INITIAL FISCAL IMPACT STATEMENT

Date: August 19, 2019
Fiscal Analyst: Ariel Hammerquist (303-866-3469)

LCS TITLE: PROHIBITION ON LATE-TERM ABORTIONS

Fiscal Impact Summary

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<th>FY 2019-20</th>
<th>FY 2020-21</th>
<th>FY 2021-22</th>
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<td>Revenue</td>
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<td>Expenditures</td>
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Disclaimer. This initial fiscal impact statement has been prepared for the Title Board. If the initiative is placed on the ballot, Legislative Council Staff may revise this estimate for the ballot information booklet (Blue Book) if new information becomes available.

Summary of Measure

For the purposes of physician licensing, this measure makes performing or attempting to perform an abortion unprofessional conduct if the gestational age is at least 22 weeks. A licensed physician found in violation will have his or her license suspended for at least three years. Abortion after 22 weeks gestational age is not considered unprofessional conduct if it is necessary to save the life of the mother.

Background

Gestational age, as defined by this measure, is measured as the time that has elapsed from the first day of the woman's last menstrual period.

Federal law requires that state health programs receiving federal funding provide coverage for abortion services if the pregnancy results from rape or incest or if continuing the pregnancy would put the woman's life in danger. Colorado's Medicaid and Children's Health Plan Plus (CHP+) programs are subject to these requirements.

State Revenue

Starting in FY 2020-21, this measure potentially increases civil fine and fee revenue related to physician licensing by a minimal amount. To the extent physicians are found to have committed an unprofessional practice under the measure, they could be assessed a fine penalty by the State Medical Board, or when a license is suspended, may be required to pay additional fees to have the license reinstated. This analysis assumes a high level of compliance by licensed physicians and that any revenue will be minimal. This revenue will be deposited to the Division of Professions and Occupations Cash Fund.
State Expenditures

Starting in FY 2020-21, this measure is anticipated to increase workload and state expenditures in the Department of Regulatory Agencies and the Department of Health Care Policy and Financing.

Department of Regulatory Agencies. Under the measure, providing an abortion after 22 weeks gestational age constitutes unprofessional conduct by a licensed physician. The measure may result in additional complaints or disciplinary actions for the State Medical Board and the Division of Professions and Occupations. This increase in workload is anticipated to be minimal and can be accomplished within existing appropriations.

Department of Health Care Policy and Financing. As described above, Colorado's Medicaid and Children's Health Plan Plus (CHP+) programs are subject to federal requirements mandating that a state provide coverage for abortion services if the pregnancy results from rape or incest or if continuing the pregnancy would put the woman's life in danger. To remain compliant with federal law, the department may be required to transport a woman pregnant as a result of rape or incest to another state to obtain an abortion. As it is unknown how often this will occur, the fiscal impact cannot be determined. This analysis assumes such instances are rare, and that any change in appropriations will be addressed through the annual budget process, if required.

Economic Impact

Under this measure, licensed physicians who perform or attempt to perform an abortion if the gestational age is at least 22 weeks have committed unprofessional conduct for the purposes of physician licensing. As a result, women who seek an abortion after 22 weeks gestation will not be able to obtain one in Colorado unless their life is at risk. Pregnant women and abortion providers will likely change their behavior as a result of this. To the extent this measure results in more pregnancies being carried to term, the measure could alter labor market participation and/or shift household expenditures and economic activity toward child care and other child-rearing industries. The measure may also change the economic decisions of abortion providers, potentially affecting providers’ income by altering the variety and quantity of services they provide.

Effective Date

If approved by voters at the 2020 general election, this measure takes effect upon proclamation of the Governor, no later than 30 days after the official canvass of the vote is completed.

State and Local Government Contacts

Corrections
District Attorneys
Judicial
Regulatory Agencies
Abstract of Initiative 121: PROHIBITION ON LATE-TERM ABORTIONS

The abstract includes estimates of the fiscal impact of the proposed initiative. If this initiative is to be placed on the ballot, Legislative Council Staff will prepare new estimates as part of a fiscal impact statement, which includes an abstract of that information. All fiscal impact statements are available at www.ColoradoBlueBook.com and the abstract will be included in the ballot information booklet that is prepared for the initiative.

This initial fiscal estimate, prepared by the nonpartisan Director of Research of the Legislative Council as of August 19, 2019, identifies the following impacts:

State revenue and expenditures. Starting in FY 2020-21, this measure will minimally increase workload in the Department of Regulatory Agencies and may increase costs in the Department of Health Care Policy and Financing. It may also increase revenue from civil fines and regulatory fees by a minimal amount.

Economic impacts. Under this measure, licensed physicians who performed or attempted to perform an abortion if the gestational age is at least 22 weeks have committed unprofessional conduct for the purposes of physician licensing. As a result, women who seek an abortion after 22 weeks gestation will not be able to obtain one in Colorado unless their life is at risk. Pregnant women and abortion providers will likely change their behavior as a result of this. To the extent this measure results in more pregnancies being carried to term, the measure could alter labor market participation and/or shift household expenditures and economic activity toward child care and other child-rearing industries. The measure may also change the economic decisions of abortion providers, potentially affecting providers' income by altering the variety and quantity of services they provide.