GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2025

H.B. 522 Mar 26, 2025 HOUSE PRINCIPAL CLERK

HOUSE BILL DRH40314-MGa-114A

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Short Title:	Crisis Pregnancy Center Fraud Prevention Act.	(Public)
Sponsors:	Representative von Haefen.	
Referred to:		

A BILL TO BE ENTITLED

AN ACT PROVIDING FOR GREATER ACCOUNTABILITY OF CRISIS PREGNANCY CENTERS BY DEFINING AS A DECEPTIVE OR UNFAIR PRACTICE THE ACT OF KNOWINGLY ADVERTISING THAT ABORTION OR EMERGENCY CONTRACEPTIVE SERVICES ARE AVAILABLE WHEN THE PERSON OR ENTITY PUBLISHING THE ADVERTISEMENT DOES NOT PROVIDE THOSE SERVICES; AND APPROPRIATING FUNDS TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO EVALUATE AND REPORT ON CRISIS PREGNANCY CENTERS DOING BUSINESS IN THE STATE.

Whereas, in North Carolina, where people have the right to continue a pregnancy or terminate a pregnancy by abortion; and

Whereas, pregnant individuals need honest, timely, and accurate information from qualified medical professionals to make informed decisions about their health, well-being, and reproductive healthcare options; and

Whereas, according to the American Medical Association's Journal of Ethics, anti-abortion centers, also known as "crisis pregnancy centers," aim "to prevent abortions by persuading people that adoption or parenting is a better option"; and

Whereas, anti-abortion centers are the ground-level presence of a well-coordinated anti-abortion movement; and

Whereas, anti-abortion centers, with taxpayer dollars diverted to them, greatly outnumber abortion clinics and comprehensive reproductive healthcare centers in our State; and

Whereas, anti-abortion centers typically advertise themselves as providers of comprehensive healthcare even though most do not employ licensed medical professionals or provide referrals for emergency contraception or abortion care; and

Whereas, low-income patients have been deprived of access to affordable and comprehensive healthcare, including reproductive healthcare, for the last decade while these anti-abortion centers have been receiving taxpayer dollars; and

Whereas, many anti-abortion centers use deceptive advertising tactics to target and acquire clients from historically marginalized groups, including Black, Indigenous, and other People of Color; those who live in rural areas; LGBTQ+ communities; young people; students; people with lower incomes; undocumented people; and people for whom English is not their first language; and

Whereas, some anti-abortion centers go so far as to advertise so-called "medication abortion reversal," a dangerous and deceptive practice that is not supported by science or clinical standards, according to the American College of Obstetricians and Gynecologists, or by the United States Food and Drug Administration; and the American Medical Association states,



"[Physicians] do not and cannot, without misleading them, tell their patients that it may be possible to reverse a medication abortion"; and

Whereas, time is a critical factor for individuals seeking abortion care; and no one should be deceived, manipulated, or face unnecessary delays when seeking support or healthcare during pregnancy, whether they plan to continue a pregnancy or terminate the pregnancy; Now, therefore,

The General Assembly of North Carolina enacts:

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PART I. ACCOUNTABILITY FOR DECEPTIVE OR UNFAIR TRADE PRACTICES

SECTION 1.1. Chapter 75 of the General Statutes is amended by adding a new section to read:

"§ 75-45. Deceptive representation of healthcare services offered.

- (a) A person or entity engages in deceptive or unfair practices under this Chapter when the person or entity makes or disseminates an advertisement to the public that indicates the person or entity provides abortions or emergency contraceptives, or provides referrals for abortions or emergency contraceptives, when the person or entity knows or reasonably should know that the person or entity does not provide those services.
- (b) The learned profession exception of G.S. 75-1.1(b) does not apply to any person or entity that publishes or causes to be published an advertisement that violates subsection (a) of this section, as publishing of that advertisement is a general business dealing and is not a professional service of a learned profession, regardless of whether the person or entity is a healthcare provider licensed under Chapter 90 of the General Statutes.
- (c) The Attorney General shall accept complaints alleging violations of this section through the North Carolina Department of Justice website. The instructions, guidance, and forms for submitting a complaint for violation of this section shall be able to be comprehended by someone with a fifth grade reading level, accessible to people with disabilities, and the process to submit a complaint shall be designed to be completed by the average internet user in no more than 10 minutes.
- (d) Before commencing a civil action for a violation of this section, the Attorney General shall send notice to a person or entity that, based upon investigation by the Attorney General, the person or entity is in violation of this section. The person or entity shall have 10 days to correct the violation. If the person or entity has not responded to the notice within 10 days, the Attorney General may initiate civil action against the person or entity.
- (e) The Attorney General may bring an action to impose civil penalties and to seek other appropriate relief under this Chapter or any other provision of law, including any of the following:
 - (1) <u>Injunctive relief compelling compliance with this section.</u>
 - (2) An order requiring the person or entity to issue corrective advertising in the same mediums and distributed through the same channels as the advertisements in violation of this section.
 - (3) An order requiring the person or entity to post notice inside of the premises of the location advertised for, in a conspicuous place that is visible to all who enter the location or in an examination area or both, any of the following:
 - a. A clear, concise statement that there are or are not any licensed medical doctors, registered nurses, or other licensed medical practitioners on staff at the location.
 - b. A clear, concise statement that the following services are or are not offered at the location: abortion care, emergency contraception, or referrals for abortion or emergency contraception.
 - (4) Any other narrowly tailored relief that the court deems necessary to remedy the adverse effects of the violation of this section.

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 (f) In addition to any other relief or remedy under this Chapter or other provision of law, in a civil action brought by a person injured by violation of this section, the court shall award to a prevailing plaintiff attorneys' fees and costs, compensatory and punitive damages, and may issue injunctive and declaratory relief.

(g) In any action brought for violation of this section, a court may award civil penalties of not less than five hundred dollars (\$500.00) and no more than five thousand dollars (\$5,000) per violation, the clear proceeds of which shall be paid to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART II. DEPARTMENT OF HEALTH AND HUMAN SERVICES EVALUATION OF CRISIS PREGNANCY CENTERS DOING BUSINESS IN THE STATE

SECTION 2.1.(a) By May 1, 2026, the Department of Health and Human Services shall evaluate and report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on the unmet health and resource needs facing pregnant women in North Carolina and the impact of crisis pregnancy centers on the ability of clients to obtain accurate, non-coercive healthcare information and timely access to a comprehensive range of reproductive and sexual healthcare services that aligns with their healthcare needs and supports their personal decision making. In conducting this evaluation, the Department shall examine at least all of the following:

- (1) The number of crisis pregnancy centers operating in the State that receive State funds, as defined in G.S. 143C-1-1(d)(25), in the form of a grant or direct appropriation. The Department shall compile a list of the names and locations of each crisis pregnancy center examined as a part of this study.
- (2) The total amount of State funds, federal funds, State and federal tax subsidies, and other subsidies, if any, each crisis pregnancy center identified in subdivision (1) of this subsection received directly or indirectly, over the last five years, broken down by location if the center conducts business or provides services at more than one location.
- (3) An explanation of whether each crisis pregnancy center is part of a larger umbrella organization that operates within the State and, if so, the total amount of State funds, federal funds, tax subsidies, or other subsidies, if any, the umbrella organization received directly or indirectly over the last five years, broken down by location if the umbrella organization conducts business or provides services at more than one location.
- (4) An explanation of all services provided by each crisis pregnancy center and which services were most frequently sought, broken down by location if the center conducts business or provides services at more than one location.
- (5) The number of clients who annually access services at each crisis pregnancy center.
- (6) Whether crisis pregnancy centers hold themselves out to the public, either in person, through community participation or events, or through their own advertising or websites, as medical facilities or entities that provide comprehensive, all-options pregnancy counseling.
- (7) Whether clients seeking or accessing services at crisis pregnancy centers are seeking comprehensive, all-options pregnancy counseling or services at medical facilities, and whether clients have experienced a delay in receiving healthcare, including the performance of an abortion or the initiation of prenatal care, due to a visit to a crisis pregnancy center.
- (8) Whether crisis pregnancy centers enroll clients in any public benefits programs or connect clients to other services and, if so, a list of these programs and services.

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- (9) The nature of information provided to clients or potential clients at crisis pregnancy centers, and the nature of information included in crisis pregnancy centers' operational manuals, handbooks, or guidelines in connection to the provision of services to clients.
- (10)The number of State-certified medical professionals on staff or volunteering at each identified crisis pregnancy center, and the number who are providing medical services or counseling on-site during regular business hours, and what information each crisis pregnancy center provides to clients about the presence of medical professionals on the premises, on staff, or serving in a volunteer capacity.
- Whether crisis pregnancy centers collect medical information and an (11)explanation of what other information is collected upon intake, how crisis pregnancy centers handle medical and other client records, and whether the medical records are in compliance with federal and State laws governing medical privacy.
- (12)The number of crisis pregnancy centers that have an ultrasound machine on the premises and, if one is present, whether the crisis pregnancy center has a certified ultrasound technician on staff, either as a paid employee or volunteer.

SECTION 2.1.(b) 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.

SECTION 2.2. Effective July 1, 2025, there is appropriated from the General Fund to the Department of Health and Human Services the sum of two hundred fifty thousand dollars (\$250,000) in nonrecurring funds for the 2025-2026 fiscal year to be used to complete the evaluation and report required by Section 2.1 of this act. The Department of Health and Human Services may use funds appropriated by this section to hire a consultant to assist with completing the evaluation and report.

PART III. EFFECTIVE DATE

SECTION 3.1. Section 1.1 of this act becomes effective October 1, 2025, and applies to advertisements published on or after that date. The remainder of this act is effective when it becomes law.

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