

**MISSOURI STATE AUDITOR'S OFFICE
FISCAL NOTE (24-086)**

Subject

Initiative petition from Anna Fitz-James regarding a proposed constitutional amendment to Article I. (Received March 9, 2023)

Date

March 29, 2023

Description

This proposal would amend Article I of the Missouri Constitution.

The amendment is to be voted on in November 2024.

Public comments and other input

The State Auditor's office requested input from the **Attorney General's office**, the **Department of Agriculture**, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, the **Department of Health and Senior Services**, the **Department of Commerce and Insurance**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Corrections**, the **Department of Labor and Industrial Relations**, the **Department of Revenue**, the **Department of Public Safety**, the **Missouri Department of the National Guard**, the **Department of Social Services**, the **Governor's office**, the **Missouri House of Representatives**, the **Department of Conservation**, the **Department of Transportation**, the **Office of Administration**, the **Office of State Courts Administrator**, the **Missouri Senate**, the **Secretary of State's office**, the **Office of the State Public Defender**, the **State Treasurer's office**, **Adair County**, **Boone County**, **Callaway County**, **Cass County**, **Clay County**, **Cole County**, **Greene 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 Kansas City**, the **City of Kirksville**, the **City of Mexico**, the **City of Raymore**, the **City of St. Joseph**, the **City of St. Louis**, 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**, **Mehlville School District**, **Wellsville-Middletown R-1 School District**, **State Technical College of Missouri**, **Metropolitan Community College**, **University of Missouri**, and **St. Louis Community College**.

Susan Klein, Executive Director, Missouri Right to Life provided information to the State Auditor's office.

Samuel H. Lee, Campaign Life Missouri provided information to the State Auditor's office.

David C. Drury, Attorney at Law provided information to the State Auditor's office.

Rachel U. Greszler, Senior Research Fellow in Economics, Budgets and Entitlements, The Heritage Foundation provided information to the State Auditor's office.

Assumptions

Officials from the **Attorney General's office** indicated they expect that, to the extent that the enactment of this proposal would result in increased litigation, their office could absorb the costs associated with that increased litigation using existing resources. However, if the enactment of this proposal were to result in substantial additional litigation, they may be required to request additional appropriations.

Officials from the **Department of Agriculture** indicated no impact.

Officials from the **Department of Economic Development** indicated no fiscal impact to their department.

Officials from the **Department of Elementary and Secondary Education** indicated they have reviewed initiative petition 24-086 and determined there is no fiscal impact to their agency.

Officials from the **Department of Higher Education and Workforce Development** indicated no impact to their department.

Officials from the **Department of Health and Senior Services** indicated changes to the bill are as follows:

Initiative petition 24-086 is identical to 24-077 with the following exceptions:

Adds new Section 36.4, which states "Notwithstanding subsection 3 of this Section, the general assembly may enact laws that regulate the provision of abortion after Fetal Viability provided that under no circumstance shall the Government deny, burden, or otherwise restrict an abortion that in the good faith judgement of a treating health care professional is needed to protect the life or physical or mental health of the pregnant person."

Removes Section 36.6 "Nothing in this Section requires government funding of abortion other than as required by federal law"

Adds definition for Fetal Viability in Section 36.8(1), "'Fetal Viability,' the point in pregnancy when, in the good faith judgement of a treating health care professional and based on the particular facts of the case, there is a significant likelihood of the fetus's sustained survival outside the uterus without the application of extraordinary medical measures."

Comments:

The fiscal impact for 24-086 is the same as the fiscal impact for 24-077 and is as follows:

- FY 2024 General Revenue: (\$0 to Unknown)
- FY 2025 General Revenue: (\$0 to Unknown)
- FY 2026 General Revenue: (\$0 to Unknown)

Officials from the **Department of Commerce and Insurance** indicated this petition, if passed, will have no anticipated cost or savings to their department.

Officials from the **Department of Mental Health** indicated this proposal creates no direct obligations or requirements to their department that would result in a fiscal impact.

Officials from the **Department of Natural Resources** indicated they would not anticipate a direct fiscal impact from this proposal.

Officials from the **Department of Corrections** indicated no impact.

Officials from the **Department of Labor and Industrial Relations** indicated they anticipate no fiscal impact for this initiative petition proposing to amend Article I.

Officials from the **Department of Revenue** indicated the initiative petition does not have an impact on their department.

Officials from the **Department of Public Safety** indicated no impact for their department, Director's office.

Officials from the **Missouri Department of the National Guard** indicated no fiscal impact to their department.

Officials from the **Department of Social Services** indicated they do not anticipate a fiscal impact as a result of this petition.

Officials from the **Governor's office** indicated this proposal relating to reproductive issues does not financially impact their office.

Officials from the **Missouri House of Representatives** indicated no fiscal impact.

Officials from the **Department of Conservation** indicated Initiative Petition 24-086 has no fiscal impact on their department.

Officials from the **Department of Transportation** indicated no fiscal impact expected for their department or the Missouri Highways and Transportation Commission.

Officials from the **Office of Administration** indicated this proposal relating to reproductive issues does not financially impact their office.

Officials from the **Office of State Courts Administrator** indicated there is no fiscal impact on the courts.

Officials from the **Missouri Senate** indicated they anticipate no fiscal impact.

Officials from the **Secretary of State's office** indicated each year, a number of joint resolutions that would refer to a vote of the people a constitutional amendment and bills that would refer to a vote of the people the statutory issue in the legislation may be considered by the General Assembly.

Unless a special election is called for the purpose, Referendums are submitted to the people at the next general election. Article III section 52(b) of the Missouri Constitution authorizes the general assembly to order a special election for measures referred to the people. If a special election is called to submit a Referendum to a vote of the people, Section 115.063.2 RSMo. requires the state to pay the costs. The cost of the special election has been estimated to be \$10 million based on the cost of the 2022 primary and general election reimbursements.

Their office is required to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article XII, Section 2(b) of the Missouri Constitution and Section 116.230-116.290, RSMo. Funding for this item is adjusted each year depending upon the election cycle. A new decision item is requested in odd numbered fiscal years and the amount requested is dependent upon the estimated number of ballot measures that will be approved by the General Assembly and the initiative petitions certified for the ballot. In fiscal year (FY) 2014, the General Assembly changed the appropriation so that it was no longer an estimated appropriation.

For the FY22 petitions cycle, their office estimates publication costs at \$70,000 per page. This amount is subject to change based on number of petitions received, length of those petitions and rates charged by newspaper publishers.

Their office will continue to assume, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. Because these requirements are mandatory, they reserve the right to request funding to meet the cost of their publishing requirements if the Governor and the General Assembly again change the amount or continue to not designate it as an estimated appropriation.

Officials from the **Office of the State Public Defender** indicated this initiative petition has no fiscal impact on their office.

Officials from the **State Treasurer's office** indicated no fiscal impact to their office is anticipated.

Officials from **Clay County** indicated they estimate no fiscal impact as a result of this initiative.

Officials from **Greene County** indicated in reviewing initiative petition 24-086 it has been determined there will be an increased cost to the County of Greene due to loss of tax revenue if voters vote to amend Article I.

The Missouri Department of Health & Senior Services recorded 135 "resident abortions" for Greene County in 2020 and 118 in 2021. The population of Greene County per the 2020 United States census was 298,915. (<https://www.census.gov/quickfacts/fact/table/greene-county-missouri/PST045221>)

In terms of economic impact, Greene County received \$112,673,249 in sales and property taxes for calendar year 2022 (**\$376.94** per capita based on **2020** census data). Accordingly, calculations from these figures indicate an annual loss in population of **135** represents a cost to the County of **\$50,886.90**; an increase in abortion statistics could reasonably be extrapolated to illustrate less tax collections and revenues over the years of potential working lifetimes.

Please see the attached table demonstrating the anticipated yearly on per capita basis and the overall fiscal impact on Greene County tax collections and revenues based on the recorded abortions in 2020 by Missouri Department of Health and Senior Services.

Additional research regarding the broader fiscal impact of lower fertility rates on local and state communities and government budgets may be found here:

- <https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2022/12/the-long-term-decline-in-fertility-and-what-it-means-for-state-budgets>

Greene County Collections in 2022	
2020 Population	298,915
Total Sales Tax Collected	126,986,094.91
Parks I	(8,226,052.01)
Parks II	(8,773,337.47)
Dan Kinney Bond from Parks I	(551,342.50)
LEST	(11,631,863.21)
Strafford TIF	(24,374.44)
Springfield Plaza TIF	(174,240.83)
Sales Tax Subtotal	97,604,884.45
Real Estate Tax	12,222,341.99
Personal Property Tax	2,846,022.58
Property Tax SubTotal	15,068,364.57
Total Taxes	112,673,249.02
Per Capita	376.94
Annual lost population	135
Annual Cost	50,886.90

Officials from **St. Louis County** indicated this has no fiscal impact on their county.

Officials from the **City of Jefferson City** indicated they do not think there would be a direct fiscal impact to the City of Jefferson imposed by Initiative Petition 24-086 proposing to amend Article I. There could be an indirect fiscal impact resulting from increased lawsuits related to violations of the act.

Officials from the **City of Kansas City** indicated this proposed amendment would have no fiscal impact on their city.

Officials from **Metropolitan Community College** indicated no fiscal impact.

Officials from the **St. Louis Community College** indicated they have reviewed the initiative ballot and believe the initiative would have no direct cost or revenue impact.

Susan Klein, Executive Director, Missouri Right to Life provided the following information:



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Jefferson City, MO 65102
573-635-5110
www.missourilife.org

March 15, 2023

Office of the Missouri State Auditor
The Honorable Scott Fitzpatrick
301 West High Street, Room 880
Jefferson City, MO 65102

Dear Auditor Fitzpatrick,

On behalf of the Members, Board and Staff of Missouri Right to Life, I submit to you our comments for consideration and inclusion in the fiscal note you will be preparing regarding the effects to the State of Missouri and its Local Governments of Initiative Petition(s) 2024-077 through 2024-087.

The Petitions Would Create Devastating Impacts for Missouri's Budget:

On March 8, 2023, 11 proposed initiative petitions (2024-077 through 2024-087) were filed with the Missouri Secretary of State's Office by Anna Fitz-James for a campaign committee called "Missourians for Constitutional Freedom." While each initiative petition has some slight variations, they are all identical in their purpose and their fiscal effects to General Revenue, Federal Funds, and Other Funds received by the State of Missouri and the impact to local governments.

The fiscal effects of some of the impacts of the petition(s) follow:

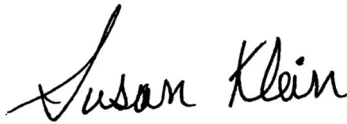
- **Abortion Injuries, Sanctions, Litigation and Loss of Federal Funding:** The petition will allow for abortions to be performed up until the moment of birth and possibly beyond. In addition to the loss of the life of the unborn child and the ending of his or her priceless contributions to our state and society, surgical and chemical abortions have risks and complications to the health of the mother. The cost impacts of surgical and medical abortion physical injuries would result in a devastating impact to Missouri's balanced budget due to an expansion of costs for Missouri's state and Federally-funded healthcare programs. In addition, women endure emotional trauma after an abortion. A massive increase in funding for mental health services would be required. Under current Federal law, states are barred from using Federal funds to pay for abortions except in limited cases (the Hyde Amendment). Federal funding could be in jeopardy and Missouri could be subject to the risk of litigation and sanctions, including the possibility of deferral or disallowance of federal financial participation in Missouri's Medicaid program. In 2019, more than \$7.2 billion in Federal funds were budgeted for Mo HealthNet services (Department of Social Services, Department of Mental Health, and Department of Health and Senior Services). The loss of these funds would be devastating to Missouri.

- **Loss of Licensing Fee Revenues/Penalties:** The petition will allow for anyone to perform an abortion with no penalty, prosecution or adverse action for performing the abortion. An abortion provider would no longer have a reason to maintain his or her license with the State of Missouri (and anyone who chose to perform an abortion would be protected under the Constitution to do so without any regulations or consequences). Missouri laws and regulations would be nullified, and licensing fees normally collected would decline.
- **Rural Hospitals Impacted:** Rural hospitals are already struggling. The petition will allow anyone to perform an abortion with no penalty, prosecution or regulation, and will result in a skyrocketing number of women injured by abortion who will need emergency services, flooding Emergency Rooms and health clinics and limiting or delaying access to emergency healthcare services needed by other individuals. This will result in a fiscal impact to the state. The state will also experience a fiscal impact through staff shortages as abortion-injured state employees seek medical care, surgery and recovery time off work to manage complications of abortion.
- **Missouri Could Face a Budgetary Crisis Due to Loss of Federal Funding from Violating Federal Conscience Laws:** The petition will force Missouri to be out of compliance with Federal conscience laws. This could result in the loss of billions of dollars of Federal funding, litigation and sanctions. If the Federal Government sanctions Missouri due to these violations, this will be devastating and create a budgetary crisis in Missouri. The state will also experience a fiscal impact through staff shortages as state employees flee state jobs where they feel their conscience is violated due to being forced to assist with an abortion.
- **Abortions Funded With Public Tax Dollars:** The petition will allow for the funding of abortions with public tax dollars. The language does not prohibit government funding of abortion procedures or of abortion providers. This would result in a massive fiscal impact to Missouri's balanced budget.
- **Constitutional Protections for Human Traffickers:** The petition will allow for anyone to perform, or assist with, an abortion with no penalty, prosecution or adverse action for performing the abortion. This would result in Constitutional protections for child sex traffickers who impregnate their victims and coerce them into an abortion and would render ineffective Missouri law enforcement, prosecution and justice efforts tasked with upholding our Constitution and laws. The petition could hamper the Federal Government's efforts under The Trafficking Victims Protection Act of 2000 and other Federal laws and could result in sanctions from any Federal funding that Missouri would otherwise be eligible to receive.
- **Sex Changes, et. al, Funded With Public Tax Dollars:** The petition, under the guise of "The Right to Reproductive Freedom," will allow the funding of sex change surgeries, puberty blockers, hormone therapy and other "reproductive services" with public tax dollars. This would result in a massive fiscal impact to Missouri's balanced budget.

In summary, any fiscal note of the petition(s) should contain the following language and should also include the estimated fiscal net effects to the State of Missouri and its local government:

This initiative petition (a) will allow for abortions to be performed up until the moment of birth and possibly beyond, which would put Missouri in jeopardy of losing billions of dollars of Federal funding and create an unplanned strain on the state's General Revenue, Other and Local Funds as a result of abortion injuries, sanctions, litigation, loss of licensing fee/penalty revenues, and overloaded emergency rooms and healthcare facilities, (b) will put Missouri in violation of Federal conscience laws, which could result in a loss of billions of dollars of Federal funding and an increase of state and local government employee vacancies and litigation due to exercising their rights of conscience, (c) will allow for anyone to perform, or assist with, an abortion with no penalty, prosecution or adverse action for performing the abortion, thereby creating Constitutional protections for Human Traffickers which could result in a loss of Federal funding, and (d) will allow for the funding of abortions, sex change surgeries, puberty blockers, hormone therapy and other "reproductive services" with public tax dollars which would result in a massive fiscal impact to the State of Missouri and its local government budgets.

Sincerely,

A handwritten signature in black ink that reads "Susan Klein". The signature is fluid and cursive, with the first name "Susan" and last name "Klein" clearly legible.

Susan Klein
Executive Director
Missouri Right to Life

Samuel H. Lee, Campaign Life Missouri provided the following information:



Samuel Lee
Director

March 16, 2023

State Auditor's Office
State Capitol
201 West Capitol Ave.
Jefferson City, MO 65101

Dear Auditor Fitzpatrick,

In accordance with the provisions of [section 116.175](#), this is a proposed statement of the fiscal impact of the 11 initiative petitions numbered 24-077 through 24-087, which your office received on March 9, 2023.

To summarize, the proposed ballot measures – all of which would amend the Missouri Constitution – could result in:

- A decrease in federal Medicaid revenues by an unknown amount, up to \$12.5 billion annually.
- Increased costs to taxpayers of unknown amounts, because of medical treatment of, or other services for, children or adults injured by abortions, sex-change operations, genital mutilation or other unspecified “reproductive health care” performed by unlicensed or untrained persons.
- Increased costs of an unknown amount to the Department of Health and Senior Services for the inspection and licensing of thousands of abortion facilities.
- Loss of revenue of unknown amounts to the state and its political subdivisions, because of boycotts of businesses, shopping, tourism or other revenue-generating activities, as a result of Missouri becoming the Midwest’s “abortion destination” state.
- Long-term loss of revenues of unknown amounts to the state and its political subdivisions, because of a decrease in the workforce due to the number of children who are aborted before birth. Also, because of individuals who can no longer work after they become disabled as a result of unsafe abortions, sex-change operations, genital mutilation or other unspecified, unsafe “reproductive health care.” But more important than fiscal costs, the human cost to Missouri’s citizens is unimaginable.

Former-Auditor Galloway made a comparable analysis of the fiscal impacts when she issued her fiscal note and fiscal note summary on [HB 126 \(20-R001 on June 19, 2019\)](#) – the subject of a

referendum that year. Her fiscal note summary became part of the [official ballot title certified by Secretary of State on August 14, 2019](#), for the referendum on HB 126.

Supporting Information on Fiscal Impact of the 11 Initiative Petitions:

- The loss of federal Medicaid matching dollars, which in the proposed fiscal year 2024 budget **would be a loss of nearly \$12.5 billion**.
 - In FY 2023, Missouri lawmakers appropriated about \$16.9 billion for Medicaid (MO HealthNet) across state agencies. [The majority of Medicaid financing in 2023 – \\$10.6 billion – came from federal matching funds](#). The governor’s proposed budget for MO HealthNet for FY 2024 is nearly \$19.3 billion – [almost \\$12.5 billion which would come from federal funds](#).
 - The loss of federal Medicaid matching funds could occur if Missouri is out of compliance with federal Medicaid requirements, for example:
 - If the state cuts off Medicaid reimbursements to Catholic hospitals. This could be a result of the requirement in the initiative petitions that the “Government shall not deny or infringe upon a person’s fundamental right to reproductive freedom.” This might include the state requiring Medicaid providers to sterilize patients, dispense puberty blockers or remove sex organs during sex-change operations.
 - This might also include the state requiring hospitals to participate in the horrendous practice of genital mutilation, currently prohibited by state law under [section 568.065](#), and for which no defense is allowed for “a matter of custom, ritual or standard practice, or [by] consent to the conduct by the child.”
 - But because of the broad-based definition of “reproductive health care” in the 11 initiative petitions (“including but not limited to”), state courts could easily find that genital mutilation is constitutionally protected activity, and strike down existing law.
 - However, for the state government to require Catholic health care providers (or others) to provide these procedures, it would be a violation of their conscience rights – for which the federal government could withhold from the state, Medicaid matching dollars.
 - For example, in California in 2020, [HHS disallowed \\$200 million in federal Medicaid matching funds per quarter due to the state’s unlawful abortion insurance mandate](#), which forced a Catholic order of religious sisters and a non-profit Christian Church to provide abortion health insurance coverage. See also:
 - [“The Fight Over California’s Abortion Coverage Mandate,” Regulatory Review](#), February 3, 2021 (“Can a state require that all health plans offered to its residents cover elective abortions? The federal government thinks not, and the state of California is poised to lose at least \$200 million in Medicaid dollars because it insists that health plans in its state cover abortion services.”)

- [“Federal agency says UVM Med Center forced nurse to assist in abortion,”](#) *VTDigger*, August 28, 2019 (“The U.S. Department of Health and Human Services has accused the University of Vermont Medical Center of forcing a nurse to assist in an abortion procedure despite the nurse’s religious objections. ... The [letter from Roger Severino](#), the director of HHS’ Office for Civil Rights, asks the hospital to adjust its policies or face losing the federal funding it receives from HHS.”)
- There might be additional circumstances where state compliance with at least some of the proposed constitutional amendments would force the state to be out of compliance with federal Medicaid law, such as the state paying for abortions (or other procedures) with federal funds that are not permitted to be reimbursed under federal law. For example, the state might be compelled by the terms of some of the initiative petitions to pay for all abortions for all Medicaid-eligible females, because failing to do so might “discriminate against persons” if the state is paying for the labor and delivery of children for all Medicaid-eligible females. In other words, under the state constitution, Missouri might no longer be [“permitted to enact persuasive measures which favor childbirth over abortion”](#) (*Planned Parenthood v. Casey*, 505 U.S. 833, 886 (1992)). Such non-compliance with federal Medicaid law might also apply to other broad-based, undefined “reproductive health care,” which the state might also be compelled to pay for.
- Under the initiative petitions, the “Government shall not discriminate against persons providing or obtaining reproductive health care or assisting another person in doing so.” “Nor shall any person assisting a person in exercising their right to reproductive freedom with that person's consent be penalized, prosecuted, or otherwise subjected to adverse action for doing so.” Thus, ANY person of ANY age could legally provide, or assist another person in obtaining, an abortion, a sex-change operation, genital mutilation or other unspecified “reproductive health care.” **This could result in numerous, life-altering medical complications to the child or adult who underwent the “reproductive health care.”** Especially with abortion – particularly for abortions performed later in pregnancy – this could result in huge medical costs for her and her child **that are ultimately paid for by taxpayers.**
 - Regarding abortion, in Missouri, the [cost of inpatient medical procedures and emergency department services for treating “issues before childbirth with complications”](#) is a **median charge per person of \$11,977** – with a minimum charges of \$4,140 and a **maximum charge of \$35,345.**
 - And the cost could be even higher for an abortion-related ER visit. [One recent study](#) found that a “[p]atient concealment and/or physician failure to identify a prior abortion during an ER visit is a significant risk factor for a subsequent hospital admission.” In fact, “[c]hemical abortion patients whose abortions are misclassified

- as miscarriages during an ER visit subsequently experience on average 3.2 hospital admissions within 30 days. 86% of the patients ultimately have surgical removal of retained products of conception (RPOC).”
- According to the CDC, in 2020, nearly 10,000 Missouri residents obtained abortions ([9,980 total, but only 167 within the state](#)). Having unlicensed, non-medical personnel permitted to perform or induce abortions within the state on even a fraction of these 10,000 girls or women could result in untold harm to them now – and harm to their future health and fertility.
 - And there might be additional costs to the state or political subdivisions beyond treating the complications to girls or women from being provided abortions by non-physicians or even non-medical personnel. Any low-birthweight infant born alive after a late-term abortion could need long-term NICU care and possibly permanent assistance throughout childhood and during his or her adult life.
 - According to a [2020 New York Times story](#): “The March of Dimes estimates that the average societal cost of each preterm birth, which includes medical care, early intervention services and lost productivity, is \$65,000.”
 - That same story reported on a cost of \$4 million in NICU costs for triplets who were born prematurely.
 - [Preterm birth lifetime costs in the United States](#) (as of 2016) were “estimated to be \$25.2 billion: \$17.1 billion for medical care of persons born preterm, \$2.0 billion for delivery care, \$1.3 billion for early intervention and special education, and \$4.8 billion in lost productivity due to associated disabilities in adults.”
- **Other costs could be the licensing and inspection of multiple locations (potentially thousands of sites) as “abortion facilities,” as required under Missouri law.** This is because [section 197.205](#) requires that no person or governmental unit shall establish, conduct or maintain an abortion facility in the state without a license issued by the Missouri Department of Health and Senior Services (DHSS).
 - [Section 188.015](#) defines an “abortion facility” as “a clinic, physician’s office, or any other place or facility in which abortions are performed or induced other than a hospital”.
 - [Section 197.230](#) states that “[i]n the case of any abortion facility, the department [of health and senior services (DHSS)] shall make or cause to be made an unannounced on-site inspection and investigation at least annually.” Such on-site inspections and investigations must include a variety of areas relating to staffing and equipment to respond to medical emergencies, compliance with Missouri’s abortion laws and the requirement that continuous physician services or registered professional nursing services are to be provided whenever a patient is in the facility.
 - There are [more than 7,000 licensed pharmacists in Missouri](#), and under the proposed constitutional amendment, any pharmacy (or other place) where a pharmacist provides abortion pills, DHSS would be required to inspect and license. **This would**

be an enormous cost to the department and to taxpayers. And any other place where abortion pills would be provided (homes, schools, vending machines, doctor's offices, clinics, etc.) would also have to be inspected at least once a year and licensed.

- **Economic boycotts of Missouri and its businesses could result if the “Show-Me” state becomes the “Abort-Me” state, once it is transformed into the Midwest’s “abortion destination” – a distinct possibility since Missouri is “within a day’s reach of half of U.S. households”.**
 - Just as some pro-abortion advocates in other states are promoting boycotts of states like Missouri that currently protect unborn children from abortion, pro-life advocates in other states might boycott by no longer purchasing from Missouri businesses, or engaging in travel, tourism or shopping in Missouri. How tragic that would be for Missouri, which has been described as one of the top pro-life states in the country.
 - Some “red” states have been prohibiting or attempting to prohibit their governmental entities from doing business with financial firms in other states that take environmental, social and corporate governance (ESG) into consideration, and those same states and additional ones might extend that to any “abortion destination” state – which is what Missouri could become if any one of the 11 initiative petitions is enacted into law.
 - “Missouri tourism provides a \$13.5 billion economic impact that creates more than 257,000 jobs in the state,” according to the Missouri Division of Tourism. It could be a devastating loss to the state and its residents if Missouri became the abortion capital of the Midwest.
- By some estimates, the economic cost to the U.S. of abortion in 2019 – due to the loss of nearly 630,000 unborn lives – was at least \$6.9 trillion, or 32 percent of GDP. **Missouri could experience increased economic loss if the number of abortions increases in the state.** And unsafe, legal abortions in the state could result in the disability of countless women who – perhaps permanently – would be unable to enter or remain in the workforce.
 - According to a June 15, 2022, report of the Joint Economic Committee (JEC) Republicans – The Economic Cost of Abortion – “the economic cost of abortion due to the loss of unborn lives is 425 times larger than the earnings loss mothers would be expected to incur when having a child.”
 - According to a key finding in the report: “In the long run, abortion shrinks the labor force, stunts innovation, and limits economic growth. It also weakens the solvency of social insurance programs like Social Security and Medicare that rely on workers to support a growing elderly population.”
 - And as the International Planned Parenthood Federation has noted: “**Unsafe abortions** are performed by un- or under-trained providers ... It is possible to have an unsafe, legal abortion.” (underlining added)

- Under the initiative petitions, “any person assisting a person in exercising their right to reproductive freedom” shall not “be penalized, prosecuted, or otherwise subjected to adverse action for doing so.” Thus, unlicensed, untrained persons of ANY age could perform unsafe, legal abortions or other “reproductive health care,” and the “Government shall not discriminate against persons ... in doing so.” While the economic cost of this policy is incalculable, more important and horrifying, the human cost to Missouri’s citizens is unimaginable.

Auditor Fitzpatrick, if we can be of further assistance, please do not hesitate to contact us.

Sam

Samuel H. Lee
Campaign Life Missouri
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P.O. Box 142585 • St. Louis, MO 63114-0585

David C. Drury, Attorney at Law provided the following information:

Dear Auditor Fitzpatrick:

I am a licensed attorney in the St. Louis Metropolitan area who has practiced law here for the last fifty years.

Eleven similar proposals to destroy major Missouri laws which have existed for decades are being suggested by petition numbers 2024-077 to 2024-087.

As you are aware, section 116.175 et al requires that a fiscal note and fiscal note summary state a measure's estimated cost or savings to any state or local governmental entity. In general, a strong fiscal outlook is an essential foundation for a growing, thriving economy. The gap between income and spending is subsequently closed by government borrowing, something to ideally be avoided. Moreover, voters, especially in this conservative state, should be informed and educated of the costs of measures so radical they reverse and erase in one fell swoop the studied product of elected representatives. Indeed, the cost of a proposal may be the reason a voter decides against it.

As commented, the above proposals, although different in some respects, all contain much identical language. For example, the Preamble and first three numbered paragraphs (except 077 uses the word "entails" in line 2 or paragraph 2) are the same. All contain a "discrimination" paragraph, a "severability clause, and the definitions of "Government" are copied throughout. Other deletions or additions to the submissions do not detract from the fact that multiple unfavorable fiscal consequences will result if passage of any happens. So, I feel it is fair to say that these comments relate to each and every variation, rather than to repeat the same points one by one, over and over.

Another observation about which no one can reasonably disagree is that these are extremely broad, and being so broad are vague and ambiguous. Applications can be to an expansive variety of situations, all at costs to the state and local governmental agencies. This is especially the case in light of the present political structure of the federal government, and of course many federal monies flow to the State of Missouri. Another way of saying this, although a somewhat different point, is the potential, actually a likelihood, that direction of funding can be "weaponized", so state laws conform to federal ones. Thus, the state of Missouri is "fiscally" affected. The federal government and the states do not exist as if there is a wall in between. Money flows back and forth, and thus a state can easily be targeted and penalized by federal legislative and executive actions.

Most recently as this week President Biden proclaimed that it was "cruel" and "close to sinful" for Florida to ban subjecting children to sex-change procedures. (Not to subject the children, but to ban subjecting the children)! The aforesaid ballot proposals insist that the "right to reproductive freedom" shall not be denied, interfered with, delayed, or otherwise restricted, and governmental action should be deemed invalid. The ballot also uses language in paragraph 2 of all versions the clause "not limited to". It would thus appear that the subject of sex-change procedures, is included. Similarly, some of the

suggested versions require no parental or guardian consent whatsoever, and others only superficially address the subject with a sure-fire exception that a health care professional (not even a treating physician) can approve an abortion without consent if he/she thinks that getting consent may lead to emotional harm to the minor. All of the proposals do not even require that a physician is necessary to provide medical care. In fact you don't even need any license. Medical malpractice will automatically result. The harm to patients for this poor care, and the cost to the State for care of these patients will be an adverse fiscal result.

All of the above circumstances, would lead responsible hospitals and medical care providers to practice their profession with higher and different standards. And so they would refuse to abide by the above random, and harmful, provisions. Next, we come to the subject of "who is going to pay the bill"? Medicaid, as we know, pays an enormous amount of medical charges. Hospitals and doctors get reimbursed by the State, but the State must comply with federal law. If a State fails to follow the law, for the federal portion, which is over half, it may not get reimbursed. The State suffers fiscally. My numbers are that the State of Missouri receives 12.5 billion in federal Medicaid money.

What if, for example, Cardinal Glennon Hospital in St. Louis refused to perform sex change surgery on a minor, with or without parental consent, in its hospital? It is against its religious beliefs, among many other reasons. Can the hospital be denied Medicaid funds? The text of the proposals require such. The President has just declared that refusing to perform this is "cruel". If the State foots the bill and does not get reimbursed from the federal government, this is a fiscal loss.

Is medical insurance required to pay for "reproductive health care"? If so, these are expensive fiscal consequences of the proposals.

The proposals also yield enormous costs to the State in situations where persons or institutions refuse care against their medical "standard of care" but do not even require a license (creating a breeding ground for malpractice, and all of the expenses that come with it). With Medicaid, the state pays part of the bill, but may not get reimbursed the rest if the proposed bill is not followed. What about the "religious beliefs" of medical care providers. If, for example, Catholic hospitals are penalized, the State of Missouri could also be "fiscally" penalized.

What about the issue of prescribing pills to induce abortion---chemical abortion? Do these proposals mean that all care providers must not deny, restrict, or delay this form of abortion? Is the "government" discriminating against patients by not requiring care providers including pharmacists to dispense the pills? Can they be penalized by withholding of Medicaid payments?

The issue of federal Medicaid funds being disallowed has come up before. In December 2020 HHS and OCR announced that \$200 million in federal Medicaid funds going to California in the upcoming quarter were being denied. This was due to the state illegally mandating that all health care plans subject to regulation by the California Department

of Managed Health Care cover abortion without exclusion or limitation. Furthermore, if California did not come into compliance, additional disallowances would be imposed at a rate of \$200 million per quarter. In a Vermont case, receipt of federal funds because of discrimination against an employee who refused to participate in abortions was threatened. I mention this because of the potential fiscal effect on the State of Missouri if one of these proposals was passed.

So as not to overlook the obvious, the proposals if passed would surely make abortions easier in this state, depriving the state of countless future taxpaying citizens. These persons, if allowed to live, would work, create and staff businesses, produce products, and in general contribute to the economy. A growing population encourages others to move here which in turn results in additional fiscal activity. And, although much of the above addresses Medicaid costs, since fewer workers will be around to contribute to the Medicare system, this system will be under fiscal stress also.

These are only some of the immediate, short-term, and permanent unfortunate fiscal consequences to State and local government if any of the proposals pass.

Thank you for considering this information.

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**Rachel U. Greszler, Senior Research Fellow in Economics, Budgets, and Entitlements,
The Heritage Foundation** provided the following information:

Date: March 17, 2023

State Auditor's Office
State Capitol
201 West Capitol Ave.
Jefferson City, MO 65101

Dear Auditor Fitzpatrick,

Per Missouri's [fiscal impact](#) provisions, I have prepared the below fiscal note comments on the proposed ballot initiative "A Constitutional Amendment Concerning the Regulation of Abortion" as submitted to your office on March 9, 2023 as initiative petitions 24-077 through 24-087. My comments are my own and should not be construed as representing any official position of the Heritage Foundation.

Missouri is considering laws that would make abortion legal and easily accessible. The State should not take that step, simply because it would result in the death of thousands of innocent human beings. I offer this fiscal note to provide additional reasons that might persuade those who wrongly doubt that unborn human babies are persons.

By significantly reducing the number of births in the state, these laws would reduce the state's population growth and generate short- and long-term impacts on the state's output and its government finances. Abortion laws could also impact individuals' and families' personal finances, health, and wellbeing in ways that affect states revenues and expenses.

Population growth and economic growth go hand in hand so long as the necessary resources and infrastructure are in place to support that growth. Those resources and infrastructure are in place and the U.S. faces an unprecedented labor shortage. Recent declines in fertility rates threaten to reduce population growth and current and future economic growth. Moreover, government debt has created a situation in which the future wellbeing of current residents is dependent upon a growing population and workforce to pay for current debts and for unfunded obligations promised to retirees.

Since 2007, the [total fertility rate](#) in the U.S. declined from 2.11 births per woman (right at replacement rate) to just 1.66 births per woman in 2021. Missouri's total fertility rate declined from 2.08 in 2007 to 1.60 in 2021.

Compared to current law (in which abortion is illegal in Missouri except in instances in which the woman's life is in danger or her health is severely compromised), the proposed laws could

lead to an additional [2,000 to 9,000 abortions per year](#) in Missouri, depending on how expansive abortion access would become.¹ Based on population projections from the Census Bureau, and assuming a one-for-one correlation between increased abortions and reduced population, the proposed abortion laws could reduce Missouri's projected population by 0.3 percent to 1.4 percent over the next 10 years and by 0.6 percent to 2.7 percent over the next 20 years.

The state needs to consider the following potential effects of abortion-induced population decline in its impact analysis:

A reduced labor force. Fewer births and a smaller population means a smaller future labor force. While proponents of abortion make the economic case that abortion enables women to work and earn more, the additional measurable work and earnings of women as a result of having an abortion is miniscule compared to the potential lifetime work and earnings of another human being. Moreover, while having a child can reduce mothers' work and earnings, it tends to increase fathers' work and earnings—a factor that is ignored in abortion advocates economic claims.

Healthcare strain. Already, the U.S. faces [serious shortages](#) of healthcare workers and the population is continuing to age. Young people (those who would be aborted over the coming decades as a result of the proposed laws) consume very little healthcare, and as they reach working age, they are net providers of healthcare. This means the proposed laws could exacerbate healthcare worker shortages, limit Missourians' [access to healthcare](#), and potentially drive up the state's [healthcare costs](#) as shortages lead to higher prices. With Medicaid being Missouri's largest budgetary item (in FY 2022, Missouri's Medicaid spending was 74 percent greater than its K-12 education spending), and the state being limited by the federal government in its ability to reduce Medicaid spending, higher healthcare costs could impose significant budget constraints.

Reduced tax revenues. In the immediate future, fewer children born in Missouri could reduce sales and real estate tax revenues because households with children spend more and tend to live in higher-value housing. While the income tax revenues of women who have children could be lower if they work less after having children, the work and [earnings of men](#) tend to rise after they have children. In the decades following increased abortions, the absence of potentially tens of thousands of workers would lead to reduced income tax revenues. Although some state expenses are proportional to the number of residents and would decline over time, many expenses are not, and declining revenues would necessitate higher taxes or spending cuts.

Exacerbated unfunded pensions and other post-employment benefits. Depending on different assumptions and risk levels, Missouri has between [\\$36 billion](#) and [\\$171 billion](#) in unfunded pension and [other post-employment benefits](#). That is money that has already been promised to public sector workers and retirees, but which has not been set aside to provide those benefits. The American Legislative Exchange Council estimates that Missouri's unfunded pension liabilities alone amount to [\\$26,965 per capita](#) in 2021, and these unfunded liabilities are

¹ Estimated increase based on the number of abortions in Missouri, as reported by the [Missouri Department of Health and Senior Services](#) and the [Guttmacher Institute](#), reporting roughly 9,000 abortions around 2000-2001 and about 2,000 abortions around 2020-2021.

continuing to grow. The fewer people Missouri has, the larger the per-capita liabilities become, and the harder it will be to raise taxes on workers and employers without them moving to other states. Among many consequences, [economic analysis](#) shows that unfunded pension obligations lead to lower real estate values, which would reduce property tax revenues.

Conclusion

It is an unquestionable fact that the U.S. Constitution requires all state and local governments to uphold Americans' most fundamental natural rights, including that of the right to life. Not counting unborn humans as living beings and treating abortion as an exercise in economic eugenics is an assault on these rights and values.

Even then, the fiscal and economic perspectives of abortion advocates are lacking sufficient economic rigor. I offer this fiscal analysis that provides good reasons to reject the proposed amendments on premises that abortion advocates may be able to accept.

The proposed laws to legalize and expand abortion access in Missouri warrant a properly conducted fiscal analysis. As a part of the debate, policymakers must consider how increased abortions will affect Missouri's population, workforce, fundamental services such as healthcare, the states tax revenues and expenditures, and Missouri's ability to make good on its unfunded pension and other post-employment benefit obligations.

Respectfully,

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The State Auditor's office did not receive a response from **Adair County, Boone County, Callaway County, Cass County, Cole County, Jackson County, Jasper County, St. Charles County, Taney County, the City of Cape Girardeau, the City of Columbia, the City of Joplin, the City of Kirksville, the City of Mexico, the City of Raymore, the City of St. Joseph, the City of St. Louis, 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, Mehlville School District, Wellsville-Middletown R-1 School District, State Technical College of Missouri, and the University of Missouri.**

Fiscal Note Summary

State governmental entities estimate no costs or savings, but unknown impact. Local governmental entities estimate costs of at least \$51,000 annually in reduced tax revenues. Opponents estimate a potentially significant loss to state revenue.