Reproductive Health *and* Freedom Watch

REPORT: Implementing Financial Oversight and Accountability Measures for Taxpayer-Funded Pregnancy Centers

I. Introduction

Unregulated Pregnancy Clinics (UPCs) – commonly known as "crisis pregnancy centers" or "pregnancy resource centers" – have received hundreds of millions in taxpayer funding[1] while operating without the budgetary oversight typically required of licensed medical facilities. The overturning of *Roe* v. *Wade* only served to further the reach and influence UPCs have – secured through years of aggressive lobbying resulting in numerous state laws that direct taxpayer money to UPCs[2], create tax benefits for donors, and protect the industry from oversight. Between 2021 and 2024 alone, this strategy netted over $510 million in taxpayer dollars for UPCs sourced by state legislatures nationwide.

This report reveals the UPC industry's strategic targeting of state taxpayer dollars, highlights systemic reporting deficiencies, shows widespread misuse of public funds, and offers concrete policy solutions for establishing proper oversight and transparency requirements through state legislation.

II. UPC Targeting of State-Level Funding in 2025

Revenue in the UPC industry grew by 56% between 2019 and 2022, surpassing $1.7 billion[3] annually. And between 2017 and 2023, lobbying netted UPCs nearly $430 million in federal funding, primarily from the Temporary Assistance for Needy Families program. However, the funding these clinics are on track to secure at the state level – from bills introduced since the beginning of this year from just a handful of states so far – details a much more concerning trend about the UPC industry's increased sophistication in siphoning taxpayer dollars from all available streams.

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[1] Planned Parenthood Action. New report reveals crisis pregnancy centers received nearly $430M in federal funding; House members call for investigation [Internet]. 2024. Available from: https://www.plannedparenthoodaction.org/pressroom/icymi-new-report-reveals-crisis-pregnancy-centers-received-nearly-430m-in-federal-funding-house-members-call-for-investigation

[2] Greenwood M. Anti-abortion pregnancy crisis centers receive millions in taxpayer money, report finds. The Guardian [Internet]. 2023 Dec 28. Available from: https://www.theguardian.com/world/2023/dec/28/anti-abortion-pregnancy-crisis-centers-taxpayer-money-roe

[3] Reproductive Health Freedom. Unregulated pregnancy clinic industry's revenue soared to $1.7 billion annually [Internet]. 2024. Available from: https://reproductivehealthfreedom.us/icymi-unregulated-pregnancy-clinic-industrys-revenue-soared-to-1-7-billion-annually

As depicted in the table below, this state-by-state funding strategy has accelerated to the point that it is now projected to exceed federal contributions, with just seven states already allocating nearly $200 million in taxpayer funds.

Table: Proposed YTD 2025 UPC Funding
(as of April 2025)

State	Bill Number	Bill Name	Proposed UPC Funding Amount
Arkansas	HB1202	An Act For The Department Of Finance And Administration - Disbursing Officer Appropriation For The 2025-2026 Fiscal Year.	$2,000,000
Indiana	HB1001	State budget	$4,000,000
Kansas	HB2007	Substitute for HB2007 by Committee on Appropriations - Making and concerning supplemental appropriations for fiscal year 2025 and appropriations for fiscal years 2026 and 2027 for various state agencies.	$2,677,692
Minnesota	S1650	Women's pregnancy centers and maternity home program establishment and appropriation	$3,000,000
Missouri	HB 11	Appropriations Bill	$12,933,561
Ohio	HB96	Make state operating appropriations for FY 2026-27	$20,000,000
Texas	H1	General Appropriations Bill	$140,000,000
Utah	Multiple funding requests	Prolife Utah Support Life Program, and Utah Pregnancy Resource Centers	$450,000
TOTAL			**$185,061,253**

Should all these pieces of legislation pass as-is, UPCs will have secured this funding with little to no regulatory oversight and reporting requirements. Among this list, only Arkansas, Kansas, and Texas have provisions directly included to this effect[4], meaning that even if no other bills are introduced this year, UPCs still stand to receive tens of millions in taxpayer dollars without accountability. Even then, those states' reporting requirements do not include a mechanism to rescind funding to any delinquent UPCs and also would not do much to detail how taxpayer dollars are being utilized. For example, after a UPC has already received funding, HB2007 in Kansas would require it to disclose data like the number of clients served, newborns placed for adoption, fathers who participated in program services, and other soft metrics disclosed effectively without context since the bill does not require a breakdown of operative costs.

[4] Indiana has reporting requirements baked into its contract with Real Alternatives, the UPC funding intermediary they use. Indiana Department of Health. Amendment #1 to Contract #0000000000000000000078560 with REAL ALTERNATIVES, Indiana Pregnancy and Parenting Support Services Program Scope of Work (revised) [Internet]. Indianapolis (IN): State of Indiana; 2024 Sep [cited 2024 Sep 26]. p. 5. Available from: https://contracts.idoa.in.gov/idoacontractsweb/PUBLIC/0000000000000000000078560-001.pdf

III. A Pattern of Financial Inconsistencies

UPC industry leaders can't agree on basic operational data. In 2022, using source data that heavily overlaps each other, anti-choice organization Heartbeat International reported 2.8 million client visits across 3,250 centers, while its peer, the Charlotte Lozier Institute, claimed 16 million visits from 500 fewer centers. This massive 571% difference suggests either serious mismanagement or intentional misreporting of taxpayer fund usage.

State-level financial records reveal the history and fallout of the UPC industry avoiding proper oversight:

Financial Reporting Issues

- Minnesota: A UPC received $75,000 yearly but spent just 7% on client services, with 93% going to salaries and administration. Another got $65,000 annually while serving only 20 clients.[5]
- Montana: 16 UPCs reported spending $3.78 million to provide $1.2 million in services to 6,200 clients ($600 per client) despite using donated items and volunteer workers, an apparent “double dipping” scheme worth millions.[6]
- North Carolina: A UPC network kept receiving $1.5 million in public money even after failing to report required information for two years.[7]
- Virginia: Between 2019-2024, Heartbeat International received $486,270 from "Choose Life" license plates but 990s reveal only one $15,000 grant to a UPC.[8]

Questionable Billing Practices

- Arkansas: UPCs secured 2024 funding by making unverified maternal health claims, without having to report actual health outcomes.[9]
- Florida: UPCs charged the state $150 per hour for counseling—five times more than the $32.07 rate paid to registered nurses for home health visits.[10]

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[5] Alliance: State Advocates for Women’s Rights and Gender Equality. Designed to deceive: a study of the crisis pregnancy center industry in nine states. 2021. Available from: https://alliancestateadvocates.org/wp-content/uploads/sites/107/Alliance-CPC-Study-Designed-to-Deceive.pdf

[6] Charlotte Lozier Institute. 2022 Montana State Impact Report [Internet]. Washington, DC: Charlotte Lozier Institute; 2024 [cited 2023 Aug 22]. Available from: https://lozierinstitute.org/wp-content/uploads/2024/08/2022-Montana-State-Impact-Report.pdf

[7] Townsend C. An Anti-Choice Group Misspent $50,000 on Religious Material. North Carolina Wants to Give It $400,000 More [Internet]. Rewire News Group. 2019 Jul 11 [cited 2023 Aug 22]. Available from: https://rewirenewsgroup.com/2019/07/11/an-anti-choice-group-misspent-50000-on-religious-material-north-carolina-wants-to-give-it-400000-more/

[8] Heartbeat International Inc [Internet]. CauseIQ. [cited 2023 Aug 22]. Available from: https://www.causeiq.com/organizations/heartbeat-international,237335592/?from_ssb=true

[9] Arkansas Advocate. Pregnancy resource centers hope to take advantage of doubled Arkansas grant fund. Arkansas Advocate. 2024 Oct 28. Available from: https://arkansasadvocate.com/2024/10/28/pregnancy-resource-centers-hope-to-take-advantage-of-doubled-arkansas-grant-fund/

[10] Andrzejewski M. Anti-Abortion Infodemic: Florida's Tax-Funded Christian Pregnancy Centers Are Targeting Women Like Never Before [Internet]. Florida Trident. 2023 Mar 7 [cited 2023 Aug 22]. Available from: https://floridatrident.org/anti-abortion-infodemic-floridas-tax-funded-christian-pregnancy-centers-are-targeting-women-like-never-before/

- North Carolina: UPCs collected taxpayer money while claiming to operate from empty storefronts and non-working locations.[11]
- Texas: UPCs marked up diaper packs from $0.25 to $14, showing unchecked price inflation.[12]

The financial irregularities prompted federal action when Representatives Jamie Raskin and Maxwell Frost initiated a House Oversight Committee investigation into UPC funding. Their 2024 probe revealed a troubling reality: while these organizations receive millions in federal dollars, they operate without standard spending guidelines, transparency requirements, or performance metrics. This lack of oversight sharply contrasts with the strict regulations governing traditional healthcare providers—suggesting a system that avoids accountability.

IV. Insufficient Reporting Requirements

Unfortunately, the above-depicted oversight issues are not isolated incidents but reflective of decades of organization among the anti-choice movement to aggressively push back against attempts to establish even the most basic reporting and assessment standards. This pervasive lack of accountability enables UPCs to avoid disclosing critical information about financial disbursements, service delivery, and client outcomes. Across decades, legislation funding UPCs has curiously and systemically lacked provisions for tracking how taxpayer dollars translate to actual services, creating a system where UPCs can claim to serve thousands while providing minimal documented care.

The resulting void of information not only shields UPCs from meaningful oversight but also prevents policymakers and the public from accurately assessing whether taxpayer investments yield public health benefits or merely subsidize ideologically-driven operations that fail to address urgent care needs of vulnerable individuals seeking maternal and reproductive healthcare.

This exposes a glaring double standard: licensed medical facilities must adhere to strict documentation protocols, accreditation standards, and regular audits to maintain public funding, while UPCs operate with almost no accountability despite receiving millions in taxpayer dollars. Their financial reporting relies solely on self-reported data, creating a system where claims and statistics can't be verified or trusted.

V. Positive Examples and Policy Recommendations

[11] Keller C. Pro Life Lies [Internet]. YouTube. 2018 May 18 [cited 2023 Aug 22]. Available from: https://www.youtube.com/watch?v=NWNkDnI1sKg&t=4m55s
[12] Bryant M. Texas Directs Millions to Program to Discourage Abortions, but Data Shows Few Women Helped [Internet]. ProPublica. 2022 Jul 6 [cited 2023 Aug 22]. Available from: https://www.propublica.org/article/texas-funding-anti-abortion-crisis-pregnancy-centers

While federal reform remains essential, states can and must take immediate action to establish UPC accountability. North Dakota's recent HB1595[13] offers a blueprint for state-level fiscal oversight, implementing clear transparency requirements and spending controls for taxpayer-funded organizations, creating a model for other states to follow.Like North Dakota's innovative approach, North Carolina's Senate Bill 247[14] establishes robust UPC accountability through mandatory financial reporting, service verification requirements, and data collection on program outcomes. The legislation creates a comprehensive oversight framework that prevents the misuse of state funds for religious activities while ensuring taxpayer dollars produce measurable results. These twin state models demonstrate that meaningful fiscal accountability for UPCs need not wait for federal action, offering immediate blueprints for other states to implement similar protections.

This approach resonates with voters: recent polling conducted by Global Strategy Group polling for Reproductive Health and Freedom Watch reveals that 96% of American voters support transparency requirements for organizations receiving taxpayer funding.

Specific recommendations include:

Standardize Reporting Requirements

UPCs currently operate without the standardized disclosure requirements that govern medical providers—a gap that enables financial misconduct. To bring UPC accountability in line with healthcare standards, states should require quarterly reporting of:

- Client data: Number of unique clients served, visits, demographics, and detailed service records
- Service verification: Records of medical and non-medical services, including staff credentials
- Financial transparency: Detailed expense reports, showing direct service and administrative costs
- Outcome tracking: Clear metrics for program success, follow-up care, and referrals
- Resource allocation: Specific breakdown of how taxpayer funding supports client services

Require Independent Financial Audits

To prevent misreporting and misuse of resources, states should mandate yearly third-party audits covering:

- Financial statements: Detailed tracking of income sources and expenses

[13] North Dakota Legislative Assembly. House Bill 1595: Relating to state fiscal transparency [Internet]. Bismarck (ND): North Dakota Legislature; 2023 [cited 2024 Sep 26]. Available from: https://www.billtrack50.com/billdetail/1793774/
[14] North Carolina General Assembly. Senate Bill 247: The Care for Women, Children, and Families Act [Internet]. Raleigh (NC): North Carolina Legislature; 2023 [cited 2024 Sep 26]. Available from: https://legiscan.com/NC/text/S247/id/3156374

- Cost-benefit analysis: Clear metrics showing taxpayer return on investment
- Administrative oversight: Overhead limits matching industry standards
- Service delivery efficiency: Client costs compared to healthcare benchmarks
- Compliance verification: Confirmation of meeting state and federal funding rules

These oversight measures would align UPC accountability with existing standards for healthcare providers receiving public funds.

VI. Conclusion

With UPC industry revenue surging 56% since 2019,state funding now exceeding $513 million, and a growing national maternal mortality crisis, the need for effective oversight has never been more urgent. States must address the widespread reporting inconsistencies and questionable billing practices through comprehensive transparency legislation. By implementing standardized reporting requirements and regular independent audits, states can better protect taxpayer investments and ensure proper accountability for public funds.