



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: **HB0697.01: Clarify government employee privacy rights**

Primary Sponsor: **Bill Mercer**

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>
Expenditures				
General Fund (01)	\$0	\$0	\$0	\$0
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
Net Impact	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact

HB 697 clarifies employee privacy rights related to electronic communications and is expected to have no fiscal impact on state agencies.

FISCAL ANALYSIS

Assumptions

Department of Administration

1. This bill provides that an agency would not have to review internal communications in response to a public information request. Health Care and Benefits (HCBF) emails would still need to be reviewed prior to a FOIA release to ensure any protected health information covered by HIPAA would be removed. This type of review happens today via the FOIA process; therefore, there is no additional impact to HCBF would exist.
2. There would be no fiscal impact to State Information Technologies Services Division as lawyers would still need to review all emails for other reasons.

Legislative Branch

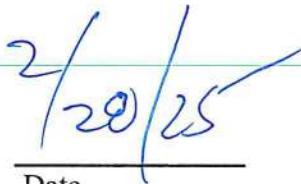
3. HB 697 removes all expectation of privacy in communications sent or received electronically by the means provided by the public agency. Therefore, HB 697 states that agency legal counsel does not have to review communications. If it is determined that HB 697 does include legislators, and because agency legal counsel doesn't have to review communications, the assumption is made that counsel time would be freed up that would be reallocated to other priority duties that had previously been tabled or postponed.

Technical Concerns**Legislative Branch**

1. HB 697 would be codified in 2-6-10, MCA. 2-6-1002, MCA, does define "public agency," (which includes the Legislative Branch). It also defines "public officer," which may include legislators. But "public employee" is not defined, so it is unclear if HB 697 includes legislators or other elected officials. If it is determined that it does include legislators, and because agency legal counsel doesn't have to review communications, the assumption is made that counsel time would be freed up that would be reallocated to other priority duties that had previously been tabled or postponed.



Sponsor's Initials



Date



Budget Director's Initials

2/28/2025

Date