



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: **SB0382.01: Requiring acceptance of religious or conscience exemptions to immunizations**

Primary Sponsor: Daniel Emrich Status: As Introduced

☐ Included in the Executive Budget ☒ Needs to be included in HB 2 ☐ Significant Local Gov Impact  
☐ Significant Long-Term Impacts ☐ Technical Concerns ☐ Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
<b>Expenditures</b>				
General Fund (01)	\$310,918	\$302,518	\$308,381	\$306,408
Federal Special Revenue (03)	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
<b>Revenues</b>				
General Fund (01)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
<b>Net Impact</b>	<u>(\$310,918)</u>	<u>(\$302,518)</u>	<u>(\$308,381)</u>	<u>(\$306,408)</u>
<b>General Fund Balance</b>				

### Description of fiscal impact

SB 382 revises immunization exemption laws and provides remedies for violations of religious or informed consent exemptions. The Department of Labor and Industry (DLI) would need to hire 3.00 FTE. The provisions of SB 382 jeopardize the overall Child Care Development Funds (CCDF) funding with the department due to noncompliance with federal CFR's including 45 CFR 98.41. Penalties for noncompliance could result in the Department of Public Health and Human Services (DPHHS) being disqualified from receiving future CCDF funds pursuant to 45 CFR 98.92 (b) (1). As a result, DPHHS assesses that the fiscal impact of implementing SB 382 is the potential loss of CCDF funding as a result of being disqualified from receipt of future CCDF funds. SB 382 allows for the acceptance of religious or informed consent exemptions to required immunizations and allows persons enrolled or seeking to enroll in school to attend without obtaining required immunizations.

### FISCAL ANALYSIS

#### Assumptions

#### Department of Labor and Industry

1. DLI's Human Rights Bureau (HRB) enforces the existing vaccination statutes included in 49-2-312, and 313, MCA. Currently, the statutes exclude complaints filed against school districts or day care facilities. This bill would remove that provision and allow persons to file with this agency. When the previous vaccination bill passed, it resulted in 231 complaints. An investigator typically handles four to five investigations per month and must complete investigations within the statutory deadlines.
2. The HRB would also require an additional data processor to handle the increase in phone inquiries, entry

into the appropriate data systems, opening and mailing letters to parties, data management, and record retention.

3. Starting July 1st, DLI will need to hire 2.00 FTE investigators and 1.00 FTE data processor. Two Investigators annual salary and benefits would be \$177,842 in FY 2026 and 2027, \$181,104 in FY 2028, and \$179,917 in FY 2029. A data processor annual salary and benefits would be \$55,762 in FY 2026 and 2025, \$56,766 in FY 2028, and \$56,431 in FY 2029.
4. The Department estimates operating costs such as telephone, copiers, scanners, utilities, minor equipment, supplies, technology costs, rent, and indirect costs will total \$77,314 in FY 2026, \$68,914 in FY 2027, \$70,511 in FY 2028, and \$70,060 in FY 2029. One-time-only operating expenditures for the 3.00 FTE include \$4,800 for office supplies and equipment and \$3,600 for a computer are included in FY 2026.

#### **Department of Public Health and Human Services**

##### ***Early Childhood and Family Support Division:***

5. SB 382 jeopardizes \$40,934,541 annually in federal Child Care Development Funds based on the following assumptions.
6. SB 382 requires a state agency; any political subdivision as defined in 2-9-101; any person licensed or registered pursuant to Title 52, chapter 2, part 7, to provide day care; a licensed health care provider, or any other organization or entity licensed by the state to accept without "question or malice" a religious or informed consent exemption from any required immunization. A person or entity who fails to comply would be ineligible to receive state funding. It also creates a private right of action (compensatory damages and attorney fees) for anyone who is aggrieved by a violation.
7. SB 382 therefore applies to all licensed and registered childcare facilities in Montana.
8. 45 CFR 98.41 (a)(1) directs state that receive CCDF funding regarding health and safety requirements regarding immunizations. This section states:
  - a. (1) Include health and safety topics consisting of, at a minimum:
9. As indicated above, CCDF regulations allow the DPHHS to recognize religious and medical exemptions. An "informed consent" exemption is not a recognized exemption pursuant to 45 CFR 98.41.
10. CFR 98.92 (b)(1) state penalties for states in violation:
  - a. In addition to imposing the penalties described in paragraph (a) of this section, the Secretary may impose other appropriate sanctions, including:
11. As a result, implementation of SB 382 which would require the state agency, and those licensed or registered by the state to provide day care to accept without question or malice a religious or informed consent exemption for immunizations. It is the department's conclusion this bill could result in the loss of CCDF funding in the amount of \$40,934,541 annually, as well as 25.0 FTE supported by the grant.

##### ***Public Health and Safety Division:***

12. The department would be required to notify all schools regarding the new statutory provision in SB 382. This initiative will involve the distribution of the notifications via postal service to approximately 1,026 schools. It is estimated that the one-time cost for postage and materials is \$876.20 in federal funds in FY 2026. This cost derived from 1,026 stamps at \$0.73 each and corresponding envelopes at \$0.124 each.

##### **Office of Public Instruction**

13. New section 1 requires state agencies and any political subdivision as defined in 2-9-101, MCA to accept religious or informed consent exemptions from immunization requirements.
14. Section 20-5-405, MCA is amended to provide exemptions to immunization requirements for person enrolled or seeking enrollment in school as long as the person files a signed statement, letter, or notarized affidavit stating that the signer has declined to be immunized. The statement must be maintained as part of the person's immunization records.
15. Section 49-2-312, MCA is amended to remove adherence to vaccination requirements for schools under Title 20, chapter 5, part 4 MCA.
16. OPI is unable to determine the fiscal impact this bill would create. OPI assumes the governing authority for schools would be the school boards and the signed statements would be maintained in a person's immunization record by the schools.

## Fiscal Analysis Table

## Department of Labor and Industry

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<b><u>Fiscal Impact</u></b>				
FTE	3.00	3.00	3.00	3.00
<b>TOTAL Fiscal Impact</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>
<b><u>Expenditures</u></b>				
Personal Services	\$233,604	\$233,604	\$237,870	\$236,348
Operating Expenses	\$77,314	\$68,914	\$70,511	\$70,060
<b>TOTAL Expenditures</b>	<b>\$310,918</b>	<b>\$302,518</b>	<b>\$308,381</b>	<b>\$306,408</b>
<b><u>Funding of Expenditures</u></b>				
General Fund (01)	\$310,918	\$302,518	\$308,381	\$306,408
<b>TOTAL Funding of Expenditures</b>	<b>\$310,918</b>	<b>\$302,518</b>	<b>\$308,381</b>	<b>\$306,408</b>
<b><u>Revenues</u></b>				
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				
General Fund (01)	(\$310,918)	(\$302,518)	(\$308,381)	(\$306,408)

## Department of Public Health and Human Services


	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<b><u>Fiscal Impact</u></b>				
FTE	-25.00	-25.00	-25.00	-25.00
<b>TOTAL Fiscal Impact</b>	<b>-25.00</b>	<b>-25.00</b>	<b>-25.00</b>	<b>-25.00</b>
<b><u>Expenditures</u></b>				
Personal Services	(\$2,513,381)	(\$2,513,381)	(\$2,513,381)	(\$2,513,381)
Operating Expenses	(\$4,497,830)	(\$4,498,706)	(\$4,498,706)	(\$4,498,706)
Benefits	(\$33,922,454)	(\$33,922,454)	(\$33,922,454)	(\$33,922,454)
<b>TOTAL Expenditures</b>	<b>(\$40,933,665)</b>	<b>(\$40,934,541)</b>	<b>(\$40,934,541)</b>	<b>(\$40,934,541)</b>
<b><u>Funding of Expenditures</u></b>				
Federal Special Revenue (03)	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
<b>TOTAL Funding of Expenditures</b>	<b>(\$40,933,665)</b>	<b>(\$40,934,541)</b>	<b>(\$40,934,541)</b>	<b>(\$40,934,541)</b>
<b><u>Revenues</u></b>				
Federal Special Revenue (03)	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
<b>TOTAL Revenues</b>	<b>(\$40,933,665)</b>	<b>(\$40,934,541)</b>	<b>(\$40,934,541)</b>	<b>(\$40,934,541)</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

**STATEWIDE SUMMARY**

	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
<b><u>Fiscal Impact</u></b>				
FTE	-22.00	-22.00	-22.00	-22.00
<b>TOTAL Fiscal Impact</b>	<b>-22.00</b>	<b>-22.00</b>	<b>-22.00</b>	<b>-22.00</b>
<b><u>Expenditures</u></b>				
Personal Services	(\$2,279,777)	(\$2,279,777)	(\$2,275,511)	(\$2,277,033)
Operating Expenses	(\$4,420,516)	(\$4,429,792)	(\$4,428,195)	(\$4,428,646)
Benefits	(\$33,922,454)	(\$33,922,454)	(\$33,922,454)	(\$33,922,454)
<b>TOTAL Expenditures</b>	<b>(\$40,622,747)</b>	<b>(\$40,632,023)</b>	<b>(\$40,626,160)</b>	<b>(\$40,628,133)</b>
<b><u>Funding of Expenditures</u></b>				
General Fund (01)	\$310,918	\$302,518	\$308,381	\$306,408
Federal Special Revenue (03)	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
<b>TOTAL Funding of Expenditures</b>	<b>(\$40,622,747)</b>	<b>(\$40,632,023)</b>	<b>(\$40,626,160)</b>	<b>(\$40,628,133)</b>
<b><u>Revenues</u></b>				
Federal Special Revenue (03)	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
<b>TOTAL Revenues</b>	<b>(\$40,933,665)</b>	<b>(\$40,934,541)</b>	<b>(\$40,934,541)</b>	<b>(\$40,934,541)</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				
General Fund (01)	(\$310,918)	(\$302,518)	(\$308,381)	(\$306,408)
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

Sponsor's Initials

Date

  
 Budget Director's Initials

3/4/2025

Date