

**Local Mandate Fiscal Impact Estimate
Kentucky Legislative Research Commission
2017 Regular Session**

Part I: Measure Information

Bill Request #: 823

Bill #: SB 8 HCS 1

Bill Subject/Title: AN ACT relating to the use of public resources.

Sponsor: Senator Max M. Wise

Unit of Government: City County Urban-County
 Charter County Consolidated Local Unified Local
Government

Office(s) Impacted: Local health departments

Requirement: Mandatory Optional

Effect on

Powers & Duties: Modifies Existing Adds New Eliminates Existing

Part II: Purpose and Mechanics

SB 8 HCS prohibits the distribution, either directly or indirectly, of any state or local money to a nonpublic entity or facility that provides abortions, without jeopardizing federal grants to Kentucky for family planning services under Title X and federal regulation 42 CFR 59.59(a)(5). That regulation requires that projects receiving Title X funding must provide to their participants information and counseling regarding pregnancy options, including information, counseling, and referral, if requested, regarding pregnancy termination.

Therefore, **Section 2** amends KRS 311.715 to add subsection (2)(a) to prohibit public agency funds being disbursed in any manner to a nonpublic entity that provides family planning services but no comprehensive primary and preventive services, but excludes from the prohibition funding available through Kentucky's Medical Assistance Act at KRS 205.510 to 205.560. **Section 2** of the bill would also add subsection (2)(b) to award federal family planning funds, through establishment of a prioritizing scale, to public agencies and nonpublic entities that provide family planning services.

In addition, Section 2 adds a new subsection (2)(c) to establish that new subsection (2)(a) and (b) would not be effective until repeal of federal regulations prohibiting states from prioritizing recipients of federal Public Health Service Act, Title X Family Planning

Program funds. Amends KRS 311.715 to establish that new subsection (2)(a) would not apply to impact funding for abstinence education in schools.

Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

SB 8 HCS would have no fiscal impact on local governments at this time but could have an indeterminate fiscal impact on local public health departments if it becomes effective.

Any fiscal impact on local governments would arise out of Section 2(b)(2) of SB 8 HCS. Kentucky's sixty-one (61) local health departments are largely funded by federal grant and local property taxes. The Kentucky Department for Public Health (DPH) distributes federal Title X funds for family planning services to each local health department in the state. In accordance with federal law 42 CFR 59.5 (5), Title X recipients (including local health departments, the University of Kentucky, and one (1) Kentucky Planned Parenthood site) shall "...[n]ot provide abortion as a method of family planning." However, 42 CFR 59.5 requires that projects receiving Title X funding must offer pregnant women the opportunity to get information and counseling regarding pregnancy termination, if requested.

Since Section 2 (2) of the bill would not be effective until and unless federal regulations prohibiting states from prioritizing recipients of federal Public Health Service Act, Title X Family Planning Program funds are repealed, that Section has no impact on local governments at this time.

Should SB 8 HCS Section 2(2) become effective, the impact of the bill is unknown since it is impossible to predict whether there may be other changes in applicable federal law. The absolute prohibitions of the bill would apply only to state and local money and to nonpublic entities. Since the bill would not, even if it becomes effective, prohibit federal money being given to **public** entities or facilities that offer abortion counseling, advice, or referrals, it should not jeopardize federal Title X family planning services grants for Kentucky's local health departments. For these reasons local fiscal courts and taxpayers would not be called on to support, or pay for, those services and the bill would have no fiscal impact on local governments.

Data Source(s): Kentucky Department of Public Health; LRC Staff

Preparer: Mary Stephens **Reviewer:** KHC **Date:** 3/2/17