



TESTIMONY ON THE DECEPTIVE SPENDING OF PUBLIC DOLLARS BY ANTI-ABORTION CENTERS IN PENNSYLVANIA

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I am Ashley Underwood, Director of Equity Forward – we are an accountability organization that produces opposition & investigative research on human rights, gender equity and reproductive rights. A primary focus of our work is to better understand the proliferation of anti-abortion centers (AACs); including the legislative landscape in which they exist, the networks and organizations that form and manage AACs, and their use of public dollars.

Real Alternatives (RA) is a predominantly taxpayer-funded organization based in Pennsylvania that distributes funds to anti-abortion centers. Five years ago, Pennsylvania Auditor General Eugene DePasquale found that RA used public dollars to expand its anti-abortion business nationally. Its scheme involved skimming from state grant funds and using them on out of state operations, a blatant violation of its grant contract. When this practice was uncovered, Real Alternatives assured the legislature and public that it had ended. However, after reviewing 990s, we suspected RA was still misusing public dollars to enrich itself at the taxpayers' expense. We sought records on two basic things: details on how Real Alternatives actually spends state dollars and copies of Program Development and Advancement Agreements (PDAA) that RA makes with grantees to funnel taxpayer money back to the organization. Today, I'd like to highlight three points for the committee:

First, the fervor with which RA has fought transparency. What began in 2017 as a simple RTK records request is now the longest running Right-To-Know lawsuit in state history. RA is funded nearly 99% with public dollars yet continues to try to block the order that said the public has a right to know more about how it is spending millions in taxpayer funds. The fight for

greater transparency shouldn't be this difficult. Yet Real Alternatives has spent the last five years, and tens of thousands of taxpayer dollars, on lawyers to conceal its deceitful machinations from the public.

Second, RA's egregious use of taxpayer dollars. What we do know is that RA pays its top executives more than [\\$700,000](#) a year, with its executive director making more than \$300,000 a year. By its own admission, RA has also used Pennsylvania's public dollars that it garnered through its kickback scheme to fund its growth in Michigan and Indiana. Why is RA using public dollars intended for low-income families to expand its business operations and secure a cushy salary for its leadership?

Third, the continuation of RA's kickback scheme. In court hearings in March 2022, RA lawyers confirmed that Real Alternatives is still engaging in the kickback scheme that it was previously ordered by the state to halt. Through private contracts, groups subcontracted with RA under the Alternatives to Abortion program provide a so-called donation to RA to fund work that is not permitted under RA's contract with the state. Further proof of this kickback scheme can be found in RA's 990 from 2018 (for the fiscal year ending on June 30 2019) which lists money from PDAAs in an amount of 2.9% – an amount so close to the 3% it was found to be taking in 2017 that it cannot be a coincidence.

RA disingenuously claims to help Pennsylvania families – but in reality, it is concealing egregious, deceitful tactics and practices misusing PA taxpayers' hard earned dollars. RA shows no regard for the legislature, which allocates the money to this organization with the expectation to act in good faith, no regard for the Health Department that oversees the contract and has ordered this practice to stop, and no regard for the auditor who gave them a pass on returning misused money before with assurances that this scheme would stop. Most importantly, by continuing to misuse public dollars, RA lays bare its true disregard for the Pennsylvania families and pregnant people it purports to want to help. Public dollars should go toward state programs that actually help Pennsylvanians and their families; not anti-abortion propoganda.