

OFFICIAL FINANCIAL ESTIMATE STATEMENT

November 6, 2018 General Election

Initiative Petition 1

Title: "Amends Constitution: Prohibits spending "public funds" (defined) directly/indirectly for "abortion" (defined); exceptions; reduces abortion access"

Estimate of Financial Impact:

Initiative Petition 1 amends the Oregon Constitution by prohibiting the expenditure of public funds on abortions, except for those deemed to be medically necessary, required by the federal government, or to terminate a clinically diagnosed ectopic pregnancy.

The financial impact of the initiative is anticipated to result in a net annual expenditure increase of \$19.3 million in public funds administered by state government. This increase is based on two factors: 1) an estimated decrease in state government expenditures of \$2.9 million resulting from the prohibition on spending public funds for abortions not exempted under the measure; and 2) an estimated increase of \$22.2 million in state government expenditures resulting from an estimated increase in births and corresponding utilization of health care, food, and nutrition services provided by state government programs. The net expenditure increase of \$19.3 million represents the estimated impact for the first year of the measure and would be a recurring expense each year thereafter at a level dependent on program caseloads and cost of providing services.

The net financial impact on state funds is expected to be a cost of \$4.8 million in the first year and will compound in future years. The future compounded costs are indeterminate.

The initiative is also expected to increase annual federal matching funds received by state government by an estimated \$14.5 million to support the additional health care, food, and nutrition services. As with the estimated net increase in state government expenditures, the increase in federal revenue represents the estimated impact during the first year of the initiative and would recur each year thereafter at a level dependent on program caseloads and cost of providing state government services.

The financial impact on local government is indeterminate.