



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: **SB0474.03 (001): Require acceptance of religious and personal medical exemptions to required immunizations**

Primary Sponsor: Daniel Emrich Status: As Amended in Senate

- ☐ 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 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
Expenditures				
State Special Revenue (02)	\$310,919	\$302,519	\$308,381	\$306,408
Federal Special Revenue (03)	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
Revenues				
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
Net Impact	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General Fund Balance				

Description of fiscal impact

SB 474, as amended, revises immunization exemption laws, states that it is unlawful discrimination to treat anyone differently in schools or daycare facilities based on vaccination status, and provides remedies for a person or government entity's refusal to accept a religious or informed consent exemption. SB 474 additionally adds language providing that a person and governing authorities (excluding governmental entities) that accept an individual's immunization exemption are immune from civil liability for injury arising from the individual's immunization status.

The provisions of SB 474 jeopardize the overall Child Care Development Funds (CCDF) funding to the department due to noncompliance with federal regulation, specifically 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 474 is the potential loss of CCDF funding. SB 474 requires for the acceptance of religious or informed consent exemptions to required immunizations in schools and daycare facilities.

The Department of Labor and Industry (DLI) would need to hire 3.00 FTE.

FISCAL ANALYSIS

Assumptions

Department of Public Health and Human Services

Early Childhood and Family Support Division:

1. 45 CFR 98.41 (a)(1)(i)(A) directs states that receives CCDF funding to have health and safety requirements regarding immunizations. At a minimum, the department “shall assure that children receiving services under the CCDF are age-appropriately immunized. Those health and safety provisions shall incorporate (by reference or otherwise) the latest recommendation for childhood immunizations of the respective State, territorial, or tribal public health agency.”
2. 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(a)(1)(i)(B).
3. CFR 98.92(b)(1) states the possible penalties non-compliance with CCDF requirements:
 - a. In addition to imposing the penalties described in paragraph (a) [disallowance of improperly expended funds; deduction of improperly expended funds from future allotment, or a combination] of this section, the Secretary may impose other appropriate sanctions, including disqualification of the Lead Agency from the receipt of further funding under the CCDF[.]
4. Implementation of SB 474 would require the department to promulgate rules requiring licensed and registered childcare facilities to accept informed consent exemptions to required vaccinations. Since an informed consent exemption is not permitted in CCDF regulation. 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:

5. As part of implementing SB474 the department would notify all schools regarding the requirements of the bill. This would involve distributing notifications via mail 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 is derived from 1,026 stamps at \$0.73 each and corresponding envelopes at \$0.124 each.

Department of Labor and Industry

6. 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 a 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.
7. 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.
8. Starting July 1st, DLI would need to hire 2.00 FTE investigators and 1.00 FTE for a data processor. Two Investigators annual salary and benefits would be \$177,842 (\$88,921 x 2) in FY 2026 and 2027, \$181,104 (\$90,552 x 2) in FY 2028, and \$179,917 (\$89,959 x 2) in FY 2029. A Data Processor 3 annual salary and benefits would be \$55,762 in FY 2026 and 2025, \$56,766 in FY 2028, and \$56,431 in FY 2029.
9. 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 (\$1,600 x 3) for office supplies and equipment and \$3,600 (\$1,200 x 3) for a computer are included in FY 2026.

Fiscal Analysis Table

Department of Labor and Industry

	<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>
<u>Fiscal Impact</u>				
FTE	3.00	3.00	3.00	3.00
TOTAL Fiscal Impact	3.00	3.00	3.00	3.00
<u>Expenditures</u>				
Personal Services	\$233,605	\$233,605	\$237,870	\$236,348
Operating Expenses	\$77,314	\$68,914	\$70,511	\$70,060
TOTAL Expenditures	\$310,919	\$302,519	\$308,381	\$306,408
<u>Funding of Expenditures</u>				
State Special Revenue (02)	\$310,919	\$302,519	\$308,381	\$306,408
TOTAL Funding of Expenditures	\$310,919	\$302,519	\$308,381	\$306,408
<u>Revenues</u>				
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
State Special Revenue (02)	(\$310,919)	(\$302,519)	(\$308,381)	(\$306,408)

Department of Public Health and Human Services

	<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>
<u>Fiscal Impact</u>				
FTE	-25.00	-25.00	-25.00	-25.00
TOTAL Fiscal Impact	-25.00	-25.00	-25.00	-25.00
<u>Expenditures</u>				
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)
TOTAL Expenditures	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
<u>Funding of Expenditures</u>				
Federal Special Revenue (03)	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
TOTAL Funding of Expenditures	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
<u>Revenues</u>				
Federal Special Revenue (03)	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
TOTAL Revenues	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

STATEWIDE SUMMARY

	FY 2026 Difference	FY 2027 Difference	FY 2028 Difference	FY 2029 Difference
<u>Fiscal Impact</u>				
FTE	-22.00	-22.00	-22.00	-22.00
TOTAL Fiscal Impact	-22.00	-22.00	-22.00	-22.00
<u>Expenditures</u>				
Personal Services	(\$2,279,776)	(\$2,279,776)	(\$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)
TOTAL Expenditures	(\$40,622,746)	(\$40,632,022)	(\$40,626,160)	(\$40,628,133)
<u>Funding of Expenditures</u>				
State Special Revenue (02)	\$310,919	\$302,519	\$308,381	\$306,408
Federal Special Revenue (03)	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
TOTAL Funding of Expenditures	(\$40,622,746)	(\$40,632,022)	(\$40,626,160)	(\$40,628,133)
<u>Revenues</u>				
Federal Special Revenue (03)	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
TOTAL Revenues	(\$40,933,665)	(\$40,934,541)	(\$40,934,541)	(\$40,934,541)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
State Special Revenue (02)	(\$310,919)	(\$302,519)	(\$308,381)	(\$306,408)
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

Technical Concerns**Department of Labor and Industry**

- DLI assumes the bill will be funded using state special revenue pending passage of HB 656. If HB 656 does not pass, DLI will require general fund to fund the department's portion of the funding requirements.

NO SPONSOR SIGNATURE

4/9

Sponsor's Initials

Date



Budget Director's Initials

4/9/2025

Date