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Office

H.B. 475
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 475's Bill Analysis](#)

Version: As Introduced

Primary Sponsor: Rep. Williams

Local Impact Statement Procedure Required: No

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Highlights

- The bill prohibits disbursement of state funds to any entity that supports, promotes, or provides abortions. It also requires counties and municipal corporations to report abortion-related spending to the state.
- The bill requires the Tax Commissioner to reduce Local Government Fund (LGF) distributions to municipal corporations and counties with abortion-related spending. The withheld LGF funds are redirected to a newly created fund, the Abortion Adjustment Fund, to be distributed to organizations providing counseling and other services to women who have had abortions.
- The Ohio Department of Health (ODH) must adopt rules governing the application for, and distribution of withheld funds described above. ODH may incur an increase in costs to administer the bill's provisions.

Detailed Analysis

The bill prohibits state funds from being disbursed, directly or indirectly, to any entity that supports, promotes, or provides abortions.

The bill requires counties and municipal corporations to report abortion-related spending to the state. By the fifth day of each month, a county or municipal corporation that spent money to support access to abortion, to provide reimbursement for abortion services, or for any related activity including travel and donations to entities that support, promote, or provide abortion, must provide a report to the Auditor of State and the Tax Commissioner inclusive of financial information enumerated in the bill.

The bill reduces distributions from the state's local government fund (LGF) to any county or municipal corporation that is required to file a report with the state because it spent money

on abortion access, services, or related activity. The bill specifies information that must be included in the report. The bill also provides for the complete withholding of LGF distributions from a county or municipal corporation that is required to file a report but fails to do so or reports inaccurate information. Amounts withheld under the bill's abortion adjustment are transferred from the LGF to the Abortion Adjustment Fund, which the bill creates. The bill also specifies procedures for calculating the amount of abortion adjustment to a county and municipal corporation. Continuing law in R.C. 9.04 and 5101.56 prohibits state funds from being used for certain abortion-related purposes.

The estimated amount of LGF funding that would be withheld from counties and municipal corporations associated with this bill is undetermined. Any decrease in LGF funding would have the effect of increasing revenue in the Abortion Adjustment Fund by the same amount. In calendar year (CY) 2023, the state distributed a total of \$496.8 million from the LGF to counties, townships, and municipal corporations. LGF allocations to a county or municipal corporation range between several thousand dollars per year for a number of small villages to over \$10 million per year for each of Cincinnati, Cleveland, Columbus, and Cuyahoga, Franklin, and Hamilton counties. The bill may also increase the Department of Taxation's administrative expenses related to LGF distributions. If there were any increase in such costs, it would likely be minimal.

The bill requires the Ohio Department of Health (ODH) to use the Abortion Adjustment Fund to provide funding for nonprofit entities that provide services under the Ohio Parenting and Pregnancy Program, which provides various services for pregnant women and parents or other relatives caring for babies. The bill requires ODH to adopt rules establishing procedures for such entities to apply for, and for the Department to distribute, that funding. The rules must specify a distribution priority for such entities providing counseling and other services to women who have received abortions. ODH may experience an increase in costs to administer the fund and to adopt rules. Costs to administer the fund will depend on the number of funding applicants.

It is possible that a public hospital that performs an abortion could realize a loss of state funds. However, only a small percentage of abortions are performed in hospitals and the majority of those are due to emergencies. Additionally, the federal Emergency Medical Treatment and Labor Act (EMTALA) requires hospitals to offer stabilizing treatment, including abortion care or transfer, to stabilize a patient's emergency medical condition and ensure that a patient's condition does not materially worsen.¹ Thus, it is unclear if any funds would actually be lost in these instances.

¹ U.S. Department of Health and Human Services' letter to hospitals and providers, July 2, 2024.