

- 1 explanation of the requirement and what arrangements
2 are made if the requirement cannot be met.
- 3 VII. Whether any employees, contractors, or volunteers are
4 unlicensed health care providers.
- 5 VIII. Whether ultrasounds are performed on-site and, if so,
6 the qualifications of those performing and interpreting
7 the ultrasounds.
- 8 IX. Whether testing for sexually transmitted diseases is
9 performed on-site and, if so, the names and
10 qualifications of those performing such testing.
- 11 2. The specific activities, services, and programs provided by the
12 applicant during any part of the year.
- 13 3. A description of all medical equipment, the purposes of the
14 equipment, and funding sources for all of the equipment.
- 15 4. An explanation of the applicant's best practices with respect to
16 the use of medical equipment and the provision of any medical
17 testing, medical procedures, or counseling services.
- 18 5. A description of the applicant's advertising and marketing
19 practices.
- 20 b. A plan to evaluate the effectiveness, including measurable impact or
21 outcomes, of the activities, services, and programs for which the grant
22 funds are being requested.
- 23 c. A plan to monitor compliance with applicable law and the grant
24 agreement, with respect to the grantee's expenditure of grant funds.
- 25 d. A plan to detect fraud and abuse by grantees.
- 26 (2) No later than July 1 of each year, beginning July 1, 2026, the CPCF shall
27 announce the recipients of the competitive grant awards and allocate funds to
28 the grantees for the respective grant period pursuant to the amounts designated
29 under subsection (a) of this section. After awards have been granted, the CPCF
30 shall submit a report to the Department of Health and Human Services, the
31 Joint Legislative Commission on Governmental Operations, the Joint
32 Legislative Oversight Committee on Health and Human Services, and the
33 Fiscal Research Division on the grant awards that includes at least all of the
34 following information:
- 35 a. The identity and a brief description of each grantee and each activity,
36 service, and program offered by the grantee.
- 37 b. The amount of funding awarded to each grantee.
- 38 c. The number of persons served by each grantee, broken down by
39 activity, service, and program.
- 40 d. The number of persons served by the Circle of Care Program.
- 41 e. A copy of each grantee's RFA application.
- 42 (3) The CPCF may not use more than ten percent (10%) of the total amount of
43 funds allocated by this section for the 2023-2025 fiscal biennium and not more
44 than fifteen percent (15%) of the total amount of funds allocated by this
45 section for subsequent fiscal years for administrative purposes.
- 46 (4) Funds allocated to CPCF shall be used for nonsectarian, nonreligious purposes
47 only.
- 48 (5) Annually on July 1, beginning July 1, 2026, the CPCF shall report to the
49 Department of Health and Human Services, the Joint Legislative Commission
50 on Governmental Operations, the Joint Legislative Oversight Committee on
51 Health and Human Services, and the Fiscal Research Division on the use of

1 funds allocated under this section. The report shall include at least all of the
2 following information for the preceding fiscal year:

- 3 a. A description of any monitoring activities undertaken by the CPCF to
4 ensure that grant funds awarded under the competitive grant process
5 authorized by this section are being spent for the purposes for which
6 they were requested.
- 7 b. A description of any technical assistance provided by the CPCF to
8 grant applicants or grantees.
- 9 c. A detailed breakdown of the funds expended by the CPCF for
10 administrative purposes related to the competitive grant process
11 authorized by this section.

12 (6) Annually on July 1, beginning July 1, 2026, each pregnancy center awarded
13 grant funds pursuant to the competitive grant process authorized by this
14 section shall report to the Department of Health and Human Services, the Joint
15 Legislative Commission on Governmental Operations, the Joint Legislative
16 Oversight Committee on Health and Human Services, and the Fiscal Research
17 Division on its use of the grant funds. The report shall include at least all of
18 the following information for the preceding fiscal year:

- 19 a. A report of its activities and services, broken down by funding source,
20 that includes the number of clients served by each pregnancy center
21 by county of residence and the following age categories:
 - 22 1. Less than 16 years old.
 - 23 2. 16 years old through 20 years old.
 - 24 3. 21 years old through 25 years old.
 - 25 4. 26 years old through 30 years old.
 - 26 5. 31 years old through 35 years old.
 - 27 6. 36 years old through 40 years old.
 - 28 7. 41 years old through 45 years old.
 - 29 8. 46 years old and older.
- 30 b. The number of visits by client for each of the previously defined age
31 categories, broken down by type of visit.
- 32 c. The number of services, supports, and referrals provided to clients for
33 each of the previously defined age categories, broken down by type of
34 service, support, or referral provided, including pregnancy counseling,
35 pregnancy testing, ultrasounds, and testing for sexually transmitted
36 diseases.
- 37 d. The number of service requests received by the pregnancy center.
- 38 e. The race and ethnicity data associated with clients receiving services.
- 39 f. The number of clients that fall under each of the following income
40 ranges:
 - 41 1. Less than \$20,000.
 - 42 2. \$20,000 to \$34,999.
 - 43 3. \$35,000 to \$49,999.
 - 44 4. \$50,000 to \$74,999.
 - 45 5. \$75,000 to \$99,999.
 - 46 6. Over \$100,000.
- 47 g. The total number of unduplicated clients served by the pregnancy
48 center and the total number of unduplicated new clients served during
49 the fiscal year.

50 **SECTION 2.** Chapter 131E of the General Statutes is amended by adding a new
51 section to read:

1 "§ 131E-269.5. Pregnancy centers; performance standards; recovery of State funds for
2 noncompliance.

3 (a) As used in this section, the term "pregnancy center" means any nonprofit organization
4 other than a hospital, ambulatory surgical facility, or clinic that performs abortions, that holds
5 itself out as a facility that provides care for pregnant women, including pregnancy counseling
6 services, pregnancy testing, and other nonmedical pregnancy services.

7 (b) The Department shall adopt rules establishing performance standards for pregnancy
8 centers operating in this State. The rules shall, at a minimum, establish a monitoring mechanism
9 and reporting requirements to facilitate the Department periodically assessing whether pregnancy
10 centers are adhering to the established performance standards. The reporting requirements shall,
11 at a minimum, require pregnancy centers to annually report to the Department at least all of the
12 following information for the preceding five-year period:

13 (1) All contracts and agreements entered into with the State of North Carolina or
14 Carolina Pregnancy Care Fellowship (CPCF), a nonprofit organization, during
15 the preceding five-year period.

16 (2) A list of all monetary transactions between the pregnancy center and State of
17 North Carolina or CPCF.

18 (3) Itemized annual expenditures for all of the following:

19 a. Individual employees, with a breakdown of the number of full-time
20 and part-time staff, the number of hours worked by each full-time and
21 part-time staff member, and the salaries and wages paid to each staff
22 member.

23 b. Administrative supplies and materials, with an explanation of the
24 purposes for these items.

25 c. All supplies and materials provided to individuals served by the
26 pregnancy center, including:

27 1. Pregnancy tests.

28 2. Diapers.

29 3. Medicines.

30 4. Baby food.

31 5. Baby formula.

32 d. Marketing and promotional materials, including all of the following:

33 1. Flyers.

34 2. Print advertisements.

35 3. Broadcast advertisements.

36 4. Digital and social media advertisements.

37 5. Promotions for fundraisers.

38 e. Educational materials for clients or patients, including pamphlets and
39 audiovisual seminars.

40 f. Travel expenses.

41 g. Medical equipment, including ultrasound machines.

42 h. Events sponsored by the pregnancy center.

43 i. Medical training and medical equipment training offered by the
44 pregnancy center.

45 j. Contracted services, including staffing services, event services,
46 information technology services, and cleaning services.

47 k. Rent or mortgage and utilities.

48 (4) Documentation of applications for employment and applications for
49 volunteers.

50 (5) Copies of Internal Revenue Service Form 990.

1 (c) The Department shall take appropriate administrative action to recover any amount
2 of grant funds or State appropriations disbursed to a pregnancy center for any fiscal year in which
3 the Department determines that the pregnancy center is out of compliance with the performance
4 standards adopted under this section. A pregnancy center aggrieved by a final determination of
5 the Department pursuant to this subsection may appeal the decision as provided under Article 3
6 of Chapter 150B of the General Statutes."

7 **SECTION 3.** This act becomes effective July 1, 2025.