18 redemption data, redemptions could increase by \$1,047,152 for a total redemption amount of \$3,141,527. The Pregnancy Resource Tax Credit, though, is limited to the tax liability of the taxpayer. Thus, it is unknown whether such increase in redemptions would occur in full.

Oversight notes this proposal allows facilities that offer services under the Alternatives to Abortion program to qualify for the pregnancy resource center. Oversight assumes this could expand the number of pregnancy resource centers that are eligible to distribute this tax credit. However, Oversight will not reflect a fiscal impact from this change alone.

Oversight notes that starting January 1, 2021 (FY 2021) this proposal increases the amount of the credit from 50% of the contribution to 70% of the contribution. Increasing the tax credit amount could encourage additional taxpayers to participate in the program. At 50%, the \$3.5 million cap would generate \$7,000,000 in contributions. This proposal would increase the credit rate to 70% and therefore, cost the state \$4,900,000 (\$7 million x 70%) in credits. This could result in an additional \$1,400,000 (\$4.9 m - \$3.5 m) in credits per year. Oversight will show an impact of could exceed \$1.4 million annually starting in FY 2022 (when calendar year 2021 tax returns are filed).

Oversight notes this proposal also would remove the sunset language from the pregnancy resource center tax credit. Since this program is to sunset on December 31, 2024, removal of the sunset would continue this credit past FY 2025. Oversight will show the impact as a loss of state revenues of could exceed \$4.9 million annually starting in FY 2026 (current \$3.5 m cap + \$1.4 m increase in participation).

Oversight notes with the combination of;

- expanding the definition of pregnancy resource centers;
- increasing the percentage of the credit; and
- removing the cap

would increase the utilization of the credit and Oversight will show all impacts as Could exceed the estimates provided above.

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ASSUMPTION (continued)

§§188.010 and 188.017 - Right to Life of the Unborn Child Act

**Oversight notes**, in response to the previous version of this proposal, the **Department of Corrections (DOC)** stated the proposal would not have a direct fiscal impact on their organization.

**Oversight notes** in response to similar legislation (SB 345), officials from the **Department of Corrections (DOC)** stated according to the Department of Health and Senior Services, Missouri currently has one licensed abortion facility (located in St. Louis). Women seeking abortions in Missouri will either go to another state or to the St. Louis facility. If this bill is enacted, the St. Louis facility closes. However, women will only have to drive a few more miles to Illinois, where abortions are legal.

Currently, there are three laws concerning abortion that contain penalties for violation (§188.080.001 - Class A misdemeanor; §188.080.002 - Class B felony; and §188.075.001 - Class A misdemeanor). No convictions of these statutes occurred in FY 2016 - 2018, even with the paucity of abortion facilities in the state. For these reasons, it is expected that enactment of this bill will have no fiscal impact on the DOC.

**Oversight** does not have any information to the contrary. Therefore, Oversight assumes there will be no fiscal impact to the DOC for fiscal note purposes.

**Oversight notes**, in response to the previous version of this proposal, the **Department of Social Services (DSS)** has stated the proposal would not have a direct fiscal impact on their organization.

In response to legislation with similar provisions banning abortions except in medical emergencies (SB 345), officials from the **Department of Social Services (DSS)** stated the proposed language may be subject to legal challenge on the grounds that it may conflict with current federal law governing the Medicaid program to the extent that it would prohibit the Missouri Medicaid program from paying for abortions in cases of pregnancies arising from rape or incest, or in cases where the abortion is necessary to save the life of the mother. Under current federal law, state Medicaid programs are not required to pay for abortions except in cases of rape, incest and when necessary to save the life of the mother. This is known as the Hyde Amendment. The current version of the Hyde amendment is included in the federal appropriation bill for the Medicaid program. (See the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2019, Pub. L. No. 115-245, §§506-07, 132 Stat. 2981 (2018).)

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ASSUMPTION (continued)

In 1994 the United States District Court entered an injunction against Missouri directing Missouri to comply with the requirements of the Hyde Amendment. (Stangler vs. Shalala, 1994 WL 764104 (W.D.Mo 1994)). Failure to comply with the requirements of current federal law could subject Missouri to the risk of litigation and sanctions, including the possibility of deferral or disallowance of federal financial participation in Missouri's Medicaid program. The extent of the deferral or disallowance is unknown.

**Oversight** notes in response to HB 126, the DSS stated the legislation could result in the loss of all federal Medicaid funds. In FY 2019, there is over \$7.2 billion federal funds budgeted for MO HealthNet services across the Department of Social Services, Department of Mental Health, and Department of Health and Senior Services.

**Oversight** notes DSS officials provided the MO HealthNet Division paid for 2 abortions during FY 2018 to save the life of the mother; no abortions were paid for during FY 2017 and 2 abortions were paid for in FY 2016 that resulted from rape and incest.

**Oversight** assumes federal funding would only be in jeopardy if, as a result of rape and incest, the DSS did not authorize funding for abortions for MO HealthNet recipients and the DSS actually had cases that met those conditions. Oversight contacted the DSS and requested a letter be obtained from the Centers for Medicare and Medicaid (CMS) services stating whether the provisions of 188.026.3 would result in the loss of federal funding. DSS believes it is unlikely CMS will provide such a letter. Since it is unknown whether DSS would lose some or all federal funding, Oversight will range the potential loss of federal funding from \$0 to (Unknown).

§§188.015 and 188.038 - Prohibition on selective abortions

In response to similar legislation (HB 771), officials from the **Department of Health and Senior Services (DHSS)** assumed the provisions of these sections would have no fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this organization.

In response to similar legislation (HB 771), officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** stated these provisions are anticipated to have no fiscal impact on the DIFP. However, should the extent of the work be more than anticipated, the DIFP would request additional appropriation and/or FTE through the budget process.

**Oversight** notes, in response to similar legislation (HB 771), the **Office of Attorney General**, the **Department of Social Services** and the **Office of State Courts Administrator** stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.



**ASSUMPTION (continued)**

**§188.018 - Unconstitutionality of provisions**

**Oversight** assumes the provisions of this section will have no fiscal impact on state agencies.

**§188.026 - Missouri stands for the unborn act**

**Oversight** assumes the provisions of this proposal will have no fiscal impact on state departments.

**§188.027 - Printed materials to include information on causing pain**

In response to legislation from this current session relating to printed materials (HB 252), officials from the **Department of Health and Senior Services (DHSS)** assumed the proposal would have no fiscal impact on their organization.

**Oversight** notes that from conversations with DHSS officials the department states they already have a surplus of the printed materials required by this proposal stored in their warehouse. In addition, DHSS states that the required materials are posted on their website and can be printed by clinics/providers when necessary. It is further assumed by DHSS officials that if someone needed the required materials to be sent to them, the clinic/provider would bear the mailing costs. Therefore, this proposal is not expected to have a fiscal impact on the DHSS.

**§188.028 - Consent for minor to obtain an abortion**

In response to similar legislation (HB 127), officials from the **Office of Attorney General (AGO)** assumed any additional litigation costs arising from this proposal can be absorbed with existing personnel and resources. However, the AGO may seek additional appropriations if there is a significant increase in litigation.

**Oversight** does not have any information to the contrary. Therefore, **Oversight** assumes the AGO will be able to perform the work associated with the proposal with existing staff and resources.

**Oversight** notes, in response to similar legislation (HB 127), the **Department of Health and Senior Services**, the **Department of Social Services** and the **Office of State Courts Administrator** have stated the proposal would not have a direct fiscal impact on their organizations. **Oversight** does not have any information to the contrary. Therefore, **Oversight** will reflect a zero impact in the fiscal note for these organizations.

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**ASSUMPTION (continued)**

**§188.033 - Out-of-state abortions accompanied by printed materials**

In response to similar legislation (HB 282), officials from the **Department of Health and Senior Services (DHSS)** assumed the proposal would have no fiscal impact on their organization.

Oversight notes that from conversations with DHSS officials the department states they already have a surplus of the printed materials required by this proposal stored in their warehouse. In addition, DHSS states that the required materials are posted on their website and can be printed by clinics/providers when necessary. It is further assumed by DHSS officials that if someone needed the required materials to be sent to them, the clinic/provider would bear the mailing costs. Therefore, this proposal is not expected to have a fiscal impact on the DHSS.

Oversight notes, in response to similar legislation (HB 282), the **Office of Attorney General, the Department of Social Services, the Office of State Courts Administrator and St. Louis County** have each stated the proposal would not have a direct fiscal impact on their respective organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

**§§188.043 and 188.044 - Malpractice and tail insurance**

In response to similar legislation (SCS HB 126), officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** stated this bill is anticipated to have no fiscal impact to the department. However, should the extent of the work be more than anticipated, the DIFP would request additional appropriation and/or FTE through the budget process.

Oversight does not have any information to the contrary. Oversight assumes the DIFP will be able to perform the additional duties required by this proposal with existing personnel and resources. Oversight will reflect a zero fiscal impact for the DIFP for fiscal note purposes.

**§§188.056, 188.057, and 188.058 - No abortions performed except in medical emergencies**

Oversight notes the provisions of these sections provide that no abortion will be performed upon a woman at eight, fourteen or eighteen weeks gestational age or later, except in cases of medical emergencies. Oversight assumes these provisions would have no fiscal impact on state agencies.

**Bill as a whole**

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**ASSUMPTION (continued)**

Officials from the **Office of Attorney General (AGO)** assume any additional litigation costs arising from this proposal can be absorbed with existing personnel and resources. However, the AGO may seek additional appropriations if there is a significant increase in litigation.

**Oversight** does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** state this bill is anticipated to have no fiscal impact to the department. However, should the extent of the work be more than anticipated, the DIFP would request additional appropriation and/or FTE through the budget process.

**Oversight** does not have any information to the contrary. Oversight assumes the DIFP will be able to perform the additional duties required by this proposal with existing personnel and resources. Oversight will reflect a zero fiscal impact for the DIFP for fiscal note purposes.

Officials from the **Missouri Office of Prosecution Services** have stated the proposal would not have a fiscal impact on their organization. However, the creation of a new crime creates additional responsibilities for county prosecutors which may in turn result in additional costs which are difficult to determine. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this organization.

**Oversight** notes that the **Department of Corrections, the Department of Public Safety, Missouri State Highway Patrol, the Office of State Courts Administrator, the Office of State Public Defender and Legislative Research** have stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

**§188.375 - Late-term pain-capable unborn child protection act**

**Oversight** notes in response to similar legislation (SB 345), officials from the **Department of Corrections (DOC)** stated according to the Department of Health and Senior Services, Missouri currently has one licensed abortion facility (located in St. Louis). Women seeking abortions in Missouri will either go to another state or to the St. Louis facility. If this bill is enacted, the St. Louis facility closes. However, women will only have to drive a few more miles to Illinois, where abortions are legal.



**ASSUMPTION** (continued)

Currently, there are three laws concerning abortion that contain penalties for violation (§188.080.001 - Class A misdemeanor; §188.080.002 - Class B felony; and §188.075.001 - Class A misdemeanor). No convictions of these statutes occurred in FY 2016 - 2018, even with the paucity of abortion facilities in the state. For these reasons, it is expected that enactment of this bill will have no fiscal impact on the DOC.

Oversight does not have any information to the contrary. Therefore, Oversight assumes there will be no fiscal impact to the DOC for fiscal note purposes.

In response to similar legislation (SB 139), officials from the Department of Social Services (DSS) state the proposed language may be subject to legal challenge on the grounds that it may conflict with current federal law governing the Medicaid program to the extent that it would prohibit the Missouri Medicaid program from paying for abortions in cases of pregnancies arising from rape or incest, or in cases where the abortion is necessary to save the life of the mother. Under current federal law, state Medicaid programs are not required to pay for abortions except in cases of rape, incest and when necessary to save the life of the mother. This is known as the Hyde Amendment. The current version of the Hyde amendment is included in the federal appropriation bill for the Medicaid program. (See PL 114-113, 114-223 and PL 114-254.) In 1994 the United States District Court entered an injunction against Missouri directing Missouri to comply with the requirements of the Hyde Amendment. (Stangler vs. Shalala, 1994 WL 764104 (W.D.Mo 1994)). Failure to comply with the requirements of current federal law could subject Missouri to the risk of litigation and sanctions, including the possibility of deferral or disallowance of federal financial participation in Missouri's Medicaid program. The extent of the deferral or disallowance is unknown.

This legislation could result in the loss of all federal Medicaid funds. In FY 2019, there is over \$7.2 billion federal funds budgeted for MO HealthNet services across the Department of Social Services, Department of Mental Health, and Department of Health and Senior Services. To continue covering services in SFY 2020 to Medicaid participants, the State of Missouri would need an additional \$7,408,762,188 in General Revenue to account for the reduction in Federal matching funds. A 2.4% medical inflation rate was used for FY 2020, FY 2021 and FY 2022.

SFY 2020: GR - \$7,408,762,188, FED - 0, OTHER - 0, Total: \$7,408,762,188

SFY 2021: GR - \$7,586,572,481, FED - 0, OTHER - 0, Total: \$7,586,572,481

SFY 2022: GR - \$7,768,650,220, FED - 0, OTHER - 0, Total: \$7,768,650,220

Oversight notes DSS officials provided the MO HealthNet Division paid for 2 abortions during FY 2018 to save the life of the mother; no abortions were paid for during FY 2017 and 2 abortion were paid for in FY 2016 that resulted from rape and incest.



**ASSUMPTION** (continued)

**Oversight** assumes federal funding would only be in jeopardy if, as a result of rape and incest, the DSS did not authorize funding for abortions for MO HealthNet recipients and the DSS actually had cases that met those conditions. Since it is unknown whether DSS would lose some or all federal funding, Oversight will range the potential loss of federal funding from \$0 to (Unknown)

In response to similar legislation (SB 139), officials from the **Department of Health and Senior Services (DHSS)** stated §188.026.1-2 of the proposed legislation requires a physician performing an abortion to conduct a fetal heartbeat determination, and a record of the results of the fetal heartbeat determination exam to be included in the woman's medical record. The DHSS, Division of Regulation and Licensure, Section for Health Standards and Licensure (HSL) is responsible for regulating abortion facilities. This will require two additional steps to be added to the survey process to ensure the physician performing the abortion conducts a fetal heartbeat determination exam, and the medical record includes documentation of the fetal heartbeat determination. It is assumed that these new questions will require less than 30 additional minutes per survey, at the three abortion facilities in Missouri, for a total of one and one-half hours of additional work a year. These surveys are conducted by a Health Facilities Nursing Consultant. The average hourly rate for this position is \$26.05, so the additional cost of these additional questions is \$39.08 annually (1.5 hours x 26.05).

In addition, §188.052.2(4) of the proposed legislation states that the time, date, method, and results of the fetal heartbeat detection test performed prior to an abortion shall be captured in the individual complication report. This would require DHSS, Division of Community and Public Health (DCPH), to make minor revisions to the Complication Report for Post-Abortion Care form that is posted on the DHSS website, and would also require minor changes to the DHSS database used to capture this information. Both of these revisions could be completed by current staff. Forms are not printed, therefore, DCPH would not incur any cost to print revised forms.

The department anticipates being able to absorb these costs. However, until the FY20 budget is final, the department cannot identify specific funding sources.

**Oversight** does not have any information to the contrary. Therefore, Oversight assumes the DHSS will be able to perform the additional duties prescribed in this bill with current staff and resources and will present no fiscal impact to the DHSS for fiscal note purposes.

In response to similar legislation (SB 139), officials from the **Office of Attorney General (AGO)** assumed any additional litigation costs arising from this proposal can be absorbed with existing personnel and resources. However, the AGO may seek additional appropriations if there is a significant increase in litigation.

**ASSUMPTION** (continued)

Oversight does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

In response to similar legislation (SB 139), officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** state this bill is anticipated to have no fiscal impact on the DIFP. However, should the extent of the work be more than anticipated, the DIFP would request additional appropriation and/or FTE through the budget process.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the DIFP can perform the additional duties required by this proposal with existing personnel and resources.

Oversight notes the provisions of §188.026.4 provide that if a physician fails to conduct a fetal heartbeat detection test prior to the performance or inducement of an abortion, he/she will be subject to having his/her license application rejected, revoked, or suspended by the state board of registration for the healing arts for a period of six months and shall be subject to a fine of one thousand dollars.

Per DHSS's 2016 Annual Report (most current available), 4,562 abortions were performed in Missouri. Per [www.steadyhealth.com](http://www.steadyhealth.com), fetal heartbeats can usually be detected around 6-7 weeks, although it can take up to 10 weeks for the heartbeat to be heard. Other online information indicated a doctor can usually detect the baby's heartbeat at 9-10 weeks, although sometimes it takes 12 weeks for it to be easily detected. For purposes of this fiscal note, Oversight assumed a fetal heartbeat would be detected after 9-10 weeks. According to DHSS's report, 1,323 abortions (29%) were performed after the 9-10 week period of time.

Oversight notes, per DHSS's response, there are three facilities in Missouri which perform abortions. With the limited number of facilities providing abortion services, Oversight assumes there would be a limited number of physicians required to comply with the provisions of this the proposal. Therefore, for fiscal note purposes, Oversight is not presenting potential fine revenue; however, any fine revenue collected would be deposited in the State School Moneys Fund (0616).

Oversight notes, in response to similar legislation (SB 139), the **Office of State Courts Administrator (OSCA)** stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for OSCA.

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**FISCAL IMPACT -**

**State Government**

FY 2020  
 (10 Mo.)

FY 2021

FY 2022

Fully  
 Implemented  
 (FY 2026)

**GENERAL  
 REVENUE FUND**

**Cost - DOR**

\$135.630 removing  
 the cap and sunset  
 language from the  
 pregnancy resource  
 center

\$0

\$0

(Could exceed  
\$1,400,000)

(Could exceed  
\$4,900,000)

**ESTIMATED NET  
 EFFECT ON THE  
 GENERAL  
 REVENUE FUND**

\$0

\$0

(Could exceed  
\$1,400,000)

(Could exceed  
\$4,900,000)

**FEDERAL FUNDS**

**Loss - DSS**

(\$188.026)

A potential  
 reduction in federal  
 funding if Missouri  
 is found to be non-  
 compliant with  
 federal law

\$0 to (Unknown)

\$0 to (Unknown)

\$0 to (Unknown)

\$0 to (Unknown)

**ESTIMATED NET  
 EFFECT ON  
 FEDERAL FUNDS**

\$0 to  
(Unknown)

\$0 to  
(Unknown)

\$0 to  
(Unknown)

\$0 to  
(Unknown)

**FISCAL IMPACT -**

**Local Government**

FY 2020  
 (10 Mo.)

FY 2021

FY 2022

Fully  
 Implemented  
 (FY 2026)

\$0

\$0

\$0

\$0

HW-C:LR:OD



**FISCAL IMPACT - Small Business**

This proposal may have a significant negative fiscal impact on small business health care providers if the State of Missouri loses federal funding used to provide services to MO HealthNet recipients through these health care providers.

**FISCAL DESCRIPTION**

This proposal modifies provisions relating to abortion and the pregnancy resource center tax credit.

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 Attorney General  
Department of Health and Senior Services  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Corrections  
Department of Revenue  
Legislative Research  
Department of Social Services  
Missouri Office of Prosecution Services  
Office of State Courts Administrator  
Office of State Public Defender



Kyle Rieman  
Director  
May 16, 2019

Ross Strobe  
Assistant Director  
May 16, 2019

**Sarah W. Martin, 11th Ward Alderwoman, Lyda Krewson, Mayor, Annie Rice, 8th Ward Alderwoman, Dan Guenther, 9th Ward Alderman, Larry Arnowitz, 12th Ward Alderman, Cara Spencer, 20th Ward Alderwoman, Bret Narayan, 24th Ward Alderman, Shane Cohn, 25th Ward Alderman, and Heather Navarro, 28th Ward Alderwoman from City of St. Louis provided the following information:**

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## BOARD OF ALDERMEN

CITY OF SAINT LOUIS

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Sarah Wood Martin  
Alderdwoman, 11<sup>th</sup> Ward

### --COMMITTEES--

Engrossment Rules, Resolutions & Credentials  
Health & Human Services  
Parks & Environmental Matters  
Streets, Traffic & Refuse

June 11, 2019

Office of the Missouri State Auditor  
Auditor Nicole Galloway  
Capitol Building, Suite 121  
P.O. Box 869  
Jefferson City, Missouri 65102

Dear Madam Auditor Galloway,

We write to you as elected officials representing a portion of the state's largest economy. Please consider this correspondence a request of a cost overview analysis to determine the potential financial impact of the Missouri Legislature's passage of House Bill 126.

The Saint Louis region generates nearly half of Missouri's revenue, bringing in over \$30 million in sales tax revenue. According to Missouri's Department of Economic Development, "The St. Louis region boasts one of America's great metropolises in the Gateway City, with almost ten Fortune 500 firms, world-class museums, restaurants, shopping, and sports (Cardinal baseball and Blues Hockey). Leading industries include retail trade, professional and technical services, construction, food services and administrative and support services such as Edward Jones, Enterprise Rent-A-Car, AG Edwards and Anheuser-Busch."

We already know from the previous legislation, discriminatory laws in Missouri and other states have negative financial impacts. In 2016, when the Missouri Legislature attempted to discriminate against our LGBT neighbors we heard widespread criticism from the business community about how this law would have made Missouri an unattractive place to do business. House Bill 126 has the same effect. Discrimination, in any form, is detrimental to the hiring abilities and financial bottom line of our major industries. Allowing HB 126 to become law will spark backlash against our state. We could face economic boycotts and travel advisories as our residents push back against this unconstitutional law. This is not unprecedented in Missouri- we need look no further than the NAACP's issuance of a travel advisory in 2017 warning visitors who travel to our state that they may face discrimination. Right now, we can look to states like Georgia to see legislation similar to HB 126 has triggered a boycott from leading artists and entertainers costing the state millions. We cannot suffer another blow to our economic development.

Room 230, City Hall • 1200 Market Street • St. Louis, MO 63103 • (314) 622-3756  
martins@stlouis-mo.gov



These types of discriminatory laws have a broad impact. Potential students have announced they will no longer consider Missouri's top higher education institutes. These same institutions have research facilities that will have to contend with the best and the brightest looking to work elsewhere. Our convention center will be competing to attract conferences and entertainment with cities in other more inclusive states. Corporations rooted in Saint Louis and those looking to relocate have already denounced discriminatory laws citing the difficulty of competing for top talent.

The Legislature's Fiscal Oversight Division reports the fiscal impact of this fully implemented legislation on General Revenue in 2026 could exceed \$4,900,000. Our state also stands to lose \$7.2B in Medicaid funding should this measure become law. This number was determined quickly and without a full response from all departments. We know this legislation will have severe financial consequences for our city. We ask you to consider those costs in your analysis of referenda seeking to repeal HB 126 that will come before your office for review.

Sincerely,

Mayor Lyda Krewson  
 8<sup>th</sup> Ward Alderwoman Annie Rice  
 9<sup>th</sup> Ward Alderman Dan Guenther  
 11<sup>th</sup> Ward Alderwoman Sarah W. Martin  
 12<sup>th</sup> Ward Alderman Larry Arnowitz  
 20<sup>th</sup> Ward Alderwoman Cara Spencer  
 24<sup>th</sup> Ward Alderman Bret Narayan  
 25<sup>th</sup> Ward Alderman Shane Cohn  
 28<sup>th</sup> Ward Alderwoman Heather Navarro

The State Auditor's office did not receive a response from the Attorney General's office, the Secretary of State's office, Adair County, Boone County, Callaway County, Cass County, Clay County, Cole County, Jackson County, Jasper County, St. Charles County, St. Louis County, Taney County, the City of Cape Girardeau, the City of Columbia, the City of Jefferson, the City of Joplin, the City of Kirksville, the City of Mexico, the City of Raymore, the City of St. Joseph, the City of Springfield, the City of Union, the City of Wentzville, the City of West Plains, Cape Girardeau 63 School District, Hannibal 60 School District, Malta Bend R-V School District, Meherville School District, State Technical College of Missouri, University of Missouri, St. Louis Community College, and Missouri Life Sciences Research Board.

### **Fiscal Note Summary**

Revenues from state sources may decrease by at least \$4.9 million annually and federal Medicaid revenues may decrease by an unknown amount, up to \$7.2 billion annually. The Public Defender's Office anticipates increased costs of an unknown amount to defend women's medical actions after conception. Local governmental entities anticipate a significant negative impact.

# 2022 Referendum Petitions Approved for Circulation in Missouri

Note that the text of these petitions may not constitute the full and correct text as required under Section 116.050, RSMo

- [Referendum for Senate Substitute 2 for Senate Committee Substitute for Senate Bill 262, 2022-R002](#)

## Referendum for Senate Substitute 2 for Senate Committee Substitute for Senate Bill 262 2022-R002

[\[full text\]](#) 

Submitted by: Jeremy Cady

Jeremy Cady  
2208, Missouri Blvd., Ste. 102-317  
Jefferson City, MO 65109

Official ballot title certified by Secretary of State on July 9, 2021.

### OFFICIAL BALLOT TITLE AS CERTIFIED BY SECRETARY OF STATE

Do you want to adopt Senate Bill 262 passed by the General Assembly in 2021, which amends Missouri Law to:

- increase motor fuel tax by an additional 2.5 cents per gallon per year for a total increase of 12.5 cents per gallon when fully enacted;
- increase fees for alternative and electric fuel decals by 10 or 20 percent (depending on vehicle weight) per year for five years; and
- allow taxpayers who retain original receipts for paid motor fuel tax to apply for a refund with the Department of Revenue for the additional tax paid on a fiscal year basis?

State governmental entities estimate initial costs of at least \$500,000, ongoing costs of at least \$500,000 annually, and increased revenues of \$90 million to \$330 million annually by 2027. Local governments are estimated to have unknown costs and increased revenues of \$30 million to \$120 million annually by 2027.

People Not Politicians v. Hoskins 000133



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Not an Official Court Document