

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 1120

Short Title: Financial Effectiveness and Transparency Act. (Public)

Sponsors: Representatives von Haefen, Butler, and Buansi (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Rules, Calendar, and Operations of the House

April 30, 2026

A BILL TO BE ENTITLED

AN ACT REDIRECTING STATE FUNDS FOR CRISIS PREGNANCY CENTERS TO EVIDENCE-BASED MATERNAL AND INFANT HEALTH PROGRAMS AND SERVICES ADMINISTERED BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES; AND LIMITING THE USE OF STATE FUNDS FOR CRISIS PREGNANCY CENTERS.

The General Assembly of North Carolina enacts:

SECTION 1. Notwithstanding Chapter 143C of the General Statutes or any other provision of law to the contrary, funds in the base budget for Carolina Pregnancy Care Fellowship, a nonprofit corporation, are reduced by the sum of six million seven hundred fifty thousand dollars (\$6,750,000) in recurring funds beginning in the 2026-2027 fiscal year.

SECTION 2. There is appropriated from the General Fund to the Department of Health and Human Services, Division of Public Health, the sum of six million seven hundred fifty thousand dollars (\$6,750,000) in recurring funds beginning in the 2026-2027 fiscal year to support the expansion of evidence-based maternal and infant health programs and services administered by the Department of Health and Human Services, including the Healthy Beginnings program, the Safe Sleep NC Initiative, evidence-based home visiting programs such as the Nurse-Family Partnership, and other evidence-based programs selected by the Department of Health and Human Services, Division of Public Health.

SECTION 3. Article 6 of Chapter 143C of the General Statutes is amended by adding a new section to read:

"§ 143C-6-5.3. Limitations on the use of State funds for crisis pregnancy centers.

(a) As used in this section, the term "crisis pregnancy center" means a nonprofit organization that holds itself out as a healthcare facility that provides care for pregnant women and other clients, such as pregnancy counseling services, pregnancy testing, ultrasound services, and other nonmedical pregnancy services. The term does not include a hospital, ambulatory surgical facility, or clinic that performs abortions.

(b) A State agency is prohibited from allocating State funds to support or enter into a contract with a crisis pregnancy center unless the crisis pregnancy center has first provided all of the following information to the State agency:

(1) For the most recently completed fiscal year, an organizational revenue budget that includes a breakdown of all sources of funding and the total amount of contributions by each of the following sources:

- a. Grants or appropriations by State and local governments.
- b. Grants or donations by foundations.



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1 c. Grants or donations by corporations.

2 d. Donations by individuals.

3 (2) An organizational expense budget for the most recently completed fiscal year
4 listing the center's expenses in the same categories listed on IRS Form 990.

5 (3) A program expense budget listing the amount of State funds that would be
6 used in each expense category.

7 (4) The number of full-time paid staff, part-time paid staff, and volunteers and,
8 for each, how many are licensed healthcare professionals, indicating the
9 relevant and current licensing information for each.

10 (5) The number of unique clients served during the most recently completed fiscal
11 year and, of that number, a breakdown of clients that received pregnancy tests,
12 ultrasounds, STD/STI tests, pregnancy counseling, student sexual risk
13 education, parenting education, and material support.

14 (6) The amount of material support provided to clients by the center, including
15 the number of diapers, packs of baby wipes, baby clothing outfits, car seats,
16 strollers, cribs, and containers of baby formula and the numbers of clients
17 receiving each category of material support.

18 (c) By December 1 of each year in which the crisis pregnancy center is a recipient of
19 State funds, the center shall provide an updated report of all of the information specified in
20 subsection (a) of this section to the State agency that allocated State funds to the crisis pregnancy
21 center.

22 (d) Within 20 business days after receiving a request from a member of the public, a State
23 agency that has allocated State funds to a crisis pregnancy center shall provide to the member of
24 the public a copy of any document listed in subsection (a) of this section, with any individually
25 identifiable health information redacted."

26 **SECTION 4.** Article 16 of Chapter 131E of the General Statutes is amended by
27 adding a new section to read:

28 "**§ 131E-269.50. Copies of crisis pregnancy center client records.**

29 (a) As used in this section, the term "crisis pregnancy center" means a nonprofit
30 organization that holds itself out as a healthcare facility that provides care for pregnant women
31 and other clients, such as pregnancy counseling services, pregnancy testing, ultrasound services,
32 and other nonmedical pregnancy services. The term does not include a hospital, ambulatory
33 surgical facility, or clinic that performs abortions.

34 (b) Within 10 business days after receiving a request from a client, a crisis pregnancy
35 center shall provide to the client, free of charge, a copy of all the client's records in its possession."

36 **SECTION 5.** This act becomes effective July 1, 2026.