MINUTES

MONTANA HOUSE OF REPRESENTATIVES
53rd LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON HUMAN SERVICES & AGING

Call to Order: By **CHAIRMAN JOHN COBB**, on January 12, 1993, at 8:05 a.m.

ROLL CALL

Members Present:
- Rep. John Cobb, Chairman (R)
- Sen. Mignon Waterman, Vice Chairman (D)
- Sen. Chris Christiaens (D)
- Rep. Betty Lou Kasten (R)
- Sen. Tom Keating (R)
- Rep. David Wanzenried (D)

Members Excused: None

Members Absent: None

Staff Present: Lisa Smith, Legislative Fiscal Analyst
Lois Steinbeck, Legislative Fiscal Analyst
Connie Huckins, Office of Budget & Program Planning
John Huth, Office of Budget & Program Planning
Billie Jean Hill, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing: AID FOR FAMILIES WITH DEPENDENT CHILDREN RESTRUCTURING PROPOSAL ; TRANSFERRING DAY CARE FROM DEPARTMENT OF FAMILY SERVICES TO DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES; CHILD ENFORCEMENT DIVISION; CHILD ENFORCEMENT SERVICES BUDGET MODIFICATIONS; AND OPTIONS ON DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES
Executive Action: NONE

CHAIRMAN COBB explained the agenda for the day.

HEARING ON AID FOR FAMILIES WITH DEPENDENT CHILDREN RESTRUCTURING PROPOSAL

Tape No. 1:Side 1

Ms. Judy Smith, WORD, Inc., Missoula, Montana, presented an overview on this proposal. **EXHIBIT 1**

BUDGET ITEM COMBINING WORK AND WELFARE

1. **On-Going Disregard of Earned Income. Ms. Smith; Mr. Roger La Voie, Director of SRS Family Assistance Division; Ms. Carol Graham**, Missoula County Welfare Director, and **Raquel Castellanos**, Case Manager with Options, responded to questions from committee members. **EXHIBIT 2**

2. **Elimination Of The 100 Hour Rule For The Unemployment Parent AFDC Program; Eligibility Would Be Needs Based. Ms. Smith, Ms. Graham, Ms. Penny Robbe, Bureau Chief, Program and Policy Bureau**, and **Monica Tvetene, Billings HRDC, JOBS Operator**, addressed EXHIBIT 2 and answered committee members' questions.

3. **Increasing The Resource Limit - Including The Vehicle Limit. Ms. Smith** addressed **EXHIBIT 2**, and **Karie Hinkle**, Options Assistant, responded to questions.

Ms. Smith addressed the next three budget items:

4. **Extending Transitional Benefits For Those Leaving AFDC Due To Employment Income. EXHIBIT 2**

5. **Allowing Self-Employed AFDC Recipients To Treat Purchase of Capital Assets as a Business Expense. EXHIBIT 2**

6. **Disregarding JTPA Income and Training Allowances Including Youth Program Income For Teen Heads of Household. EXHIBIT 2**

BUDGET ITEM INVESTING IN EDUCATION AND TRAINING

Ms. Smith addressed this item. **EXHIBIT 2**

BUDGET ITEM COMBINING WORK AND WELFARE COST IMPACT

Ms. Smith spoke from **EXHIBIT 3**. She responded to questions, as did **Ms. Graham; Dr. Blouke; Ms. Kate Cholewa, Montana Women's Lobby; Patty Denton**, Case Manager, Sanders County; **Anita Hansen**, Case Manager, Lake County, and **Mr. Dan Shea.**

HEARING ON TRANSFERRING DAY CARE FROM DEPARTMENT OF FAMILY SERVICES TO DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

Tape No. 1:Side 2

Dr. Peter Blouke, Director, Department of SRS; Mr. Roger La Voie, Administrator, Family Assistance Division, Department of SRS; and **Mr. Hank Hudson, Director, Department of Family Services**, spoke on this issue and responded to committee questions. **EXHIBIT 4**

BUDGET ITEM CHILD DAY CARE RATE INCREASE FOR STATE ASSISTED CHILD CARE PROGRAM

Tape No. 1:Side 2

Paulette Kohman, Montana Council of Maternal Child and Health, appeared before the committee on this item. **EXHIBIT 5**

BUDGET ITEM CHILD PROGRAMS - SELF-INITIATED TRAINING AND AT-RISK CHILD CARE PROGRAMS

Ms. Kohman spoke to **EXHIBIT 5. Dr. Blouke, Ms. Robbe, Mr. Shea, Mr. La Voie** and **Karolin Stanger** discussed this issue with the committee.

HEARING ON CHILD ENFORCEMENT DIVISION

Ms. Mary Ann Wellbank, Administrator, Child Enforcement Division, introduced her staff as follows: **John McRae, Chief Staff Attorney; Dennis Shover, Field Services Bureau Chief; Linus Carleton, Administrative Services Bureau Chief. Ms. Wellbank** and her staff discussed the following budget issues. **EXHIBIT 6**

Paternity Acknowledgement

License Restriction

State Liability

Lump Sum Lotteries and Insurance Lawsuits

Retirement Funds

Grandparent Responsibility for Minor Children Who Are Parents

Seek Work Requirements

Collections or Withholding in Arrears

Upgrading Criminal Non-Support Laws

Clarify Contempt of Court Statutes

Administrative Contempt Authority

Providing Additional Fees

Requiring Private Businesses to Share Information

Lien Laws More Effective

Consolidate Statutes of Limitations for Child Support

Fraudulent Conveyance

HEARING ON CHILD ENFORCEMENT SERVICES BUDGET MODIFICATIONS

Tape No. 1:Side 2

Ms. Wellbank addressed these modification requests. **EXHIBIT 7**

BUDGET ITEM OPTION REQUEST TO REINSTATE (5%) FTE AND POSITION VACANT AS OF 12/29

Ms. Wellbank and **Mr. Carleton** responded to questions posed by committee members.

BUDGET ITEM OPTION REQUEST FOR REPLACEMENT 52ND SESSION APPROVED 14 CONTRACT STAFF WITH 14 STATE FTE

BUDGET ITEM OPTION REQUEST TO FUND INCREASED COMMUNICATION CHARGES

Ms. Wellbank addressed these two requests.

BUDGET ITEM OPTION REQUEST FOR REPLACEMENT OF SPECIAL SESSION II APPROVED CONTRACT STAFF WITH STATE FTE 33 IN FY 94, 45 IN FY 95) - COST NEUTRAL

Ms. Wellbank addressed this option. She and **Mr. Carleton** answered questions from committee members.

Mr. Newell Anderson, Administrator, Local Government Assistance Division, Department of Commerce, introduced **Mr. George Warren, Bureau Chief,** who discussed Section 8 housing assistance. **EXHIBIT 8, Appendix B, p. 49**

HEARING ON OPTIONS ON DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES

Mr. Dale Taliaferro, Administrator, Health Services, Department of Health and Environmental Sciences discussed the following programs. **EXHIBIT 9**

BUDGET ITEM TUBERCULOSIS

BUDGET ITEM HEPATITIS B

BUDGET ITEM RYAN WHITE

BUDGET ITEM DENTAL PROGRAM

BUDGET ITEM NUTRITION

BUDGET ITEM PREVENTATIVE HEALTH AND HEALTH SERVICES BLOCK GRANT

BUDGET ITEM CHILDREN'S SPECIAL HEALTH SERVICES

BUDGET ITEM WIC INFORMATION SPECIALIST

BUDGET ITEM ENHANCED NURSING CONSULTATION

BUDGET ITEM MATERNAL AND CHILD HEALTH BLOCK GRANT

BUDGET ITEM CERVICAL CANCER PREVENTION PROGRAM

BUDGET ITEM EPSDT (KIDS COUNT) SCREENING

BUDGET ITEM FAMILY PLANNING **EXHIBIT 10**

UNIVERSAL HEALTH CARE PLAN **EXHIBIT 10**

ADJOURNMENT

Adjournment: 12:10 P:M

John Cobb
JOHN COBB, Chairman

Billie Jean Hill
BILLIE JEAN HILL, Secretary
by Marilyn Miller

JC/bjh

HOUSE OF REPRESENTATIVES

HUMAN SERVICES SUB-COMMITTEE

ROLL CALL **DATE** Jan 12 1993

NAME	PRESENT	ABSENT	EXCUSED
REP. JOHN COBB, CHAIRMAN	✓		
SEN. MIGNON WATERMAN, VICE CHAIR	✓		
SEN. CHRIS CHRISTIAENS	✓		
SEN. TOM KEATING	✓		
REP. BETTY LOU KASTEN	✓		
REP. DAVID WANZENRIED	✓		

AID FOR FAMILIES WITH DEPENDENT CHILDREN (AFDC)
RESTRUCTURING PROPOSAL

This proposal comes from the Missoula AFDC Restructuring Proposal Committee which met during the summer and fall of 1992. The Committee developed initiatives based on experience with AFDC in Montana and review of restructuring proposals from other states. The Committee included representatives from the JOBS Program, the Office of Human Services, Head Start, Futures, Women's Economic Development Group, legislators and AFDC recipients.

The goal of this proposal is to re-structure AFDC so it can be part of an anti-poverty strategy for families; allowing them to combine work and welfare while investing in education and training. In the current Montana economy, if families are to move out of poverty they must be able to combine paid employment, receipt of means tested welfare benefits and income from additional sources such as child support payments. AFDC recipients also need to be supported in their efforts to get the training and education required to secure employment that will support their families. We must move beyond the concept of welfare or work to the understanding that families need to combine welfare and work in order to meet their basic needs and work toward economic self-sufficiency.

This proposal's assumptions are based on Committee members professional and personal experience: 1) The overwhelming majority of AFDC recipients want to work. They are like most other Americans-they would rather be independent than dependent. 2) Over 90% of AFDC families are made up of a woman and her children. The father of the children provides little if any support for the family. 3) Many AFDC recipients have significant internal and external barriers to becoming self-sufficient. The internal barriers often come from abusive relationships they have survived. The external barriers often come from their lack of resources and the structure of the welfare system itself. 4) The employment options in the current Montana economy are limited both in number and in occupation. The jobs available for AFDC recipients who usually have little recent work experience and limited skills pay minimum wage, have little chance for promotion, and do not offer health insurance or child care benefits. 5) The current AFDC system promotes welfare cycling-families regularly moving between minimum wage jobs and AFDC and not moving out of poverty.

The Committee is seeking support for this restructuring proposal. Some of the changes require waivers of federal regulations; some require state action. We have sent it to the Department of Social and Rehabilitation Services and asked for their endorsement and commitment to work for the necessary federal waivers. We are presenting it to groups around Montana who share our concern for developing anti-poverty strategies for families. We will be discussing it with legislators, asking for their endorsement for the effort to get the necessary federal and state policy changes.

For more information about this Proposal, contact:
Judy Smith, WORD, Inc, 127 N. Higgins, Missoula, Montana
Carole Graham, OHS

AID FOR FAMILIES WITH DEPENDENT CHILDREN (AFDC) RESTRUCTURING PROPOSAL

October, 1992 - Missoula AFDC Restructuring Proposal Committee

Initiatives for Restructuring AFDC

COMBINING WORK and WELFARE

Eliminate all regulations and practices that penalize or discourage employment.

1. ON-GOING DISREGARD OF EARNED INCOME. *

The current federal earned income disregard ($90, $30 and 1/3 for 4 and twelve months) is time limited and inadequate. Disregards need to be extended for an indefinite period of time so that people leave AFDC due to an increase in income rather than a time-limited disregard. The current method of calculating the disregard is also confusing and does not allow for budgeting and the participant does not know how much grant she will receive.

Specific proposal: Permanent disregard of $100 & 45% of remainder of gross earned income (this alternative included in Utah Demonstration proposal); conduct education campaign to promote understanding of disregard and willingness to report earned income.

Type of action needed: Federal waiver needed for disregard change.

Cost implications: Long-term cost neutrality; need to determine how many recipients would be impacted and size of average grant increase. Many take and retain employment if able to keep more income and, therefore, decrease grant- over time this would even out or cut spending in the long-term

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2. ELIMINATION OF THE 100 HOUR RULE FOR THE UNEMPLOYED PARENT AFDC PROGRAM; ELIGIBILITY WOULD BE NEEDS BASED.

Current situation keeps some in-need families from qualifying and also prevents family members from accepting employment of over 100 hours per month. This regulation is one reason families stay on the Unemployed AFDC Program because they are not able to work themselves off over time.This initiative was endorsed by Senate Bill 130 which was enacted by the 1989 Montana Legislature.

Type of action needed: Federal waiver needed for removal of 100 hour rule; legislature has already requested; similar waiver has been granted in Michigan and other states.

Cost implications: Long-term cost neutrality; need to determine how many extra families would become eligible and size of average grant; how many take and retain employment because able to keep more income and therefore decrease grant-over time would even out or cut spending in the long term

3. INCREASING THE RESOURCE LIMIT - INCLUDING THE VEHICLE LIMIT.

Current resource limitation of $1,000/household and $1,500 equity for 1 vehicle is unrealistic given current vehicle costs, the need for reliable transportation, and savings for education, etc. This limitation impoverishes households unnecessarily before benefits are available and so makes it more difficult for households receiving benefits to work out of poverty. This initiative will allow retention of reliable transportation instead of encouraging on-going expenses for unsafe vehicles. It will allow low income families working toward self sufficiency to build up assets including reliable vehicles and educational savings.

Specific proposal: a) Treat as in Food Stamp program-exclude one car from the AFDC eligibility resource limitation and additional vehicles used for making a living;
b) Allow asset limit of $2,000 for AFDC applicants and allow the accumulation of up to $10,000 in assets for participants in designated transitional accounts for education, housing, car repair and emergency expenses.

Type of action needed: Waiver needed to exclude one vehicle and to allow build

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up of asset account (asset accounts of up to $8,000 are included in the tax bill currently pending for presidential approval).

Cost implications: minimal; can exclude vehicles now by transferring title.

4. EXTENDING TRANSITIONAL BENEFITS FOR THOSE LEAVING AFDC DUE TO EMPLOYMENT INCOME. *

Current 12 month cut off is unrealistic; many participants wages do not increase significantly in that time period and, as they are unable to pay for all of own child care, they go back on assistance. The requirement to have been on AFDC three out of the last six months in order to receive transitional benefits is a disincentive for recipients to finding employment at any time they are on AFDC.

Specific proposal: Coordination of transitional child care with block grant and at-risk child care so that once the 12 month benefit period is completed, other child care resources are available on a priority basis; transitional benefits should be available to anyone on AFDC regardless of time receiving benefits.

Type of action needed: State action to establish priorities for block grant and at-risk programs; federal waiver to extend eligibility to anyone on AFDC who transitions off due to earned income.

Cost implications: Saves funds because initial cost of extending benefits are more than off set by savings because families do not go back on assistance after the 12 month benefit period runs out; encourages all recipients to take and retain employment that removes them from AFDC benefits.

5. ALLOWING SELF-EMPLOYED AFDC RECIPIENTS TO TREAT PURCHASE OF CAPITAL ASSETS AS A BUSINESS EXPENSE.

Currently AFDC recipients cannot count the cost of capital assets as a business expense and so can not start businesses that require initial equipment or inventory expenditures. AFDC recipients have no family or fall-back resources for start-up expenses and need income protection through special consideration of capital and loan expense during start-up.

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Specific proposal: Allow the cost of purchases of capital equipment up to $5,000 during a 12-month period, and the payments and interest of loans for up to $5,000 to be considered ordinary deductible business expenses. (Iowa and Mississippi have similar limits; Michigan's limits on both categories are $10,000).

Type of action needed: Federal waiver needed.

Cost-implications: Cost-neutrality; there are few AFDC entrepreneurs (in Missoula at this time less than 25). These recipients would rarely be loaned over $4,000 for capital and operating expenses. Loan payments on that amount would be $130/month over five years; therefore the AFDC payment would be $130/month higher with this program. However, more businesses would be feasible for AFDC entrepreneurs to consider and so overall cost of program could be neutral as more recipients report self-employment activity and reduce their benefit payments.

6. DISREGARDING JTPA INCOME AND TRAINING ALLOWANCES INCLUDING YOUTH PROGRAM INCOME FOR TEEN HEADS OF HOUSEHOLD.

The current practice of disregarding this income for teens who are dependent and not for teens who are heads of household is discriminatory. It discourages these young parents who already find self sufficiency very difficult from participating in successful employment training programs funded by the government.

Specific proposal: Broaden the income disregard given for dependent children for income from JTPA programs to include single parents under the age of 20 who are heads of household.

Type of action needed: Federal waiver needed for disregard change; (this disregard is included in the tax bill currently pending presidential approval).

Cost implications: Long-term cost savings; AFDC benefit would remain the same; teen parents who now are hesitant to try JTPA sponsored employment could participate; those who have tried employment have a much higher potential for continuing with their education or seeking further employment and becoming independent of welfare.

INVESTING in EDUCATION and TRAINING

1. INCENTIVES FOR PARENTING PROGRAM PARTICIPATION AND CHILDREN'S SCHOOL ATTENDANCE.

Specific proposal: Establishing a model project based on incentives and rewards to increase AFDC parent participation in school related activities and AFDC K-8th grade children's school attendance. The program would build on the value of education in assisting families move out of poverty.

Action needed: Waiver to be able to offer cash incentives. Missoula model project has been funded through Health and Human Services funds but cannot use funds for cash incentives.

Cost implications: Initial investment to promote long-term savings because of developing family commitment to education.

2. FULL FUNDING FOR JOBS AND OTHER EMPLOYMENT AND TRAINING PROGRAMS AND SELF-INITIATED TRAINING AND EDUCATION OPTIONS; ALLOWING POSITIVE RESOLUTION FOR REGULAR AFDC AND UNEMPLOYED PARENT AFDC PARTICIPANTS FOR SATISFACTORY PARTICIPATION IN POST SECONDARY PROGRAMS; FUNDING PROVIDED FOR NECESSARY CHILD CARE, INCLUDING WORK STUDY HOURS.

Currently Montana does not use all federal funds available for JOBS and other education and training programs due to limitations on state funds. JOBS programs do not receive positive resolutions for successful participation of regular AFDC recipients in post secondary education and training programs. Therefore JOBS programs limit the number of participants they enroll that attend post secondary institutions even though that training may provide the best vocational opportunity for participants.

Specific proposal: Expand the matching funds available for JOBS and other programs by soliciting all available state, local and private funds. Establish resolution category for successful participation in post secondary training and education or use same exclusion as for those participating in remedial education and GED programs. Allow UP AFDC recipients to participate in

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ADDITIONAL MISSOULA AFDC RESTRUCTURING PROPOSAL COST ANALYSIS

(January 1993)

1. Examples From Other States Indicate Cost Savings

There is little documentation available yet on the cost impacts of similar welfare and work combination proposals now in place in other states. Preliminary results from demonstration projects show that while case loads do initially increase, the overall number of families with earned income increases and therefore the payment amount decreases, resulting in an overall savings in AFDC expenditures. Many states proposing these changes have calculated them to be at least cost-neutral in order to request federal waivers.

EARNINGS RULES: STREAMLINE AND ELIMINATE TIME LIMITS ON EARNED INCOME DISREGARDS

New York State Child Assistance Program results: families with long term disregards and less benefit reduction were more likely to be employed, to work more hours and earned 25% more income by the end of the project year.

The State of Connecticut is working on a proposal that estimates that a 10% increase in the number of AFDC caseload reporting earned income results in a 10% decrease in AFDC spending.

Utah's waiver proposal for similar earning disregard states: "Decrease in long term dependency will reduce both the length of stay and recidivism resulting in overall long term savings. This is not expected to be achieved in the short term, but the long term gains will more than compensate for the slower start.." "..as participants move closer to independence, the amount of earned income increases and the payment amount decreases. Even allowing the earned income disregards for an unlimited time will not have a significant impact because the payments issues for this population is low. Currently grants for households with earned income averages about $100 less per month than non-earning households."

States implementing or requesting these waivers: California, Michigan, New Jersey, Ohio, Utah, Wisconsin

UNEMPLOYED PARENT RULES: WAIVING THE 100 HOURS OF EMPLOYMENT / MONTH RULE

Fresno California Demonstration Project 3 year results: overall AFDC expenditure savings
caseload increased by 17%; number reporting earnings increased by 90%

Merced California Demonstration Project 2 year results: overall AFDC expenditure savings
employment rate increased by 29%; total earnings increased by 95%

States implementing or requesting this waiver: California, Colorado, Louisiana, Michigan, New Jersey, Wisconsin

2. Other States Project Minimal Impact

Increase Resource Limit

> **Utah's proposal states: "additional cost is minimal because few applicants have savings. The ability to save more will decrease the length of time on assistance and prevent recidivism by enabling participants to deal with emergencies."**

3. Federal Action

Some of these initiatives in this proposal were included in the tax/urban aid bill passed by Congress and vetoed by President Bush in 1992. These proposals will very likely again be included in federal legislation in 1993: state option to increase AFDC asset limit, changes in provision of transitional child care, treatment of student/trainee earnings, increase in JOBS funding.

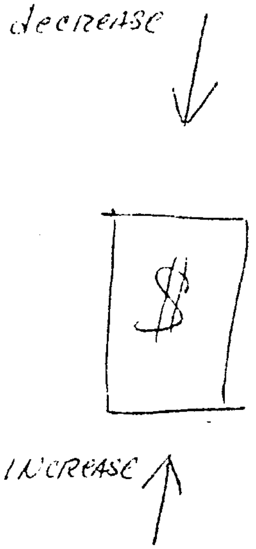
references: The Rush To Reform, Center for Law and Social Policy, November 1992, Utah Single Parent Employment Demonstration Program Proposal, conversations with CLASP personnel

EXHIBIT 3
DATE 1-12-93

Combining Work & Welfare

Cost Impact

2 FACTORS IMPACTING AFDC EXPENDITURES



LARGER % OF RECIPIENTS REPORTING EARNED INCOME SO SMALLER BENEFIT AMOUNT

INCREASE IN NUMBER ELIGIBLE FOR LONGER TIME PERIOD

SAVINGS END POINT; MORE FAMILIES RECEIVING BENEFIT BUT BENEFIT SIZE SMALLER

STATE OF CONNECTICUT PROJECTION: INCREASE NUMBER OF RECIPIENTS REPORTING EARNINGS BY 10% = DECREASE AFDC EXPENDITURES BY 10%.

MONTANA CASE MANAGERS (BASED ON INTERACTIONS WI JOBS RECIPIENTS); PACKAGE WOULD INCREASE THOSE REPORTING BY GREATER THAN 10%.

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TESTIMONY FOR TRANSFERRING DAY CARE TO SRS

Presently day care is divided between the Department of Family Service (DFS) and the Department of Social and Rehabilitation Services (SRS). SRS administers the Transitional, JOBS, At-Risk and Self-Initiated Programs and DFS administers the Block Grant, Child Protective Services and the Refugee Programs. The Refugee program is being moved to private agencies by the federal government, effective 1/31/93. SRS is the designated IV-A agency (AFDC administration) and <u>must</u> administer all its current programs as they are IV-A related programs. DFS was named the lead child care agency by the legislature and because of this designation, was given the Block Grant Program. The criticism that child care is fragmented has prompted both agencies to look at assuming the full responsibility for all child care.

Moving the Block Grant Program and voucher processing to SRS would include the following advantages:

1. It would be less confusing and more efficient for clients, contractors and agency staff if one agency managed all low income day care programs.

   Resource and Refferals

2. SRS would contract directly with the R&R's to run all programs instead of SRS contracting with DFS to contract with the R&R's. This would streamline administration and ultimately would improve services to clients.

3. With Block Grant Sliding Fee Program housed at SRS, more active interfacing with SRS day care programs would occur and "seamless service" would be more easily achieved. **However, there is <u>no</u> intent to replace self-initiated funds with Block Grant funds.**

4. With the exception of the Child Protective Services Program, there would be one agency for day care providers to receive payment from and one agency to field complaints.

   Some problems with the current system are that new providers can wait nearly two months for their first check and since both agencies have a piece of the system, there is a tendency to blame the other agency when the process does not work smoothly, rather than working out the bugs.

   With consolidation, the vouchers can come to one central office where they can be checked against the list and then processed for payment.

   Once the day care computer system is operational, the data from the vouchers can be entered into the computer systems, checks and reports can be generated automatically. DFS licensing and registering personnel would update provider data directly into the system.

EXHIBIT 5
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5. R&R's could more easily be co-located with the JOBS or county offices, so they would be closer to one-stop-shopping.

FTE'S NEEDED:

The Block Grant child care program is an immense program which:

1. provides subsidized day care services to clients;
2. contracts with Resource and Referral (R&R) agencies and promotes their growth and training;
3. organizes and promotes a planning task force;
4. recruits day care providers and works toward their improvement and training;
5. issues provider grants awards.

Many of these tasks are very labor intensive, such as the RFP process with the R&Rs, the application for and the awarding of the hundreds of provider grants and planning and attending task force meetings. Currently 1.5 DFS program persons scarcely manage these duties.

SRS needs at least two additional FTE to adequately manage day care programs. One FTE could transfer from DFS. We would request an FTE be approved by the Legislature which would be paid for with the

100% federal Block Grant funds.

Fiscal Bureau Voucher Processing

Currently DFS contracts with 8 to 9 staff members one week to 10 days in regional offices to perform this function. During the transition period, DFS would continue this function until SRS could contract with staff to perform this function. Fiscal Bureau day care voucher processing staff are now overwhelmed with their current workload, and would not be able to handle additional voucher processing duties. Day care vouchers have increased vastly with the addition of new day care programs, but staff have not been added to accommodate this growth.

Computer System

This state desperately needs a day care computer system which will track parents, children, payments and providers. The vast majority of persons eligible for day care assistance (and children) are already on SRS's TEAMS computer system. With moving day care administration to SRS, we will study how to best add day care information to TEAMS and how to get the best possible funding mix for that.

ccpltes.lb

Child CARE

EXHIBIT 2
DATE 1-12-93

Child Day Care Rate Increase for State Assisted Child Care Programs

There is a great need for state assisted child care. Parents in job training programs and low income families are assisted by the subsidy to attain self-sufficiency. Child protective services day care is needed to protect children who have been identified as having substantiated abuse or neglect, enabling them to continue living in their own homes rather than being placed in out of home care. Day care providers may not accept state assisted day care placements, however, if the rates paid by the state are lower than the market rate. These state assisted day care program rates need to be at least at the 75th percentile of the market rate and consistent across programs. Money from the federal Child Care and Development Block grant (CCDBG) should not be used for the rate increase as it decreases the ability to assist families. Prior to the CCDBG the state paid the rate increases from the general fund.

This proposal calls for the state to pay providers of child care at the 75th percentile of the established market rate. A market rate study funded jointly by SRS and DFS was completed in September 1992, and identifies the market rate standard for FY 1994 & FY 1995.

Cost Estimate:
FY 94: $320,000 (General Fund, possible federal match)
FY 95: $380,000 (General Fund, possible federal match)

Contact: Susan Christofferson, Montana Alliance for Better Child Care, 756-1414

Child Care Programs - Self-Initiated Training and At-Risk Child Care Programs

Self-Initiated Child Care assists welfare recipients with child care costs while they attend job training and post-secondary programs enabling them to become self-sufficient. At-Risk Child Care assists working families who are in need of child care to continue to be self-sufficient. Both programs are aimed at reducing the number of families who are dependent on AFDC.

This proposal would increase state funding available through SRS by providing $200,000 annually in state general funds to match available federal funds for these two programs.

Cost Estimate:
FY 94: $714,285 (GF: $200,000, Federal Match: $514,285)
FY 95: $714,285 (GF: $200,000, Federal Match: $514,285)

Contact: Susan Christofferson, Montana Alliance for Better Child Care, 756-1414

Child Care Licensing Staff for DFS

Children attending child care programs are at risk of injury or abuse if licensing, registration and monitoring of child day care programs is inadequate. The Governor's Child Care Advisory Council recommended in its 1992 report that 8 additional staff were needed at DFS to keep up with current needs.

This proposal is to provide funding for 6 additional DFS licensing staff (Family Resource Specialists) to assure quality care for children in child day care in Montana.

Cost Estimate:
FY 94: $193,800 (GF: $125,970, Federal Match: $67,830)
FY 95: $193,800 (GF: $125,970, Federal Match: $67,830)

EXHIBIT 6
DATE 1-12-93

DEPARTMENT OF
SOCIAL AND REHABILITATION SERVICES

MARC RACICOT
GOVERNOR

PETER S. BLOUKE, PhD
DIRECTOR

STATE OF MONTANA

P.O. BOX 4210
HELENA, MONTANA 59604-4210

CHILD SUPPORT ENFORCEMENT DIVISION
Mary Ann Wellbank, Administrator

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Reference Sources:

U.S. Commission on Interstate Child Support's Report to Congress

The U.S. Commission on Interstate Child Support was established as part of the Family Support Act of 1988. The Commission was charged by Congress to make recommendations on improvements to the interstate establishment and enforcement of child support awards. Many of the recommendations are applicable to intra-state child support enforcement.

Child Support Report

This is a bimonthly publication of the Office of Child Support Enforcement, U.S. Department of Health and Human Services, Administration for Children and Families.

Montana Child Support Enforcement Division Legislation:

LC493	Conforming state Child Support Laws to Federal Regulations
LC494	CSED Omnibus Bill to Improve Effectiveness and Efficiency of Child Support Enforcement
LC495	Providing for Suspension of Professional and Occupational Licenses for Child Support Delinquency

⑦

EXHIBIT 6
DATE 1-12-93
SB

PATERNITY ACKNOWLEDGEMENT

EXHIBIT 6
DATE 1-12-93

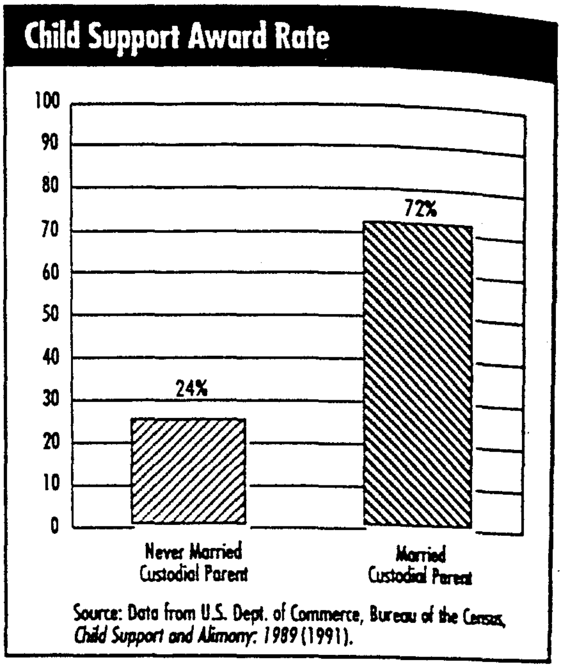
⑧

The Benefits of Establishing a Parent-child Relationship

A determination of parentage establishes a legal child-parent relationship for hundreds of thousands of children born to parents not married to one another. One out of four children in this country is born to a parent who is not married to the other parent.[1] Nonmarital children need to have parentage formally determined for several reasons. Parentage determination does more than provide genealogical clues to a child's background; it establishes fundamental emotional, social, legal and economic ties between parent and child. It is a prerequisite to securing financial support for the child and to developing the heightened emotional support the child derives from enforceable custody and visitation rights. Parentage determination also unlocks the door to government provided dependent's benefits, inheritance, and an accurate medical history for the child.

> *According to the Census Bureau, for the year ending June 1990, over 1, 088,000 births were to unmarried women, about one-fourth of all births (4,179,000). This is a significant increase from 30 years ago, when only about one in ten babies was born to unmarried women.*
>
> *About 56.7% of black children, 23.2% of Hispanic children, and 17.2% of white children are born to unmarried women. Of births to all women ages 15 - 19, 67.8% were to unmarried women. (U.S. National Center for Health Statistics, Monthly Vital Statistics Report (April 1991).*

Over the past 25 years, changing mores, the increase in nonmarital births, and the decriminalization of the parentage proceedings, refocused the parentage issue on the needs of the child. The Supreme Court has repeatedly addressed the issue of equal protection for nonmarital children. The Court has repeatedly guaranteed that nonmarital children receive the same level of constitutional protection as that enjoyed by children born to a marriage.[2]


Child Support Award Rate

Source: Data from U.S. Dept. of Commerce, Bureau of the Census, *Child Support and Alimony: 1989* (1991).

Regardless of parental marital status, children are entitled to child support. However, the legal relationship between parent and child must be established first before a final support order can be entered.

Clearly, parentage establishment has become a major component in the child support collection process. A significant percentage of the IV-D caseload requires parentage determination before support can be sought. In fiscal year 1990, state IV-D agencies established parentage in 393,30 cases (95,644 of which were nonAFDC cases a cost reported at over $197 million.[3]

Federal and state governments, especially the passage of the Family Support Act of 19 have emphasized the importance of paren determination. Some of the federal requ for IV-D cases are: (1) states must meet ce parentage determination percentages to re their federal welfare funding; (2) genetic determine parentage is paid for with 90 funding, the enhanced rate states receive o genetic testing and automation; (3) states

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allow any party requesting a parentage test in a contested case to have one; and (4) states must allow parentage establishment until the eighteenth birthday of a child.

Problems Involving Interstate Parentage Cases

Interstate parentage cases and interstate support establishment cases share many of the same problems. Interstate problems include coordination difficulty between jurisdictions that use different procedures, laws, forms, and terminology; interstate evidence problems; proof of out-of-state laws; forum shopping; jurisdiction-skipping; caseworkers' disincentive to work out-of-state cases; and an evidentiary advantage to the defendant when the hearing is in the defendant's state and the plaintiff is not physically present.

Case handling problems are exacerbated in interstate parentage cases because: (1) states use different parentage testing laboratories; (2) HLA testing of the parties must be conducted during the same time period in the two states to preserve the quality of the sample and the integrity of the test; (3) jury trials, available in some jurisdictions, make it necessary for the plaintiff to testify in person in many cases; and (4) a lack of uniformity exists regarding defenses to parentage determination and presumptions of parentage.

The Commission supports efforts to establish parentage, whether interstate or intrastate, in a voluntary, cooperative manner first, through testing second, and through a civil trial as a last resort.

Voluntary Parentage Determination

The Commission believes that the most productive approach to parentage establishment is through the cooperative efforts of both parents. The Commission strongly endorses an emerging state practice to establish parentage in a nonadversarial manner at a hospital, prenatal clinic, or birthing center. Washington state and Virginia have pioneered successful efforts to encourage parents of nonmarital children to formally acknowledge their parentage at the hospital, shortly after the birth of the child. In Washington state, paternity affidavits raise a presumption of parentage, allow for the entry of the affiants' names on the birth certificate, and may be the basis for a finding of a support duty. Washington state reports that almost four times as many paternity affidavits were filed in 1991 than were in 1988, the increase mainly attributable to the outreach program.[4]

Many nonmarital children are born to parents who have a long-term relationship similar to a marriage, although they have not legalized the union. Other parental relationships are less formal, such as a child born to parents who do not live together, or to parents who do not recognize a monogamous relationship, but have a strong relationship with the child. Yet, if the parental tie to the child is stressed, especially at a symbolic moment such as the birth of the child, many fathers of nonmarital children will voluntarily agree to establish a legal relationship with their child.

States that have attempted to cement the legal bonds at this time have found great success. The Commission encourages states to conduct parentage acknowledgment outreach at hospitals,

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birthing facilities, and programs for prenatal care, child birth and parenting. Specially trained persons, either hired by the child support agency or the facility itself, would staff the outreach program. The staff should carefully explain all the rights and responsibilities of parenthood, including the potential for support liability. Consent forms would be provided, which would include statements of waiver of any right to contest parentage.

The Commission feels strongly that voluntary acknowledgment is the best way to establish a child-parent legal tie. In order to provide additional incentives to states to conduct extensive parentage acknowledgment outreach, the Commission recommends that outreach efforts be funded at the enhanced 90% federal financial participation rate. The enhanced rate would be payable to IV-D agencies that meet federal regulatory standards for outreach services.[5]

States should establish procedures to make parentage acknowledgment a simple, informal process. If acknowledgments are forthcoming, then the state should have a simple, understandable consent form, which can be the basis for entering parentage determinations. The parties should waive any rights to service, notice, jury trial, and counsel when signing the acknowledgment. In most consent cases, a hearing requiring attendance of the parties should be unnecessary.

If the plaintiff seeks a support order as well as parentage determination without notice or a hearing, any waiver form should explicitly address rights to service and notice regarding support.

In order to encourage parents to voluntarily admit parentage, states should consider developing and distributing material at schools, hospitals, AFDC agencies, prenatal healthcare providers, WIC programs, Medicaid agencies, health departments, clinics, and other appropriate places that describe the benefits and responsibilities of paternity establishment and the process by which paternity services can be obtained.

34 RECOMMENDATION

PARENTAGE ACKNOWLEDGMENT AT CHILD'S BIRTH

a. States are encouraged to use procedures for the establishment of paternity that reduce the adversarial nature of the process. These should include outreach programs at hospitals, birthing facilities, and programs for prenatal care, child birth and parenting, and the use o consent procedures especially for young parents.

[Encouragement]

b. The federal Office of Child Support Enforcement should provide enhanced Federal Fina Participation (FFP) at the 90% level for outreach parentage establishment activities.

[Federal plenary statute]

c. States are encouraged to develop and distribute material at schools, hospitals, AFDC ag cies, prenatal healthcare providers, WIC programs, Medicaid agencies, health depa clinics and other appropriate places that describe the benefits and responsibilities of pa establishment and the process by which paternity services can be obtained.

[Encouragement]

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Voluntary acknowledgment of a child's parentage is important for the child regardless of his or her age. While early acknowledgment is best, acknowledgment for an older child is also important. In every case it provides the child with the knowledge of his or her parents in addition to helping establish the legal relationship that is the prerequisite for support. Voluntary acknowledgment avoids the personal pain and embarrassment contested parentage hearings may produce for the parties and the child.

The Commission's plan envisions a much greater rate of voluntary acknowledgment of parentage regardless of the age of the child. To reach the higher rate, certain artificial barriers to parentage establishment need to be eliminated. For instance, a father who wishes to acknowledge a child as his own should be able to create a rebuttable presumption of parentage by signing his name to the child's birth certificate as the child's father. The birth certificate should be admitted into evidence as proof of the matter asserted, i.e., that the man who signed the certificate is the father. If he or someone else wants to disprove the acknowledgment, that person should bear the burden of showing that the birth certificate signatory is not the father.

35 RECOMMENDATION

CONSENT PARENTAGE

a. States shall have and use laws that provide signature lines for fathers on their state birth certificates, which once signed by the father, create a rebuttable presumption of parentage of the signatory. The birth certificate shall be admitted as evidence for the truth of the matter asserted.

b. States shall have and use laws that provide a simple, civil consent procedure for persons who agree to acknowledge their parentage of a child.

c. States shall have and use laws providing that acknowledgment of parentage be incorporated in a witnessed, written statement that includes an acknowledgment that the signatory understands the consequences of parentage establishment. In states where the acknowledgment must be ratified by a tribunal in order to constitute a legal adjudication, the tribunal shall have the power to determine parentage based on the acknowledgment without the necessity of a hearing. Collection of information for support determination may be done concurrently with the parentage acknowledgment process.

[Federal-funding-loss-risk statute]

d. States are encouraged to develop legislation or policy concerning immunity from criminal prosecution in connection with an acknowledgment of parentage in a civil proceeding.

[Encouragement]

Child Support Report

Office of Child Support Enforcement Vol. XIV, No. 8, October/November 1992

In-Hospital Paternity Establishment a Hit in West Virginia

When a three-month in-hospital paternity pilot project yielded a 40 percent establishment rate, West Virginia lost little time in expanding the number of participating birthing hospitals from three to twenty-five.

With the support of Martha Hill, Director of the Child Advocate Office (CAO) which administers the CSE program, West Virginia established the In-Hospital Paternity Establishment project. Directed by Gary Kreps, the program has established 1,100 paternities in the year following the program's inception in September 1991, representing 40 percent of all births to unwed mothers in the participating hospitals. A full two-thirds of established paternities involve non-AFDC parents.

New dad in West Virginia happily signs the paternity affidavit promulgated by the Child Advocate Office.

The State has had voluntary acknowledgement and administrative procedures for paternity establishment for several years, yet little was being done to maximize those policies to increase the number of early paternity establishments. It was clear that early paternity establishment greatly reduces, if not eliminates, the costs involved with locating alleged fathers, genetic testing, and court costs.

Knowing that in-hospital programs were in place in Virginia, project manager Gary Kreps toured a few hospitals to learn how their programs were designed, the procedures, and the amount of staff time involved. As he discovered, early paternity establishments don't necessarily "just happen," and often mean added work for staff, so Kreps assembled those who would be affected by a stepped-up establishment effort. He explained, "It's important to sell an idea to the right people, to bring the right players to the table to work things out."

The players in this case were Chuck Bailey, State Registrar for Vital Statistics, and Robert Whitler, vice-president of the West Virginia Hospital Association. The goal was to make in-hospital paternity establishment a win-win project by sharing duties and having the proper parties take responsibility for the costs incurred.

(continued on page 2)

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From the Deputy Director

Alice Page Matthews

I cannot stop thinking about the headlines in today's paper and about the four female child support workers who were shot and killed in a county office in New York yesterday. My heart and indeed the heart of the whole child support community goes out to the families of these workers. Our prayers are with them.

We are again reminded that the work we do is one that is fraught with an immense amount of emotion [illegible] and [illegible] close to the surface all the time. The police know, courts know, and we know that this is a hard kind of situation to deal with, and yet you on the front lines do deal with it every day.

I am trying to think of some comfort or some words that I can say now to make the pain easier or more bearable... I know that the work you do is important... that you are helping children have better lives and THAT is so important. We all remember our own childhoods and our own vulnerability. We want children to have a warm and secure place to grow up. That takes love. That takes support. They aren't always easy things to come by.

I believe that everyone wants to make a difference with his or her life... know that somehow they made things better by being here. I know that you do.

A memorial fund has been established for the families of the four child support workers. Contributions can be sent to the Schuyler County Worker Memorial Fund, c/o County Treasurer Nancy Peters, 105 Ninth Street, Watkins Glen, New York 14891. ■

In-hospital Paternity

(continued from page 1)

Whitler and the Association's Committee on Health Care Policy became sold on the idea because of "bottom line" concerns of the hospital. Hospital staff were used to seeing unwed fathers come to visit their babies in the hospital and knew that most of them had jobs. Many had even asked about establishing paternity. To hospital staff, it made financial sense to get these fathers to acknowledge paternity and become responsible for medical costs, especially through their employment-related health insurance coverage.

After-Glow Realities

A frequently mentioned concern with in-hospital paternity establishment is that fathers sign affidavits in the "glow of the moment" and may not be fully aware of the legal implications of their actions. Kreps is determined that the rights and responsibilities be carefully laid out for parents, and that hospital staff involved in paternity establishment give parents accurate information. For instance, fathers must understand that the voluntary acknowledgement affidavit that they sign is sufficient documentation to begin child support order proceedings should the need arise.

> "...when the new dad gets his copy of the affidavit, it's almost like a bonding experience for him."

Bailey, of Vital Statistics, shared CAO concerns about accuracy. Paternity affidavits must be filled out correctly to prevent the additional expense and processing time caused by errors. Bailey and Kreps work together to provide in-depth training to all hospitals participating in the program.

To accommodate the program, Vital Statistics redesigned the affidavit, now in quadruplicate, with CAO paying the printing costs. Once a voluntary acknowledgement affidavit is signed, the forms are filed with Vital Records and can be accessed from there when and if the custodial parent seeks IV-D services. Vital Statistics gets the extra copy of the affidavit so that the new fathers will have concrete evidence that they are indeed fathers. "There seems to be something very special that happens when the new dad gets his copy of the affidavit, it's almost like a bonding experience for him," says Kreps.

Program Support from CAO

West Virginia's hospitals do not receive reimbursement or financial incentives for paternity establishment. Their contribution to the program involves providing staff to be trained and administering affidavits. The Child Advocacy Office provides staff training, essential printed materials, and overall coordination. The agency also pays the licensing fees for the additional notary publics that hospitals need to ensure each work shift can provide notarization.

Once all 34 birthing hospitals are participating in the paternity establishment program—expected by late 1992—Kreps would like to track parents who established paternity in the hospital at the time of birth to see how many of them eventually turn to the IV-D office for assistance in securing child support orders or other services.

Several states have looked to West Virginia for guidance in establishing in-hospital paternity establishment programs. For further information, contact Gary Kreps at (304) 636-3700. ■

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EMPLOYER REPORTING

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ing Registry of Support Orders in each state. The Registries would include all IV-D support cases and private cases where the either party requests that their case be part of the registry. The national computer network discussed below would allow the exchange of information among the states.

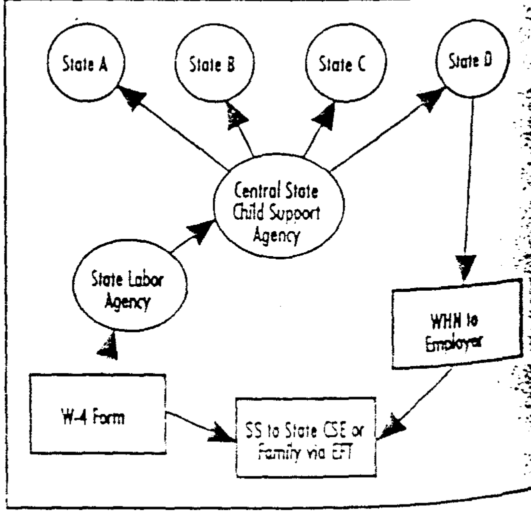
The National Computer Network for Location is the second link in the locate chain. This network allows the states to seek and obtain information from other states in an automated fashion. It allows a state: (1) to access locate resources in one or more states, (2) to obtain information on the status of the child support case referred to another state, (3) to query and obtain information on support orders for a child in another state, and (4) to transmit locate and case information to other states. An effective interstate network rests on the ability of states to access and use every possible locate resource in an efficient and effective manner.

Identification of New Employment

A key link in our improved locate system, and a major reform of the interstate child support process, is an expanded W-4 form to allow employees to report child support obligations just as they report tax liability. Modeled after a similar process in the State of Washington, this procedure has three unique features. First, as discussed in Chapter 9, the obligor can direct the employer to deduct child support from the first pay check after employment and forward it to the public agency or obligee. The second important feature is the ability of states to immediately confirm with employers if the reported child support obligation is correct and to provide additional information as needed. Finally, the process allows states to locate parents in a very timely manner using the most relevant information needed to establish and enforce an obligation — employer and income.

> *"I also believe that a modification of the standard W-4 form to show child support obligations is a good idea. Unfortunately, a common ruse to avoid child support obligations has become the changing of jobs as soon as the child support agency locates the new employer. There should be a requirement that the employee identify any existing child support obligation and criminal penalties if he or she does not."*
>
> *William D. Camden, Friend of the Court, Kent County, Michigan.*

Wage Reporting Network



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The present process used by child support agencies to obtain information on income and place of employment of an obligor is plagued by a number of problems inherent in the reporting of wage information to state and federal agencies. Most employers report wage information to state labor agencies in the month following the end of the quarter in which wages were earned. While the use of wage reporting data is very important to agencies and courts for income information, the age of the information precludes it from being a primary locate source. For interstate cases the present process is even more cumbersome and untimely.

Some states access data from wage and employment reporting in other states within their geographic region by using networks established by states, or in the case of the southeastern section of the country, through the Electronic Parent Locate Network's data base of state ecific information. A special service of the Federal Parent Locate Service allows state IV-D agencies to use Internet, a Department of Labor funded system, to obtain information from records of other states' employment and security agencies.

The Commission's W-4 reporting recommendation would supplement existing state, regional, and federal resources by providing states information within a short time frame after a parent is employed. The Commission believes that this is proactive enforcement at its best and builds upon many of the creative things that states and the federal government are presently doing.

The W-4 reporting process would begin when a new employee completes the paperwork on the irst day of a job. An expanded W-4 form requires the employee to report the amount of the child support obligation paid under an income ithholding order, the name and address of the payee, and the availability of health insurance.

The Commission recommends that the expanded W-4 form include minimal data and that an attachment be used to record other specific information needed to route child support payments and ensure proper accounting by governmental agencies. Expansion of forms and creation of new forms could be best developed in conjunction with employer related groups, payroll associations, federal and state child support officials, judicial officials, and tax departments.

> ***"Using an expanded Form W-4 as the standard notice to employers for commencement of payroll deductions for child support — from new employees, states and courts — will eliminate the confusion from the wide variety of documents that often cause delayed support deductions."***
>
> ***Robert D. Williamson, President, American Society of Payroll Management.***

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Once the employee completes the W-4, the employer will follow any employee instructions to deduct and disburse child support payments within the time frames of state law. Within the payroll processing cycle, the employer will forward a copy of all W-4 forms, or a facsimile of the forms, in either computer disk or tape format, to the agency in the state responsible for receiving wage and employment information. The employer will forward all W-4 forms regardless of whether the employee reports a child support obligation.

The state labor or employment agency will enter the information from the W-4 on a computer file and then transmit it to the state child support agency. State child support agencies will broadcast all new hires, using the network described for locate, to all states according to a protocol developed by the states and OCSE. This protocol should use migration information from the Federal Parent Locate Service and the decision logic of the automated systems to route information to the states where the obligor or potential obligor will most likely be found.

The child support agency will run a file of all new employees against the Registry of Support Orders for that state to identify all persons with support orders and persons whom the state is attempting to locate to establish paternity or a support order. Once the new employee matches a case in that state, the state agency, the attorney the parent will take appropriate action.

1. If the family receives AFDC or has app for nonAFDC IV-D services and there is support order, the automated child supp system would identify the case for action the case worker or attorney.
2. If the family receives AFDC or has applied for nonAFDC IV-D services and there is order for support with an income withholding provision, the automated child support system should generate a notice of income withholding and other appropriate documents and identify the case for action to implement the withholding. The state would send the income withholding notice to the employer to confirm the employee's instructions, modify the instructions, or inform the employer of the income withholding if the employee had not done so.
3. If either parent had elected to include the case on the Registry of Support Orders to only receive locate services, the state would inform the designated person of the new employment of the obligor. (If the parent wished to receive other child support services,

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he or she would apply for IV-D child support services with a separate application.)

The Commission sees W-4 reporting as a proactive measure that benefits the state and obligees by providing early identification of employment for the immediate implementation of income withholding. The system benefits obligors since it allows them an easy payment method and eliminates any stigma of delinquency suggested by state initiated income withholding. Employers benefit in a reduction of paperwork required to redo payroll information when a state sends an income withholding notice.

The recommendation for the W-4 system includes additional safeguards for the obligee such as fines for employees who fail to report correctly on the W-4 and for employers who either do not forward W-4 forms within 10 days of the first payroll cycle or who do not forward withheld support to the payee within 10 days of the payroll date.

To ensure that the employer has the correct information to forward the child support deducted from employee wages, the Commission recommends that states develop cost efficient protocols. These protocols would allow the employer to make inquiries of state agencies to receive payment instructions including identifying numbers and addresses. In addition, the Commission recommends that the confirming income withholding notice be developed by OCSE in coordination with state agencies, court personnel, and representatives of employers so that the notice is uniform and meets the needs of the employer. To ensure that the income withholding notice qualifies as a qualified domestic relations order (QDRO), the notice should have an addendum or a special form to allow the court or administrative agency to provide the special information required.

3 RECOMMENDATION

NATIONAL W-4 REPORTING OF NEW HIRES

a. A system of reporting of new employees shall be developed that requires employers to provide a copy of every new employee's W-4 form (revised to include information on child support obligations) to the state employment security agency.

1. The W-4 form completed by the new employee would include a statement of whether a child support obligation is owed, and if so, to whom it is payable and the amount to be paid, and whether payment is by income withholding.
2. Employers would immediately withhold the support based on the information provided by the obligor on the W-4 until notified differently and would then forward the withheld child support to the designated public entity in the rendering state, or to the family (with reports to the state) using electronic funds transfer.
3. Employers would transmit all W-4 information to the appropriate state agency within 10 days of the payroll date. The state agency would then broadcast the W-4 child support information through the federal network to confirm the information or to identify child support obligations that had not been reported by the new hire.

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Washington, Alaska and Minnesota Require New-Hires Reporting

Often, parents who successfully elude paying their child support change jobs frequently, work intermittently, or work in seasonal or cyclical employment. Clearly, using wage withholding and other enforcement methods with this group is, at best, difficult. The obligor's employment terminates before the notice to withhold income reaches the employer, or if the information obtained from quarterly State Employment Security Agency (SESA) ESA reports is outdated, the IV-D agency always finds itself several paces behind the obligor.

The states of Washington and Alaska have each designed, and are currently testing, employer-reporting programs to address this problem. Minnesota has been operating an employer disclosure program since 1987.

The Washington program, which began in July 1990, requires targeted industries to report all new hires and rehires to the state child support agency within 30 days of hiring. The targeted industries are those which typically employ individuals on a seasonal or cyclical basis, hire and lay off as needed for projects, or have rapid turnover. They are: building construction, and other construction trades (e.g., highways, bridges, tunnels, sewers and power lines); manufacturing of transportation equipment; business services; and health services. Several methods for reporting are available to these industries for reporting, including submitting W-4 forms, employer designed forms or OSE-designed forms, or using a toll-free telephone number.

After 18 months of operation, over 12,000 employers submitted over 216,000 reports of new hires and rehires. Eight percent of them matched with open cases of igors, and of these, 87 percent had made no support payments during the preceding year. Collections were successful among 43 percent of those who were nonpayers the previous year, averaging $1,200 per parent over 18 months. Washington also considers the program to be cost effective, since for every dollar spent on it, $22 were collected.

> *...the IV-D programs in these three states are finding that they can reduce the gap between hiring and withholding for child support (and) can improve the IV-D agency's effectiveness and responsiveness...*

In 1991, OCSE funded a program improvement demonstration grant to the State of Alaska to set up a system whereby targeted employers—the 30 largest in the State selected during the initial phase by size—are required to report new hires and rehires within 30 days of employment. The State is testing the hypothesis that the timeliness of the data will lead to faster and more profitable wage withholding. A second phase will initiate the system for seasonal employers, and a third phase will select employers by industry code.

Minnesota's Employer Disclosure Program was created under State law in 1987. When an individual is hired, the employer must ask if he/she has a child support obligation which is required by law to be withheld from income. If the answer is yes, the employer must begin withholding in accordance with the terms of the order. Minnesota recognized early on that employer education would be crucial to the success of the project and designed a comprehensive program involving direct training, informational brochures, and public service announcements to accomplish this task.

Through employer reporting of new hires, the IV-D programs in these three states are finding that they can reduce the gap between hiring and withholding for child support, can improve the IV-D agency's effectiveness and responsiveness, and reduce the frustration CSE workers and custodial parents experience in dealing with high turnover and job-hopping.

More details of the programs, including the results of a longitudinal study of the Washington program, are contained in OCSE Information Memorandum (IM-92-01), available from the Training Center, (202) 401-9383. ■

CHILD SUPPORT

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LICENSE

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arrearages may be collected through federal tax refund offset regardless of the child's age.

The Commission recommends that this valuable collection tool be expanded to cover nonAFDC children of any age to whom support is owed, limited only by the applicable statute of limitation.

64 RECOMMENDATION

FEDERAL TAX OFFSET FOR NONAFDC POST-MINOR CHILD

A IV-D applicant not receiving AFDC who has a child for whom a child support arrearage exists should be entitled to the use of the federal and state income tax refund offset procedure to collect the arrearage regardless of the age of the child.

[Federal plenary statute]

Occupational, Professional and Business Licenses

Many self-employed obligors are engaged in trades or professions that require training and expertise. To ensure that the public receives quality services from these specialists, government agencies issue licenses. These licenses certify that the holder has met certain minimum requirements in order to lawfully perform a service — whether the license is for a plumber, attorney, optometrist or a cosmetologist.

One requirement should be that the license applicant is not in violation of a court or administrative order, particularly an order relating to support of the applicant's children. It is ironic, and inefficient, for one arm of the government to license a person to earn money while another arm of the government is seeking money from that same person as a result of failing to honor an order.

Several states, such as California, Arizona and Vermont, tie the issuance or renewal of an occupational license to a positive child support payment history.[41] The Commission believes all states would benefit from similar laws.

The Commission recommends that the licensing agency not issue a license to anyone who is wanted for failing to appear in a child support or parentage case as a result of indifference to a court order or summons. Additionally, an obligor who is delinquent in his or her support duty should be required to work out a payment plan approved by a tribunal or the person responsible for prosecuting the case before the state provides the obligor with a license.

A license is a privilege and not a right. A governmental agency may qualify its issuance or renewal on the obligor's showing of a good faith effort to meet the terms of a child support order. The state has an interest in seeing that the license holder is law-abiding and that its judicial orders are honored. It is not uncommon for states to require a clean felony record before granting a license, especially a license for a job that signifies a position of trust. Also, if a license applicant does not obey a child support order, a state may conclude that this person poses a risk of not obeying other lawful mandates affecting the applicant's profession, such as following electrical codes or medical ethics.

Using governmental licensing as a check on bad faith or delinquent obligors not only makes good social policy but also good collection policy. In general, licensed, self-employed, uncooperative obligors are difficult persons from whom to collect support. The license may be a lifeline to income, without which the obligor could not lawfully perform his or her service. If obligors know they risk losing their chosen livelihood if they are not current or paying in good faith on arrearages, then presumably most will comply with their support orders.

The Commissioner's goal is not for the obligor to lose income through license denial. The power of the government in this case is being wielded only to ensure that: (1) a state's or a sister state's order is obeyed by one of its citizens; and (2) that one who does not obey a state's order or who makes no attempt to meet its terms may not conduct business as usual with the government's blessing.

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65 RECOMMENDATION

OCCUPATIONAL LICENSE HOLDS

a. Hold Based on Warrant — States shall have and use laws that mandate that the state occupational licensing and regulating departments and agencies not issue or renew occupational, professional or business licenses of noncustodial parents who are the subject of outstanding failure to appear warrants, capiases, and bench warrants related to a parentage or child support proceeding that appear on the state's crime information system, until removed from the system.

b. Hold Based on Support Delinquency — The federal government should and states have and use laws that mandate that federal, state and local occupational licensing and regulating departments and agencies may not issue or renew occupational, professional or business licenses of obligors who are delinquent in their child support obligation, until the pro se obligee, the obligee's attorney or a state prosecutor responsible for child support enforcement consents to, or a court that is responsible for the order's enforcement orders, the release of the hold on the license. The federal government and states shall have procedures for supplying obligors with temporary licenses for up to 30 days from the date of suspension or denial, during which time an expedited inquiry and review will be conducted.

c. Waiver of Federal Immunity — The federal government should waive its sovereign immunity claims by statute for this limited purpose and cooperate fully with local and state officials regarding license issuances or renewals.

[Federal plenary and funding-loss-risk statute]

Driver's Licenses and Car Registrations

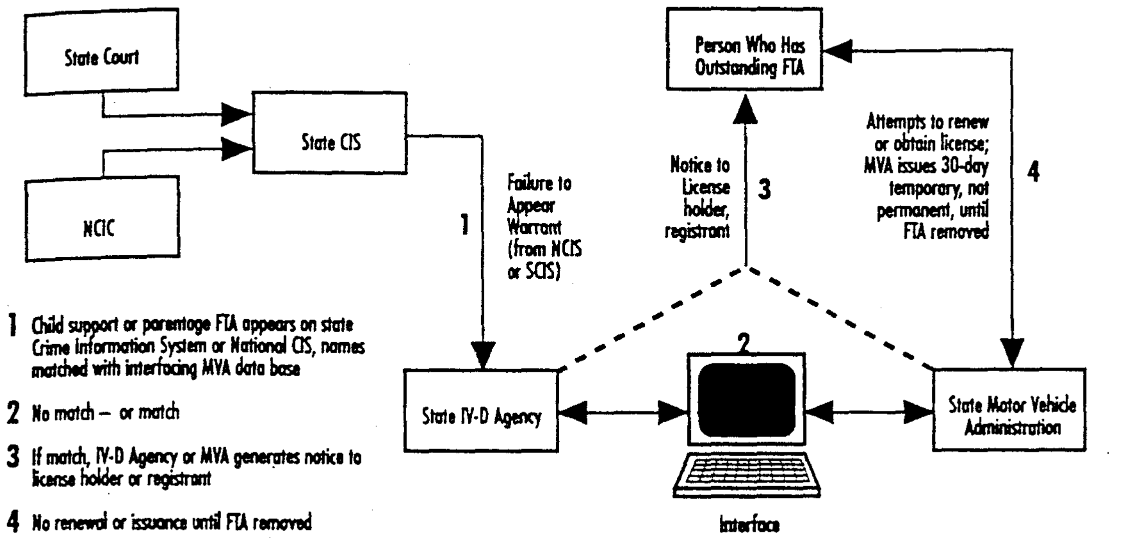
There are over 143 million automobiles in the country, more than one for every two persons.[42] Cars, pickups, trucks, boats, airplanes, and in some states mobile homes, are routinely registered with the state motor vehicle agency.

After a home, a vehicle usually represents the highest value asset an obligor possesses. Vehicles also provide necessary transportation for job-commuting and chore-running. Sometimes the owner is extremely "attached" to the vehicle. With vehicles playing such an important role in the lives of many obligors, controlling their use through licensing power gives the state a potent weapon for child support enforcement.

The Commission recommends that states empower their motor vehicle agencies to deny a driver's license or vehicle registration if the applicant has an outstanding warrant for failing to appear in a parentage or child support proceeding.

Under the Commission's recommendations, the warrant could originate from the state of the motor vehicle agency or another, as long as the out-of-state warrant is broadcast on a network that is accessible to the motor vehicle agency. The motor vehicle agency would be required to scan the network for failure-to-appear warrants in child support or parentage proceedings for each applicant. If there is no match between the

License or Registration Suspension



1 Child support or parentage FTA appears on state Crime Information System or National CIS, names matched with interfacing MVA data base

2 No match – or match

3 If match, IV-D Agency or MVA generates notice to license holder or registrant

4 No renewal or issuance until FTA removed

identifying information on the warrant and the application or file of existing license holders and registrants, the application process is not interrupted. Social security numbers, which may be placed on driver's licenses according to recent federal legislation, might be the primary data element for matching, with name and address information used for further verification. Computer matching between identifying information in the motor vehicle agency's files and that provided by the network would be done at night.

If there is a match, in cases of issuance or renewal, the motor vehicle agency would be empowered to issue a temporary license or registration until the parentage or support related warrant is removed from the network or 30 days lapse, whichever occurs first. The motor vehicle agency would immediately inform the local or state child support agency of the match. The tribunal issuing the warrant would be informed and would be free to seek extradition.

The motor vehicle agency may issue a permanent license or registration if (1) the warrant is rescinded; or (2) the 30-day period expires after the issuance of the temporary license without word from the local child support agency. If the local child support agency notifies the motor vehicle agency during that 30-day period that it should not issue a license or registration until further notification, no permanent license should be issued.

The 30-day window for state child support agency action should translate into prompt case attention by the agency. The hold on a license is a powerful tool that the agency would not want to miss using. In interstate cases in which a warrant is broadcast from another state and picked up locally, the local child support agency should serve as the agency that primarily deals with the local motor vehicle agency. The recommendation also pressures license seekers who are wanted for failing to appear in parentage or child support proceedings to seek a quick resolution of the outstanding issues.

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66 RECOMMENDATION

DRIVER'S LICENSES AND VEHICLE REGISTRATION HOLDS

a. Issuance and Renewal Hold Based on Warrant — States shall have and use laws that mandate that motor vehicle departments may not issue or renew driver's licenses or car registrations of noncustodial parents who are the subject of outstanding failure to appear warrants, capiases and bench warrants related to a parentage or child support proceeding that appear on the state's crime information system, until removed from the system.

b. Show-cause Order Based on Warrant — When an in-state or out-of-state child support warrant is broadcast on the national child support locate system, or any other system, and that information is received by the motor vehicle department in the state in which the person for whom the warrant was issued holds a driver's license or vehicle registration, the motor vehicle department shall issue a show-cause order to that person asking that person to demonstrate why his or her driver's license or vehicle registration should not be suspended until the warrant is removed from the broadcast system by the state responsible for issuing the warrant. Persons who are the subject of the warrant should be entitled to a temporary license or registration pending the show-cause hearing or the removal of the warrant from the broadcast system, whichever occurs first.

[Federal plenary and funding-loss-risk statute]

Estate Liability

State laws differ regarding estate liability for child support. Some states allow the estate of a deceased obligor to be garnished for past due support, as well as future support owed after the death of the obligor. Other states limit the liability of the obligor's estate to past due support.

The Commission recommends that a state protect the financial needs of the child of a deceased obligor as it would if the obligor were living. Certainly the child support creditor should have high priority among the other creditors of the estate.

The amount to which the child is entitled should reflect the past due support and the present value of all support for which the obligor would have been liable if he or she had survived. Present value allocation allows the administrator, personal representative or executor of the estate to provide a lump sum for future child support. The lump sum should equal the full amount less interest that the obligor would have paid if payments were made over the lifetime of the support duty.

The Commission encourages states to take this approach toward past due and future support.

67 RECOMMENDATION

ESTATE LIABILITY

States are encouraged to have laws providing that the estate of a deceased obligor will be liable for all child support past due and for all support due in futuro with an appropriate discount for present value.

[Encouragement]

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LUMP SUM
LOTTERIES
INSURANCE
LAWSUITS

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verdicts, and court awards. The insurance carrier or its law firm, the attorney of a client paying out money to settle a claim or satisfy a judgment, or the payor in a pro se case should call the state IV-D agency before distributing the money to the intended payee. States such as California already allow the attachment of proceeds from pending lawsuits as well as lawsuit settlements or awards before they are distributed.[31]

A few states reach lump-sum payments through income withholding orders. The Commission does not intend that those states be prohibited from using withholding orders to reach these proceeds.

Rather, this recommendation provides an alternative method for collection, based on the holder of the proceeds' affirmative duty to see if any of the proceeds should be applied to child support arrearages before distribution to the obligor.

59 RECOMMENDATION

TURNOVER FROM LOTTERIES AND INSURANCE OR LAWSUIT SETTLEMENTS, PAYOUTS OR AWARDS

a. States shall have and use laws that authorize in IV-D (and at state option, nonIV-D) child support cases, that certain lump-sum monies may be ordered to be turned over to the state to satisfy arrearages, in the following manner:

1. A lottery player's winnings from a state lottery or a gambler's winnings in a state-sanctioned or tribal-sanctioned gambling house or casino shall be held by the distributor until the distributor determines from the state IV-D agency whether the recipient of the winnings owes past due child support. If the recipient does owe child support, the distributor shall withhold from the winnings an amount equivalent to the arrearage and forward the sums directly to the state IV-D agency for distribution.
2. Insurance settlements or policy payouts shall be held by the insurance carrier or the risk-holder until the carrier or risk-holder receives a response from the state IV-D agency regarding whether the beneficiary of the settlement or payout owes past due child support. If the beneficiary does owe child support, an amount equivalent to the arrearage shall be forwarded directly to the state IV-D agency for distribution.
3. Lawsuits filed in state or federal court that result in awards, judgments or settlements shall be held by either the attorney for the payor or the pro se payor until an inquiry is made to and a response is received from the state IV-D agency regarding whether the successful litigant owes past due child support. If the litigant does owe past due support, an amount equivalent to the arrearage shall be forwarded directly to the state IV-D agency for distribution.

b. States shall set thresholds for reporting so that if the amount of money to be distributed to the obligor is less than a certain amount, no reporting would be required.

c. Nothing precludes a state from reaching these sums through income withholding or other means.

[Federal plenary and funding-loss-risk statute]

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RETIREMENT

FUNDS

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Attachment of Retirement Funds

Many obligors have substantial savings that ey intend to use for retirement. However, current needs of the obligor's child should supersede future needs of the obligor. Obligors should not be able to fund their future at the current expense of their children. Pensions and other retirement funds and accounts should be accessible to satisfy child support duties. These accounts include Keoghs, simplified employee pensions (SEPs) and individual retirement accounts (IRAs), as well as private or public retirement funds. Federal and state law should make it simple to garnish these funds for the limited purpose of child support.

The funds that should be attachable include any funds that are prematurely reachable by the beneficiary without loss of employment even if the distribution of the fund would cause a penalty to the beneficiary for early withdrawal. Any penalties or taxes shall be the responsibility of the beneficiary/employee and not the obligee, regard- of the designation of the alternate payee as child or the spouse or ex-spouse. Federal and tate law should authorize such attachment without the requirement of a separate court order for the attachment. The Commission contemplates notice to the obligor prior to the attachment, with an expedited hearing if requested.

This remedy is not intended to replace ERISA's provisions regarding the qualified domestic relations order (QDRO). It is an alternative enforcement remedy. However, ERISA's QDRO system covers only access to private, secular pension plans. ERISA does not cover pensions created by religious organizations or governmental entities. The Commission does not seek from Congress an extension of all of ERISA's provisions to these noncovered funds. But the Commission believes Congress should amend ERISA to require that a QDRO be honored by administrators of these currently noncovered funds when an alternate payee (e.g., custodial parent) requests child support payments from the funds.

To avoid a constitutional dispute regarding federalism, Congress should expand ERISA to allow public employees to come under ERISA's protection at the state's choice. Congress should then pass a funding-loss-risk-law to induce states to allow custodial parents to reach public employee retirement plans for child support garnishment purposes.

60 RECOMMENDATION

ATTACHMENT OF PUBLIC AND PRIVATE RETIREMENT FUNDS

a. States shall have and use laws that require in appropriate cases the attachment of lump-sum funds invested by the beneficiary/obligor or the employer of the beneficiary/obligor in public and private retirement funds. These funds include Keoghs, Simplified Employment Pensions (SEPs) and Individual Retirement Accounts (IRAs). The funds that are attachable are any vested funds, regardless of the beneficiary's current accessibility to the funds, that are reachable without the beneficiary/obligor's loss of employment. Any penalties for early withdrawal or taxes shall be the responsibility of the beneficiary and not the obligee.

b. Such attachment must be made without the requirement of a separate court order. Notice to the obligor and the opportunity for an expedited hearing must be provided prior to the attachment.

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FRAUDULENT CONVEYANCE

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c. This remedy is in addition to and not in lieu of the qualified domestic relations order (QDRO) remedy available under ERISA.

[Federal-funding-loss-risk statute]

d. Congress should amend ERISA to allow QDROs to reach public, religious organization, and private pensions.

[Federal plenary statute]

Fraudulent Transfer of Property

Witnesses testified before the Commission that a major problem in some child support cases occurs when an obligor transfers his or her assets to someone else. Remarried obligors sometimes place the title of their real and personal property in the new spouse's name. In some cases, an obligor may ask a trusted friend or relative to accept title to the obligor's property to avoid making support payments. Unless the person seeking support aggressively pursues these transfers, the obligor is often successful at thwarting collection efforts.

Transferring assets to avoid creditors is an ancient practice. For over 300 years, English-speaking countries have had statutes protecting the rights of the creditors in these situations. American states have had equivalent statutes since colonial days. During this century, the National Conference of Commissioners on Uniform State Laws promulgated the Uniform Fraudulent Conveyance Act and later, the Uniform Fraudulent Transfer Act. Most states have a version of either the UFCA or UFTA.[32]

Both Acts allow a creditor to undo fraudulent transfers. "Badges" or "indicia" of fraud relieve the creditor of the initial burden of proving what the property owner's state of mind was at the time of the transfer of the property. For example, instead of proving fraudulent intent, the creditor can point to a transfer to a relative for which the former owner received little in return.

In child support, fraudulent transfers occur too often. The obligor who fraudulently transfers property is invariably hiding something of value. If every state had tough fraudulent transfer laws and aggressively pursued fraudulent transfers, obligors who are considering fraudulent transfers would think twice. Some states have criminal penalties for the fraudulent transfer of property as well as a civil statute that provides for money damages. If the state IV-D agency publicized successes in fraudulent transfer cases, fewer obligors would consider the transfer.

61 RECOMMENDATION

FRAUDULENT TRANSFER PURSUIT

a. States shall have and use laws similar to the Uniform Fraudulent Transfer Act or the Uniform Fraudulent Conveyance Act that provide indicia or badges of fraud that create a prima facie case that an obligor transferred income or property to avoid a child support creditor.

[Federal-funding-risk-loss statute]

b. In cases indicating a likely fraudulent transfer, states are encouraged to actively pursue civil and criminal remedies against the obligor and the person or persons who may be conspiring to hide income or assets from the child support creditor.

[Encouragement]

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SEEK

WORK

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Encouraging Payment

The Commission acknowledges that many nonpaying obligors do not pay support because they do not have jobs. Two-thirds of custodial mothers said that nonpayment by noncustodial fathers, in both interstate and intrastate cases, was due to an inability to pay.[43] While several reasons may exist for this large number, involuntary unemployment or underemployment must be considered a significant reason. Obligors who in good faith have failed to find employment deserve help from the government locating a job. This benefits the unemployed obligor, the obligor's child, and the taxpayer.

The Commission encourages state child support agencies to diminish the percentage of unemployed obligors through cooperative efforts with state and private employment agencies. In Kent County, Michigan, a referral system has produced jobs and job training for scores of obligors referred by the Friend of the Court Michigan's unique child support representation and adjudication system).[44]

Many courts employ a work-release program for obligors who are found in contempt. The contemnor must still stay in jail after work hours, but may be gainfully employed during the day. The contemnor keeps his or her job, and the income from the job continues to flow. The income not only is useful for purging the contemnor of the contempt order so that he or she can be released from jail, the income also provides a foundation for future support once the obligor is no longer in contempt. The Commission encourages courts to adopt the work-release strategy in appropriate cases.

68 RECOMMENDATION

ENCOURAGING PAYMENT OF SUPPORT

a. State and local child support agencies are encouraged to work with programs designed to assist persons locate employment, and to encourage these programs to work with obligors in their search for employment so that the obligors are able to fulfill their support obligations.

b. Tribunals are encouraged to use work-release programs to provide obligors the ability to purge themselves of contempt.

[Encouragement]

Seek Work Orders

Unfortunately, there are obligors who evade support duties by purposefully remaining unemployed or underemployed. States such as Ohio have pioneered programs that require the obligor to look

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for work, and to keep the court informed of possible employment opportunities.[45]

This seek-work requirement means that an obligor who is under a duty to provide support may not shirk that duty by avoiding work. The court, through its contempt powers, can monitor whether the obligor is making a good faith attempt to support his or her family. The court can refer the obligor to JOBS programs or other agencies that assist in employment procurement. Some obligors consider seek-work requirements a violation of the Thirteenth Amendment's prohibition against slavery. The Commission has not found a reported court decision that agrees that a seek-work requirement is a violation of the Thirteenth Amendment. This requirement is not akin to bondage; it is forcing recalcitrant obligors to fulfill their duties and obey their court orders.

69 RECOMMENDATION

USE OF SEEK WORK REQUIREMENTS

States are encouraged to have and use laws that require, in appropriate cases, that delinquent obligors who are determined to be unemployed or under-employed seek work and report to the court or agency on a regular basis on the number of applications, interviews, and other progress in securing work. Failure to report or to actively seek work would be punishable under the contempt powers of the court.

[Encouragement]

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DEPARTMENT OF
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CHILD SUPPORT ENFORCEMENT DIVISION

Mary Ann Wellbank, Administrator

OPTIONS TO STRENGTHEN CHILD SUPPORT ENFORCEMENT SERVICES IN MONTANA

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SB

OPTIONS TO STRENGTHEN CHILD SUPPORT ENFORCEMENT SERVICES

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Options to Strengthen Child Support Enforcement Services

LEGISLATION

Hospital Paternity Establishment

Early paternity establishment greatly reduces, if not eliminates the costs involved with locating alleged fathers, genetic testing, and hearings costs related to paternity establishments. Additionally, if the father has medical insurance through his employer, medicaid costs can be reduced. And the earlier paternity is established, the earlier a child support obligation can be established to help keep children off welfare. Additionally, paternity establishment has benefits to the child, including genetic history, and eligibility for medical insurance, eligibility for inheritances, veterans' benefits, social security and medical benefits.

Some states, including West Virginia and Washington require by law that hospitals have a program to establish paternity at the time of birth. Hospital staff meets with the parents, explains the rights and responsibilities of both parents, and asks the father to sign a voluntary acknowledgement of paternity. The hospital staff explains that the voluntary acknowledgement is sufficient documentation to begin child support order proceedings should the need arise. The Child Support office, and the Vital Statistics Bureau at the Department of Health work with the hospitals to train hospital staff, answer questions and develop appropriate forms and procedures. Both parents have been receptive to the process, and it seems to develop a bond between the father and child.

In some states hospitals receive a fee for each paternity established, in others they don't. Federal regulations permit a maximum reimbursement to hospitals of $20.00 per paternity established.

It is our understanding that Representative Bohlinger, is developing legislation which will include paternity establishment.

Employer Reporting

Often parents who successfully elude paying their child support change jobs frequently, work intermittently or work in seasonal or cyclical employment. Clearly, using wage withholding and other enforcement methods with this group is, at best, difficult. The parent's employment often terminates before the order to withhold income reaches the employer. Information obtained from quarterly reports to the state's employment security division is frequently outdated.

The states of Washington and Alaska have each designed, and are currently testing, employer reporting programs to address this problem. Minnesota has been operating an employer disclosure program since 1987.

The Washington program, which began in July 1990, requires targeted industries to report all new hires and rehires to the state child support agency within 30 days of hiring. Washington considers its program to be cost effective, since for every dollar spent on it, $22 were collected.

The targeted industries are those which typically employ individuals on a seasonal or cyclical basis, hire and lay off as needed for projects, or have rapid turnover. They are: building construction, and other construction trades (highways, bridges, tunnels, sewers and power lines), manufacturing of transportation equipment, business services and health services. Several methods of reporting are available to those industries including: W-4 forms, employer designed forms, or using a toll-free telephone number.

After 18 months of operation, over 12,000 employers submitted over 216,000 reports of new hires and rehires. Eight percent of these matched with open cases of parents obligated to pay support, and of these, 87% had made no support payments during the previous year. Collections were successful among 43% of those who were non-payers the previous year, averaging $1,200 per parent over an eighteen month period.

It is our understanding that employer reporting is being included in Representative Bohlinger's legislation.

Restrictions or Suspensions of State Issued Licenses

The state grants many types of licenses, including drivers licenses, professional and occupational licenses, hunting and fishing licenses, general business licenses, liquor licenses, etc. Restriction or suspension of these licenses would be an effective tool for states to use in enforcement. The concept is that one arm of the state should not grant privileges to an obligor if he or she has violated state laws or orders of another arm of the government.

Several states, including California, Arizona and Vermont, tie the issuance or renewal of an occupational license to a positive child support payment history. The U.S. Commission on Interstate Child Support Laws recommends all states adopt such laws.

The Commission recommends that the licensing agency not issue a license to anyone who is wanted for failing to appear in a child support or parentage case as a result of indifference to a court order or summons. Additionally, an obligor who is delinquent in his or her support duty should be required to work out a payment plan approved by a court or hearings office before a license is renewed or approved.

The CSED is proposing legislation, LC495, which would restrict occupational licensing. The proposal is designed to compel those license holders to meet their legal obligations to pay state ordered child support. The bill allows the CSED, after the licensee has opportunity for an administrative hearing, to issue non-disciplinary suspensions of professional and occupational licenses for failure to pay support owed <u>if</u> the license holder does not enter into, or fails to honor, a payment agreement. The legislation allows for consideration of financial hardship in determining whether or not to suspend a license. The legislation would not interfere with a board's authority to issue disciplinary suspensions, nor would the board be party to the hearing or required to defend either the license holder or CSED actions.

Our intent is to make it clear that it is the public policy of the State of Montana that the support of children is of the highest priority in the allocation of a responsible parent's income, and that licensees who fail to support their children should not enjoy the privileges and benefits granted by this state. Our goal is not for parents to lose income through license denial, but to make financially responsible parents aware of the risk of losing their chosen livelihood if they do not make a good faith effort to pay child support. Presumably, once they are aware of this risk, financially responsible parents will begin complying with support orders.

Other states have laws that mandate that motor vehicle departments may not issue or renew driver's licenses or vehicle registrations of non-custodial parents who have not paid child support or who fail to appear at proceedings involving child support issues. Additionally, some states have laws which require the licensing division to place liens against vehicles whose owners fail to pay child support.

The concept is that most people in the U.S. own one or more vehicles, which frequently represents the highest value asset a person owns. Vehicles provide necessary transportation for job hunting and chore-running. Sometimes the owner is extremely attached to the vehicle. With vehicles playing such an important role in the lives of Americans, controlling their use through licensing power gives the state a potent tool for child support enforcement. The U. S. Commission on Interstate Child Support recommends that drivers' licenses be suspended or not renewed if a parent has been found to be delinquent in paying support, or if he or she has failed to appear at a proceeding involving child support issues.

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In Montana, an effective enforcement tool could extend to restriction of hunting and fishing licenses for failure to pay support.

It is our understanding that Representative Bohlinger, Billings, is including drivers' license and other licensing restriction legislation in his bill.

Estate Liability

The U.S. Commission on Interstate Child Support has recommended that states have laws providing that the estate of a deceased obligor will be liable for all child support past due and for all support due in the future with an appropriate discount for present value.

Lottery Winnings, Lawsuits and Other Lump Sum Payments

In Montana, the Montana Lottery is not required to report winnings to the CSED. Sometimes, the Montana CSED becomes aware of lump sum awards, and is able to issue a writ of execution for past due support owed. Insurance companies are not required to report settlements or policy payouts to the CSED, nor are settlements from lawsuits required to be reported. Oftentimes, settlements are made to parents who owe back support.

The U.S. Commission on Interstate Support recommends that payers of these types of lump sums be required to report winnings or settlements to the CSED and hold them until the CSED allows release. In cases where past due support is owed, the payor would be required to turn that amount over to the child support agency for repayment of past due support.

Attachment of Retirement Funds

Many parents have substantial savings intended for retirement. However, current needs of the child should supersede needs of the future. Parents should not be able to fund their future at the current expense of their children. Pensions and other retirement funds should be accessible to satisfy child support duties. Federal and state law should make it simple to garnish these funds.

In Montana, although the CSED can garnish wages, unemployment benefits and workers' compensation benefits, state law does not allow it to garnish Public Employee Retirement or disability benefits or Teacher's Retirement or disability benefits, even as they're being paid to the obligor.

Grandparent Responsibility for Minor Children who are Parents

In many cases, minor children have children. Some states have laws requiring the grandparents to support their grandchildren, if the parents are minors and do not have adequate means of supporting their children. The grandparents' obligation to do so would terminate at the time the parents attain the age of majority.

Seek Work Requirements

Some parents do not pay child support because they are either unemployed or underemployed. Parents who in good faith have failed to find employment may need help from the government in locating a job. This would benefit unemployed parents, the parent's child and the taxpayer. Any legislation on this issue would need to be developed carefully, and coordinated with other SRS divisions and departments. Under the present CSED funding structure, the CSED could not administer this type of program.

Many courts use a work-release program for parents who are found in contempt. The contemnor must stay in jail or under "house arrest" during the time he or she is not working, but is allowed to work at a job during the day. This allows the contemnor to keep his job and continue to pay support.

Collections/Withholding from Arrears

Sometimes in the course of regular business, a custodial parent who is not on AFDC receives too much money. The CSED currently have no effective means of recovery. Examples are as follows:

When a Voluntary Payment Agreement is signed by an AFDC recipient who later stops receiving aid, the CSED can utilize only the Bad Debts offset process to recover as long as the individual receives no public assistance.

After a federal or state income tax refund has been held for 6 months the CSED is required by law to release it to the NAFDC Custodial Parent. In the case of federal refunds, the payor has <u>3 years</u> to file an "injured spouse" claim and receive an adjustment, which is automatically withheld from funds being sent to the state for later offsets. The CSED is out the money and has to try and recover it from the custodial parent.

When the CSED has issued money to a N-AFDC Custodial parent from the other parent's personal check and that check is later returned for non-sufficient funds, we must try and recover the amount from the payee.

Upgrade Criminal Non-support Laws

In other states, criminal non-support laws have been upgraded to increase the penalties and to make application of the law easier for prosecutors. At the present time, Montana law is relatively ineffectual in the area of criminal non-support, and few county prosecutors will prosecute criminal non-support except in extremely aggravated situations.

The law could be upgraded to make the crime a felony rather than a misdemeanor whenever arrearages exceed a specified amount.

Clarify Contempt of Court

Many states have specific laws governing what constitutes contempt in a child support case. Their laws hold that the mere failure to pay support as ordered is "per se" contempt. It is then up to the parent owing support to prove that he or she has not acted contemptuously. States which have this type of law have found it to be a very effective and useful remedy, particularly in cases with chronic delinquencies and for self-employed cases where there are few effective remedies.

At present, Montana law gives no statutory guidance to courts on this matter, and the burden of proof is put upon the proponent

Administrative Contempt Authority

The CSED Omnibus bill amends MCA Section 40-5-226 to hive the CSED the authority to enforce its own orders. Currently, the only remedy for enforcement of administrative orders is to take the matter to District Court. With only five attorneys available state wide, with 56 possible District Courts, and with the overall extent of the problem, the CSED does not have the resources to enforce its own orders. As a result, many obligors have ignored the administrative process to the detriment of children.

This amendment corrects the problem by giving the CSED the ability to enforce its orders through contempt powers. That is, if a person fails to obey an administrative order that person may be fined until he or she obeys. Although this procedure is denominated as "contempt", it is not the same as judicial contempt. Rather, the procedure comes under the administrative remedy known as "civil monetary penalty or (CMP)". This is not unprecedented in Montana. For example, the Board of Oil and Gas Conservation may levy a CMP from $5,000.00 per day up to $125,000.00 to enforce its orders. The Department of Justice may enforce its gambling control orders by levying a CMP up to $10,000.00 for each violation.

Provide for Additional Fees

The CSED Omnibus bill amends MCA Section 40-5-210 to broaden existing provisions for when and under what circumstances the CSED may collect a fee for services rendered. That is to say, under existing law a fee may only be charged to an obligor when the obligor's fault caused the CSED action. However, the CSED provides numerous services where the obligor's fault is not an issue. An example would be when a parent, either obligor or obligee, wants to modify a support order. Because there is no fault, the CSED is

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unable to charge a fee. A second example occurs when either an obligor or obligee requests CSED services such as immediate income withholding. In immediate income withholding cases, there is no delinquency. Therefore there is no fault, and consequently no chargeable fees. In short, with the rising costs of state provided services, it is not unreasonable to expect the person wanting a specialized service such as the CSED provides to pay, at least in part, for the costs of that service. Therefore, Section 9 provides for allocation of fees between obligor and obligee based either on fault or a request for services where no fault is an issue. For similar reason, Section 9 also provides for application fees, handling fees and late payment fees.

Require Private Businesses to Share Information

The CSED Omnibus bill amends MCA Section 40-5-206 to require all persons, businesses, unions and other private entities to cooperate with the CSED in locating absent parents and the absent parent's assets and income. Under present law, only governmental units are required to provide such cooperation. Without this amendment, the CSED, in many cases, will be unable to locate the absent parent or his or her assets. The information is there but the CSED has no way to compel it. Therefore, many children go without support because the CSED is limited in it's ability to obtain information that is readily available.

Enhancing Existing Child Support Liens on Real and Personal Property

The CSED Omnibus Bill creates a new law, Section 11 and 12 amend MCA Section 40-5-242 and 40-5-247 respectively. Section 26 repeals MCA sections 40-5-241, 40-5-245 and 40-5-246. The purposes of these changes are to enhance existing procedures for imposing child support liens on an obligor's real and personal property. Such liens are required by federal regulations and the existing procedures do comply. However, existing procedures are limited to use of a process that is redundant to other remedies available to the CSED. By contrast, the proposed amendments create the lien whenever the CSED reduces a support order to a sum certain judgment. Unlike existing procedures, the lien would also apply, without further processing, to sum certain child support judgment entered by a District Court. In many cases, the easy imposition of liens will motivate a parent to keep a support obligation current. In other instances where there is a delinquency, the routine imposition of liens will result in eventual payment of support when the obligor attempts to sell or transfer the encumbered real or personal property.

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Consolidate Statutes of Limitations for Child Support

The CSED Omnibus bill amends MCA Sections 25-9-301, 25-9-302, 25-9-303, 25-13-101, 27-2-201, 27-2-211 and 40-5-255. The purposes of the amendments are to consolidate and standardize all the various limitations which apply to child support into one uniform period. At present, limitation periods are different for each aspect of child support. For example, each installment of child support is an individual judgement upon which there is a statute of limitation of 10 years. Thus, when a child is 11 years old, the first year of unpaid support is lost due to the limitation period. There is a six year limitation on writs of execution to collect support except when there is a special permission of the Court. This is inconsistent with the foregoing 10 year limitation period. In short, the various limitation periods encourage obligors to avoid paying support. The longer they hold out, the more they benefit. Meanwhile the child goes without support he or she is entitle to receive. Under the proposed amendment, the uniform limitation period on child support actions would be 10 years from termination of the support order.

Fraudulent Conveyance

One problem in child support enforcement occurs when people owing child support transfer their assets to someone else. For example, a parent owing child support can transfer all assets to the spouse's name or to a trusted friend. It is very difficult for a parent seeking support or the child support agency to prove fraudulent transfer when it is suspected that the parent has transferred his or her assets to evade child support.

Child support collections could be improved if proving fraudulent transfer was made simpler for parents and agencies to use.

9
DATE 1-12-93

Social and Rehabilitation Services
Child Support Enforcement Division

Options to Strengthen Child Support Enforcement Services

BUDGET MODIFICATIONS

Request to Reinstate Targeted (5%) FTE and Position Vacant as of 12/29

The first modification of approximately $202,000 each fiscal year relates to restoring 7.42 FTE targeted for elimination if SFY94. One of the positions is a vacancy that was advertised and accepted in good faith prior to 12/29.

The other 6.42 positions are desperately needed to handle the skyrocketing caseload. Three of the positions are regional office caseworkers, the backbone of this program. Another two positions are clerical positions which have since been reclassified to strengthen two critical areas of support: administrative hearings, and budgeting. The two remaining targeted clerical positions are important links in supporting caseworking staff: one is responsible for locating absent parents, the other is a hearing assistant. All positions but one are currently filled by experienced incumbents.

Request for Replacement 52nd Session Approved 14 Contract Staff with 14 State FTE

This modification is cost neutral and relates to moving funding ($278,849 in SFY94 and $279,107 in SFY95) from Contracted Services (2100) to Personal Services and replacing 14 contracted staff authorized by the 1991 Legislature with State FTE. In the 1991 session, the legislature approved additional resources by allowing the CSED to contract for additional staff with the private sector, however we have had difficulty attracting and retaining qualified contracted workers. Constant turnover and retraining wastes both money and time. This modification is entirely cost neutral. Funding is already in the current level budget. It is just a matter of replacing contracted personnel with State FTE.

Request to Fund Increased Communication Charges

This modification of 45,000 and $49,000 respectively relate to costs necessitated by new federal regulations requiring increased communications with parents to advise them of amounts owing and amounts paid or collected, and the need to utilize a Voice response Unit for this requirement and to assist the public in timely response to routine questions.

EXHIBIT 9
DATE 1-12-93

Request for Replacement of Special Session II Approved Contract Staff with State FTE (33 in FY94, 45 in FY95) - Cost Neutral

During Special Session II, the Legislature authorized $1.2 million for contracted services in the CSED budget. This appropriation has been carried forward in the SFY94 and SFY95 current level budgets as $1.2 million, and $1.45 million respectively. The purpose of this appropriation was to provide additional resources to the CSED to meet its continually growing caseload and stringent federal requirements. No additional FTE were requested, nor was a request for additional FTE included in the SFY94-95 executive budget request.

With the change of administration, SRS has reevaluated its original request, and is now requesting authorization to hire 33 new FTE in SFY94, and 12 additional FTE (45 Total) in SFY95. This request is entirely cost neutral and would only involve a transfer of $1,101,095 in SFY94 and $1,468,680 in SFY95 from Contracted Services (2100) to Personal Services, Operating, and Equipment.

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8

DATE 1-12-93

1993
STATE OF MONTANA COMPREHENSIVE HOUSING AFFORDABILITY STRATEGY (CHAS)

DRAFT REPORT FOR PUBLIC REVIEW

Montana Department of Commerce
November 1992

8
DATE 1-12-93

Ms. Barbara H. Richards, Director
Office of Community Planning and Development
U.S. Department of Housing and Urban Development
Denver Regional Office, Region VIII
1405 Curtis Street
Denver, Colorado 80202-2349

DATE, 1992

Dear Ms. Richards:

As required by the Cranston-Gonzalez National Affordable Housing Act, I hereby submit the Original and two copies, including all attachments and certifications of the Comprehensive Housing Affordability Strategy (CHAS) for the State of Montana by the Department of Commerce.

Please direct any questions or comments on the CHAS document to Newell B. Anderson, Administrator, Local Government Assistance Division.

Sincerely,

Alan G. Elliott
Director

cc: Newell B. Anderson, Administrator
Local Government Assistance Division

EXHIBIT 4
DATE 1-2-93

1993
STATE OF MONTANA
COMPREHENSIVE HOUSING AFFORDABILITY STRATEGY
(CHAS)

FOR FEDERAL FISCAL YEAR 1993

DRAFT REPORT FOR PUBLIC REVIEW

Prepared for
Mr. George Warn, Chief
Housing Assistance Bureau
Montana Department of Commerce
(406) 444-2804

by
Western Economic Services
P.O. Box 13671
Portland, OR 97213-0671
(503) 228-6325

November 1992

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THE MONTANA CHAS FOR FISCAL YEAR 1993 EXECUTIVE SUMMARY

The problems faced by Montana's communities are as diverse and widespread as the geography. A combination of an influx of people, an economy undergoing structural change, and falling real wage rates have had a dire effect on Montana's housing situation. Since the 1990 Census was taken, the cost of housing has risen dramatically and available, affordable housing for very low income, low income, and moderate income Montanans has become virtually nonexistent in many areas of the State. In other parts of the State, existing vacant housing lacks maintenance, causing a decline in the quality of the housing stock. No single approach, nor single housing priority, will fit Statewide. The problems, whether seen in many small and geographically dispersed areas of the State or spread throughout Montana, are critical *now*. These can be summarized as:

- A shortage of rental units, especially lower rent units;
- A shortage of available housing for all but the wealthy;
- Existing stock of homes is deteriorating, leading to increases in substandard unsuitable shelter;
- Subsidized housing is insufficient in face of high demand;
- Opportunities for home ownership are limited;
- Assistance programs are complex, difficult to understand, and under funded;
- Lack of coordination of housing activities and documentation of housing need;
- The State appears to have inadequate resources to meet needs for supportive housing; and,
- Risk of homelessness may be increasing.

Montana believes these problems represent compelling need and that these problems can be reduced by addressing several needs. These are:

- Construct more low rent units;
- Construct more single family homes;
- Rehabilitate existing low rent units;
- Rehabilitate existing single family units;
- Develop more affordable home ownership opportunities;
- Provide repair and maintenance assistance;
- Provide advice and assistance for manufactured and mobile home owners;
- Provide assistance for single parent families and families with other supportive needs;
- Develop more low-rent congregate care facilities for elderly Montanans;
- Provide more housing for disabled persons & persons requiring supportive services;
- Develop more shelter and services for homeless persons; and,
- Develop housing alternatives for persons with AIDS.

Actions and resource commitments in response to these needs spring from three broad policy objectives: promote housing availability, affordability, and suitability. Programs falling within the domain of these needs and directed towards solving the problems are:

- The HOME Program;
- The Community Development Block Grant Program;
- The Emergency Shelter Grant Program;

- Other US Department of Energy Programs;
- Montana Board of Housing Programs (single family, multi-family, and manufacture homes);
- Rental and Certificate Vouchers;
- Section 8 Mod-Rehab (resources made available under discontinued programs);
- Permanent Housing for the Handicapped;
- Shelter Care Plus;
- Supplemental Assistance for Facilities to Assist the Homeless;
- Permanent Housing for Handicapped Homeless Persons;
- Section 8 SRO Mod-Rehab;
- Supportive Housing for Persons with Disabilities; and,
- Supportive Housing for Elderly Persons.

The actions and resources that are not specifically program based, but are required in responding to the housing difficulties and assisting the State in fulfilling its three broad policy objectives comprise the upcoming fiscal year action plan. These are:

- Solicit Statewide support for a broad based steering committee for housing policy formation;
- Study and inspect alternatives to current local and State land use and zoning policies;
- Construct housing program database enumerating qualifying criteria, application process, and contact persons;
- Refine and complete re-alignment of institutional structure, thereby facilitating housing services;
- Allocate all FY 92 HOME funds;
- Determine extent of homelessness in State;
- Leverage federal dollars to attract private investment money;
- Support other entity applications;
- Solicit input from Steering Committee regarding homelessness and non-homeless with special needs;
- Explore alternative ways in which local governments can promote affordable housing;
- Promote and assist non-profit entities in receiving CHDO certification;
- Support grant and loan applications of other entities which expand the supply of housing;
- Continue expanding MDOC's role in the provision of technical assistance;
- Promote and distribute information for the Community Reinvestment Act; and,
- Continue promoting the Low Income Housing Tax Credit.

To the extent possible, and applicable, all programs, resources, and proposed activities and actions will be distributed equitably throughout the State.

1-12-93

INTRODUCTION

Decent and affordable housing is an essential element to the quality of American Life. The federal government has played a large role in addressing housing issues ever since the time of the New Deal, when housing was defined as a part of the nation's policy agenda. A number of public programs were created which were intended to serve the housing needs of the poor, elderly, and others for whom affordable and decent housing was unattainable. Since the first public housing programs were initiated in 1934, housing has been central to the nation's sense of well-being.

As the US entered the 1980's, the commitment to housing in the federal policy arena fell significantly, plunging from $26.7 billion to less than $10 billion between fiscal 1980 and fiscal 1986. At the same time, the cost of housing was rising faster than most people's ability to pay for it. This resulted in a sizable gap between the provision of affordable housing and the demand for housing. Congress recognized these difficulties and on November 28, 1990, President Bush signed into law the Cranston-Gonzalez National Affordable Housing Act.

The nature of federal housing policy now being implemented, as the country moves through the 1990's, reflects dual purposes: provide decent and affordable housing, and emphasize the importance of states in local policy formation. Funding directed toward housing has risen in response to the Act, increasing to almost the same level as in 1986. The National Affordable Housing Act formally augments the role of states and entitlement areas in addressing housing issues by requiring them to develop five year comprehensive planning documents from which policy and appropriation decisions can be made.[1] The document, entitled the Comprehensive Housing Affordability Strategy (CHAS) must be submitted to the United States Department of Housing and Urban Development (HUD).

The States and entitlement areas are also required to submit annual strategies and annual performance reports. This particular report presents the Montana CHAS Annual Plan for Federal Fiscal year 1993. To the extent possible, it follows the explicit reporting instructions set forth by HUD on September 10, 1992. Toward that end and in the following order, this document addresses the CHAS development process, the State's intended investment strategies and public policies, and concludes with several amendments to Montana's current five year strategy.[2] The amendments, found in Appendix B, represent a more complete and current view of the State's housing market and inventory, as well as the State's overall housing needs and related housing problems, than that presented last year.

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[1] Entitlement areas are Metropolitan areas with populations of 50,000 or more.

[2] The National Affordable Housing Act does not currently include Section 8 (except for the Single Room Occupancy program) and Farmers Home programs in its CHAS process, nor does it currently include Montana's seven Indian reservations.

STRUCTURE OF THIS REPORT

In accordance with HUD guidelines, this report is separated into several parts. In Section A, the CHAS development processes affiliated with the formation of comprehensive strategies are reviewed and participating parties are identified. In Section B, the investment plan is presented. It identifies the funds and resources that are anticipated to be devoted to assisting individuals and households. It quantifies the number of individuals and families that the State anticipates helping over the ensuing fiscal year. It also addresses particular and notable actions that the State plans to carry out over the upcoming year. In Section C, the document addresses other actions that the State anticipates taking in support of refining the five year plan and enhancing the delivery of affordable housing to the people of the State. The Fair Housing and Relocation and Antidisplacement certifications follow, along with a summary of the public comments received during the citizen involvement process. The State of Montana has prepared several Amendments to the five year plan. These relate to the Market and Inventory Conditions, Montana's Housing Needs, and Montana's Housing Problems.

The State has conducted more detailed research of the 1990 Census data. The analysis, while still in its infancy, is a significant improvement over that presented prior to availability of the detailed 1990 Census data. The primary purpose was to begin the full identification of baseline data depicting the State's population, incomes, and the characteristics of the housing stock. The Market and Inventory Conditions narrative has been updated, with more precise figures, tables, and diagrams. It is accompanied by detailed presentations of tabular data by City, Census Designated Place, and all remaining areas within each of the 56 counties of the State. The Needs and Problems discussions have been revised to better represent the urgent conditions now plaguing the State.

It should be noted here that while all portions of this document are important to HUD, different individuals may view some parts as more important and relevant than others. For example, if one wishes to better understand how the State expects to allocate housing resources, Section B may be most relevant. For those individuals who are more interested in housing policies, Section C would be most pertinent. If the reader is more interested in getting a better understanding of the nature and degree of housing problems currently plaguing the State, then parts of Appendix B, "Amendments to the Five Year Plan", may be most suitable.

This report is designed to stand alone, presenting the degree of current housing need in the State and plans and policies designed to reduce, or eliminate, housing difficulties that now haunt people in the State of Montana.[3]

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[3] The five year plan, while now largely superseded by this report, can be obtained by contacting the Housing Assistance Bureau, Montana Department of Commerce, 1424 9th Avenue, Helena, MT 59601 or by calling the Bureau at (406) 444-2804.

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METHODOLOGIES USED IN PREPARING THE FISCAL YEAR 1993 CHAS

Several approaches were applied in the development of the FY 1993 CHAS. They included more detailed analysis of 1990 Census data, collection of current opinions and reactions to the housing situation around the State via telephone interviews, specific computations of housing affordability and availability, and analysis of historic employment and earnings data. Some portions of this information has been used to revise parts of last year's CHAS, herein included as the Amendments in Appendix B. All of the data was used in the formation of policies and policy issues outlined in the body of this document.

The 1990 Census data was evaluated by major city, eleven Census Designated Places, and the remaining 56 Counties. The variables are presented at right. Results of the analysis are presented in both tabular and graphic forms throughout this report. The Census and Economic Information Center at the Montana Department of Commerce provided SAS data sets containing the data for the analysis.

Approximately 40 telephone interviews were conducted throughout the State, each lasting up to an hour. Individuals contacted included many of those surveyed last year, as well as others involved in Montana's housing issues.

In computing quantities that better explain Montana's housing affordability and availability, several banks throughout the State were contacted and asked their fees and closing costs. This data, in conjunction with the Census data, was used to derive estimates of affordability.

EXHIBIT 1
1990 CENSUS VARIABLES

PERSONS
FAMILIES
HOUSEHOLDS
URBAN AND RURAL HOUSEHOLDS
SEX
RACE
AGE
PERSONS IN HOUSEHOLD
HOUSEHOLD TYPE
HOUSEHOLD INCOME IN 1989
PER CAPITA INCOME IN 1989
HOUSING UNITS
OCCUPANCY STATUS
URBAN AND RURAL HOUSING
TENURE
RACE OF HOUSEHOLDER
ROOMS
UNITS IN STRUCTURE
SOURCE OF WATER
SEWAGE DISPOSAL
YEAR STRUCTURE BUILT
BEDROOMS
KITCHEN FACILITIES
GROSS RENT
VALUE
PLUMBING FACILITIES

The analysis of employment and earnings for the State of Montana was developed from data purchased through the National Planning Associates in Washington DC. The data comprises the 1967 through 1990 US Bureau of Economic Analysis data (with some rounding), and deflated to constant 1987 dollars by using the Gross Domestic Price Deflator for personal consumption expenditures.

Lastly, the FY 1992 CHAS was used periodically for reference and description of certain programs and policies.

SUMMARY OF MONTANA'S HOUSING DIFFICULTIES

The lack of availability of affordable housing for very low, low, and moderate income persons has risen in prominence as a national policy issue. The lack of affordable housing across America has affected individuals, families, and the elderly, whether home owners or renters. According to a 1986 Report prepared by the National Governor's Association, housing costs are rising faster than income.[4]

Montana has not escaped the influences of the nation's housing problems. An analysis of the number of low-rent units, lower costs homes, and the number of households earning less than $15,000 per year indicates that there may have been as much as a 25,000 unit shortage of affordable housing to those households in 1990. This particularly affects families, who make up almost 70% of all Montana's households. Today, the situation is much worse, as pressures and constraints on the housing market have spread and affected Montanans of all income categories.

These shortages have driven monthly rental payments and housing costs up sharply in just the last year. This makes many at-risk of homelessness and places home ownership out of reach for many low and moderate income Montanans. Even though there is great demand for lower cost housing, there has been little new construction of single or multifamily units for low and moderate income Montanans.

Rehabilitation of the existing housing stock is a pressing issue for Montana. Many occupied units across the state are in poor condition because their owners cannot afford the costs of maintenance. Elderly Montanans, who constitute the largest group of home owners in the state, often lack the resources necessary to maintain their homes. For potential home buyers, units which stand vacant for long periods of time constitute a rehabilitation problem. Often the cost of bringing the units to a liveable standard is prohibitive. The poor condition of the units can also preclude the use of mortgage insurance programs, without which the units are not easily financed.

Beyond the issue of rehabilitation as it relates to maintenance and improvements, there is a also need for modification of existing units. Modification of units is required to make housing handicapped-accessible for Montana's physically disabled population, some of whom currently live in units which are not adequately equipped. In addition, energy inefficient units are placing an unnecessary cost burden on Montana's renters and home owners. Energy conservation modifications are needed to address the overall issue of affordable housing across the state.

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[4] *Decent and Affordable Housing for All: A Challenge to the States*. National Governor's Association, 1986.

A number of groups in Montana have special needs linked to the provision of affordable housing. For homeless people, families headed by single parents, and the elderly, there is a need for supportive services which facilitate independence. Homeless people in Montana, while not as prevalent in this state as in other areas of the country, are finding fewer available units in local shelters. Many facilities are simply not able to meet the need for emergency and transitional housing.

Homelessness can be addressed through the provision of affordable housing. The main contributor to homelessness nationwide (approximately one-third) has been the de-institutionalization of the mentally ill. In addition, increasing chemical dependency problems, economic recessions, and cutbacks in assistance programs in the 1980's have contributed to homelessness. Many single room occupancy units (SRO's), which are important to serving the needs of homeless people, have been eliminated with the enforcement of building codes. Similar to other housing stock components, as rental costs for SRO units have climbed and the number of assisted units reduced, insufficient numbers of units remain to satisfy the demand.

Single parents head 17% of Montana's families. Where there is a high rate of single-parent families in public housing facilities (a situation more common to Montana's major cities) the provision of day care and job training services is needed both to facilitate the family's move toward self-sufficiency and maintain a stable public living environment.

The elderly make up nearly 18% of Montana's adult population and represent the largest group of homeowners in the state. Congregate care housing for this group, which fosters independent living while providing supportive services, will tend to be a compelling need in the future.

Lastly, there are more than 50,000 mobile homes in Montana. Whereas manufactured and mobile homes represent an affordable housing alternative for many Montanans, such owners face discriminatory zoning laws in many areas. The challenge to policy makers in Montana is to identify and press for alternatives to current zoning and land use conditions which are equitable to low and moderate income Montanans.

In summary, Montana's economy is suffering along with the national recession. As industrial activities related to the States resource base decline, particularly lumber and wood products, structural changes in the State's economy compound the problem. These economic difficulties will continue and the lack of available, affordable, and suitable housing will persist.

The State's limited resources are not adequate to address all the housing requirements of low and moderate income individuals and families, elderly Montanans, people with special needs, and other in-need populations. MDOC and the people of the State share in exploring creative approaches to expanding the supply of housing across the State. Together, and through the stewardship of MDOC, Montana intends to move forward in securing and applying Federal, State, and Private resources to solve the State's housing problems.

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SECTION A
MONTANA'S PLANNING EXPERIENCE

The federally mandated role of states in housing policy formation is to become intimately acquainted with their own particular housing needs. This document represents a portion of Montana's actions to fulfill this responsibility. Each year, more information becomes available, better understanding of needs are established, and enhanced delivery of housing services occurs. But this process has only just begun for Montana and the development of strategies is an evolutionary process.

Prior to the implementation of the first Statewide comprehensive planning for housing, the State of Montana did not conduct centralized planning for housing issues. Indeed, handling of housing problems has historically been disbursed throughout the State. Because responsibility has been fragmented in this fashion, the bounds and mandates of these various entities have not been collectively orchestrated and have occasionally been ill defined. This has tended to precipitate confusion among governmental agencies and may have resulted in some unwitting competition between agencies serving various constituencies.

Understanding of housing needs, and requirements, varied significantly around the State. Certain jurisdictions or interested parties have had knowledge of their own housing problems, but often lacked understanding of how their problems compared Statewide. Other jurisdictions may not have known how to best describe their housing situation. With the implementation of the CHAS process, these problems are being reduced, and gains are being made in the evolution of a Statewide Comprehensive Housing Plan.

The CHAS has opened the door by exposing all parties to greater levels of information about housing planning, thereby enhancing the level of sophistication and understanding of everyone involved. The comprehensive nature of the process has been successful for two very important, but different, reasons: coordination and dissemination of information by the Department of Commerce; and, an increase in the severity of housing problems.

In attempting to improve its planning activities, the State of Montana has undertaken the following activities during the past fiscal year:

- Organizational re-alignment to facilitate administration of the CHAS process and programs;
- Surveys regarding new programs and opinions of existing delivery systems;
- Application workshops;
- Advice and technical assistance to non-profit entities;
- Analysis of 1990 census data and documentation of housing needs;
- Facilitation of intergovernmental coordination;
- Identification and evaluation of institutional constraints to affordable housing;
- Interviews to identify housing issues and housing difficulties;
- Fostering support for establishing a Statewide Advisory Committee on Housing;

- Facilitating the use of private investment money; and
- Continuing to deliver housing services through existing infrastructure and agencies.

For purposes of this FY 1993 Annual Report, each of the above are explored, touching on the CHAS development process, the investment plan and other actions and activities of the State's five year plan. First, and in keeping with HUD's guidelines, the CHAS Development Process is presented.

THE CHAS DEVELOPMENT PROCESS

The development of Comprehensive Strategies for housing in Montana is a process that continues throughout the year, spanning a variety of forums and settings. Through this process, the State has attempted to enhance the prospects for delivering benefits to the people of the State, and to improving the formation of policies and programs that support the availability and delivery of affordable housing. The CHAS Development process is on-going and has included four processes:

- Institutional structure;
- Program formation and delivery of program services;
- Consultation with concerned citizens and organizations; and,
- Advisory and policy formation functions.

INSTITUTIONAL STRUCTURE

Nearly all state administered housing assistance programs are handled by the Department of Commerce (MDOC), primarily within the Board of Housing, the Community Development Bureau, and the Housing Assistance Bureau. Only recently, MDOC was authorized to begin development of more formal and long term programs and program delivery systems. In taking responsibility for the CHAS development process, MDOC reorganized and established a specific lead agency within MDOC. The Housing Assistance Bureau was given responsibility for development of the CHAS, as well as the management and coordination of many related housing programs.

In particular, the Bureau, organized under the Local Government Assistance Division of MDOC, was authorized to develop, implement, and manage the Home Program. A position, Program Manager, was advertized and the Manager was selected. Several other positions were created; these are two HOME Program Officers, one CHAS Coordinator and one Program Assistant. The hiring process has been completed for the two Program Officer and CHAS Coordinator positions.

HOME staff developed the program guidelines and held nine public hearings on the guidelines in various Montana communities. It is felt that with these additions to staff, and the design of the program, MDOC has initiated a very detailed and specific plan for the coordination and delivery of program services throughout the State. By coordinating the consolidation of the CHAS process in one Bureau, smooth and consistent agency processes are being laid down. The Bureau is now in a much better position to provide guidance and cooperate with other State and local parties and agencies.

PROGRAM FORMATION AND DELIVERY OF SERVICES

MDOC initiated the HOME Program in FY 1992. The design and development of the HOME program, as consistent with the five year CHAS, spanned several months and included citizen involvement throughout many areas of the State. The initial steps taken were to solicit citizen input prior to putting the HOME institutional structures in place. This involved the distribution of HOME surveys at several public meetings being held (CDBG application workshops).

A list of questions asked is reproduced at the top of the following page. From answers provided to these questions, and other public comment received during this informal process, MDOC produced draft guidelines that later entered a formal citizen involvement process.

Nine cities were scheduled and visited for this part of the CHAS development process. The cities and towns solicited for input were Havre, Glasgow, Miles City, Billings, Helena, Kalispell, Missoula, Butte, and Great Falls. MDOC followed these public hearings by implementing a two step internal review process. The scope of the review was based upon the types and quantity of questions received and primarily involved clarification and accuracy of the HOME guidelines.

The second step was to review MDOC policy decisions concerning the application guidelines. This too was based upon the public comment, particularly those that differed from the proposed MDOC application guidelines. The final Draft HOME application guidelines were prepared and submitted to HUD for approval.[5]

The Montana HOME Program is intended to promote and advance the goals of the Montana Comprehensive Housing Affordability Strategy (CHAS) and provide a flexible mechanism for enhancing other federal, state, local, and private resources for the development of affordable housing. The purposes of the Montana HOME Program are to provide coordinated financial assistance in the development of affordable low income housing; to expand the supply of safe, decent, sanitary, and affordable housing for lower income Montanans; and to strengthen

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[5] Copies of the draft guidelines can be obtained by contacting Mr. Tim Burton, HOME Program Manager, Housing Assistance Bureau, Montana Department of Commerce, (406) 444-2804.

EXHIBIT 2

HOME QUESTIONNAIRE FOR CDBG APPLICATION WORKSHOPS

By taking the time to complete the following questionnaire, you can help the Montana Department of Commerce (MDOC) in its efforts to design a HOME program appropriate for Montana communities

1. Please indicate which of the following population groups your community would fall under:
☐1-500 ☐501-2,500
☐2,501-5,000 ☐5,001-10,000 ☐over 10,000

2. The following activities are eligible for funding under the HOME Program. Please list the HOME activities that would be priorities for your community, in order of importance (1st, 2nd, etc.).

__assistance to first-time home buyers (such as grants for down payments)
__assistance to existing home owners
__construction of new housing (requires special HUD approval)
__demolition
__moderate rehabilitation (rehab of rental of owner -occupied housing costing less than$25,000)
__Property acquisition
__reconstruction
__relocation expenses
__site improvements
__substantial rehabilitation (rehab of rental or owner occupied housing costing more than $25,000)
__tenant rental assistance (similar to the HUD Section 8 Program)

3. MDOC tentatively plans to award HOME funds through an annual grant competition (most likely in the fall of 1992). In the event that not all funds are awarded, an "open window" for application would be established to award funds on a first come, first served basis. Would you support this approach? If not, what alternative would you suggest?

4. Eligible recipients of HOME funds include local governments and nonprofit Community Housing Development Organizations (CHDO's). Under federal law, at least fifteen percent of the State's HOME funds must be set aside for CHDO's. Should CHDO's be allowed to apply for and administer HOME projects independent of local governments or should CHDO's be required to apply through local governments? (For example, CDBG requires that local governments apply on behalf of nonprofits.)

5. Montana will receive $3,981,000 in HOME funds for 1992 (at least 15% or $597,150 will be set aside for CHDO's). What amount would you prefer for grant ceilings? For example, CDBG currently has a $375,000 ceiling for housing projects.

6. Should there be limits on the number of applications that can be submitted from any community during a grant competition?

7. Should there be a limit on the number of grants or total amount of funds that can be awarded to any one community? For example, CDBG allows only one housing grant per community per year.

8. Under federal law, HOME funds cannot be used for administration at either the state or local level. How would the absence of administrative funds affect your community's ability to apply for and administer HOME funds?

9. MDOC administers both the HUD CDBG and the new HUD HOME program. Several local officials have suggested that MDOC establish application requirements for the state Home program similar to those for the Montana CDBG Program instead of having substantially different requirements for these two HUD-funded programs. Should MDOC try to create parallel requirements between these two programs wherever possible?

10. Should local public hearings be required before submittal of a HOME application? If so, how many?

11. Would application ranking criteria similar to those used for CDBG housing projects be appropriate for HOME housing projects?

12. Do you have any other comments or suggestions regarding HOME?

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the ability of local government and other housing development entities to actively participate in community housing enhancements.

Eligible applicants are limited to general purpose local governments: counties, incorporated cities and towns, and consolidated city-county governments, or Community Housing Development Organizations (CHDO's), certified by MDOC. Many types of assistance can qualify for funds allocated to the HOME Program. These are: tenant-based rental assistance, assistance to first time home buyers, property acquisition, new construction (justified through neighborhood revitalization and special needs), reconstruction, moderate and substantial rehabilitation, site improvements, demolition and relocation, and other activities approved by HUD related to development of non-luxury housing. The HOME program is now operational, serving the in-need populations of the State of Montana. It is consistent with the development process outlined in the CHAS five year strategy. It is anticipated that all the fiscal year 1992 funds will be fully allocated by April 1993.

INTERAGENCY COOPERATION AND COORDINATION

The development and initiation of the HOME Program is not the sole component of the CHAS development process. MDOC has other institutional concerns, such as that all its programs be integrated and coordinated with other possible solutions to affordable housing.

For example, many banks, savings and loans, and other financial organizations involved in housing are interested in taking advantage of federally assisted housing improvement programs in order to meet the requirements of the Federal Community Reinvestment Act (CRA). One of the federally assisted program is the Montana CDBG Program, where local governments can apply for grant funds in annual competition to fund housing projects. Projects may involve rehabilitation of homes owned or rented by low or moderate income families, as well as activities that improve the neighborhood in which the housing rehabilitation is taking place. CDBG funds play a key role in "leveraging"; i.e., using CDBG dollars to attract private dollars. This creates a pool of funds for rehabilitation loans at below market interest rates.

MDOC also has been communicating and coordinating activities with other agencies throughout the entire year. This assists in the identification of areas for which further communication and cooperation may be needed and helps to identify gaps in the institutional provision of services. Activities included application workshops for CDBG funding, information dissemination regarding the Community Reinvestment Act, advising non-profit agencies and prospective non-profit entities how to become certified as a Community Housing Development Organization (CHDO), and supporting other entities in their application processes for the funding of various programs.[6]

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[6] For example, the Community Development Bureau assisted the City of Kalispell in forming an alliance with the Federal Home Loan Bank of Seattle. The Bureau's role was to emphasize the widespread strength that the program had throughout the State and MDOC.

CONSULTATION WITH CONCERNED CITIZENS AND ORGANIZATIONS

As part of the development of the CHAS for 1993, a specific set of actions were taken to collect opinions Statewide. Similar to the interview process implemented for the development of the 1992 CHAS, about 40 persons were contacted and scheduled for interviews which lasted up to one hour each. The objectives were to identify how needs have changed since last year, specify new solutions or policies that may be considered or warranted, and solicit other actions

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EXHIBIT 3
INTERVIEW LIST

Marcia Dias, Former Director
Montana Low Income Coalition
Helena

Hank Hudson, Deputy Director
MT Dept. of SRS
Helena

Jim Nolan
Family Assistance Div. of SRS
Helena

Newell Anderson
MT Dept. of Commerce
Helena

Bob McGlaughlin/Diane Savasten
Human Resource Development Council
Havre (3-county area)

Dan Kemmis, Mayor
City Missoula
Missoula ,

Gene Leuwer, Director
Rocky Mountain Development Council
Helena (3-county area)

Carl Visser, Director
Human Resource Development Council
Billings (5-county area)

Judy Carlson
HRDC Lobbyist
Helena

Linda Twitchell
Housing Rehabilitation, Community Development
Wolf Point

Sherron Masman
Helena Housing Authority
Helena (approx 45,000)

Dick King
Bear Paw Development Corporation of
Northern Montana
Havre (Hill, Blaine, Liberty)

Carlo Cieri, Commissioner
Park County
Livingston (Park County)

Tom Wood, Dean
Montana State University School of Architecture
Bozeman (students)

Tom Seekins, Research Director
Rural Institute on Disabilities
Missoula (disabled in Missoula, Montana, some nationwide)

Mike Mayer, Dave Jeffrey, Michael Regnier
Summit Independent Living Center
Missoula (adults approx 245)

Melissa Hartman
Miles City Housing Authority
Miles City

Paul Groshart, Executive Director
Richland County Housing Authority
Sidney (Richland County)

Jim Fleishman, Executive Director
Montana People's Action
Missoula (Billings, Great Falls, Missoula and some Ravalli Co)

Tom Jentz
Flathead Regional Development Office
Kalispell (Flathead County - unincorporated)

John Nerud, City Planner
City of Livingston
Livingston (Park County)

Anne Kovis, Director
Larry DeGarmo, Deputy Director
Poverello Center and Joseph Center
Missoula (City of Missoula plus outlying region)

Bob Maffitt
Vocational Rehabilitation Division/SRS
Helena (Montana)

Kevin Dorwart, Director of Operations
City of Glendive
300 South Merrill
Glendive, MT 59330

Lucy Brown, Director
Billings Public Housing Authority

Kevin Hager
Great Falls Public Housing Authority, and
President of Montana NAHRO

Vicki Lapp, Administrative Specialist
Action for Eastern Montana (17 counties)
111 West Bell
Glendive, Montana

Judy Duff, Administrator
Whitefish Public Housing Authority
100 4th St.
Whitefish, MT 59937
862-4143

Tom Cash, Director
Community Development Department
Butte-Silver Bow Courthouse
Butte, MT 59701
723-8282

Nancy Stevenson
Neighborhood Housing Services
Great Falls, MT
761-5861

Dick Kain
Montana Board of Housing
Montana Dept. of Commerce
444-3040

Caren Couch
Housing Program Manager, HRDC
(Gallatin, Park, Madison & Meagher Counties)
Bozeman
587-4486

Bob Bartholomew/Charlie Rehbein
Governor's Office on Aging
Helena
444-1261

George Warn, Chief
Housing Assistance Bureau
Montana Department of Commerce
444-2804

Debbie Demarais, Housing Coordinator
Salish-Kootenai College
Box 117
Pablo, MT 59855
675-4800

Michael Vogel, Extension Service Housing Specialist
Cheever Hall
Montana State University
Bozeman, MT 59717
994-3210

Judie Tilman, Coordinator
Headwaters RC&D
305 West Mercury
Butte, MT 59701
782-7333

Nancy Leifer
Missoula Housing Task Force
Missoula, MT
523-4718

Steve Powell, County Commissioner
Ravalli County Courthouse, Box 5001
Hamilton, MT 59840
363-4790

Gene Coombs
FmHA, Bozeman
585-2580

Mike Mundt
American Federal Savings
Helena
442-3080

Charlie Elsman
Western Federal Savings
Missoula
721-3700

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that may improve the housing situation in Montana. Individuals were selected from diverse geographic areas from around the State to represent a wide array of backgrounds and interests in housing. The list of persons contacted, and their respective organization affiliations, is presented on the previous page. The interview questions are presented below.

EXHIBIT 4
FY 93 CHAS INTERVIEW QUESTIONS

1. How do you characterize the population in your area in need of assisted housing?
   a. Specify the population groups
   b. What percent of in-need population does each group represent
   c. What are the major problems facing each group?

2. Describe the housing available to median, low and very low income in your area. What is the availability and vacancy rate? What is the general age and condition? To what degree is it substandard? How suitable are the units to the in-need populations? What are its' costs? Are there major problems with this stock of housing?
   a. Low rent units
   b. Single family homes
   c. Mobile homes
   d. Congregate care facilities for the elderly
   e. Housing for disable people requiring supportive services
   f. Housing for homeless people
   g. Housing for people with aids

3. What are the major housing problems?

4. What are your area's housing needs
   a. What types of housing are lacking.
   b. What types of housing programs are lacking.

5. What are the obstacles to affordable housing in your area?

6. What federally assisted programs are you aware of?
   a. What federally assisted programs in your agency address the housing problems in your area?
   b. What gaps do you see in these programs?
   c. What needs to be done to improve each program?

7. What positive things have happened since last year regarding affordable housing?
   What negative things have happened since last year?

8. What can be done to help solve your area's housing problems?

In addition, during review of the FY 93 CHAS Preliminary Draft documents, MDOC brought a large array of individuals together in the development and refinement of strategies for the State's CHAS. These individuals represented the following organizations and entities, the Montana Department of Social and Rehabilitation Services, Association of HRDC's, the Montana Building Industry, the Montana Board of Housing, the Governor's Office on Aging, the Montana Low Income Coalition, Montana Board of Investments, the NAHRO, as well as individuals managing the HOME and Section 8 Programs. Individuals from each of these organizations were asked to read and participate in the review of a preliminary draft CHAS document, prior to distribution to the State's citizenry. This effort helped to secure a broader scope to the overall CHAS development process, and it aided development of policies so that all areas of housing needs could be adequately addressed and considered.

ADVISORY FUNCTIONS

Throughout the year, MDOC has been interacting with other agencies and organizations, in keeping with both CHAS commitments and the desire to facilitate the development of refined and needed strategies. MDOC has maintained its commitment to informing others of responsibilities to the CHAS process, and in enhancing the ability of others to promote housing in their local communities.

In particular, MDOC continues to be instrumental in advising existing and potential nonprofit entities on ways to form Community Housing Development Organizations that can be subsequently certified by MDOC. These organizations can then qualify for HUD CHDO set-aside funds under the HOME Program.

EXHIBIT 8
DATE 1-12-93

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EXHIBIT 8
DATE 1-12-93

SECTION B
STRATEGY IMPLEMENTATION
INVESTMENT PLAN

Housing needs across the State of Montana vary widely. The extreme diversity in available housing, the age housing stock, and the overall range in population density each contribute to complicating the degree of need. There is a wide array of housing availability, affordability, and suitability problems. The State believes that simply treating the symptoms of the malady will not be sufficient to solve the problems. Resources do not appear to be adequate to completely deal with the housing needs and requirements that plague the State. The difficulties are becoming more structural for low income households and families, but they are spread to nearly all income groups, except the wealthy. Regardless of the overwhelming demand for affordable housing, Montana will be implementing programs and delivering services to in-need populations around the State, attempting to initiate a process that will, at least, minimize the State's housing problems. The general purposes are to:

> Expand the supply of decent and affordable housing, particularly rental housing, for low and very low income Montanans. Such housing includes making existing rental housing affordable through tenant-based rental assistance.
>
> Strengthen the abilities of State and local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing for all Montanans.
>
> Provide both financial and technical assistance to local government and non-profit entities, including the development of model programs for affordable low-income housing.
>
> Extend and strengthen partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations, in the production and operation of affordable housing.

With these broad based goals in mind, Montana anticipates supporting any and all programs that address housing needs throughout the State. This is consistent with the level and degree of need identified in the CHAS five year plan, as amended and included herein as Appendix B.

For example, many banks, savings and loans, and other financial organizations involved in housing are interested in taking advantage of federally assisted housing improvement programs to meet the requirements of the Federal Community Reinvestment Act (CRA). One of the federally assisted program is the Montana CDBG Program, where local governments can apply for grant funds in annual competition to fund housing projects. Projects involve the rehabilitation of homes owned or rented by low or moderate income families, as well as activities that improve the neighborhood in which the housing rehabilitation is taking place. CDBG funds play a key role in "leveraging"; i.e., using CDBG dollars to attract private dollars. This creates a pool of funds for rehabilitation loans at below market interest rates.

The Department of Commerce supports the formation of a larger "team", comprised of other government and citizen participants that will aid in directing and solving housing problems facing the State. While MDOC will not prescribe content or scope of the team, or Steering Committee, MDOC feels that creation of this type of intergovernmental advisory committee will greatly facilitate Statewide coordination and delivery of housing programs. MDOC will solicit support for the formation of such an entity for the State's housing policy formation and the development of broader based constituencies researching and analyzing housing problems facing the State.

Another aspect to the Bureau's role in promoting effective communication and coordination of housing activities, the Bureau will begin to explore methods that both State and local government can implement in support of affordable housing. For example, one idea that merits consideration is to measure to what extent legal ability resides with the local government in the transfer of tax deed properties to non-profit entities, if for the purpose of promoting housing. Other components to that question may include the degree of stimulation in property tax revenues generated, and other pay back issues.

The State does not now have a sound foundation identifying the size and specific needs of the non-homeless persons with special needs. Since the Housing Assistance Bureau lacks this data for proposing actions for that in-need population, MDOC will be looking to the Steering Committee for input in the development and specification of goals in serving this in-need population.

For those programs that can be addressed through federally assisted programs, the State herewith provides estimates of the program funds and resources it acquired last year, and the actions it intends to take for Federal Fiscal Year 1993. These actions are presented in the CHAS TABLE 3A -- INVESTMENT PLAN, as portrayed on the following two pages.

The CHAS TABLE 3B -- GOALS FOR HOUSEHOLDS & PERSONS TO BE ASSISTED WITH HOUSING, immediately following TABLE 3A, estimates of the number of households and persons who may be receiving assistance from programs administered by the State during the coming fiscal year.[7] The HUD guidelines stipulate that these estimates describe those homeless individuals and families who will enter transitional housing for the homeless and permanent housing for the homeless made available through Federal resource, and State or private resource used in conjunction with Federal resources. Therefore, Table 3B represents only an approximation.[8]

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[7] Estimates of the homeless and non-homeless were derived from a sample of homeless shelters. The data is not a definitive estimate.

[8] Assisted homeless and non-homeless persons with special needs were estimated following consultation with Mr. Jim Nolan, of the Family Assistance Bureau, Montana Department of Social and Rehabilitative Services. It is believed that many of the homeless population are helped more than once per year, or are eventually placed in an assisted housing situation. In these cases, the assisted person is counted only once, in the service that is expected to serve them the greatest number of days over the fiscal year.

CHAS Table 3A

Investment Plan

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Comprehensive Housing Affordability Strategy (CHAS)
Instructions for States

Name of State: Montana

FY: 1993

Funding Source	Amount Received by the State Last Fiscal Year ($000s) (A)	Plan to Apply/ Submit (B)	Planned Use of Resources Expected to be Received during the FY: Acquisition (C)	REHAB (D)	New Construction (E)	Rental Assistance (F)	Home Buyer Assistance (G)	Planning (H)	Support Services (I)	Operating Costs (J)	Support Application by Other Entities (K)
A. Formula/Entitlement Programs											
1. HOME	3,981.	X	5%	50%	25%	10%	10%				
2. CDBG ($Grant & Income)	2,050.	X	2%	78%	15%		5%				
3. ESG	167.	X		20%					50%	30%	
4. DOE/Other Energy Programs	2,170.	X		90%	10%						
5. Public Hsg Comprehensive Grant											X
6. Subtotal - Formula Programs	8,368.										
B. Competitive Programs											
7. HOME (reallocation)	0	X	X	X	X	X	X				
8. HOPE 1	0										X
9. HOPE 2	0										X
10. HOPE 3	0										X
11. ESG (reallocation)	0	X		X					X	X	X
12. Transitional Housing	90.	X	X	X	X				X	X	X
13. Permanent Housing for Handicapped	0	X	X	X	X				X	X	X
14. Shelter Plus Care	0	X				X					
15. SAFAH	0	X	X	X						X	X
16. Sec. 202 Elderly			X	X	X	X			X		X

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Investment Plan - Continued

Funding Source	Amount Received by the State Last Fiscal Year ($000s) (A)	Plan to Apply/ Submit (B)	Planned Use of Resources Expected to be Received during the FY: Acquisition (C)	REHAB (D)	New Construction (E)	Rental Assistance (F)	Home Buyer Assistance (G)	Planning (H)	Support Services (I)	Operating Costs (J)	Support Application by Other Entities (K)
B. Competitive Programs Continued											
17. Sec. 811 Handicapped			X	X	X	X			X		X
18. Moderate Rehab SRO						X					X
19. Rental Vouchers Sec8	1,940.9					X					X
20. Rental Certificates Sec8	6,420.1					X					X
21. Public Housing Development											X
22. Public Housing MROP											X
23. Public Housing CIAP											X
24. DOE/Other Energy Programs	2,170	X		X	X						
25. LIHTC		X	X	X	X						X
26. FmHA			X	X	X	X	X				
27. Other Sec8 Modrehab	3,583.9					X					
28. Other											
29. Other											
30. **Subtotal Competitive Programs**	14,204.9										
C. 31. Total - Federal	22,572.9										
32. Total - State			X	X	X	X	X	X	X	X	
33. Total - Private	175.0		X	X	X	X	X	X	X	X	
34. Total - All Sources	22,747.9										

CHAS Table 3B
Goals for Households & Persons o be Assisted with Housing

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

Comprehensive Housing Affordability Strategy (CHAS)
Instructions for States

of State: Montana

FY: 1993

Assistance Provided by Income Group	Renters					Owners				Homeless		Non-Homeless Special Needs (L)	Total Goals (M)	Total Section 215 Goals (N)
	Elderly 1 & 2 Member Households (A)	Small Related (2 to 4) (B)	Large Related (5 or more) (C)	All Other Households (D)	Total Renters (E)	Existing Homeowners (F)	1st-Time Homebuyers with Children (G)	1st-Time Homebuyers All Others (H)	Total Homeowners (I)	Individuals (J)	Families (K)			
1. Very Low Income (0 to 30% of MFI)*	90	66	26	5	187	118	40	17	175	125	50	100	637	75
2. Very Low Income (31 to 50% of MFI)*	357	264	104	19	744	470	160	68	698	50	15	50	1,557	115
3. Other Low-Income (51 to 80% of MFI)*	158	253	18	4	433	248	78	30	356	25	10	25	849	30
4. Total Low Income (lines 1 + 2 + 3)	605	583	148	28	1,364	836	278	115	1,229	200	75	175	3,043	220

* Or, based on HUD adjusted income limits, if applicable.

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form HUD-40091 (9/92)

Homelessness is a housing condition that is not quantified by the State at this time. For example, the Poverello and Joseph Centers, in Missoula, assisted 49,952 persons in 1991. This measure comprises a count of the number of individuals being served meals throughout the year. Or, God's Love, a facility in Helena, assists approximately 96,000 persons per year. Again, this definition relates to the number of individuals being served meals. Administrators at God's Love feel that they house overnight nearly 21,900 people per year. This measure counts the about 60 persons staying at the shelter each night throughout the year. Quite obviously, these estimates and definitions of homeless assistance vary from that reported to HUD.

In the current fiscal year, the Social and Rehabilitation Services Department (SRS) intends to study and characterize a major portion of this population, the sheltered homeless. In fact, SRS has already begun to identify the number of people seeking shelter in Montana on a given day and month, describe the demographic characteristics of the people seeking shelter, compiling a complete list of the services available, and the accessibility and use of those services. The study hopes to identify additional services deemed necessary to prevent and correct the problem of homelessness.

The definition that will be used for studying this population will include those whom have no fixed or regular night time residence and those people with residences that are not adequate for habitation. The remaining portion of the homeless that will not be identified in the research will be street people, institutionalized people, or persons doubled-up in small housing. It will be limited to the sheltered homeless population, and those seeking shelter, but were turned away.[9]

The State also plans to appeal to the Steering Committee in guidance and advise relating to better defining the emergency shelter and transitional housing needs of the homeless, development of strategies to help prevent low-income persons and families from becoming homeless, and methods in helping homeless individuals and families make transitions to permanent housing.

GEOGRAPHIC DISTRIBUTION

The State intends to implement the investment plan Statewide, using funds in a competitively based process founded on needs identified at the local level. The CDBG programs historically have been implemented on a Statewide competitive basis, and entities receiving CDBG funds are forced to draw down their allocations by 75% before they are eligible to apply for additional program funds. This method has been shown to disburse funds more equitably throughout the State, allowing all entities an equal chance to apply for funds. Therefore,

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[9] This description is drawn from a proposal submitted to the Montana Department of Social and Rehabilitative Services by the University of Montana Department of Political Science, entitled *A Proposal to Study the Sheltered Homeless Population In Montana*, 1992.

EXHIBIT 18
DATE 1-12-93

program activities associated with entitled areas, nonentitled metro areas, and nonmetro areas are all represented in the following narrative.

SERVICE DELIVERY AND MANAGEMENT

The State has a wide array of programs it intends to implement, deliver, and manage throughout the upcoming fiscal year. These are briefly reviewed below.

HOME PROGRAM ACTIVITIES

The HOME Program, administered by the Housing Assistance Bureau of MDOC, seeks to expand the supply of decent, affordable housing for low and very low income families, with emphasis on rental housing; to build state and local capacity to carry out affordable housing programs; and to provide for coordinated assistance to participants in the development of affordable low income housing. Montana's approved funding for Fiscal Year 1992 is $3,981,000. It is expected to be fully allocated by April, 1993.

Activities that the HOME Program is designed to support include:
- rehabilitation
- substantial rehabilitation
- new construction (some for large families, single room occupancy units (SRO's), handicapped units, etc. based on formula allocations)
- acquisition
- tenant based rental assistance

The program hopes to focus on several target groups. These include, for rental units:
- 90% of funds to families not exceeding 60% of median income
- Remaining funds to families not exceeding 80% of median income
- 20% of the units to very low income families paying no more than 30% of adjusted income, or paying no more than the gross rent as determined by the Low Income Tax Credit Program

Rents may not exceed the lesser of fair market rent (FMR), or 30% of adjusted family income of a family at 65% of median. Units must remain affordable for the life of the property or for as long as HUD deems feasible.

The program is also intended to assist with home ownership. This will be conducted by providing:
- 100% of funds to families below 80% of median
- Funds to only first time home buyers
- Home's which constitute the family's principal residence

CDBG PROGRAM ACTIVITIES

Montana administers non-entitlement CDBG funds through the Community Development Bureau of MDOC. The State makes grants only to units of general local government that carry out development activities. Montana has developed funding priorities and criteria for selecting projects which revolve around three major objectives: developing community development objectives; deciding how to distribute funds among communities in non-entitlement areas; and ensuring that recipient communities comply with applicable state and federal laws and requirements.

The primary objective of the CDBG program is to develop viable communities by providing decent housing and a suitable living environment; and by expanding economic opportunities, principally for persons of low and moderate income. Sixty percent of the funds must be used for activities which benefit low to moderate income people.

Anticipated activities include:

- acquisition of property for public purposes
- construction of public works projects
- demolition
- rehabilitation of public and private buildings
- public services
- planning activities
- assistance to non-profits for community development activities
- assistance to for-profit businesses for economic development activities

The CDBG Program will deny some activities that are ineligible. These tend to be:

- government buildings
- political activities
- income payments
- new housing and other facilities offering 24 hour care

EMERGENCY SHELTER GRANTS (ESG) PROGRAM

This program, administered by the Intergovernmental Services of SRS, provides grants to help improve the quality of existing emergency shelters for the homeless, to make available additional shelters, to meet the costs of operating shelters and of providing essential social services to homeless individuals and to help prevent homelessness.

These activities are anticipated to be:

- renovation
- major rehabilitation
- building conversion
- homeless preservation

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- renovation
- major rehabilitation
- building conversion
- homeless preservation

- operational costs excluding payroll expenses

TRANSITIONAL HOUSING FOR THE HOMELESS

The McKinney Act funds, administered by the Intergovernmental Services Bureau of SRS, projects which provide housing and support services to homeless persons and facilitate their movement to independent living within 24 months.

These activities (providing rental assistance) are anticipated to be:

- acquisition and rehabilitation up to $200,000
- moderate rehabilitation up to $200,000
- operational costs
  - 75% for first two years
  - 50% for next three years

There are specific target populations for these programs. These are:

- homeless individuals
- homeless persons with children
- homeless persons with mental problems/addictions

PERMANENT HOUSING FOR HANDICAPPED HOMELESS PERSONS

This program, administered by the Intergovernmental Services Bureau of SRS, provides community based, long-term housing and supportive services for not more than 8 persons per project; encouraging persons to live independently. The targeted population comprises the handicapped homeless.

The anticipated activities include:

- acquisition and rehabilitation up to $200,000
- moderate rehabilitation up to $200,000
- operational costs:
  - 50% for first year
  - 25 % for second year

SUPPLEMENTAL ASSISTANCE FOR FACILITIES TO ASSIST THE HOMELESS (SAFAH)

SAFAH, administered by the SRS, encourages innovative approaches for those currently living in transitional housing to help them obtain permanent housing with supportive services.

The anticipated activities are:

- interest free advances to defray costs of acquisition, substantial rehabilitation, and conversion
- grants for moderate rehabilitation

- grants for supportive services
- grants for operating costs
- the maximum grant is $1,000,000 for a period of 3 years)

The targeted populations are expected to be:

- homeless families with children
- elderly currently residing in transitional housing

SECTION 8 SRO MODERATE REHABILITATION

This program, administered by HUD, provides single room occupancy dwellings for homeless individuals in rehabilitated SRO housing. The anticipated activities include project based rental assistance to project owners and sponsors who agree to rehabilitate SRO units and provide appropriate supportive services.

SHELTER PLUS CARE

The program, administered by HUD, combines housing with supportive services for the homeless who are severely mentally ill, or alcohol or drug abusers.

The anticipated activities include:

- five-year flexible rental assistance; up to 2 years of this assistance may be used in designated buildings, followed by assistance for the remainder of the term in more independent living situations
- five-year rental assistance in housing owned or leased by non-profits under the Section 202 program
- ten-year housing assistance for the mod-rehabilitation of single room occupancy dwelling units

The targeted population includes homeless persons with mental disabilities, alcohol and drug users, and persons with AIDS and related diseases.

SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)

Section 811, administered by HUD, provides funding to expand the supply of specially designed housing with supportive services for persons with disabilities.

The anticipated activities include:

- types of financing
- capital advances
- project rental assistance

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- development methods
- new construction
- rehabilitation
- acquisition of housing for group homes
- acquisition of housing from the Resolution Trust Corporation (RTC) for group homes and independent living facilities
- types of housing
- group homes
- independent living facilities
- immediate care facility

The targeted populations are households composed of one or more persons, at least one of whom has a physical disability, developmental disability or chronic mental illness which:

- is expected to be of long and indefinite duration
- substantially impedes the person's ability to live independently, and
- is of such a nature that such ability could be improved by more suitable housing conditions

SUPPORTIVE HOUSING FOR ELDERLY PERSONS (SECTION 202)

Section 202, administered by HUD, provides funding to expand the supply of housing with supportive services for elderly persons.

The anticipated activities are:

- types of financing
- capital advances
- project rental assistance
- development Methods
- new construction
- rehabilitation
- acquisition of housing from the RTC

The targeted population is very low income persons, 62 years of age or older.

THE MONTANA BOARD OF HOUSING PROGRAMS

The Montana Board of Housing was created by the Montana Housing Act of 1975 in order to alleviate the high cost of housing for lower income persons and families. The funds to operate the programs administered under the Act are generated through either the sale of tax-exempt bonds or from administrative fees. The Board's programs fall into two categories: home ownership and multifamily programs. Each are described below:

HOMEOWNERSHIP PROGRAMS

Single Family Bond Program (initiated in 1977)

The Board works with approximately 80 lenders statewide to provide mortgages 1.5% below conventional rates to assist primarily first-time home owners. In certain target areas, the borrowers need not be first-time purchasers. The program has assisted over 17,000 Montanans to date, at a rate of 1,000 to 1,500 purchases per year. Average household income for the program is $27,290. Since 1975, $734 million in bond proceeds have been loaned to home buyers.

Mortgage Credit Certificate Program (initiated in 1987)

This program enables moderate and lower income individuals to convert 20% of their annual mortgage interest expense from an itemization (income deduction) to a federal tax credit (tax payment reduction). Average household income of those served under this program was $28,847. A total of 2,275 individual and family households have been assisted through this program since inception.

Home Buyers Cash Assistance Program (initiated in May 1991)

This program provides cash assistance to close a loan for home buyers having an income of no more than $20,000. Funds may be used for up to 50% of the minimum cash required to close a loan (maximum advance of $1,000), and these funds are combined with 7-3/4%, 30-year mortgage money. Purchase price of the home may not exceed $45,000. Since its inception, the program has provided permanent financing of $3,455,580 for 100 homes. In addition to permanent financing, the program provided $84,628 in cash assistance with closing costs. Average household income for this program was $16,766.

Reverse Annuity Mortgage Loan Program for Elderly Persons (initiated in 1989)

This program enables persons 68 years or older to benefit from an additional income source, their home equity. In addition to other uses, the funds may be used to make repairs or improvements to the home. Eligibility is subject to certain income requirements. The program has assisted 14 senior homeowners since it began taking applications. Funds committed to these loans totaled $364,800. Average annual income for these borrowers was $7,722.

203(k) Rehabilitation Home Mortgage Program (initiated in March, 1992)

The Board set aside $5,000,000 to provide a firm secondary market for the acquisition and rehabilitation of an existing dwelling not meeting minimum FHA standards. This program is conducted in conjunction with the Department of Housing and Urban Development. The

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Board has purchased one loan for $71,150. The Board has reservations pending for two additional loans totaling $96,750.

Montana Manufactured Housing Program (initiated in September, 1992)

The Board set aside $4,500,000 to finance manufactured housing installed on a permanent foundation on titled (owned) property. Lot cost, well, and septic can be included in the loan. These are 30 year loans with a 7-3/4% fixed rate of interest for first time homebuyers or single parents with annual household income at or below $25,000.

MULTIFAMILY PROGRAMS

Multifamily Bond Program (initiated in 1978)

From 1978 until 1982, the Board of Housing issued tax exempt bonds to finance the construction of new, or the rehabilitation of existing, low income multifamily housing. During that period, the Board financed 668 multifamily units for lower income families and the elderly. In 1993, the Board expects to offer a multifamily finance program, primarily for non-profit sponsors. The Board's goal is to provide below market permanent mortgages for housing projects serving lower income Montanans.

Low Income Housing Tax Credit Program (initiated in 1987)

This program makes use of Federal tax credits to provide incentives to developers to provide low income housing. Housing built under the program is restricted to individuals with incomes at or below 60% of Department of Housing and Urban Development median income. In addition, rents are restricted to 30% of monthly median income. Through Federal fiscal year 1992, the Board allocated a total of $2,277,894 in tax credits, for a total of 789 units of rental housing in 33 projects.

Those projects approved during FY 1992 for the Low Income Housing Tax Credit Program should result in approximately 294 multifamily rental units becoming available in FY 1993 and FY 1994. Most of these units (both completed and under construction) are located in Deer Lodge, Kalispell, Harden, Missoula and Billings. (Of the 294 anticipated to be completed in 1993 and 1994, 129 are in the entitlement area of Billings.) Most are 2 or 3 bedroom units, with some 4 bedroom units also available.

SECTION C
OTHER ACTIVITIES AND ACTIONS

The State of Montana plans to continue implementing several activities and actions that facilitate affordable housing throughout the State. Generally speaking, Montana's housing needs fall into three broad categories: availability, affordability, and suitability (including accessibility). Within these categories are needs for construction, rehabilitation, financial assistance mechanisms, ownership opportunities, demolition, inter-agency coordination, and longer term continuity in planning and policy design. Other activities and actions planned are considered to be quitably distributed between entitled ares, nonmetro entitled areas, and nonmetro areas. Therefore, a single aggregate narrative is presented for these area classifications.

SUMMARY OF POLICY OBJECTIVES

The specific issues span research, policy formation, demonstration projects, needs assessment, identification, and technical assistance. Overall, the State is interested in finding ways of reducing or eliminating the negative effects of restrictive land use and public policies that present barriers to the development of housing. The State also supports methods that will assist in enhancing institutional structures to facilitate the provision of housing and housing services. The State intends to continue providing Low-Income Housing Tax Credits. Before addressing each activity and action planned, three main policy objectives are addressed, then planning activities are reviewed.

HOUSING AVAILABILITY

Lack of available housing is a major problem statewide: nothing is available for low and moderate income Montanans in many parts of the State. If it is available, it tends to be of substandard quality. Since the 1990 census was taken, Montana's major cities have experienced a dramatic population influx that is driving up the demand for housing.

In Kalispell, Missoula, Bozeman, Helena, and Billings, that influx is comprised of higher income persons who are in a better position to purchase land and buildings than many of the existing citizens of the State. Of course, those Montanans who can afford housing, many must resign themselves to acquiring lower quality shelter due to the housing shortage. Lower income Montanans lose housing options. People fear becoming homeless because they can no longer afford housing in their area, whether rented or owned. The housing that is being constructed tends to be expensive, luxury homes. Little, if any, construction activity is seen in the low or moderately prices homes.

HOUSING AFFORDABILITY

Affordability varies widely around the State, although it is a more severe problem in the more urbanized areas. Rural and sparsely populated regions of Montana tend to experience dual problems with housing, shortages, and quality. Because of the tight market and general lack of home-building, prices for both homes and rental units have risen sharply in the last year.

There is a huge gap between what the market is supplying and what people can afford. This contributes to other difficulties: it has slowed down the turn-over in existing subsidized housing. Section 8 landlords are increasing rents at annual review, citing prevailing market rates, taxes, and sewer increases. Since Section 8 annual rent increases are limited in amounts by HUD in the certificates program, and since Section 8 certificate participants cannot pay more than 30% of gross income for rent, and since voucher program participants can not afford the new rents, Section 8 landlords are simply leaving the program for a private rental market that provides wider profit margins.

HOUSING SUITABILITY

Outside Montana's metropolitan areas, the major problem is dilapidated housing. Although many people live in their own homes, incomes aren't high enough to maintain homes. In Havre, the major problem for all groups is quality, affordable, decent housing. In Harlem almost all existing housing is in bad condition. In Park County, most available houses are in poor condition. Many are 100 years old, built on piles of sandstone for foundation, with old fashioned wiring, gas venting chimneys being used for wood stoves, and most are poorly insulated. In Miles City decent, safe housing for the elderly is a major concern.

Lack of return on investment is the major problem for landlords of housing units that need rehabilitation. Landlords don't want to lose their present tenants, and they aren't willing to borrow money and incur debt when they can't afford to dislocate tenants or raise the rents to meet the debt service.

Under the Americans with Disabilities Act, housing accessibility has become a visible need across the state. Accessibility is a big problem unless a unit is specifically built for people with disabilities. It's also difficult to modify existing apartments. ADA says when you leave the apartment you must restore it to it's original condition. Most people with disabilities can't afford to do this, and landlords don't want the hassle or cost of constant remodelling.

PUBLIC POLICIES

MDOC will continue to provide technical assistance to local government and other entities for the purpose of evaluating and qualifying for housing programs under its control and influence. This will involve committing about half of one staff person's time to intergovernmental cooperation and application workshops Statewide. The application guidelines will be designed to promote cooperation between various local entities, in order to overcome the sometimes fragmented areas of responsibilities in housing programs.

The role of the State will expand in regard to the provision and interpretation of information that aids localities in determining and quantifying, their housing needs, problems, and alternative solutions to those problems. The State also intends to continue to support the grant and loan applications of other entities which expand the supply of housing and other related services.

The Community Development Bureau has been awarded a grant that will be used to research model zoning standards. It is widely believed that local and some Statewide land use policies are making the provision of affordable housing more difficult than would otherwise be the case. By studying and inspecting alternatives to current Montana policies, the Community Development Bureau hopes to both encourage a broader dialogue regarding more equitable zoning practices and advise local entities on alternatives to these rules and regulations thereby facilitating the provision of affordable housing.

The State will continue promoting and assisting non-profit organizations and other entities in applying for and receiving certification as Community Housing Development Organizations (CHDO's). These types of organizations have some advantages; for example, the HOME Program has a 15% set-a-side for qualifying CHDOs.

MDOC recognizes that one of the best ways of facilitating development of housing is through education and technical assistance. MDOC realizes that many people perceive that the array of housing programs and regulation are too complex, or too foreign to master. For example, FmHA Housing Rehabilitation money is seldom used because some people believe that the application process is restrictively cumbersome. MDOC is determined to expand its role as a provider of technical assistance, providing assistance to local jurisdictions in quantifying their housing needs, qualifying for various housing programs, and better understanding the requirements of various housing programs. This is particularly true for exploring and determining with some precision the degree and type of local needs.

Another way of addressing the perceived complexity of housing programs is planned; it involves the development of an information clearinghouse. MDOC, through its' Housing Assistance Bureau, will construct a data base pertaining to all housing programs relevant to the State of Montana, whether administered by MDOC or by other entities in the State. It is anticipated that all programs mentioned herein will be included and their detailed descriptions greatly expanded. Other programs relating to expanded housing opportunities will be research and included in the information system, This task is anticipated to be concluded prior to the end of FY 1993, with the data and information system completely operational.

INSTITUTIONAL STRUCTURE

Nearly all state administered housing assistance programs are handled by the Department of Commerce (MDOC), primarily within the Board of Housing, the Community Development Bureau, and the Housing Assistance Bureau. Only recently, the MDOC was authorized to begin development of more formal and long term development of programs and program delivery systems. To do this successfully, the reorganization and establishment of a specific lead agency within MDOC will continue to assist facilitating the institutional structure. The Housing Assistance Bureau, with responsibility for development of future year CHAS processes and the management and coordination of many related housing programs, will continue to promote the interaction and coordination of the many agencies and entities involved in promoting and providing affordable housing.

The Housing Assistance Bureau will complete its authorization to develop, implement, and manage the HOME Program and CHAS processes. For the HOME Program, positions created (the two HOME Program Officers, one CHAS Coordinator, and one Program Assistant) will be filled and the completed structure will be in place.

Another avenue the State wishes to explore in greater detail is coordination with the private sector. Many banks, savings and loans, and other financial organization involved in housing are interested in taking advantage of federally assisted housing improvement programs in meeting requirements of the federal Community Reinvestment Act (CRA). One federally assisted programs is the Montana CDBG Program, where local governments apply for grant funds in annual competition to fund housing projects involving the rehabilitation of home owned or rented by low or moderate income families, along with activities to improve the neighborhood in which the housing rehabilitation is taking place. CDBG funds can play a key role in "leveraging", using CDBG dollars to attract private dollars. Following a plan such as this helps to create a pool of funds for rehabilitation loans at below market interest rates.

MDOC will continue communicating and coordinating activities with other agencies throughout the year. These actions assist in identification of areas for which further communication and cooperation may be needed and can help to identify gaps in the institutional provision of services. This has included application workshops for CDBG funding, information dissemination regarding the Community Reinvestment Act, advising non-profit entities how to become certified as a Community Housing Development Organizations (CHDO), and supporting other entities in their application processes for funding of various programs.

Another aspect to the Bureau's role in promoting effective communication and coordination of housing activities, the Bureau will begin to explore methods that both State and local government can implement in support of affordable housing. For example, one idea that merits consideration is to measure to what extent legal ability resides with the local government in the transfer of tax deed properties to non-profit entities, if for the purpose of promoting housing. Other components to that question may include the degree of stimulation in property tax revenues generated, and other pay back issues.

During processes that developed the FY 1993 CHAS, Human Resource Development Councils and the Montana Building Industry Association both indicated a pressing need for increasing the limits for both FHA and VA loans. It is the State' understanding that the Montana Building Industry Association is willing to financially support such activity. The homebuilders believe that by increasing the ability of middle income Montanans to move-up to more expensive homes, existing structures become more available to lower income Montanans. While the Housing Assistance Bureau would need legislative authority to commit resources to this effort, the Bureau supports this activity.

MDOC recognizes that housing policy, and housing program responsibilities, are often fragmented across a variety of agencies and organizational entities throughout both the State and Federal government. To aid in resolving these complications, MDOC supports the formation of a larger "team", comprised of other government and citizen participants, to aid in directing and solving housing problems facing the State. While MDOC will not prescribe content or scope of the team, or "Steering Committee", MDOC feels that creation of this type of intergovernmental advisory committee will greatly facilitate Statewide coordination and delivery of housing programs. MDOC will solicit support for the formation of such an entity for the State's housing policy formation and the development of broader based constituencies researching and analyzing housing problems facing the State.

The State does not now have a sound foundation identifying the size and specific needs of the non-homeless persons with special needs. Since the Housing Assistance Bureau lacks this data for proposing actions for that in-need population, MDOC will be looking to the Steering Committee for input in the development and specification of goals in serving this in-need population. Furthermore, MDOC supports the prospective participation of individuals representing the interests of the developmentally disabled, correctional institutions, and other advocates representing non-homeless with special needs populations.

LOW-INCOME HOUSING TAX CREDIT (LIHTC)

MDOC intends to continue delivering services of the LIHTC. The low income housing tax credit is available under Section 42 of the Internal Revenue Code of 1986. The credit is a federal income tax credit for owners of qualifying rental housing which meets certain low income occupancy and rent limitation requirements.

Except for certain buildings substantially financed with tax-exempt bonds, an owner must first obtain a credit allocation from the appropriate state agency before claiming the tax credit. The amount of tax credit which may be allocated annually for housing within each state is limited to $1.25 per state resident. The Montana Board of Housing is the State agency which allocates the tax credit for housing located in Montanan.

The tax credit is available for residential rental buildings which are part of a qualifying low income project. The rental units must be available to the general public. Residential properties which are ineligible for the credit generally include transient housing (housing initially leased for less than six months), building of four units or less which are occupied by the owner a relative of the owner, nursing homes, lifecare facilities, retirements homes providing significant service other than housing, dormitories and trailer parks.

The tax credit can be used in conjunction with the acquisition and substantial rehabilitation, substantial rehabilitation or construction of qualifying residential rental housing. Gross rent for each low income unit may not exceed 30% of the applicable income ceiling. Gross rent includes the rent paid by the tenant, including utility costs, but excludes Section 8 or other federal rent subsidies. If the tenant pays utilities directly, the minimum rent must be reduced by a utility allowance.

The LIHTC Program facilitates the provision of affordable housing to the residents of Montana, in part, by the selection criteria used in qualifying projects. Succinctly, these criteria include serving the low income tenants, the projects are locate in distressed or hard-to-develop ares, that the projects meet the area housing needs and priorities, serving tenant populations with special housing needs, and corresponding to areas with long assisted housing waiting lists.

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SECTION D
CERTIFICATIONS

FAIR HOUSING

The State hereby certifies that it will affirmatively further fair housing.

Signature of Authorized Official

____

RELOCATION AND ANTIDISPLACEMENT

The State hereby certifies that it is in compliance with a residential antidisplacement and relocation assistance plan under section 104 (d) of the Housing and Community Development Act of 1974.

Signature of Authorized Official

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EXHIBIT 8
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SECTION E
SUMMARY OF CITIZEN COMMENTS

(The Housing Assistance Bureau will prepare a summary of the Citizen comments which will be formatted and inserted here.)

EXHIBIT 8
DATE 1-12-93

APPENDIX A -- GLOSSARY

Affordable Housing: Affordable housing is generally defined as housing where the occupant is paying no more than 30 percent of gross income for gross housing costs, including utility costs.

AIDS and Related Diseases: The disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

Alcohol/Other Drug Addiction: A serious and persistent alcohol or other drug addiction that significantly limits a person's ability to live independently.

Assisted Household or Person: For the purpose of specifying one-year goals for assisting households or persons, a household or person is assisted if, during the coming Federal fiscal year, they will benefit through one or more programs included in the jurisdiction's investment plan. A renter is benefitted if the person takes occupancy of affordable housing that is newly acquired, newly rehabilitated, or newly constructed, and/or receives rental assistance. An existing homeowner is benefitted during the year if the home's rehabilitation is completed. A first-time homebuyer is benefitted if a home is purchased during the year. A homeless person is benefitted during the year if the person becomes an occupant of transitional or permanent housing. A non-homeless person with special needs is considered as being benefitted, however, only if the provision of supportive services is linked to the acquisition, rehabilitation, or new construction of a housing unit and/or the provision of rental assistance during the year. Households or persons who will benefit from more than one program activity must be counted only once. To be included in the goals, the housing unit must, at a minimum, satisfy the HUD Section 8 Housing Quality Standards (see 24 CFR section 882.109). See also, instructions for completing Table 3B of the CHAS and Table 1 of the Annual Performance Report.

Committed: Generally means there has been a legally binding commitment of funds to a specific project to undertake specific activities.

Consistent with the CHAS: A determination made by the jurisdiction that a program application meets the following criterion: The Annual Plan for that fiscal year's funding indicates the jurisdiction planned to apply for the program or was willing to support an application by another entity for the program; the location of activities is consistent with the geographic areas specified in the plan; and the activities benefit a category of residents for which the jurisdiction's five-year strategy shows a priority.

Cost Burden > 30%: The extent to which gross housing costs, including utility costs, exceed 30 percent of gross income, based on data published by the U.S. Census Bureau.

Cost Burden > 50% (Severe Cost Burden): The extent to which gross housing costs, including utility costs, exceed 50 percent of gross income, based on data published by the U.S. Census Bureau.

Disabled Household: A household composed of one or more persons at least one of whom is an adult (a person of at least 18 years of age) who has a disability. A person shall be considered to have a disability if the person is determined to have a physical, mental or emotional impairment that: (1) is expected to be of long-continued and indefinite duration, (2) substantially impeded his or her ability to live independently, and (3) is of such a nature that the ability could be improved by more suitable housing conditions. A person shall also be considered to have a disability if he or she has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6006). The term also includes the surviving member or members of any household described in the first sentence of this paragraph who were living in an assisted unit with the deceased member of the household at the time of his or her death.

Economic Independence and Self-Sufficiency Programs: Programs undertaken by Public Housing Agencies (PHAs) to promote economic independence and self-sufficiency for participating families. Such programs may include Project Self-Sufficiency and Operation Bootstrap programs that originated under earlier Section 8 rental certificate and rental voucher initiatives, as well as the Family Self-Sufficiency program. In addition, PHAs may operate locally-developed programs or conduct a variety of special projects designed to promote economic independence and self sufficiency.

Elderly Household: For HUD rental programs, a one or two person household in which the head of the household or spouse is at least 62 years of age.

Elderly Person: A person who is at least 62 years of age.

Existing Homeowner: An owner-occupant of residential property who holds legal title to the property and who uses the property as his/her principal residence.

Family: See definition in 24 CFR 812.2 (The National Affordable Housing Act definition required to be used in the CHAS rule differs from the Census definition). The Bureau of Census defines a family as a householder (head of household) and one or more other persons living in the same household who are related by birth, marriage or adoption. The term "household" is used in combination with the term "related" in the CHAS instructions, such as for Table 2, when compatibility with the Census definition of family (for reports and data available from the Census based upon that definition) is dictated. (See also "Homeless Family.")

Family Self-Sufficiency (FSS) Program: A program enacted by Section 554 of the National Affordable Housing Act which directs Public Housing Agencies (PHAs) and Indian Housing Authorities (IHAs) to use Section 8 assistance under the rental certificate and rental voucher programs, together with public and private resources to provide supportive services, to enable

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participating families to achieve economic independence and self-sufficiency.

Federal Preference for Admission: The preference given to otherwise eligible applicants under HUD's rental assistance programs who, at the time they seek housing assistance, are involuntarily displaced, living in substandard housing, or paying more than 50 percent of family income for rent. (See, for example, 24 CFR 882.219.)

First-Time Homebuyer: An individual or family who has not owned a home during the three-year period preceding the HUD-assisted purchase of a home that must be used as the principal residence of the homebuyer, except that any individual who is a displaced homemaker (as defined in 24 CFR 92) or a single parent (as defined in 24 CFR 92) may not be excluded from consideration as a first-time homebuyer on the basis that the individual, while a homemaker or married, owned a home with his or her spouse or resided in a home owned by the spouse.

FmHA: The Farmers Home Administration, or programs it administers.

For Rent: Year round housing units which are vacant and offered/available for rent. (U.S. Census definition)

For Sale: Year round housing units which are vacant and offered/available for rent. (U.S. Census definition)

Frail Elderly: An elderly person who is unable to perform at least 3 activities of daily living (i.e., eating, dressing, bathing, grooming, and household management activities). (See 24 CFR 889.105.)

Group Quarters: Facilities providing living quarters that are not classified as housing units. (U.S. Census definition). Examples include: prisons, nursing homes, dormitories, military barracks, and shelters.

HOME: The HOME Investment Partnerships Program, which is authorized by Title II of the National Affordable Housing Act.

Homeless Family: Family that includes at least one parent or guardian and one child under the age of 18, a homeless pregnant woman, or a homeless person in the process of securing legal custody of a person under the age of 18 who is living in situations described by terms "sheltered" or "unsheltered".

Homeless Individual: An unaccompanied youth (17 years or younger) or an adult (18 years or older) without children who is living in situations described by terms "sheltered" or "unsheltered".

Homeless Youth: Unaccompanied person 17 years of age or younger who is living in situations described by terms "sheltered" or "unsheltered".

HOPE 1: The HOPE for Public and Indian Housing Homeownership Program, which is authorized by Title IV, Subtitle A of the National Affordable Housing Act.

HOPE 2: The HOPE for Homeownership of Multifamily Units Program, which is authorized by Title IV, Subtitle B of the National Affordable Housing Act.

HOPE 3: The HOPE for Homeownership of Single Family Homes Program, which is authorized by Title IV, Subtitle C of the National Affordable Housing Act.

Household: One or more persons occupying a housing unit (U.S. Census definition). See also "Family".

Housing Problems: Households with housing problems include those that: (1) occupy units meeting the definition of Physical Defects; (2) meet the definition of overcrowded; and (3) meet the definition of cost burden greater than 30%. Table 1C requests nonduplicative counts of households that meet one or more of these criteria.

Housing Unit: An occupied or vacant house, apartment, or a single room (SRO housing) that is intended as separate living quarters. (U.S. Census definition)

Institutions/Institutional: Group quarters for persons under care or custody. (U.S. Census definition)

Large Related: A household of 5 or more persons which includes at least one person related to the householder by blood, marriage or adoption.

LIHTC: (Federal) Low Income Housing Tax Credit.

Low-Income: Households whose incomes do not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. NOTE: HUD income limits are updated annually and are available from local HUD offices (This term corresponds to low- and moderate-income households in the CDBG Program.)

Moderate Income: Households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined by HUD with adjustments for smaller or larger families, except that HUD may establish income ceilings higher or lower than 95 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. (This definition is different than that for the CDBG Program.)

Non-Elderly Household: A household which does not meet the definition of "Elderly Household," as defined above.

Non-Homeless Persons with Special Needs: Includes frail elderly persons, persons with AIDS, disabled families, and families participating in organized programs to achieve economic self-sufficiency.

Non-Institutional: Group quarters for persons not under care or custody. (U.S, Census definition used)

Occupied Housing Unit: A housing unit that is the usual place of residence of the occupant(s).

Other Household: A household of one or more persons that does not meet the definition of a Small Related household, Large Related household or Elderly Household.

Other Income: Households whose incomes exceed 80 percent of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families.

Other Low-Income: Households whose incomes are between 51 percent and 80 percent of the median income for the ares, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. (This term corresponds to moderate-income in the CDBG Program.)

Other Vacant: Vacant year round housing units that are not For Rent or For Sale. This category would include Awaiting Occupancy or Held.

Overcrowded: A housing unit containing more than one person per room. (U.S. Census definition)

Owner: A household that owns the housing unit it occupies. (U.S. Census definition)

Physical Defects: A housing unit lacking complete kitchen or bathroom (U.S. Census definition). Jurisdictions may expand upon the Census definition.

Primary Housing Activity: A means of providing or producing affordable housing--such as rental assistance, production, rehabilitation or acquisition--that will be allocated significant resources and/or pursued intensively for addressing a particular housing need. (See also, "Secondary Housing Activity".)

Project-Based (Rental) Assistance: Rental Assistance provided for a project, not for a specific tenant. Tenants receiving project-based rental assistance give up the right to that assistance upon moving from the project.

Public Housing CIAP: Public Housing Comprehensive Improvement Assistance Program.

Public Housing MROP: Public Housing Major Reconstruction of Obsolete Projects.

Rent Burden > 30% (Cost Burden): The extent to which gross rents, including utility costs, exceed 30 percent of gross income, based on data published by the U.S. Census Bureau.

Rent Burden > 50% (Severe Cost Burden): The extent to which gross rents, including utility costs, exceed 50 percent of gross income, based on data published by the U.S. Census Bureau.

Rental Assistance: Rental assistance payments provided as either project-based rental assistance or tenant-based rental assistance.

Renter: A household that rents the housing unit it occupies, including both units rented for cash and units occupied without cash payment of rent. (U.S. Census definition)

Renter Occupied Unit: Any occupied housing unit that is not owner occupied, including nits rented for cash and those occupied without payment of cash rent.

Secondary Housing Activity: A means of providing or producing affordable housing--such as rental assistance, production, rehabilitation or acquisition--that will receive fewer resources and less emphasis than primary housing activities for addressing a particular housing need. (See also, "Primary Housing Activity".)

Section 215: Section 215 of Title II of the National Affordable Housing Act. Section 215 defines "affordable" housing projects under the HOME Program.

Service Needs: The particular services identified for special needs populations, which typically may include transportation, personal care, housekeeping, counseling, meals, case management, personal emergency response, and other services to prevent premature institutionalization and assist individuals to continue living independently.

Severe Cost Burden: See Cost Burden > 50%.

Severe Mental Illness: A serious and persistent mental or emotional impairment that significantly limits a person's ability to live independently.

Sheltered: Families and persons whose primary nighttime residence is a supervised publicly or privately operated shelter, including emergency shelters, transitional housing for the homeless.

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domestic violence shelters, residential shelters for runaway and homeless youth, and any hotel/motel/apartment voucher arrangement paid because the person is homeless. This term does not include persons living doubled up or in overcrowded or substandard conventional housing. Any facility offering permanent housing is not a shelter, nor are its residents homeless.

Small Related: A household of 2 to 4 persons which includes at least one person related to the householder by birth, marriage, or adoption.

Substandard Condition and not Suitable for Rehab: By local definition, dwelling units that are in such poor condition as to be neither structurally nor financially feasible for rehabilitation.

Substandard Condition but Suitable for Rehab: By local definition, dwelling units that do not meet standard conditions but are both financially and structurally feasible for rehabilitation. This does not include units that require only cosmetic work, correction or minor livability problems or maintenance work. The jurisdiction must define this term (i.e., standard condition, financially and structurally feasible for rehab) and include this definition in the Appendix (Glossary of Terms) portion of its CHAS submission.

Substantial Amendment: A major change in an approved housing strategy. It invokes a change to the five-year strategy, which may be occasioned by a decision to undertake activities or programs inconsistent with that strategy.

Substantial Rehabilitation: Rehabilitation of residential property at an average cost for the project in excess of $25,000 per dwelling unit.

Supportive Housing: Hosing, including Housing Units and Group Quarters, that have a supportive environment and includes a planned service component.

Supportive Service Need in FSS Plan: The plan that PHAs administering a Family Self-Sufficiency program are required to develop to identify the services they will provide to participating families and the source of funding for those services. The supportive services may include child care; transportation; remedial education; education for completion of secondary or post secondary schooling; job training, preparation and counseling; substance abuse treatment and counseling; training in homemaking and parenting skills; money management, and household management; counseling in homeownership; job development and placement; follow-up assistance after job placement; and other appropriate services.

Supportive Services: Services provided to residents of supportive housing for the purpose of facilitating the independence of residents. Some examples are case management, medical or psychological counseling and supervision, child care, transportation, and job training.

Tenant-Based (Rental) Assistance: A form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. The assistance is provided for the tenant, not for the project.

Total Vacant Housing Units: Unoccupied year round housing units. (U.S. Census definition)

Unsheltered: Families and individuals whose primary nighttime residence is a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (e.g., streets, parks, alleys).

Vacant Awaiting Occupancy or Held: Vacant year round housing units that have been rented or sold and are currently awaiting occupancy, and vacant year round housing units that are held by owners or renters for occasional use. (U.S. Census definition)

Vacant Housing Unit: Unoccupied year-round housing units that are available or intended for occupancy at any time during the year.

Very Low-Income: Households whose incomes do not exceed 50 percent of the median area income for the area, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or where needed because of prevailing levels of construction costs or fair market rents. (This term corresponds to low-income households in the CDBG Program.) (For the purpose of further distinguishing needs within this category, two subgroups (0 to 30% and 31 to 50% of MFI) have been established in the CHAS tables and narratives.)

Worst-Case Needs: Unassisted, very low-income renter households who pay more than half or their income for rent, live in seriously substandard housing (which includes homeless people) or have been involuntarily displaced.

Year Round Housing Units: Occupied and vacant housing units intended for year round use. (U.S. Census definition.) Housing units for seasonal or migratory use are excluded.

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APPENDIX B
AMENDMENTS TO THE FY 92 CHAS

The following narratives in Appendix B replace three sections of the FY 92 Five Year CHAS document. The sections are :

A. Market and Inventory Conditions;
B. Montana's Housing Needs; and,
C. Montana's Housing Problems.

The older sections comprise pages 9 through 33 of the FY 92 CHAS. They are herewith replaced by pages 50 through 115.

A. MARKET AND INVENTORY CONDITIONS

Montana is the fourth largest state in land area, yet the population density of areas around the state underscores the diversity of needs and housing conditions, ranging from a high of 3,470 people per square mile in Great Falls, to a low of .31 persons in Petroleum County. With just less than 800,000 people, the state has only two Entitlement areas[10]: Billings and Great Falls. While the entitlement areas are required under the National Affordable Housing Act of 1990 to submit separate CHAS documents, the areas and characteristics of Billings and Great Falls have been integrated with this report.

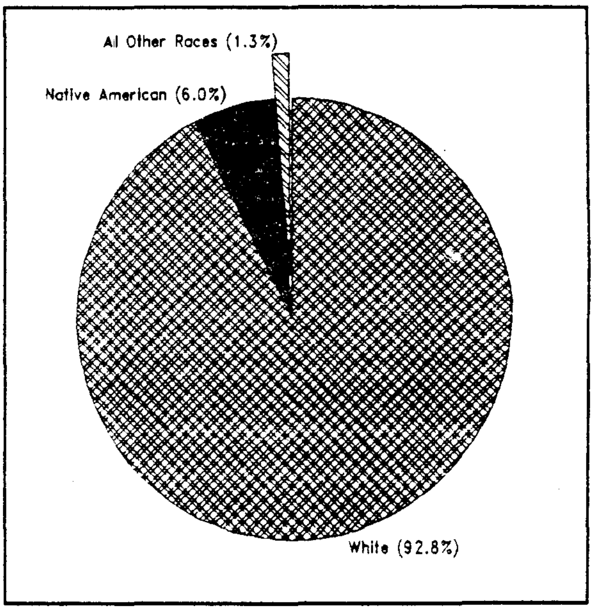
The following discussion of the state's market and inventory conditions seeks to establish the adequacy of decent and affordable housing in Montana. Beyond the descriptive value of the information, the analysis initiates identifying the state's housing needs, primarily as they existed in 1990. The baseline analysis takes into account the differences of housing issues among geographic areas of the state by evaluating six cities, eleven Census Designated Places (CDPs), and all remaining areas for each of the 56 counties. Considerable tabular documentation is included, following section A.9. The tables are numbered consecutively as Table T.1 through T.16.

A.1 DEMOGRAPHICS

MONTANA'S POPULATION

Montana is a relatively racially homogeneous state. With a total of 799,065 people residing in the state, almost 93% are white, followed by Native Americans who make up approximately 6% of the population. Diagram 1, at right, graphically presents a breakdown of the primary racial classifications in the state. While Native Americans comprise the second largest segment of the population, the majority reside on Montana's seven Indian reservations. These include the Blackfeet, the Rocky Boy, the Fort Belknap, the Fort Peck, the Northern Cheyenne, the Crow, and the Flathead reservations.

DIAGRAM 1
MAJOR RACES IN MONTANA



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[10] Metropolitan areas with populations of 50,000 or more.

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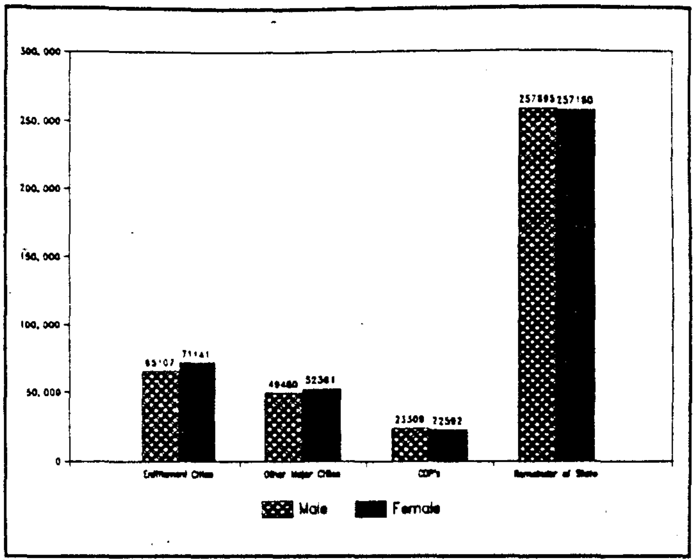
The Native Americans represent higher proportions of the population in those areas having tribal organizations. Glacier County has the highest proportion of American Indians, with over 56% of the population. Helena Valley Northwest CDP has the least with 0%. Although Indian reservations are not an explicit part of the CHAS process at this time, it is important to note that 22% of Montana's Indian population reside in Montana's major cities; and, unincorporated cities exist within reservation areas.

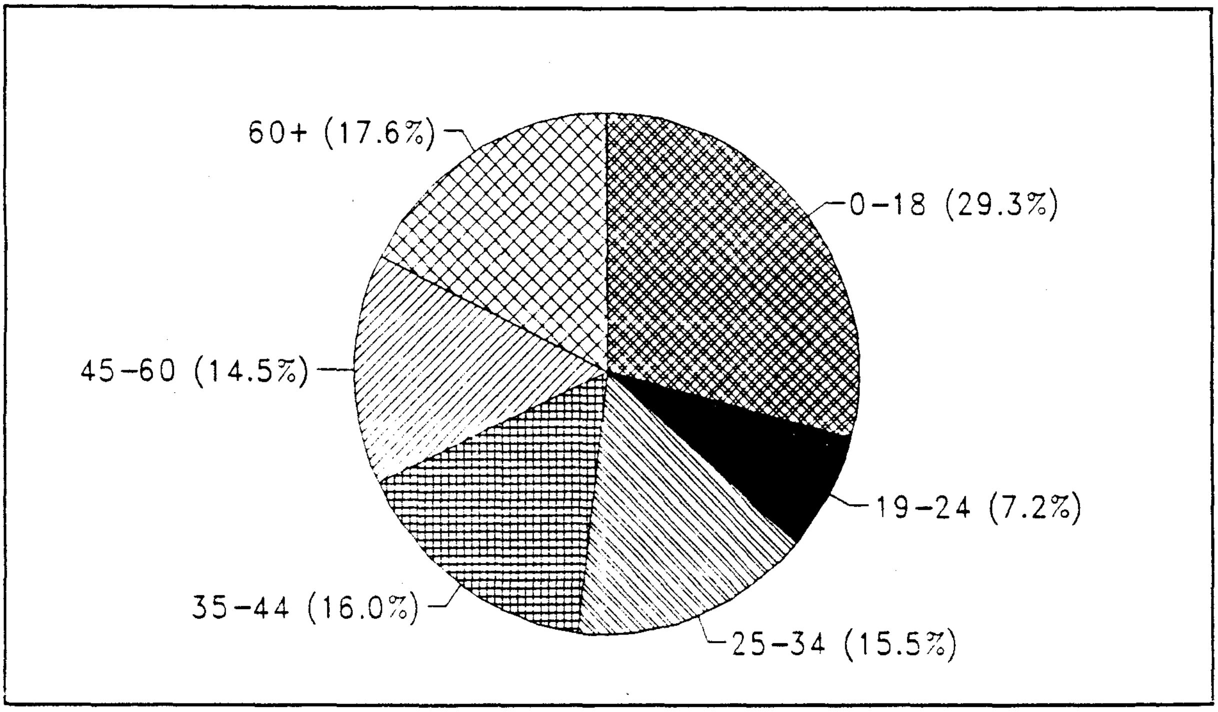
DIAGRAM 2
SEX BY GEOGRAPHIC AREA



Montana is approximately a gender-balanced state, with about 49.5% of population male, and 50.5% female. The major cities tend to have slightly more females than males and the rural areas tend to have significantly more males. Diagram 2 portrays the area distinctions graphically at right.

The largest segment of the population comprises the very young, ages from 0 to 18. This group comprises 29.3% of the total. However, the population of Montana is somewhat older

DIAGRAM 3
STATE AGE DISTRIBUTION



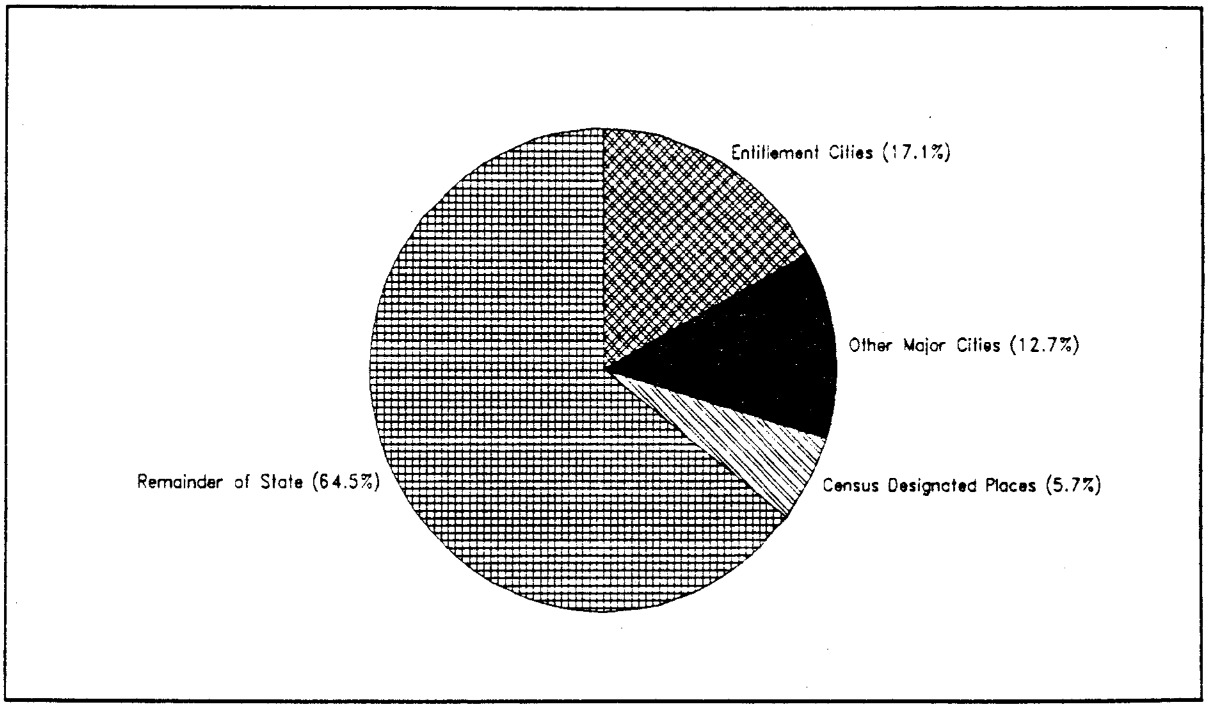
population of Montana is somewhat older than the nation as a whole; the 1990 median age in Montana is 33.8 and the nation's is 32.9. The elderly (those 60 years of age and older) also have a significant representation in the age distribution of Montana with 17.6%. Diagram 3, above, presents the age breakdowns.

The group 35-44 follows as the third largest age group in the state with 16%, the 25-34 year old people with 15.5%, the 45-60 group with 14.5%, and finally, the 19-24 year old people who have by far the smallest representation with 7.2% of the total population.

DISTRIBUTION OF THE POPULATION

Sixty-five percent of Montana's population resides in small towns and rural areas of the state. The two Entitlement cities have over 17% of the State's population, with all the other major cities of the State having about 12.7% of the total population. The remaining population resides in areas surrounding the larger cities, comprising about 5.7% of the State's population. These figures are displayed in Diagram 4, below.

DIAGRAM 4
DISTRIBUTION OF POPULATION BY AREA



A.2 HOUSEHOLDS

There were 306,919 Montana households reported in the 1990 Census. For the purposes of this study, the households have been distinguished according to the following types: Individual Households; Family Households; Elderly Individual Households; Elderly Family Households; and Two or more Person-Non-Family Households, the fundamental point of distinction being the size requirements of the households but with a further distinction made between elderly and non-elderly.

The predominant household type in Montana is the Family Household, which represents 51% of all Montana households. Two-person households represent the largest household size, followed by single households. All remaining households represent 40% of the population. Just as the elderly represent a significant portion of the population, they represent a significant portion of Montana's households.

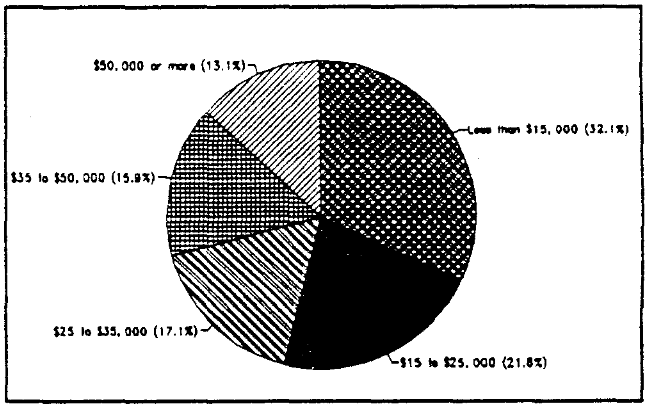
Of all households in the state, about 30% are elderly households. Accordingly, elderly families occupy over half of the two-person households in the state and just under half of all one-person households.

HOUSEHOLD INCOME AND SIZE

A very large portion of Montana's households have low and very low incomes. Diagram 5, at right, indicates that over 30% of the households had less than $15,000 income in 1989 and over 50% of the households had less than a total household income of $25,000.

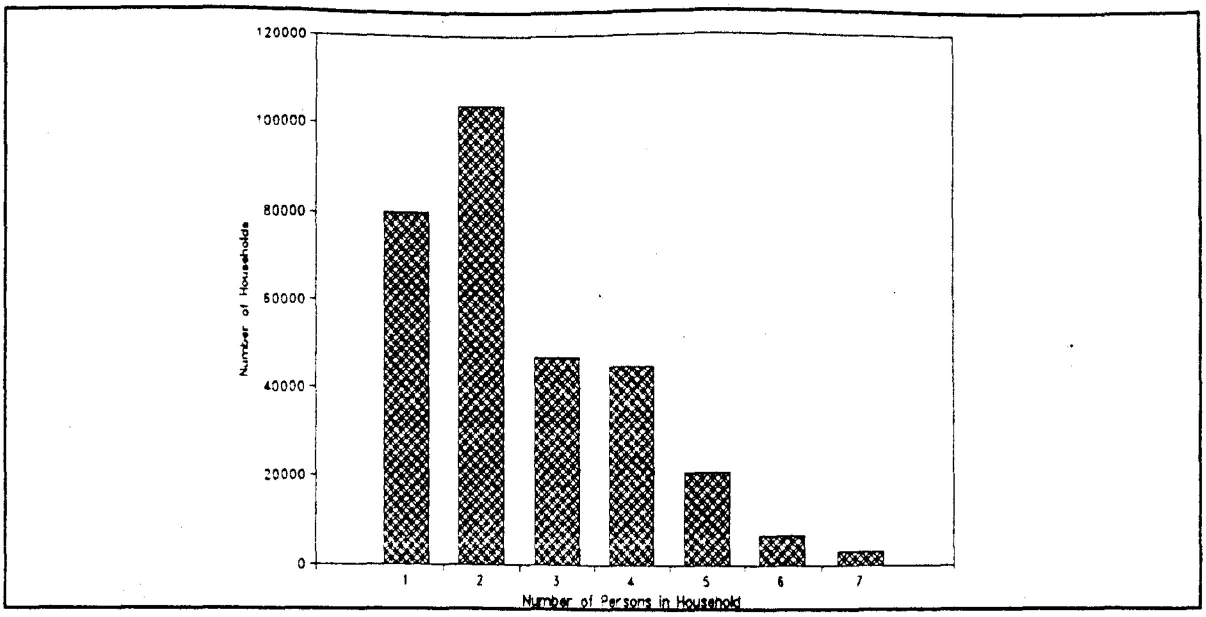
However, household size could potentially mask the low incomes, if a majority of the households were single person households. While there are a significant number of single person households, per capita income indicates that incomes are low Statewide, averaging only $11,213 in 1989. Even more striking is the fact that per capita incomes range from a low of $7,148 in Big Horn County to a high of $13,256 in Helena city.

DIAGRAM 5
NUMBER OF HOUSEHOLDS BY INCOME



Household size also ranges significantly throughout the State. Diagram 6, on the following page, presents the number of households separated into groups by the number of persons in each household. Note that the two largest groups of households comprise both single and two person households. Statewide, the number of persons per household ranges from a high

DIAGRAM 6
HOUSEHOLDS BY PERSONS PER HOUSEHOLD



of 4.12 in the Malmstrom AFB CDP to a low of 2.27 in Kalispell. Montana has an average number of 2.60 persons per household.

A.3 FAMILIES

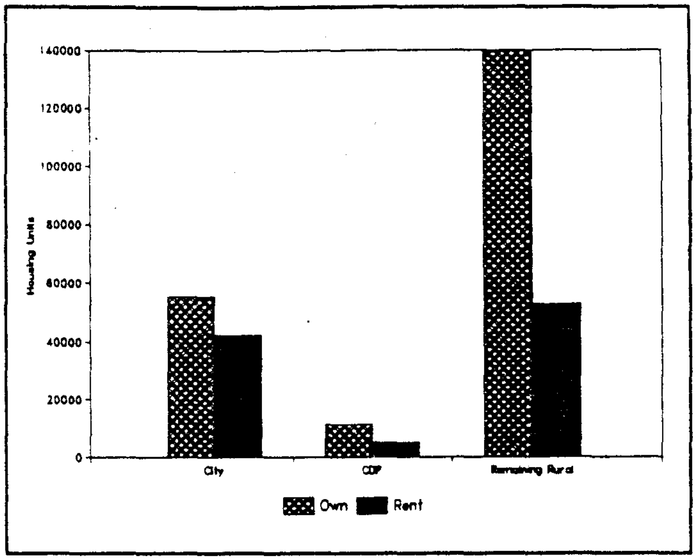
Of the 211,650 families in Montana, the majority are rural--61.5%. Montana families are generally headed by married couples, although the number of households headed by single people is significant and is of particular importance with regard to a discussion of affordable housing. Married couples represent 83.4% of the state's family types. Of the married couples, 48.6% have children, while 51.4% have no children. Elderly families, which generally consist of only and husband and wife will comprise a large portion of the married couples with no children. The concentrations of couples is higher in rural areas of the state. Conversely, there are higher concentrations of households headed by single persons in the major cities.

Currently in Montana, there are 35,139 family households which are headed by single persons. This represents nearly 17% of the family households. Seventy-one percent of these households have children present. Furthermore, 75% of these households are headed by single women who are more likely to have children than a single male headed household. While a higher actual number of single-headed families are located in rural Montana, the major cities have higher concentrations of this particular family type.

A.4 RENTERS AND HOMEOWNERS (TENURE)

Just over 67% of Montana's occupied housing units are occupied by their owner (owner-occupied); the remaining 33% are renter-occupied. The rate of homeownership is much higher in the rural areas of the state (72.6%) than in the major cities where the rate is only 59.8%. As is true of the nation as a whole, the largest single group of home owners in Montana is the elderly. Of all the owner-occupied units in Montana, 26.4% are occupied by those 65 years of age and older. This is true of both the major cities and rural Montana. Overall, the 35-44 age group has the second highest rate of homeownership in both rural areas and the major cities. The total number of housing units comprised 361,155 in the 1990 Census, of which over 15% were vacant. Diagram 7, at right, displays the number of households, by ownership status, in each of the three geographic area designations addressed herein.

DIAGRAM 7
RENTERS AND OWNERS BY GEOGRAPHIC AREA



The people most likely to rent in Montana, in both rural areas and the major cities, are those in the 25-35 age group. Given that people in this age category are more likely to live in the cities and occupy an individual unit, and further, that homeownership is less affordable in the major cities, there is an indication of a need for assistance to young adults who are first-time buyers in the acquisition of homes. Those least likely to rent are those in the age group 45-54.

A.5 SPECIAL NEEDS GROUPS

MONTANA'S DISABLED

The number of people in Montana with disabilities constitutes approximately 10% to 15% of the entire state population. Persons with disabilities include those which are mentally or physically disabled (or both). Disabilities may be present from birth or be the result of illness or accident. The State Department of Social and Rehabilitation Services (SRS) and the Rural Institute on Disabilities at the University of Montana both noted that precise numbers on the disabled in Montana are not available at this time. Counts are not always accurate because the term 'disabled' is not adequately defined. Further, data is often collected in connection with a particular programmatic requirement rather than in a more comprehensive manner. For example, 25,000 disabled persons are currently receiving social security-disability payments in Montana. The 1990 census information indicates that there are 78,513 Montanans whose disability prevents them from working, and 4,879 Montanans who have transportation disabilities. This second number corresponds fairly closely with the estimated 5,000 persons issued state handicapped parking permits annually. There are also an additional 2,000-5,000 persons living in Montana who are severely mentally disabled. It is important to note that according to the Rural Institute on Disabilities, in rural areas of the country, there are higher prevalence and incidence rates for persons with disabilities than in urban areas. It is, therefore, difficult to use overall national projections to estimate the number of disabled persons living in Montana.

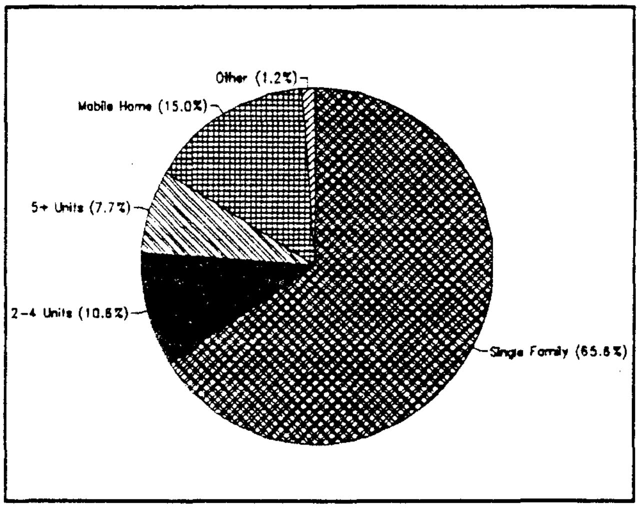
MONTANA'S HOMELESS

Homeless shelters across the state are reporting increased numbers of homeless persons. A survey of homeless shelters conducted in 1990 by the Montana Department of Social and Rehabilitation Services indicated that 48,490 total nights lodging were provided by shelters statewide in 1989. Of the total clients receiving shelter assistance, 69% were men, 25% were women, and 6% were children. The Poverello Center in Missoula served 7,360 persons during 1990 as compared with a total of 23,914 for the five years from 1984 to 1988; an average of 4,782 persons served per year. Accurate figures on the number of homeless in Montana are not available at this time. Further research is required to quantify the actual numbers of homeless.

AIDS AFFLICTED MONTANANS

Montana has had 107 documented cases of AIDS according to the Montana Department of Health and Environmental Sciences. As of June 30, 1991, 302 persons have tested HIV positive of the 27,279 tested since 1985. Given that the entire state has not been tested, projections have been made regarding the likely number of HIV positive persons in the state. The Center for Disease Control projects that there are an estimated 600 HIV positive persons in Montana.

DIAGRAM 8
TYPE OF HOUSING UNIT



A.6 HOUSING UNITS

Single family detached units are the predominant housing type in Montana. They comprise 65.6% of the state's total units. Multifamily units represent the second largest group

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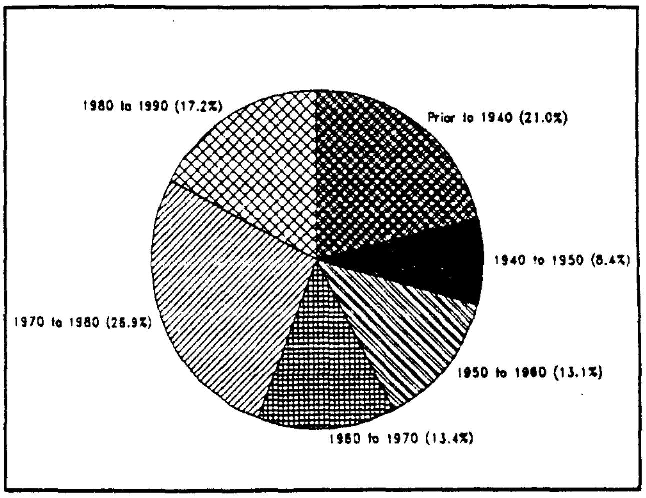
at 18.3%.[11] Mobile homes comprise 15% of the total units. Rural Montana has a higher concentration of single family units than the major cities. Rural areas of the state have more mobile homes than the major cities. Diagram 8, on the previous page, presents the percent of housing types Statewide.

A.7 CONDITION OF HOUSING

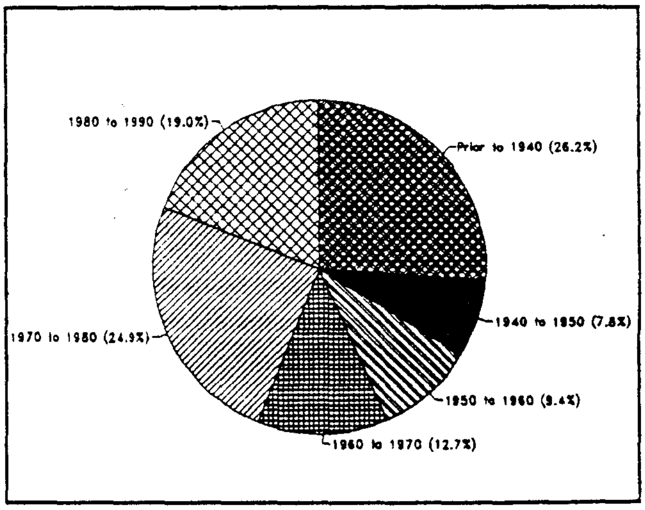
According to the 1990 census, 21% of Montana's single family units were constructed prior to 1940. Because homes constructed prior to 1940 have potential structural problems related to inadequate foundations, floor supports, poor plumbing, outdated electrical wiring, and roofs which inevitably grow worse over time, there is most likely a need for rehabilitation across Montana. Diagram 9 displays a pie chart representing the percent of the number of occupied housing units in each age category.

DIAGRAM 9
AGE OF OCCUPIED HOUSING UNITS



However, over 15% of Montana's housing stock was considered vacant during the 1990 census. Of course, this includes for-sale properties, any available vacant rentals, and second or vacation homes. Diagram 10, at right, shows a similar graph of the age categories for the vacant homes. It appears that age plays a large role in whether the home is vacant, with over 26% of the vacant homes 50 years of age or older. In fact, a large percent of vacant homes exist in the rural and less densely populated areas of the State. For example, a much larger percent of vacant homes have missing or incomplete kitchen and plumbing facilities and over 35% of the vacant housing stock in Meagher County lack adequate plumbing. Overall, the State expects a portion of these homes to be lost through demolition and abondonment.

DIAGRAM 10
AGE OF VACANT HOUSING STOCKS



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[11] Buildings with two or more units are considered as multifamily units in this discussion.

The second housing condition issue is related to the concentration of mobile homes in the state. Although the mere existence of mobile homes does not constitute a condition problem, there are issues associated with mobile homes which are conducive to such problems. Fifteen percent, or 54,046 of all units in the state, are manufactured or mobile homes. The concentration of such units is particularly high in rural areas of the state. There are two issues surrounding mobile home living which lend themselves to condition problems. First, because mobile homes are not subject to the same building code review as permanently constructed homes, they are more likely to fall into substandard condition. Second, the arrangement under which mobile home living has evolved is most often in the form of mobile home parks which are generally privately owned. These arrangements are loosely regulated in Montana, leaving open the possibility for substandard conditions within mobile home parks across the state.

The third issue is the perceived substandard condition of low-rent, non-subsidized units in Montana. The results of the telephone survey of housing officials across Montana indicate that at least in some, and most likely in many areas of the state, low-rent, non-subsidized units are in substandard condition. For example, 86% of the rental units in some portions of Hardin are substandard. The substandard conditions for such units exist in both Butte-Silver Bow and Great Falls as well.

Finally, as expressed in the survey of Montana housing officials, a general problem with subsidized and non-subsidized units across the state exists because many were constructed using electric heating systems. These systems were initially installed because of their low cost, but because they are not efficient systems, the result is high heating costs which are passed on to the tenants, thereby inflating cost burden.

A.8 AFFORDABILITY OF HOUSING

In assessing whether or not there is affordable housing available in Montana, both income levels and housing costs have been inspected. A monthly housing cost in excess of 30% of income constitutes a cost burden. Approximately 18.6% (59,217) of Montana households earn less than $10,000 annually and 32.1% (98,548) earn less than $15,000. Therefore, a monthly housing cost in excess of $250 represents a cost burden to nearly one fifth of Montana households and payments over $375 would be a burden to nearly one third. The following analysis examines the affordability to renters by looking at the percentage of monthly income that would be required to make average rent and utility payments. Affordability for potential home owners is examined by looking at the cash outlay and annual income required if monthly housing costs are to equal 30% of income, for average and lower priced homes. These calculations are intended to indicate the typical costs. Costs and income requirements are shown for both conventional financing and FHA or Farm Home financing. These cost burdens and income requirements will then be compared to census information to see how many households in Montana can afford the average home.

Rent burden calculations were made by using 1990 census figures for contract rent. For home buyers, the calculations for monthly payments and cash outlay at closing were made by using 1990 census figures for the average asking prices of vacant-for sale housing units and applying formulas used by the banking industry, the Farm Home Administration, and the Federal Housing Administration. For conventional loans, cash outlay at closing includes a 10% down payment plus typical closing costs. The Farm Home Administration (who makes loans in rural areas with populations of less than 10,000 people) estimates include a cash outlay at closing of no down payment, and only typical Farm Home closing costs. The FHA cash outlay at closing includes a 3% down payment plus 43% of the closing costs. The other 57% of the closing costs and the required mortgage insurance costs are added into the loan amount. The monthly payments for all of the loans are based on a 30 year, 9% fixed rate loan plus taxes and insurance. Average utility costs of $101 per month for a two bedroom, multifamily unit with electric heat have been added to rent cost to calculate cost burden for rental units. Average utility costs of $125 for a single family, three bedroom home have been added in to the monthly mortgage payments to calculate income requirements for home-owners.[12]

RENTERS

Low income renters in Montana's rural areas are less likely to experience the severe cost burden that low income renters in Montana's major cities are. Households earning $10,000 or less annually, would be paying at least 52% of their income to occupy the average housing unit in the major cities. This constitutes a burden far in excess of the 30% standard. Similarly, in the Census Designated Places, a household with a $10,000 annual income would have to use 55% of their income to rent the average housing unit. The situation for that income group is of particular concern in the Sun Prairie CDP where the renter cost burden is highest at 65% for the average rental housing unit.

TABLE A.8.1
AFFORDABILITY OF AVERAGE RENTAL UNITS

AREA	MONTHLY RENT $	Per Cent of Income $10,000	Percent of Income $15,000
Sun Prairie CDP Average	543	65%	43%
City Average	436	52%	35%
CDP Average	461	55%	37%
Rural Average	331	40%	26%

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[12] Section 8 Utility Allowances, as revised October, 1992.

Table A.8.1, above, illustrates the cost burden of the average priced rental units in cities, CDP,s, and the remaining rural areas. As that table shows, average rent in the rural areas is lower, but it still presents a cost burden to a $10,000 household of 40%. Even for a household with a $15,000 annual income, the cost burden is over 30% for all but the rural areas. Although the cost burden is not severe for that group, the important questions for those rural areas become whether there are enough rental units available, whether they have adequate kitchen and plumbing facilities, and whether or not they are maintained to some minimum health and safety standards. The Table T.15 (page 74) shows what percentage of all housing has incomplete or missing kitchen and plumbing facilities. The percentage of housing units with incomplete facilities are higher in the rural areas than in the cities and CDPs. In Meagher county for example, 14.54% of the housing stock has missing or incomplete kitchen facilities.

While the above analysis focused on whether or not low income households could afford average rents, there is another question that should also be examined. That is what portion of the population cannot afford the "average rent". Table A.8.2 illustrates average rents, the income needed to pay that average rent without imposing a rent burden, and that portion of the population that has an annual household income below $15,000. As this Table demonstrates that from 26% to 33% of the population does not have the income to afford the average rent.

TABLE A.8.2
INCOME NEEDED TO PAY THE AVERAGE RENT

AREA	MONTHLY RENT	Income Needed	Percent of Households with Less Than $15,000 Income
City Average	436	$17,440	33%
CDP Average	461	$18,440	26%
Rural Average	331	$13,240	32%

Results of the telephone survey suggest that, while the 1990 census figures depicting the median rent for Missoula are relatively low, the supply of rental units has become so scarce that monthly rental costs (and income needed to pay those rents) are skyrocketing. The same is true for Bozeman as both areas are experiencing an influx of students in the Universities. Respondents to the telephone survey from smaller communities adjacent to Bozeman and Missoula reported that their communities are absorbing the housing demand from those cities and, consequently, are experiencing housing shortages and rent increases.

HOME BUYERS

What holds true for renters is generally true for the first time home buyer in Montana. That is, the cost of buying a home in rural Montana is less than it is in the cities and CDPs, although there is some disparity among rural areas in the average values of vacant-for sale homes. Table A.8.3, on the following page, shows the average values for homes in Cities, Census Designated Places, the remaining rural areas, and in Gallatin County which had the highest average asking price in Montana (according to the 1990 Census). Those average asking prices are then used to show the costs to first time home-buyers that are able to use conventional financing. Recognizing that many first time buyers can not come up with the cash that is required at closing to utilize conventional financing, Table A.8.3 gives some examples of the cash and income requirements for both Farm Home and FHA financing.

TABLE A.8.3
INCOME NEEDED TO PAY THE MONTHLY HOUSE PAYMENT

AREA	Purchase Price	Down Payment	Monthly Payment	Minimum Income Needed	Households with % of Income < $25,000
Gallatin County	$82,600	$11,150	$885	$35,400	
City Average	$67,700	$9,290	$750	$30,000	53.3%
CDP Average	$60,800	$8,420	$690	$27,600	50.0%
Rural Average	$49,000	$6,930	$580	$23,200	54.5
Farm Home Financing	$25,000	$1,010	$380	$15,200	
	$40,000	$1,170	$520	$20,800	
	$50,000	$1,310	$615	$24,600	
FHA Financing	$40,000	$1,900	$540	$21,600	
	$50,000	$2,300	$640	$25,600	
	$60,000	$2,700	$740	$29,600	

In the rural regions of eastern and north central Montana where the vacancy rates are high, the average asking price for a vacant-for sale home is under $26,000. At this rate, a household income of approximately $15,200 would make a home in those areas affordable if the potential home-buyer is able to take advantage of Farm Home Financing. In those rural areas, rather than income being a limiting factor, the condition of the $26,000 home and whether it would qualify for any type of financing appears to be the crucial limitation.

In the rural regions of south central and south western Montana, which have relatively high vacancy rates, a home is currently selling for around $50,000. An annual household income of approximately $24,000 to $25,600 (depending on the type of financing available) would generally make a home affordable in these regions. The average asking price of a vacant-for sale home in rural western Montana is generally higher than the rest of the rural areas. In those areas, the asking prices are $60,000 or more, requiring a minimum household income of approximately $27,000 to $30,000, depending on the type of financing available.

In the Census Designated Places, the average home asking price is approximately $60,800. With conventional financing, the minimum income required to buy that $60,800 home is around $27,600. Average asking price in the major cities is approximately $67,700, requiring a minimum annual income of approximately $30,000 if using conventional financing. The major cities have comparatively low vacancy rates ranging from 4% to 10.2% as opposed to the rural range of 17.3% to 22%. This indicates a higher demand for housing in the cities and supports the higher cost of housing in those areas. It is important to note that while mortgage rates appear affordable to many, the ability to save for a down payment can be a prohibitive factor, especially for conventional financing. While the down payment requirements are lower for FHA financing, the monthly payments and minimum income requirements are higher due to the larger loan amounts. Also important to note is that the banking industry calculations for minimum income requirements are based on a standard that the total of the principle, interest, property tax, and insurance payments can not exceed 28% of gross income. It is also a standard requirement that total monthly obligations (including automobile and credit card payments) not exceed 36% of gross income. For those households whose other monthly obligations exceed 8% of gross income, their minimum income required to purchase a home will be higher than indicated in Table A.8.3.

Table A.8.3 also lists that portion of the households that earn less than $25,000 annually. Examining the incomes required if housing costs are not to exceed 30% of income, we see that purchasing a home is through conventional financing is out of the reach of over half of the people in the cities and CDPs. Purchasing a lower valued home becomes more affordable through the use of Farm Home or FHA financing and in the rural areas of the State. However, the question again becomes one of whether or not these lower valued and rural homes are in a condition that will allow them to qualify for financing.

A.9 AVAILABILITY OF HOUSING

Three housing availability issues are of concern for Montana. The first is in regard to the availability of low-rent units. The second issue is the availability of homes which meet the criteria for loan assistance and mortgage insurance. The third availability issue is the shortage of affordable homes on the market for low and moderate income persons.

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INFORMATION PAPER
HOUSING ASSISTANCE BUREAU
MONTANA DEPARTMENT OF COMMERCE

The Housing Assistance Bureau, as the State Public Housing Agency, and State Participating Jurisdiction, administers a variety of interrelated housing development programs under contract for the U.S. Department of Housing and Urban Development (HUD). Programs administered include Section 8 Housing Assistance Programs, the Rental Rehabilitation Program, and the HUD Home Investment Partnerships Program (HOME). The Bureau also prepares the HUD required annual State Comprehensive Housing Affordability Strategy (CHAS).

The Section 8 Existing Certificates, Vouchers, and Moderate Rehabilitation Programs provide for development of rental housing and project and tenant based rental assistance for 3,386 low income families, elderly, disabled, or handicapped individuals through 2,500 landlords statewide. Under contract for renewable 5 year periods, these programs have an annual federal budget of $17 million and utilize a network of 11 subcontracted field agencies throughout the state. When eligible applicant families reach the top of a waiting list, they are issued a certificate or voucher allowing them to choose a place to rent on the private rental market, anywhere in the state, under tenant based rental assistance guidelines. In the Moderate Rehabilitation Program, substandard rental units are rehabilitated, then assigned project based rental assistance for rental to low income families for a 15 year contract period. The same waiting list is used, a statement of family responsibility is issued to the family, and they rent one of the project rental units. Once a lease is signed, rent assistance is provided for all programs under a HAP contract, and the participating families pay between 10 and 30% of their monthly adjusted income towards the rent, depending on the program. In all three programs, private landlords own all properties leased by program participating families. A new allocation of special Homeless Vouchers and Certificates was added in 1992 to help address permanent housing for Homeless families in Montana.

The Section 8 Family Self Sufficiency Certificate and Rental Vouchers Program, new in Federal FY 92, combines tenant based rental assistance with locally provided support services which allow very low income families to become educated and job trained over a five year contract period, with a goal of Self Sufficiency, where the family becomes independent from federal, state, or local government assistance programs. This program is run through 6 local field agencies, and supports 34 families in Montana.

The Rental Rehabilitation Program provides additional low income housing stock in Montana through rehabilitation of substandard rental units, in exchange for owners providing low income housing within the units for a specified time period. Federal funds pay up to one half of rehabilitation costs, while landlords pay for the rest of the rehabilitation. This program is being phased out and replaced by elements of the new HOME Program. Some Section 8 assisted tenants may be housed in rental rehabilitation units.

The HUD HOME Program, new in FY 92, provides grants to local government entities and CHDOs (Community Housing Development Organizations), to increase the availability of both rental and owner occupied low income housing stock through new construction, acquisition of low income housing stock, moderate and substantial rehabilitation of existing housing stock, first time homebuyer assistance, tenant based rent assistance, and other similar projects throughout the state. With an annual budget of approximately $4 million, HOME uses a competitive selection process to award grants for local projects throughout the state. When combined with required private and public leveraging and matching funds, total local project costs will total $6 million per year, and provide additional low income housing units for many low income Montana families.

The State Comprehensive Housing Affordability Strategy (CHAS) is a one and five year planning strategy document detailing housing problems and needs for low income people in Montana. Preparation of the annual CHAS is required under the National Affordable Housing Act of 1990 prior to HUD funding of approximately $21 million per year for the following HUD grant programs administered by various state agencies, local governments, public housing authorities, and private nonprofit corporations: CDBG Entitlement Program; CDBG State Program (also administered within the Department of Commerce); HOME Investment Partnerships Program; McKinney Act Programs; Transitional Housing for the Homeless; Permanent Housing for Handicapped Homeless Persons; Supplemental Assistance for Facilities to Assist the Homeless; Emergency Shelter Grant Program; Section 8 Single Room Occupancy Moderate Rehabilitation; Shelter Plus Care; Supportive Housing for Persons with Disabilities; Supportive Housing for Elderly Persons; HOPE (Homeownership Opportunities for People Everywhere) Program, including HOPE I - Public Housing Ownership, HOPE II - Urban Homesteading for Multi Family Projects, and HOPE III - Single Family Properties Homeownership; Low Income Housing Preservation; and Housing Opportunities for People with AIDS. In addition to preparing a five year plan, annual plan updates and annual performance reports for the state, the Housing Assistance Bureau must review and certify that all applications for federal funding for affected programs are in conformance with the state CHAS, or HUD will not fund the applications.

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TESTIMONY ON DHES SERVICES PROVIDED TO AFDC CLIENTS
PRESENTATION TO HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE
BY DALE TALIAFERRO, ADMINISTRATOR, HEALTH SERVICES DIVISION
DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES
JANUARY 12, 1993.

The following are modifieds submitted as part of the executive budget. A number of these proposals restore programs, once lost to funding, which are needed to carry out basic public health functions in the State. Public health recipients typically are low income persons. AFDC clients will be among those who benefit from restoration of these programs.

Tuberculosis (TB) is a totally preventable disease. The incidence of TB is higher in low income families. TB is a unique infectious disease because persons can carry dormant infections for decades. Adequate treatment of cases prevents infection of children and eventually breaks the cycle. TB control should be an essential component of all health services for the low income.

Hepatitis B is also preventable and occurs at a higher rate in the economically depressed population. This initiative will a) target 40% of newborns seen in public clinics for delivery of Hepatitis B vaccine which will eventually be a routine vaccine for all newborns, and b) provide followup to babies born to mothers infected with chronic Hepatitis B to prevent them from becoming infected. 60% of infected newborns go onto to be hepatitis carriers if no immunization is given.

Ryan White - provides dollars for secondary prevention: AIDS drug reimbursement program for AZT and other drugs, home health, hospice and other services. Benefits mothers and children infected with HIV virus including AFDC families and others.

Dental program - through Preventive Health and Health Services Block grant, this program's purpose is to prevent dental caries in children through delivery of fluoride and use of sealants.

Nutrition - through the PHHS block grant, coordinates existing nutrition programs including those serving children and educates the public about problems of hunger in Montana.

Preventive Health and Health Services block grant. Increased funding during the last 2 federal funding cycles has given DHES the ability to fund the dental and nutrition programs and is being used to ensure basic public health services in unserved counties and to encourage multi-county health districts.

Children's Special Health Services - enables the program to rearrange job duties of the professional staff to meet the requirements of the federal omnibus reconciliation act of 1989 (OBRA '89) to provide community based services for children with special health care needs and to develop an infant tracking system (Follow Me) as required by Part H legislation in order to identify children at risk.

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WIC information specialist - provides support and maintenance for WIC state-wide management information system to provide automated voucher preparation and increased data capabilities for local WIC agencies.

Enhanced nursing consultation to counties increases the ability of the local agencies to deliver effective public health services to low income families and children.

Maternal and Child Health Block Grant - increases in federal funding will allow increased and improved MCH services in local areas.

Other Suggestions:

In reference to the Cervical Cancer Prevention program, I would like to say this is also a priority of the Health Services Division and we intend to apply for Centers for Disease Control/Prevention categorical funding that has become available and can be sought Spring of 1993.

EPSDT (KIDS COUNT) screening could be coordinated with local health department well child services and school health services to reach a larger population than currently may be served. DHES is working with SRS to increase participation in this program. This would enhance requirements of the Title V Maternal and Child Health block grant to serve children ages 1 to 18 years.

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In regard to the first issue. There were approximately 34,601 low-rent units (units which cost no more than $250 per month) in Montana at the time of the 1990 census. Approximately 11,389 low-rent units are federally assisted and the waiting list for publicly assisted units numbers 6,285. The supply for lower rent and/or assisted units does not meet the demand. There is a great disparity between the number of households earning less than $10,000 and the actual number of low-rent units.

The second issue is the availability of homes which meet the criteria for loan assistance and mortgage insurance. It is true that in some areas of the state, the housing market is tight, particularly in the major cities. However, in the rural areas of the state where vacancy rates are higher (particularly in the eastern region), the issue becomes one of condition. In many instances, the poor condition of the vacant homes precluded the use of federal mortgage insurance programs. Without these programs, homes are not easily financed and are consequently forced out of the reach of many potential home buyers. The result is a diminished supply of affordable homes.

The third availability issue is the shortage of affordable homes on the market for low and moderate income persons. This is of particular concern in the major cities, most notably Bozeman, which has the lowest vacancy rate in the state and the highest average asking price for vacant-for sale homes according to the 1990 Census. Where the market is tight and prices are escalating, it is becoming increasingly difficult for low and middle income persons to purchase homes.

To get an overall picture of the availability of housing units, Table A.9.1 combines information on both rental and owner occupied housing. This Table uses the 1990 Census information on rental units by price range and value of owner occupied housing units. The

TABLE A.9.1
AVAILABILITY OF RENTAL UNITS AND FOR-PURCHASE HOMES COMPARED TO NEED

AREA	Rental Units Under $300	Homes Under $35,000	Total Units	Household Incomes Less Than $15,000	Net Shortage
City Average	17,878	3,611	21,489	32,047	10,558
CDP Average	1,735	414	2,149	4,250	2,101
Rural Average	28,117	21,996	50,113	62,251	12,138
TOTAL	47,730	26,021	66,508	98,548	24,797

$35,000. This number of housing units is then compared to the number of households earning less than $15,000. The lack of available housing can be seen in the last column. Overall, these numbers point to large gaps between the demand for housing and the supply of affordable housing, perhaps as high as 25,000 units.

A.10 MONTANA'S ECONOMIC STRUCTURE

THE DEFINITION OF ECONOMIC BASE

The health of an economy is determined, in a large part, by the ability of one or more economic sectors to capture income from outside the area. The key notion is that income must flow from outside to inside the State. Those activities that can bring income into Montana are considered basic industry, as income is received from the export of a product. Workers in these exporting industries spend their earnings locally, thereby generating additional, indirect, economic activity. This indirect activity is termed nonbasic industry; the more times that income is spent within the State, and spent again, the more integrated the State's economy.

People often define Economic Base only in terms of jobs, as an employment classification system that includes manufacturing, mining, agriculture, some forms of construction, and federal government employment.[13] But the use of employment as the central feature in defining the economic base overlooks one very important thing: some basic components of the economy do not necessarily involve employment.

For example, if many retirees reside in the area, living off of their retirement investments, income still flows from outside and into the area. While the retiree is not employed, serving the demands of the retired population creates jobs and additional local income. Also, income distributed to those who may be supported by forms of welfare, or "transfer payments" can be considered as basic because income also flows from outside to inside the area. This in turn causes demand for goods and services and results in nonbasic employment. It is income that drives economic activity.

A healthy economy is constructed upon two main building blocks, earned income from exporting industries, and "unearned income" from dividends, interest, rents, and government transfer payments. But to translate the total basic income flow into a nonbasic flow, one must measure the relationship between these two concepts. This ratio is called a multiplier. A unit rise or fall in basic income will tend to have a proportional impact on nonbasic income. The higher paying the basic sector job (or per capita unearned income source) the greater the nonbasic impact.

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[13] The basic sector can also include other "non-traditional" sectors that bring income into an area. A good example is tourism. For the analysis presented here, a portion of the eating and drinking industries, and all of the lodging sector, are considered as basic employment.

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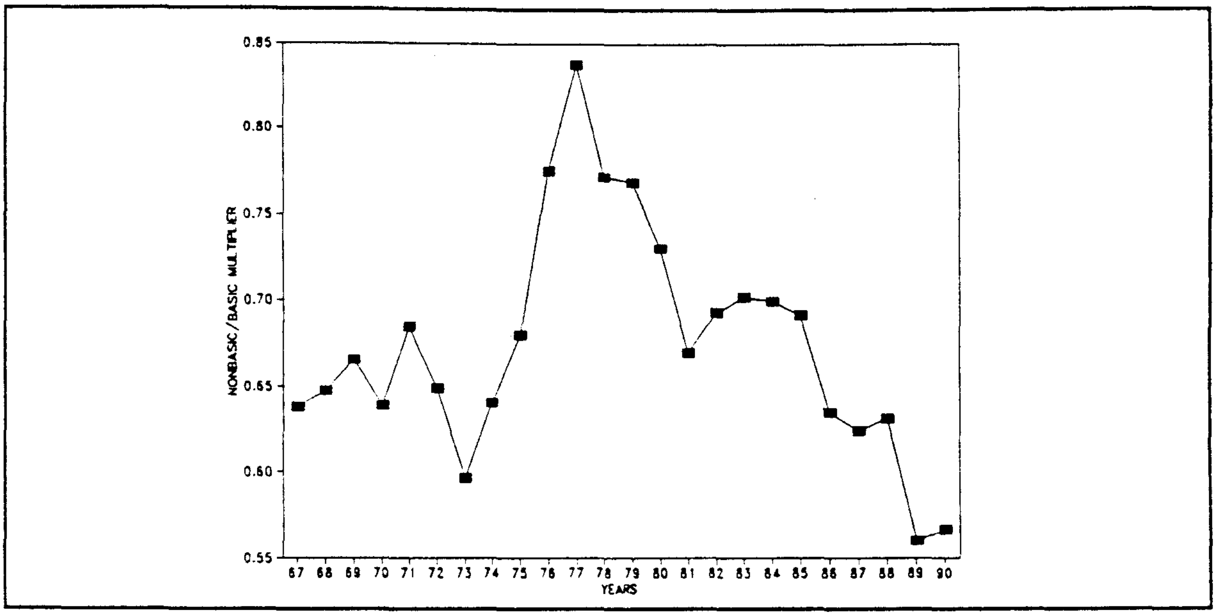
As the State's economy becomes more highly advanced and integrated, the less quickly income leaks out of the area: products and services previously imported will begin to be supplied locally. More people will enjoy the benefits of the basic income. Of course, when an economy is in decline, the reverse will occur: as basic sector income leaves the community, nonbasic income will be lost at an increasing rate. The multiplier is not a fixed relationship, it rises as the number of economic transactions rise, and falls as transactions decrease. Furthermore, as an area declines and higher paying jobs are lost, unearned income sources will not be sufficient to maintain previous standards of living. Diagram 11, below, presents the nonbasic/basic multiplier for the State of Montana.[14] As can be seen, Montana's economy is becoming less dynamic.

DIAGRAM 11
NONBASIC/BASIC MULTIPLIER FOR THE STATE OF MONTANA



The economic base analysis stresses the importance of openness, what happens elsewhere is critically important. If Montana's economic base is diversified, it is relatively protected from wide fluctuations in demand for any one of its export goods or services. However, if it is overly dependent upon a single basic sector, it is at the mercy of fluctuations in demand for that sector's good or service.

Inherent with the notion of economic base is the assertion that people follow jobs. If the earned income component of the basic sector is shrinking, then those who can not retire must,

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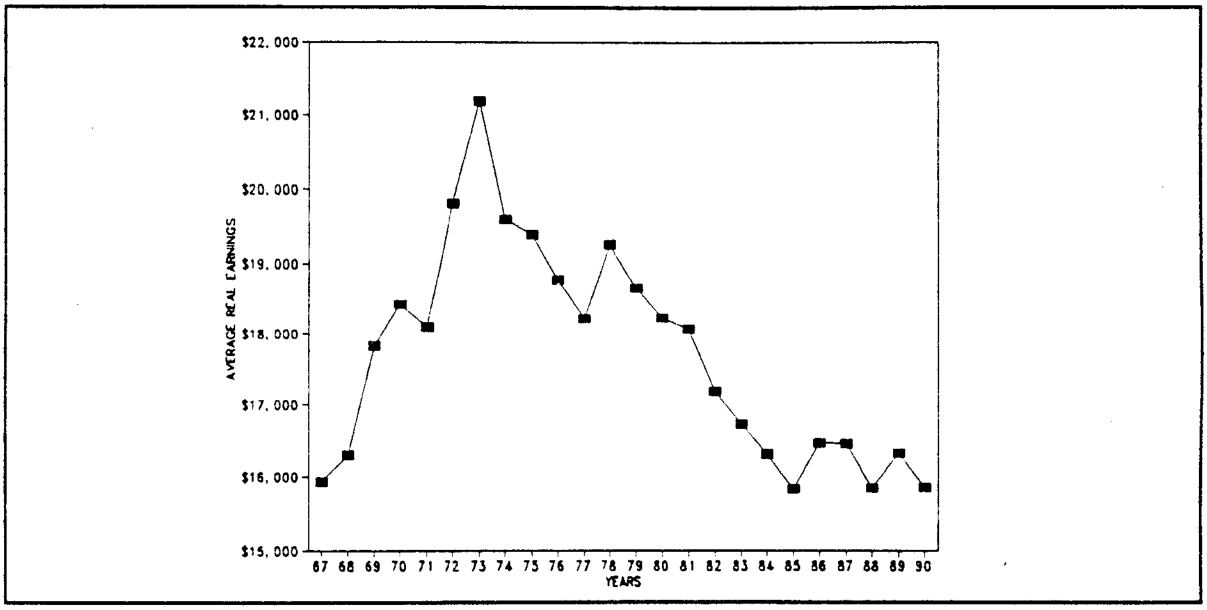
[14] This multiplier was derived by assuming that agriculture, mining, manufacturing, and all federal employment are considered basic sectors. The multiplier, while also including 50% of all service and retail trade, is not scientifically precise. It is presented here as illustrative of the changing economic structure of the State.

at some point, seek employment elsewhere. A new level of population implies a different picture for the flows of total unearned income into the State. So, the impacts on population, derived from basic earned income, will ultimately have an impact on the basic *un*earned income flows, further altering the economic system.

Montana's basic economy, historically, has been dependent upon a few resource based industries. These are generally considered agriculture, mining, and manufacturing processes such as lumber and wood products and the milling of minerals. Even though tourism is considered a solid basic sector with employment benefits, the rate of pay in this industry has historically been quite low.

The status of the State's economy, then, is dependent upon the health and viability of these resource based industries. Unfortunately, these industries are suffering from decline. As Diagram 12 demonstrates, the average rate of pay in all of Montana's industries has been declining steadily since the early 1970's. Today the outlook continues to be somewhat dim.

DIAGRAM 12
AVERAGE REAL EARNINGS IN MONTANA
1987 DOLLARS



Forest management practices are under review and anticipated harvests from federal timber lands are expected to decline. The University of Montana has produced forecasts that predict employment declines as large as 50% in the next ten years. Employment and earnings derived from agriculture remain speculative, at best. The mining industries are moving much further toward mechanization; and, older existing facilities are closing in the face of increasing environmental constraints.

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These conditions underscore the difficulty working citizens of the State are encountering when attempting to purchase a home. These economic constraints are anticipated to persist.

TABLE T.1

MARKET AND INVENTORY CONDITIONS

POPULATION CHARACTERISTICS

	SEX		RACE					PERSONS	
AREA NAME	MALE	FEMALE	WHITE	BLACK	ASIAN	INDIAN	OTHER	PER SQ MI	TOTAL
Billings city	38679	42472	76945	317	318	2591	980	2481.87	81151
Bozeman city	11651	11009	21671	74	465	343	107	2323.08	22660
Great Falls city	26428	28669	51197	464	504	2631	301	3469.27	55097
Helena city	11557	12789	23377	33	215	658	63	1801.60	24346
Kalispell city	5455	6462	11582	17	85	211	22	2703.42	11917
Missoula city	20817	22101	41010	133	619	1011	145	2572.28	42918
Bonner-West Riverside CDP	866	788	1621	0	0	33	0	1071.42	1654
Evergreen CDP	2043	2066	3977	0	10	115	7	1258.02	4109
Helena Valley Northeast CDP	814	961	1705	7	0	49	14	36.46	1775
Helena Valley Northwest CDP	656	575	1179	0	7	0	45	73.29	1231
Helena Valley Southeast CDP	2300	2301	4411	0	14	106	70	283.00	4601
Helena Valley West Central CDP	3163	3164	6226	0	58	43	0	233.43	6327
Helena West Side CDP	1021	859	1842	0	0	26	12	127.50	1880
Lockwood CDP	1988	1979	3697	20	23	149	78	505.37	3967
Lolo CDP	1318	1428	2713	8	0	25	0	282.98	2746
Malmstrom AFB CDP	3320	2618	4999	500	257	91	91	3032.74	5938
Orchard Homes CDP	5118	5199	9935	13	153	186	30	1247.69	10317
Sun Prairie CDP	702	654	1330	0	0	26	0	222.84	1356
Beaverhead County	4260	4164	8281	16	27	73	27	1.51	8424
Big Horn County	5603	5734	4939	16	19	6310	53	2.26	11337
Blaine County	3354	3374	4040	2	5	2663	18	1.59	6728
Broadwater County	1689	1629	3271	0	10	28	9	2.68	3318
Carbon County	3922	4158	8001	5	2	49	23	3.92	8080
Carter County	770	733	1490	0	0	8	5	0.45	1503
Cascade County	7885	7415	14763	42	54	392	49	5.69	15300
Chouteau County	2783	2669	5216	0	24	207	5	1.38	5452
Custer County	5720	5977	11421	16	4	129	127	3.08	11697
Daniels County	1115	1151	2261	0	2	3	0	1.59	2266
Dawson County	4712	4793	9382	0	16	98	9	3.99	9505
Deer Lodge County	5080	5198	9929	21	32	251	45	13.87	10278
Fallon County	1542	1561	3080	0	3	14	6	1.91	3103
Fergus County	5931	6152	11907	5	18	142	11	2.78	12083
Flathead County	21923	21269	42253	39	189	529	182	8.23	43192
Gallatin County	14155	13648	27349	6	166	254	28	11.02	27803
Garfield County	816	773	1581	0	4	4	0	0.33	1589
Glacier County	5966	6155	5270	6	27	6807	11	3.99	12121
Golden Valley County	467	445	899	0	5	3	5	0.78	912
Granite County	1325	1223	2522	0	8	18	0	1.47	2548
Hill County	8761	8893	14774	0	36	2726	118	6.06	17654
Jefferson County	4029	3910	7744	2	14	155	24	4.79	7939
Judith Basin County	1167	1115	2269	0	5	6	2	1.22	2282
Lake County	10445	10596	16468	6	21	4474	72	12.73	21041
Lewis and Clark County	3670	3665	7172	9	37	113	4	2.18	7335
Liberty County	1120	1175	2276	4	0	15	0	1.59	2295
Lincoln County	8671	8810	17021	3	64	343	50	4.76	17481
Madison County	3087	2902	5933	0	7	46	3	1.66	5989
McCone County	1164	1112	2247	2	0	27	0	0.85	2276
Meagher County	942	877	1789	0	2	20	8	0.76	1819
Mineral County	1655	1660	3222	4	21	68	0	2.71	3315
Missoula County	10666	10386	20428	21	22	544	37	8.15	21052
Musselshell County	2039	2067	4056	0	14	21	15	2.19	4106
Park County	7107	7507	14279	86	51	79	119	5.02	14614
Petroleum County	278	241	513	0	0	6	0	0.31	519
Phillips County	2544	2619	4768	3	8	368	16	0.99	5163
Pondera County	3188	3245	5681	19	29	704	0	3.92	6433
Powder River County	1061	1029	2040	0	2	38	10	0.63	2090
Powell County	3878	2742	6238	0	14	286	82	2.84	6620
Prairie County	715	668	1365	0	2	10	6	0.79	1383
Ravalli County	12348	12662	24563	18	65	311	53	10.42	25010
Richland County	5320	5396	10490	7	10	137	72	5.10	10716
Roosevelt County	5343	5656	5604	13	26	5342	14	4.64	10999
Rosebud County	5341	5164	7579	12	37	2819	58	2.09	10505
Sanders County	4376	4293	8098	6	27	513	25	3.11	8669
Sheridan County	2332	2400	4659	0	7	58	8	2.77	4732
Silver Bow County	16660	17281	33067	11	191	386	286	47.21	33941
Stillwater County	3261	3275	6352	11	23	125	25	3.62	6536
Sweet Grass County	1542	1612	3128	0	5	21	0	1.69	3154
Teton County	3113	3158	6175	0	13	83	0	2.74	6271
Toole County	2439	2607	4960	7	6	73	0	2.59	5046
Treasure County	435	439	856	0	0	8	10	0.89	874
Valley County	4121	4118	7438	0	23	770	8	1.63	8239
Wheatland County	1142	1104	2200	0	6	27	13	1.57	2246
Wibaux County	602	589	1183	0	3	5	0	1.34	1191
Yellowstone County	14315	13986	27433	43	122	571	132	10.85	28301
Montana	395791	403274	741340	2047	4256	47574	3848	5.44	799065

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TABLE T.2
MARKET AND INVENTORY CONDITIONS
POPULATION DENSITY AND PER CENT NATIVE AMERICAN
RANKED BY SIZE IN DESCENDING ORDER

AREA NAME	PERSONS/SQ MILE	AREA NAME	INDIAN	% INDIAN
Great Falls city	3469.27	Glacier County	6807	58.16%
Malmstrom AFB CDP	3032.74	Big Horn County	6310	55.66%
Kalispell city	2703.42	Roosevelt County	5342	48.57%
Missoula city	2572.28	Blaine County	2663	39.58%
Billings city	2481.67	Rosebud County	2819	26.83%
Bozeman city	2323.08	Lake County	4474	21.26%
Helena city	1801.60	Hill County	2726	15.44%
Evergreen CDP	1258.02	Pondera County	704	10.94%
Orchard Homes CDP	1247.69	Valley County	770	9.35%
Bonner-West Riverside CDP	1071.42	Phillips County	368	7.13%
Lockwood CDP	506.37	Montana	47574	6.95%
Helena Valley Southeast CDP	283.00	Sanders County	513	5.92%
Lolo CDP	282.98	Great Falls city	2631	4.78%
Helena Valley West Central CDP	233.43	Powell County	286	4.32%
Sun Prairie CDP	222.84	Chouteau County	207	3.80%
Helena West Side CDP	127.50	Lockwood CDP	149	3.76%
Helena Valley Northwest CDP	73.29	Billings city	2591	3.19%
Silver Bow County	47.21	Evergreen CDP	115	2.80%
Helena Valley Northeast CDP	36.46	Helena Valley Northeast CDP	49	2.76%
Deer Lodge County	13.87	Helena city	658	2.70%
Lake County	12.73	Missoula County	544	2.58%
Gallatin County	11.02	Cascade County	392	2.56%
Yellowstone County	10.86	Deer Lodge County	251	2.44%
Ravalli County	10.42	Missoula city	1011	2.36%
Flathead County	8.23	Helena Valley Southeast CDP	106	2.30%
Missoula County	8.15	Mineral County	68	2.05%
Hill County	6.06	Yellowstone County	571	2.02%
Cascade County	5 69	Bonner-West Riverside CDP	33	2.00%
Montana	5.44	Lincoln County	343	1.98%
Richland County	5.10	Jefferson County	155	1.96%
Park County	5.02	Sun Prairie CDP	26	1.92%
Jefferson County	4.79	Stillwater County	125	1.91%
Lincoln County	4.76	Powder River County	38	1.82%
Roosevelt County	4.64	Orchard Homes CDP	186	1.80%
Glacier County	3.99	Kalispell city	211	1.77%
Dawson County	3.99	Lewis and Clark County	113	1.54%
Pondera County	3.92	Malmstrom AFB CDP	91	1.53%
Carbon County	3.92	Bozeman city	343	1.51%
Stillwater County	3.62	Toole County	73	1.45%
Sanders County	3.11	Helena West Side CDP	26	1.38%
Custer County	3.08	Teton County	83	1.32%
Powell County	2.84	Richland County	137	1.28%
Fergus County	2.78	Ravalli County	311	1.24%
Sheridan County	2.77	Sheridan County	58	1.23%
Teton County	2.74	Flathead County	529	1.22%
Mineral County	2.71	Wheatland County	27	1.20%
Broadwater County	2.68	McCone County	27	1.19%
Toole County	2.59	Fergus County	142	1.18%
Big Horn County	2.26	Petroleum County	6	1.16%
Musselshell County	2.19	Silver Bow County	386	1.14%
Lewis and Clark County	2.18	Custer County	129	1.10%
Rosebud County	2.09	Meagher County	20	1.10%
Fallon County	1.91	Dawson County	98	1.03%
Sweet Grass County	1.69	Treasure County	8	0.92%
Madison County	1.66	Gallatin County	264	0.91%
Valley County	1.63	Lolo CDP	25	0.91%
Daniels County	1.59	Beaverhead County	73	0.87%
Blaine County	1 59	Broadwater County	28	0.84%
Liberty County	1.59	Madison County	46	0.77%
Wheatland County	1.57	Prairie County	10	0.72%
Beaverhead County	1.51	Granite County	18	0.71%
Granite County	1.47	Helena Valley West Central CDP	43	0.68%
Chouteau County	1.36	Sweet Grass County	21	0.67%
Wibaux County	1.34	Liberty County	15	0.66%
Judith Basin County	1.22	Carbon County	49	0.61%
Phillips County	0.99	Park County	79	0.54%
Treasure County	0.89	Carter County	8	0.53%
McCone County	0.85	Musselshell County	21	0.51%
Prairie County	0.79	Fallon County	14	0.45%
Golden Valley County	0.78	Wibaux County	5	0.42%
Meagher County	0.76	Golden Valley County	3	0.33%
Powder River County	0.63	Judith Basin County	6	0.26%
Carter County	0.45	Garfield County	4	0.25%
Garfield County	0.33	Daniels County	3	0.13%
Petroleum County	0.31	Helena Valley Northwest CDP	0	0.00%

TABLE T.3

MARKET AND INVENTORY CONDITIONS

AGE COHORTS

AREA NAME	PERSONS 18 AND UNDER	PERSONS 19-24	PERSONS 25-34	PERSONS 35-44	PERSONS 45-59	PERSONS 60 AND OLDER	TOTAL PERSONS
Billings city	22,033	6,486	14,096	12,433	11,687	14,416	81,151
Bozeman city	4,714	6,288	4,102	2,983	2,155	2,418	22,660
Great Falls city	15,144	3,935	9,068	8,076	8,399	10,475	55,097
Helena city	6,428	2,006	3,780	4,191	3,603	4,338	24,346
Kalispell city	3,037	817	1,784	1,871	1,548	2,860	11,917
Missoula city	10,374	6,548	7,635	6,872	4,831	6,658	42,918
Bonner-West Riverside CDP	514	160	291	302	211	176	1,654
Evergreen CDP	1,347	272	717	664	564	545	4,109
Helena Valley Northeast CDP	724	84	258	305	226	178	1,775
Helena Valley Northwest CDP	487	21	199	290	181	53	1,231
Helena Valley Southeast CDP	1,712	285	905	781	584	334	4,601
Helena Valley West Central CDP	2,085	345	962	1,198	1,020	717	6,327
Helena West Side CDP	424	55	323	317	325	436	1,880
Lockwood CDP	1,394	223	719	733	485	413	3,967
Lolo CDP	1,009	128	491	588	303	227	2,746
Malmstrom AFB CDP	2,188	1,313	1,844	549	19	25	5,938
Orchard Homes CDP	2,836	934	1,818	1,819	1,446	1,464	10,317
Sun Prairie CDP	522	79	222	237	230	66	1,356
Beaverhead County	2,511	782	1,263	1,206	1,306	1,356	8,424
Big Horn County	4,316	838	1,754	1,628	1,514	1,287	11,337
Blaine County	2,349	409	945	928	923	1,174	6,728
Broadwater County	1,012	122	453	517	527	687	3,318
Carbon County	2,257	214	1,000	1,301	1,188	2,120	8,080
Carter County	400	71	210	194	274	354	1,503
Cascade County	4,564	748	2,261	2,523	2,717	2,487	15,300
Chouteau County	1,610	211	757	851	791	1,232	5,452
Custer County	3,467	586	1,709	1,807	1,633	2,495	11,697
Daniels County	599	80	236	356	386	609	2,266
Dawson County	2,825	495	1,347	1,308	1,596	1,934	9,505
Deer Lodge County	2,557	714	1,301	1,452	1,675	2,579	10,278
Fallon County	987	103	452	448	469	644	3,103
Fergus County	3,405	479	1,624	1,748	1,701	3,126	12,083
Flathead County	13,190	1,871	6,248	8,222	6,766	6,895	43,192
Gallatin County	8,539	1,646	4,843	5,487	3,815	3,473	27,803
Garfield County	502	61	218	215	242	351	1,589
Glacier County	4,630	806	2,001	1,533	1,602	1,549	12,121
Golden Valley County	262	44	120	125	141	220	912
Granite County	685	134	326	361	446	596	2,548
Hill County	5,652	1,373	2,866	2,489	2,470	2,804	17,654
Jefferson County	2,448	352	1,153	1,618	1,259	1,109	7,939
Judith Basin County	621	78	319	359	364	541	2,282
Lake County	6,675	1,172	2,776	3,149	2,906	4,363	21,041
Lewis and Clark County	2,163	325	1,082	1,484	1,042	1,239	7,335
Liberty County	752	81	355	301	347	459	2,295
Lincoln County	5,427	836	2,381	2,922	3,000	2,915	17,481
Madison County	1,584	312	819	955	932	1,387	5,989
McCone County	696	96	310	355	327	492	2,276
Meagher County	502	81	254	272	304	406	1,819
Mineral County	996	122	491	521	537	648	3,315
Missoula County	6,766	1,171	3,304	3,963	3,486	2,362	21,052
Musselshell County	1,097	183	455	720	558	1,093	4,106
Park County	3,875	620	2,201	2,787	2,185	2,946	14,614
Petroleum County	146	36	71	87	77	102	519
Phillips County	1,621	259	784	709	781	1,009	5,163
Pondera County	2,069	296	970	842	885	1,371	6,433
Powder River County	606	106	274	334	302	468	2,090
Powell County	1,608	536	971	1,349	905	1,251	6,620
Prairie County	349	40	134	207	215	438	1,383
Ravalli County	7,192	1,186	2,962	3,956	4,169	5,545	25,010
Richland County	3,643	518	1,697	1,709	1,346	1,803	10,716
Roosevelt County	4,068	641	1,800	1,477	1,386	1,627	10,999
Rosebud County	3,949	666	1,666	1,803	1,413	1,009	10,506
Sanders County	2,590	387	1,103	1,475	1,283	1,831	8,669
Sheridan County	1,290	151	593	658	745	1,295	4,732
Silver Bow County	8,993	2,525	4,936	4,988	5,107	7,392	33,941
Stillwater County	1,898	297	902	1,035	1,024	1,380	6,536
Sweet Grass County	876	96	373	516	482	811	3,154
Teton County	1,897	298	809	950	930	1,387	6,271
Toole County	1,542	215	737	776	721	1,055	5,046
Treasure County	261	44	115	125	144	185	874
Valley County	2,379	381	1,112	1,273	1,268	1,826	8,239
Wheatland County	636	118	268	279	371	574	2,246
Wibaux County	339	53	161	181	158	299	1,191
Yellowstone County	9,120	1,307	4,437	5,024	4,588	3,825	28,301
Montana	233,863	57,351	123,913	128,067	115,548	140,323	799,065

EXHIBIT 10
DATE 1-12-93

TABLE T.4

MARKET AND INVENTORY CONDITIONS

NUMBER OF HOUSEHOLDS BY PERSONS PER HOUSEHOLD

AREA NAME	NUMBER OF PERSONS PER HOUSEHOLD 1	2	3	4	5	6	7	TOTAL HOUSEHOLDS
Billings city	9,696	11,348	5,138	4,464	1,954	447	237	33,284
Bozeman city	2,630	3,248	1,414	952	380	81	19	8,724
Great Falls city	6,639	7,774	3,395	3,037	1,168	414	220	22,647
Helena city	3,603	3,265	1,525	1,355	487	101	85	10,421
Kalispell city	1,915	1,720	710	572	247	63	27	5,254
Missoula city	5,850	6,019	2,671	2,018	801	293	113	17,765
Bonner-West Riverside CDP	158	179	129	167	11	20	0	664
Evergreen CDP	348	485	288	230	118	46	23	1,538
Helena Valley Northeast CDP	84	154	79	104	92	21	3	537
Helena Valley Northwest CDP	31	106	77	97	45	23	0	379
Helena Valley Southeast CDP	266	439	324	312	193	28	13	1,575
Helena Valley West Central CDP	359	740	409	420	263	30	14	2,235
Helena West Side CDP	188	288	173	76	17	7	17	766
Lockwood CDP	239	414	255	277	125	48	16	1,374
Lolo CDP	119	285	167	219	81	36	18	925
Malmstrom AFB CDP	18	251	420	503	188	61	0	1,441
Orchard Homes CDP	1,020	1,480	742	627	247	79	24	4,219
Sun Prairie CDP	20	152	126	101	18	8	16	440
Beaverhead County	877	1,082	461	437	208	66	45	3,166
Big Horn County	636	815	554	599	376	182	233	3,395
Blaine County	630	686	328	354	221	89	77	2,385
Broadwater County	318	473	192	181	106	33	7	1,309
Carbon County	900	1,227	428	450	225	48	31	3,309
Carter County	166	175	96	79	57	14	0	587
Cascade County	1,155	2,010	964	913	435	155	46	5,678
Chouteau County	506	744	303	316	173	42	12	2,096
Custer County	1,356	1,514	657	631	318	89	34	4,599
Daniels County	274	329	112	110	64	31	2	922
Dawson County	991	1,269	517	572	274	74	22	3,719
Deer Lodge County	1,306	1,321	620	549	176	60	36	4,068
Fallon County	280	411	150	164	128	31	6	1,170
Fergus County	1,263	1,658	621	608	353	84	47	4,634
Flathead County	3,288	5,722	2,558	2,759	1,192	420	125	16,064
Gallatin County	1,963	3,724	1,692	1,811	869	220	104	10,383
Garfield County	139	182	84	98	45	22	11	581
Glacier County	838	994	571	594	412	248	129	3,786
Golden Valley County	87	111	43	44	23	7	4	319
Granite County	312	365	151	141	43	32	9	1,063
Hill County	1,670	1,946	957	1,067	533	145	93	6,411
Jefferson County	617	978	407	500	240	69	22	2,833
Judith Basin County	243	348	120	135	59	9	3	917
Lake County	1,877	2,847	1,153	1,040	582	243	149	7,891
Lewis and Clark County	627	1,074	469	408	162	58	37	2,835
Liberty County	217	251	97	127	65	28	16	801
Lincoln County	1,638	2,403	1,013	993	466	139	83	6,736
Madison County	654	841	320	323	170	42	17	2,367
McCone County	187	306	106	154	65	29	8	855
Meagher County	211	265	96	79	46	11	4	712
Mineral County	337	494	165	179	90	24	22	1,311
Missoula County	1,178	2,521	1,337	1,419	685	213	102	7,456
Musselshell County	506	553	208	219	113	49	20	1,668
Park County	1,539	2,021	780	747	350	152	40	5,629
Petroleum County	47	90	30	27	11	4	3	212
Phillips County	519	612	294	282	182	28	26	1,943
Pondera County	546	716	276	332	209	50	28	2,156
Powder River County	213	267	125	117	58	19	8	807
Powell County	633	786	347	306	135	19	19	2,245
Prairie County	153	220	71	75	26	11	9	565
Ravalli County	2,348	3,650	1,410	1,311	570	196	124	9,608
Richland County	969	1,298	609	615	375	114	29	4,009
Roosevelt County	856	975	568	591	369	196	118	3,673
Rosebud County	737	905	565	611	392	131	135	3,476
Sanders County	929	1,200	467	435	269	88	37	3,425
Sheridan County	507	710	237	278	103	50	9	1,894
Silver Bow County	4,383	4,366	2,039	1,841	866	291	39	13,825
Stillwater County	602	930	384	408	180	49	26	2,579
Sweet Grass County	382	451	166	163	73	39	4	1,278
Teton County	618	854	281	312	204	46	34	2,349
Toole County	564	618	286	249	141	41	7	1,906
Treasure County	82	119	59	52	23	7	2	344
Valley County	903	1,078	451	475	261	57	34	3,259
Wheatland County	276	308	86	98	70	18	1	867
Wibaux County	137	156	59	63	24	23	8	470
Yellowstone County	1,842	3,473	1,733	1,903	865	333	70	10,219
Montana	80,214	103,789	46,904	44,866	21,164	6,773	3,210	304,919

TABLE T.5

MARKET AND INVENTORY CONDITIONS

NUMBER OF HOUSEHOLDS BY INCOME CATEGORY

AREA NAME	VERY-LOW LESS THAN 14,999	LOW 15,000-24,999	MEDIUM 25,000-34,999	UPPER-MIDDLE 35,000-49,999	HIGH 50,000-74,999	VERY-HIGH 75,000-149,999	EXTREMELY HIGH 150,000 OR MORE	HOUSE-HOLDS	PER CAPITA 1989
Billings city	9,617	6,575	5,809	5,879	3,722	1,381	301	33,284	12,834
Bozeman city	3,530	1,832	1,413	980	654	268	47	8,724	10,172
Great Falls city	7,160	5,056	3,632	3,662	2,111	832	195	22,647	12,603
Helena city	3,009	2,100	1,842	1,687	1,376	352	55	10,421	13,256
Kalispell city	2,148	1,025	703	799	448	114	17	5,254	11,226
Missoula city	6,563	3,617	2,591	2,588	1,627	657	102	17,765	11,759
Bonner-West Riverside CDP	295	106	165	73	10	5	0	654	7,943
Evergreen CDP	588	417	284	147	82	20	0	1,538	8,223
Helena Valley Northeast CDP	34	95	154	158	76	20	0	537	10,846
Helena Valley Northwest CDP	54	61	70	102	84	8	0	379	10,975
Helena Valley Southeast CDP	343	384	317	294	193	44	0	1,575	10,331
Helena Valley West Central CDP	418	444	399	597	286	84	7	2,235	11,923
Helena West Side CDP	250	128	166	125	81	16	0	766	11,836
Lockwood CDP	400	244	320	243	138	29	0	1,374	9,896
Lolo CDP	195	190	197	183	138	22	0	925	10,449
Malmstrom AFB CDP	226	713	270	174	51	7	0	1,441	7,635
Orchard Homes CDP	1,373	931	579	713	484	131	8	4,219	11,597
Sun Prairie CDP	74	90	134	88	36	12	6	440	10,682
Beaverhead County	1,175	660	514	508	200	103	6	3,166	10,376
Big Horn County	1,470	676	498	376	303	72	0	3,395	7,148
Blaine County	983	594	334	291	116	61	6	2,385	8,290
Broadwater County	437	356	233	158	95	22	8	1,309	10,125
Carbon County	1,318	722	466	438	287	48	30	3,309	10,727
Carter County	262	139	63	65	26	25	7	587	10,670
Cascade County	1,458	1,261	1,085	1,073	504	241	56	5,678	11,695
Chouteau County	602	569	365	252	200	103	5	2,096	11,290
Custer County	1,597	1,037	801	717	334	93	20	4,599	10,310
Daniels County	305	266	142	158	36	15	0	922	9,963
Dawson County	1,179	801	637	678	319	98	7	3,719	10,629
Deer Lodge County	1,480	947	788	629	166	58	0	4,068	9,444
Fallon County	301	334	277	164	68	17	9	1,170	10,308
Fergus County	1,515	1,177	807	692	285	114	44	4,634	10,995
Flathead County	4,294	3,312	3,056	2,911	1,689	673	129	16,064	12,186
Gallatin County	2,572	2,171	2,041	1,839	1,071	542	147	10,383	13,947
Garfield County	250	144	67	74	26	8	12	581	9,843
Glacier County	1,618	739	574	508	269	78	0	3,786	7,458
Golden Valley County	138	64	56	46	12	1	2	319	8,505
Granite County	449	244	151	131	44	33	1	1,063	10,049
Hill County	1,885	1,257	1,171	1,062	779	228	29	6,411	11,121
Jefferson County	653	444	456	647	466	116	51	2,833	13,233
Judith Basin County	266	239	174	128	65	33	12	917	12,060
Lake County	3,076	1,763	1,309	1,018	497	202	26	7,891	9,274
Lewis and Clark County	848	605	461	529	244	145	13	2,835	11,653
Liberty County	207	194	164	126	68	39	3	801	10,544
Lincoln County	2,490	1,463	1,182	1,033	434	119	24	6,736	9,813
Madison County	808	502	428	321	248	53	7	2,367	10,718
McCone County	295	223	162	97	61	15	2	855	9,347
Meagher County	270	170	121	106	35	8	2	712	9,201
Mineral County	461	331	246	173	81	19	0	1,311	9,440
Missoula County	1,683	1,422	1,433	1,392	993	438	94	7,455	13,001
Musselshell County	737	408	239	159	94	28	3	1,668	8,941
Park County	1,829	1,360	1,019	849	416	126	40	5,629	11,366
Petroleum County	82	54	41	13	12	7	3	212	9,876
Phillips County	642	443	368	274	128	79	9	1,943	10,793
Pondera County	712	410	389	374	179	85	7	2,156	9,811
Powder River County	252	193	136	114	63	26	23	807	12,722
Powell County	778	520	449	309	139	36	14	2,245	9,978
Prairie County	252	143	88	53	20	9	0	565	8,497
Ravalli County	3,307	2,308	1,594	1,465	632	262	40	9,608	10,130
Richland County	1,196	1,014	770	604	309	109	7	4,009	10,091
Roosevelt County	1,462	833	589	509	238	42	0	3,673	7,751
Rosebud County	917	622	576	750	498	106	7	3,476	10,415
Sanders County	1,292	1,019	591	325	130	41	27	3,425	9,459
Sheridan County	677	458	337	272	108	42	0	1,894	10,001
Silver Bow County	5,014	2,864	2,042	1,864	1,446	500	75	13,825	11,384
Stillwater County	758	578	489	443	223	82	6	2,579	10,975
Sweet Grass County	420	352	197	195	66	41	7	1,278	10,838
Teton County	799	513	401	322	185	120	9	2,349	10,772
Toole County	617	332	325	357	192	67	15	1,905	11,375
Treasure County	138	81	59	30	14	17	5	344	10,244
Valley County	1,131	726	514	564	248	80	6	3,259	10,529
Wheatland County	387	221	121	113	27	6	2	857	8,656
Wibaux County	163	128	88	63	15	13	0	470	9,338
Yellowstone County	2,384	2,373	1,766	2,031	1,198	447	40	10,219	11,571
Montana	98,548	66,766	52,485	48,894	28,198	10,193	1,836	306,919	11,213

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DATE 1-12-93

TABLE T.6
MARKET AND INVENTORY CONDITIONS
FAMILY, HOUSEHOLD, AND POPULATION CHARACTERISTICS

AREA NAME	FAMILIES	HOUSEHOLDS	PERSONS PER HOUSEHOLD	URBAN POPULATION	RURAL POPULATION	TOTAL POPULATION
Billings city	21,818	33,284	2.44	81,151	0	81,151
Bozeman city	4,566	8,724	2.60	22,660	0	22,660
Great Falls city	15,088	22,647	2.43	55,097	0	55,097
Helena city	6,340	10,421	2.34	24,346	0	24,346
Kalispell city	3,123	5,264	2.27	11,917	0	11,917
Missoula city	10,163	17,765	2.42	42,918	0	42,918
Bonner-West Riverside CDP	482	864	2.53	0	1,864	1,864
Evergreen CDP	1,096	1,538	2.67	4,109	0	4,109
Helena Valley Northeast CDP	447	537	3.31	0	1,775	1,775
Helena Valley Northwest CDP	324	379	3.25	0	1,231	1,231
Helena Valley Southeast CDP	1,250	1,575	2.92	4,601	0	4,601
Helena Valley West Central CDP	1,803	2,235	2.83	6,327	0	6,327
Helena West Side CDP	549	766	2.45	0	1,880	1,880
Lockwood CDP	1,076	1,374	2.89	3,967	0	3,967
Lolo CDP	772	925	2.97	2,746	0	2,746
Malmstrom AFB CDP	1,423	1,441	4.12	5,938	0	5,938
Orchard Homes CDP	2,890	4,219	2.45	10,317	0	10,317
Sun Prairie CDP	412	440	3.08	0	1,356	1,356
Beaverhead County	2,153	3,166	2.66	3,991	4,433	8,424
Big Horn County	2,690	3,395	3.34	2,940	8,397	11,337
Blaine County	1,709	2,385	2.82	0	6,728	6,728
Broadwater County	948	1,309	2.53	0	3,318	3,318
Carbon County	2,334	3,309	2.44	0	8,080	8,080
Carter County	409	587	2.56	0	1,503	1,503
Cascade County	4,368	5,678	2.69	2,496	12,804	15,300
Chouteau County	1,563	2,096	2.60	0	5,452	5,452
Custer County	3,100	4,599	2.54	8,461	3,236	11,697
Daniels County	834	922	2.46	0	2,266	2,266
Dawson County	2,668	3,719	2.56	4,802	4,703	9,505
Deer Lodge County	2,670	4,068	2.53	7,517	2,761	10,278
Fallon County	873	1,170	2.65	0	3,103	3,103
Fergus County	3,258	4,634	2.61	6,051	6,032	12,083
Flathead County	12,180	16,064	2.69	7,466	35,726	43,192
Gallatin County	7,904	10,383	2.68	3,411	24,392	27,803
Garfield County	441	581	2.73	0	1,589	1,589
Glacier County	2,859	3,786	3.20	3,329	8,792	12,121
Golden Valley County	224	319	2.86	0	912	912
Granite County	716	1,053	2.42	0	2,548	2,548
Hill County	4,517	6,411	2.75	10,322	7,332	17,654
Jefferson County	2,139	2,833	2.80	0	7,939	7,939
Judith Basin County	666	917	2.49	0	2,282	2,282
Lake County	5,766	7,891	2.67	3,254	17,787	21,041
Lewis and Clark County	2,076	2,835	2.59	0	7,335	7,335
Liberty County	579	801	2.87	0	2,295	2,295
Lincoln County	4,926	6,736	2.60	2,644	14,837	17,481
Madison County	1,640	2,367	2.53	0	6,989	5,989
McCone County	659	855	2.66	0	2,276	2,276
Meagher County	478	712	2.55	0	1,819	1,819
Mineral County	881	1,311	2.53	0	3,315	3,315
Missoula County	5,994	7,455	2.82	3,771	17,281	21,052
Musselshell County	1,126	1,668	2.46	0	4,106	4,106
Park County	3,815	5,629	2.60	6,701	7,913	14,614
Petroleum County	161	212	2.45	0	519	519
Phillips County	1,377	1,943	2.66	0	5,163	5,163
Pondera County	1,571	2,156	2.98	2,850	3,583	6,433
Powder River County	586	807	2.59	0	2,090	2,090
Powell County	1,536	2,245	2.96	3,344	3,276	6,620
Prairie County	410	565	2.45	0	1,383	1,383
Ravalli County	6,932	9,608	2.60	2,737	22,273	25,010
Richland County	2,954	4,009	2.67	5,217	5,499	10,716
Roosevelt County	2,758	3,673	2.99	2,880	8,119	10,999
Rosebud County	2,629	3,476	3.02	3,186	7,320	10,505
Sanders County	2,398	3,425	2.53	0	8,669	8,669
Sheridan County	1,353	1,894	2.50	0	4,732	4,732
Silver Bow County	9,072	13,825	2.46	31,415	2,526	33,941
Stillwater County	1,920	2,579	2.53	0	6,536	6,536
Sweet Grass County	867	1,278	2.47	0	3,154	3,154
Teton County	1,683	2,349	2.67	0	6,271	6,271
Toole County	1,304	1,906	2.65	2,763	2,283	5,046
Treasure County	260	344	2.54	0	874	874
Valley County	2,296	3,259	2.53	3,574	4,665	8,239
Wheatland County	586	857	2.62	0	2,246	2,246
Wibaux County	324	470	2.53	0	1,191	1,191
Yellowstone County	8,115	10,219	2.77	8,774	19,527	28,301
Montana	213,825	306,919	2.60	419,989	379,076	799,065

TABLE T.7
MARKET AND INVENTORY CONDITIONS
TYPE OF HOUSING UNIT

	SINGLE FAMILY UNITS		2-4 UNITS		MULTI-FAMILY UNITS						
AREA NAME	DETACHED	ATTACHED	DUPLEX	TRI & QUADRIPLEX	5-9 UNITS	10-19 UNITS	20-49 UNITS	50 OR MORE	MOBILE HOMES	OTHER HOMES	TOTAL UNITS
Billings city	21,632	1,166	2,782	2,290	2,346	1,275	545	798	2,707	423	35,964
Bozeman city	3,515	318	901	1,479	783	717	501	209	569	125	9,117
Great Falls city	14,746	645	1,197	1,821	1,082	1,395	1,217	361	1,563	130	24,157
Helena city	6,003	268	890	1,464	598	463	322	287	534	117	10,946
Kalispell city	3,530	153	319	468	226	199	302	171	142	27	5,537
Missoula city	10,191	347	1,707	1,988	1,035	1,123	681	390	830	196	18,488
Bonner-West Riverside CDP	341	0	0	32	0	0	0	0	340	7	720
Evergreen CDP	827	26	30	19	9	21	0	0	687	16	1,635
Helena Valley Northeast CDP	441	0	5	5	0	0	0	0	146	0	597
Helena Valley Northwest CDP	315	0	0	0	0	0	0	0	108	0	423
Helena Valley Southeast CDP	845	0	6	28	0	0	0	0	764	0	1,643
Helena Valley West Central CDP	1,544	0	14	7	0	4	0	0	712	0	2,281
Helena West Side CDP	413	0	34	25	0	0	0	0	307	0	779
Lockwood CDP	779	9	4	29	0	0	0	0	666	13	1,500
Lolo CDP	639	0	27	40	9	17	0	0	210	11	953
Malmstrom AFB CDP	36	1,116	56	70	58	0	0	0	85	75	1,496
Orchard Homes CDP	2,498	100	506	262	6	0	0	0	933	34	4,339
Sun Prairie CDP	280	0	0	0	0	0	0	0	171	0	451
Beaverhead County	2,679	33	146	92	87	49	100	0	780	162	4,128
Big Horn County	3,080	7	98	106	120	40	23	0	758	72	4,304
Blaine County	2,211	18	88	77	38	40	47	0	393	18	2,930
Broadwater County	1,099	14	12	51	21	15	0	0	348	33	1,593
Carbon County	3,775	59	105	92	74	22	0	0	682	19	4,828
Carter County	563	6	7	0	0	8	0	0	216	16	816
Cascade County	5,045	34	98	94	34	9	20	0	1,589	36	6,959
Chouteau County	1,953	23	49	36	40	45	0	0	514	8	2,668
Custer County	3,693	66	197	279	193	119	70	101	614	73	5,405
Daniels County	970	11	6	30	11	21	0	0	157	14	1,220
Dawson County	3,170	67	194	169	132	58	51	0	594	52	4,487
Deer Lodge County	3,829	78	130	183	72	81	90	0	297	70	4,830
Fallon County	1,113	7	31	45	29	29	0	0	262	9	1,525
Fergus County	4,065	22	121	161	148	138	30	0	924	123	5,732
Flathead County	13,732	361	445	593	299	306	116	145	3,555	255	19,807
Gallatin County	8,005	516	235	401	194	110	0	69	2,554	149	12,233
Garfield County	646	3	8	12	6	0	0	0	239	10	924
Glacier County	3,077	161	216	152	86	62	87	0	911	45	4,797
Golden Valley County	356	0	0	0	0	0	0	0	71	5	432
Granite County	1,350	14	11	28	21	20	0	0	473	7	1,924
Hill County	4,745	61	374	369	278	237	109	53	1,026	93	7,345
Jefferson County	2,377	17	45	36	11	33	31	0	713	39	3,302
Judith Basin County	1,037	8	11	4	3	23	0	0	253	7	1,346
Lake County	7,990	175	220	181	186	80	105	0	1,931	104	10,972
Lewis and Clark County	3,732	20	55	46	15	0	0	0	829	46	4,743
Liberty County	701	8	24	3	7	11	41	0	195	17	1,007
Lincoln County	5,457	48	84	105	124	134	94	0	1,818	138	8,002
Madison County	2,615	38	66	52	64	258	61	0	643	105	3,902
McCone County	874	6	15	24	19	0	0	0	219	4	1,161
Meagher County	873	2	24	18	16	0	0	0	246	80	1,259
Mineral County	952	12	31	22	28	2	0	0	557	31	1,635
Missoula County	6,311	60	114	31	29	15	0	0	2,351	55	8,966
Musselshell County	1,568	15	17	17	31	15	52	0	405	63	2,183
Park County	4,881	58	210	176	139	76	169	0	1,143	120	6,972
Petroleum County	207	0	0	0	0	0	0	0	81	5	293
Phillips County	1,930	26	31	81	55	55	0	0	495	92	2,765
Pondera County	1,962	60	20	56	72	42	32	0	329	45	2,618
Powder River County	670	5	23	11	7	0	0	0	359	21	1,096
Powell County	1,992	12	97	84	35	30	20	0	504	61	2,835
Prairie County	579	7	2	16	21	0	0	0	118	6	749
Ravalli County	8,135	86	215	194	125	97	54	58	1,982	153	11,099
Richland County	3,230	57	171	252	187	109	0	0	812	7	4,825
Roosevelt County	3,118	98	139	130	59	43	25	0	626	27	4,265
Rosebud County	2,248	107	132	175	98	81	0	0	1,353	59	4,251
Sanders County	3,047	38	73	30	64	8	24	0	957	94	4,335
Sheridan County	1,766	17	29	96	76	64	0	0	350	19	2,417
Silver Bow County	10,786	207	644	668	577	498	501	78	1,447	68	15,474
Stillwater County	2,388	21	43	56	31	9	30	0	695	18	3,291
Sweet Grass County	1,285	11	43	33	41	0	0	0	211	15	1,639
Teton County	2,123	14	23	31	82	15	0	60	294	83	2,725
Toole County	1,644	21	53	26	97	41	46	0	384	42	2,354
Treasure County	316	4	3	0	0	13	0	0	112	0	448
Valley County	3,170	1,201	159	72	78	23	0	105	418	78	5,304
Wheatland County	845	7	13	38	10	13	0	0	190	13	1,129
Wibaux County	369	0	6	27	0	20	0	0	125	16	563
Yellowstone County	8,033	76	124	114	192	108	28	0	2,470	172	11,317
Montana	236,942	8,251	14,008	15,902	10,612	8,539	5,624	2,885	54,046	4,346	361,155

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DATE 1-12-93

TABLE T.8
MARKET AND INVENTORY CONDITIONS
HOUSING UNITS BY OCCUPANCY STATUS

AREA NAME	OCCUPIED UNITS	VACANT UNITS	URBAN UNITS	RURAL UNITS	OWNER OCCUPIED	RENTAL OCCUPIED	TOTAL UNITS
Billings city	33,181	2,783	35,964	0	20,297	12,884	35,964
Bozeman city	8,751	366	9,117	0	3,519	5,232	9,117
Great Falls city	22,639	1,518	24,157	0	14,207	8,432	24,157
Helena city	10,316	630	10,946	0	5,851	4,465	10,946
Kalispell city	5,237	300	5,537	0	2,826	2,411	5,637
Missoula city	17,677	811	18,488	0	8,750	8,927	18,488
Bonner-West Riverside CDP	661	59	0	720	387	274	720
Evergreen CDP	1,548	87	1,635	0	1,106	442	1,635
Helena Valley Northeast CDP	581	16	0	597	501	80	597
Helena Valley Northwest CDP	388	35	0	423	356	32	423
Helena Valley Southeast CDP	1,564	79	1,643	0	1,341	223	1,643
Helena Valley West Central CDP	2,205	76	2,281	0	1,892	313	2,281
Helena West Side CDP	731	48	0	779	581	150	779
Lockwood CDP	1,368	132	1,500	0	1,090	278	1,500
Lolo CDP	913	40	953	0	716	197	953
Malmstrom AFB CDP	1,415	81	1,496	0	90	1,325	1,496
Orchard Homes CDP	4,169	170	4,339	0	2,505	1,664	4,339
Sun Prairie CDP	410	41	0	451	381	29	451
Beaverhead County	3,211	917	1,804	2,324	1,976	1,236	4,128
Big Horn County	3,448	856	1,303	3,001	2,160	1,288	4,304
Blaine County	2,379	551	0	2,930	1,479	900	2,930
Broadwater County	1,280	313	0	1,593	959	321	1,593
Carbon County	3,269	1,559	0	4,828	2,408	861	4,828
Carter County	589	227	0	816	456	133	816
Cascade County	5,669	1,290	1,076	5,884	4,509	1,160	6,959
Chouteau County	2,064	604	0	2,668	1,431	633	2,668
Custer County	4,631	774	4,006	1,399	3,100	1,531	5,405
Daniels County	919	301	0	1,220	730	189	1,220
Dawson County	3,691	796	2,391	2,096	2,685	1,006	4,487
Deer Lodge County	4,060	770	3,559	1,271	2,961	1,099	4,830
Fallon County	1,166	359	0	1,525	898	268	1,525
Fergus County	4,603	1,129	2,867	2,865	3,290	1,313	5,732
Flathead County	16,049	3,758	3,463	16,344	12,199	3,850	19,807
Gallatin County	10,264	1,969	1,290	10,943	7,606	2,658	12,233
Garfield County	577	347	0	924	409	168	924
Glacier County	3,816	981	1,532	3,265	2,325	1,491	4,797
Golden Valley County	330	102	0	432	261	69	432
Granite County	1,051	873	0	1,924	792	259	1,924
Hill County	6,426	919	4,335	3,010	4,056	2,370	7,345
Jefferson County	2,867	435	0	3,302	2,313	554	3,302
Judith Basin County	908	438	0	1,346	662	246	1,346
Lake County	7,814	3,158	1,561	9,411	5,485	2,329	10,972
Lewis and Clark County	2,864	1,879	0	4,743	2,247	617	4,743
Liberty County	788	219	0	1,007	565	223	1,007
Lincoln County	6,668	1,334	1,168	6,834	4,888	1,780	8,002
Madison County	2,387	1,515	0	3,902	1,643	744	3,902
McCone County	844	317	0	1,161	660	184	1,161
Meagher County	709	550	0	1,259	478	231	1,259
Mineral County	1,282	353	0	1,635	934	348	1,635
Missoula County	7,362	1,604	1,560	7,406	6,156	1,206	8,966
Musselshell County	1,661	522	0	2,183	1,297	364	2,183
Park County	5,643	1,329	3,137	3,835	3,748	1,895	6,972
Petroleum County	209	84	0	293	159	50	293
Phillips County	1,931	834	0	2,765	1,347	584	2,765
Pondera County	2,246	372	1,267	1,351	1,562	684	2,618
Powder River County	805	291	0	1,096	591	214	1,096
Powell County	2,234	601	1,636	1,199	1,603	631	2,835
Prairie County	568	181	0	749	448	120	749
Ravalli County	9,698	1,401	1,476	9,623	7,281	2,417	11,099
Richland County	3,956	869	2,363	2,462	2,797	1,159	4,825
Roosevelt County	3,694	571	1,236	3,029	2,361	1,333	4,265
Rosebud County	3,479	772	1,192	3,059	2,395	1,084	4,251
Sanders County	3,397	938	0	4,335	2,551	846	4,335
Sheridan County	1,899	518	0	2,417	1,463	436	2,417
Silver Bow County	13,899	1,575	14,335	1,139	9,844	4,055	15,474
Stillwater County	2,523	768	0	3,291	1,857	666	3,291
Sweet Grass County	1,281	358	0	1,639	924	357	1,639
Teton County	2,329	396	0	2,725	1,710	619	2,725
Toole County	1,922	432	1,302	1,052	1,381	541	2,354
Treasure County	339	109	0	448	219	120	448
Valley County	3,268	2,036	1,744	3,560	2,332	936	5,304
Wheatland County	849	280	0	1,129	639	210	1,129
Wibaux County	454	109	0	563	329	125	563
Yellowstone County	10,140	1,177	3,860	7,457	7,984	2,156	11,317
Montana	306,163	54,992	183,518	177,637	205,938	100,225	361,155

TABLE T.9

MARKET AND INVENTORY CONDITIONS

NUMBER OF HOUSING UNITS BY ROOMS PER UNIT

AREA NAME	1 ROOM	2 ROOMS	3 ROOMS	4 ROOMS	5 ROOMS	6 ROOMS	7 ROOMS	8 ROOMS	9 OR + ROOMS	TOTAL UNITS
Billings city	567	1,454	3,249	7,730	8,597	4,464	3,553	3,497	4,853	35,964
Bozeman city	208	570	1,552	2,282	1,633	863	639	557	813	9,117
Great Falls city	584	1,159	2,433	5,230	4,299	3,109	2,512	2,247	2,584	24,157
Helena city	248	499	1,213	2,555	1,798	1,213	1,172	980	1,268	10,946
Kalispell city	150	328	792	1,189	988	722	563	446	359	5,537
Missoula city	675	1,526	2,355	4,067	3,159	2,364	1,492	1,262	1,588	18,488
Bonner-West Riverside CDP	7	20	96	289	182	44	35	36	11	720
Evergreen CDP	26	46	124	455	521	254	89	89	31	1,635
Helena Valley Northeast CDP	4	4	10	100	169	112	91	58	49	597
Helena Valley Northwest CDP	0	0	13	27	125	94	47	81	36	423
Helena Valley Southeast CDP	7	6	99	361	379	346	147	171	127	1,643
Helena Valley West Central CDP	0	24	33	369	472	431	321	231	400	2,281
Helena West Side CDP	7	24	67	223	206	83	74	21	74	779
Lockwood CDP	10	7	59	368	476	235	104	155	86	1,500
Lolo CDP	14	8	61	137	267	186	99	89	94	953
Malmstrom AFB CDP	0	15	18	134	786	434	83	19	7	1,496
Orchard Homes CDP	26	115	417	1,229	981	496	360	336	379	4,339
Sun Prairie CDP	0	0	13	65	107	84	74	38	70	451
Beaverhead County	195	257	440	898	763	565	372	267	371	4,128
Big Horn County	75	173	395	889	1,373	716	348	140	195	4,304
Blaine County	39	105	248	626	730	525	290	168	199	2,930
Broadwater County	21	58	151	329	390	247	140	142	115	1,593
Carbon County	62	180	422	1,141	1,107	742	534	386	254	4,828
Carter County	5	34	85	174	229	126	78	56	30	816
Cascade County	119	205	479	1,454	1,736	1,169	728	621	548	6,959
Chouteau County	0	61	250	499	823	521	235	179	300	2,868
Custer County	120	216	554	1,201	1,191	651	504	483	485	5,405
Daniels County	0	10	107	264	239	238	176	78	108	1,220
Dawson County	21	88	306	822	957	662	580	536	515	4,487
Deer Lodge County	76	143	600	1,137	1,214	774	478	208	200	4,830
Fallon County	2	26	122	269	370	269	168	158	161	1,525
Fergus County	84	207	492	1,293	1,287	879	631	343	516	5,732
Flathead County	380	844	1,768	4,155	4,636	2,874	2,049	1,345	1,756	19,807
Gallatin County	274	467	967	2,249	2,322	1,819	1,563	1,191	1,381	12,233
Garfield County	5	40	132	221	252	91	54	46	83	924
Glacier County	101	338	514	1,121	1,023	700	456	281	263	4,797
Golden Valley County	1	4	20	89	127	84	50	36	42	432
Granite County	83	118	353	505	390	165	112	104	94	1,924
Hill County	177	267	631	1,621	1,601	1,014	673	663	798	7,345
Jefferson County	81	121	226	828	670	534	456	270	316	3,302
Judith Basin County	28	68	135	263	283	238	167	68	106	1,346
Lake County	208	561	1,168	2,323	2,336	1,800	1,094	713	769	10,972
Lewis and Clark County	154	211	420	1,013	1,114	684	414	320	413	4,743
Liberty County	7	36	85	202	194	166	126	53	138	1,007
Lincoln County	226	287	695	1,647	2,057	1,251	786	368	485	8,002
Madison County	267	282	353	727	863	596	358	180	276	3,902
McCone County	12	24	51	232	290	209	117	102	124	1,161
Meagher County	132	90	178	244	235	153	84	64	79	1,259
Mineral County	71	151	195	400	371	217	99	56	76	1,636
Missoula County	121	300	498	1,642	2,044	1,607	1,102	742	910	8,966
Musselshell County	28	59	276	514	482	351	175	120	179	2,183
Park County	249	380	689	1,398	1,544	968	798	537	429	6,972
Petroleum County	7	8	39	81	48	66	13	14	17	293
Phillips County	142	163	277	594	546	412	262	154	215	2,765
Pondera County	26	76	189	552	568	438	317	202	230	2,818
Powder River County	15	27	88	232	310	168	79	69	108	1,096
Powell County	67	75	244	586	661	494	301	152	255	2,835
Prairie County	0	16	76	150	153	135	77	65	77	749
Ravalli County	195	568	858	2,303	2,641	2,064	1,095	689	686	11,099
Richland County	12	116	354	1,123	1,037	726	508	415	534	4,825
Roosevelt County	32	88	338	890	1,268	928	384	275	262	4,265
Rosebud County	51	123	344	870	1,356	700	307	193	307	4,251
Sanders County	168	232	528	946	952	877	375	257	200	4,335
Sheridan County	36	70	154	471	587	384	352	158	205	2,417
Silver Bow County	183	510	1,637	3,692	3,568	2,408	1,536	873	1,077	15,474
Stillwater County	69	191	269	678	800	486	348	220	230	3,291
Sweet Grass County	50	82	147	294	375	258	148	112	173	1,639
Teton County	77	127	183	476	568	501	341	230	222	2,725
Toole County	34	126	193	440	589	356	321	115	180	2,354
Treasure County	2	6	32	104	136	73	41	29	26	448
Valley County	31	212	458	789	980	1,602	630	280	344	5,304
Wheatland County	7	42	124	232	260	157	124	58	125	1,129
Wibaux County	1	16	38	107	154	92	64	40	51	563
Yellowstone County	35	156	641	2,117	2,733	1,724	1,462	1,081	1,378	11,317
Montana	7,197	15,223	34,018	75,397	78,467	53,968	39,515	28,915	32,435	381,156

EXHIBIT 10
DATE 1-12-93
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TABLE T.10
MARKET AND INVENTORY CONDITIONS
OCCUPIED UNITS BY AGE OF HOUSING STOCK

	BUILT DURING THE PERIOD:								
AREA NAME	1939 OR EARLIER	1940-49	1950-59	1960-69	1970-79	1980-84	1985-88	1989-90	TOTAL UNITS
Billings city	3,362	3,236	8,434	5,417	8,213	4,581	1,825	113	33,181
Bozeman city	1,946	687	1,023	1,235	2,161	1,062	578	59	8,751
Great Falls city	4,199	3,010	4,537	5,200	3,998	1,061	517	117	22,639
Helena city	3,138	897	1,278	1,598	2,203	616	553	33	10,316
Kalispell city	1,349	792	836	529	991	350	378	12	5,237
Missoula city	3,902	1,953	2,978	2,811	4,080	1,275	586	92	17,677
Bonner-West Riverside CDP	195	36	52	111	258	29	0	0	681
Evergreen CDP	50	190	315	265	599	106	23	0	1,548
Helena Valley Northeast CDP	70	6	12	49	221	129	88	6	581
Helena Valley Northwest CDP	9	0	0	59	206	100	14	0	388
Helena Valley Southeast CDP	21	1	37	143	913	306	122	21	1,564
Helena Valley West Central CDP	70	20	74	472	1,059	296	196	18	2,205
Helena West Side CDP	202	41	33	134	263	48	0	10	731
Lockwood CDP	57	70	141	131	655	252	54	8	1,368
Lolo CDP	22	4	10	134	515	121	97	10	913
Malmstrom AFB CDP	0	212	506	506	117	37	37	0	1,415
Orchard Homes CDP	301	286	718	1,082	1,231	322	193	36	4,169
Sun Prairie CDP	0	0	0	18	297	64	23	8	410
Beaverhead County	923	184	296	441	874	350	122	21	3,211
Big Horn County	643	231	331	431	1,149	367	236	60	3,448
Blaine County	656	185	223	141	763	263	139	9	2,379
Broadwater County	286	79	89	107	447	205	63	4	1,280
Carbon County	1,380	150	146	275	806	342	153	17	3,269
Carter County	171	61	72	88	147	39	11	0	589
Cascade County	1,135	491	706	775	1,666	573	236	87	5,669
Chouteau County	654	157	339	197	461	122	117	17	2,064
Custer County	1,247	540	689	625	1,178	259	77	16	4,631
Daniels County	377	75	127	55	180	75	23	7	919
Dawson County	836	445	681	436	845	429	13	6	3,691
Deer Lodge County	2,007	398	762	360	441	56	36	0	4,060
Fallon County	415	55	116	141	303	109	25	2	1,166
Fergus County	1,817	391	672	440	867	307	106	3	4,603
Flathead County	1,566	985	1,768	1,724	5,082	2,990	1,661	273	16,049
Gallatin County	1,448	321	626	1,023	3,636	1,872	1,065	273	10,264
Garfield County	135	45	66	83	167	55	21	5	577
Glacier County	699	263	394	449	1,151	490	340	30	3,816
Golden Valley County	154	9	44	19	66	24	14	0	330
Granite County	349	93	93	101	226	110	61	18	1,051
Hill County	1,254	798	1,238	821	1,507	644	153	11	6,426
Jefferson County	626	69	146	250	1,020	358	354	40	2,867
Judith Basin County	416	40	97	50	180	90	25	10	908
Lake County	1,249	552	778	929	2,597	842	642	225	7,814
Lewis and Clark County	584	129	285	326	863	373	253	31	2,864
Liberty County	233	56	136	80	183	72	26	0	786
Lincoln County	957	480	862	1,254	1,753	878	374	110	6,668
Madison County	662	182	163	209	651	321	157	42	2,387
McCone County	165	89	149	130	223	73	15	0	844
Meagher County	218	56	99	83	159	71	19	2	709
Mineral County	220	40	157	169	478	183	33	2	1,282
Missoula County	416	183	484	1,073	3,105	1,295	676	130	7,362
Musselshell County	557	129	141	90	456	227	57	4	1,661
Park County	1,848	615	594	471	1,249	483	320	63	5,643
Petroleum County	65	23	14	12	64	26	3	2	209
Phillips County	585	128	193	201	449	242	129	4	1,931
Pondera County	657	222	429	193	512	84	141	8	2,246
Powder River County	188	53	90	101	222	108	36	7	805
Powell County	683	182	335	203	615	112	91	13	2,234
Prairie County	203	72	81	53	116	35	6	2	568
Ravalli County	2,081	594	526	900	3,365	1,303	743	186	9,698
Richland County	744	435	486	385	1,148	689	62	5	3,956
Roosevelt County	794	322	462	409	865	519	189	114	3,694
Rosebud County	471	125	165	366	1,280	790	282	0	3,479
Sanders County	686	239	329	378	1,031	429	251	54	3,397
Sheridan County	636	141	239	234	379	239	29	2	1,899
Silver Bow County	6,274	1,283	1,636	1,433	2,546	385	276	63	13,889
Stillwater County	693	264	182	199	620	297	233	35	2,523
Sweet Grass County	473	75	123	161	285	112	44	8	1,281
Teton County	737	445	269	167	428	173	98	12	2,329
Toole County	513	223	380	204	417	133	41	11	1,922
Treasure County	105	40	41	25	71	50	7	0	339
Valley County	783	179	550	596	763	318	67	12	3,208
Wheatland County	456	64	74	64	129	41	18	3	849
Wibaux County	157	41	45	36	86	77	10	0	454
Yellowstone County	1,247	499	839	973	3,986	1,715	802	79	10,140
Montana	64,429	25,666	40,047	41,036	82,258	33,579	16,465	2,881	306,163

TABLE T.11
MARKET AND INVENTORY CONDITIONS
VACANT UNITS BY AGE OF HOUSING STOCK

	BUILT DURING THE PERIOD:								
AREA NAME	1939 OR EARLIER	1940-49	1950-59	1960-69	1970-79	1980-84	1985-88	1989-90	TOTAL UNITS
Billings city	523	442	349	279	666	359	138	27	2,783
Bozeman city	133	19	34	65	70	29	7	9	366
Great Falls city	645	202	198	203	225	12	18	15	1,518
Helena city	286	58	55	109	79	33	10	0	630
Kalispell city	69	39	82	17	59	22	12	0	300
Missoula city	209	116	110	81	202	66	25	2	811
Bonner-West Riverside CDP	14	0	17	14	14	0	0	0	59
Evergreen CDP	0	0	37	0	35	11	0	4	87
Helena Valley Northeast CDP	0	0	0	0	7	9	0	0	16
Helena Valley Northwest CDP	0	0	0	23	6	6	0	0	35
Helena Valley Southeast CDP	0	0	0	12	46	21	0	0	79
Helena Valley West Central CDP	4	0	4	22	41	0	5	0	76
Helena West Side CDP	6	0	8	4	30	0	0	0	48
Lockwood CDP	3	17	7	17	70	11	0	7	132
Lolo CDP	0	0	0	9	11	7	13	0	40
Malmstrom AFB CDP	0	6	20	48	7	0	0	0	81
Orchard Homes CDP	15	5	26	72	42	0	0	10	170
Sun Prairie CDP	0	0	5	5	21	10	0	0	41
Beaverhead County	271	65	91	76	232	138	33	11	917
Big Horn County	131	32	73	48	333	130	44	65	856
Blaine County	218	39	49	38	111	64	32	0	551
Broadwater County	57	14	29	32	108	55	9	9	313
Carbon County	528	60	77	120	374	230	137	33	1,559
Carter County	79	18	34	27	55	5	9	0	227
Cascade County	414	87	106	153	263	152	70	45	1,290
Chouteau County	196	71	101	72	99	43	15	7	604
Custer County	283	113	68	61	174	45	17	13	774
Daniels County	179	16	17	33	32	15	3	6	301
Dawson County	306	92	138	109	111	40	0	0	796
Deer Lodge County	489	18	27	111	110	15	0	0	770
Fallon County	173	26	37	40	70	8	3	2	359
Fergus County	453	63	111	120	214	105	48	15	1,129
Flathead County	364	399	305	453	1,017	746	423	51	3,758
Gallatin County	205	90	191	91	711	339	252	90	1,969
Garfield County	131	13	42	50	68	24	19	0	347
Glacier County	199	40	96	125	264	162	82	13	981
Golden Valley County	44	0	10	4	25	12	7	0	102
Granite County	278	51	93	120	155	60	98	18	873
Hill County	330	117	74	161	135	60	4	38	919
Jefferson County	178	18	30	24	109	35	28	13	435
Judith Basin County	219	23	37	33	81	39	6	0	438
Lake County	307	292	398	434	944	412	245	126	3,158
Lewis and Clark County	349	53	187	240	613	232	160	45	1,879
Liberty County	84	19	36	7	47	14	8	4	219
Lincoln County	223	67	141	169	353	181	106	92	1,334
Madison County	305	61	74	98	586	232	107	52	1,515
McCone County	124	47	50	33	53	10	0	0	317
Meagher County	216	40	89	40	93	31	32	9	550
Mineral County	42	10	37	72	121	46	22	3	353
Missoula County	76	62	92	197	644	353	136	44	1,604
Musselshell County	193	51	48	28	114	66	22	0	522
Park County	334	53	126	97	535	76	62	46	1,329
Petroleum County	40	7	7	12	12	5	1	0	84
Phillips County	395	52	57	84	148	67	30	1	834
Pondera County	140	29	37	44	111	11	0	0	372
Powder River County	67	33	46	39	60	36	9	1	291
Powell County	222	11	78	49	145	34	51	11	601
Prairie County	95	20	10	22	17	14	3	0	181
Ravalli County	243	56	83	173	427	241	143	35	1,401
Richland County	234	134	113	103	149	112	24	0	869
Roosevelt County	229	64	54	55	111	36	14	6	571
Rosebud County	99	34	21	89	260	152	50	67	772
Sanders County	188	100	43	86	251	134	95	31	938
Sheridan County	225	30	48	35	87	83	8	2	518
Silver Bow County	1,034	177	124	65	111	31	24	9	1,575
Stillwater County	179	78	79	70	193	61	89	19	758
Sweet Grass County	133	44	30	14	80	45	9	3	358
Teton County	116	87	42	21	99	18	9	4	396
Toole County	166	38	74	75	48	13	18	0	432
Treasure County	40	14	8	11	30	6	0	0	109
Valley County	340	76	66	1,343	117	66	17	7	2,036
Wheatland County	132	5	42	19	52	23	7	0	280
Wibaux County	52	12	0	18	15	12	0	0	109
Yellowstone County	180	71	32	70	530	180	97	17	1,177
Montana	14,432	4,276	5,162	6,995	13,668	6,155	3,187	1,137	54,992

TABLE T.12
MARKET AND INVENTORY CONDITIONS OF THE POPULATION
RENTAL UNITS BY PRICE RANGE (MONTHLY DOLLARS)

AREA NAME	< 100	100-149	150-199	200-249	250-299	300-349	350-399	400-449	450-499	500-549	550-599	600-649	650-699	700-749	750-999	> 1000	0 RENT
Billings city	288	577	793	1,315	1,550	1,947	2,030	1,408	834	503	527	201	112	100	180	125	284
Bozeman city	79	142	290	585	919	730	647	640	397	302	158	109	54	62	25	7	77
Great Falls city	403	733	796	868	1,064	1,323	1,115	736	470	286	161	100	67	67	41	26	167
Helena city	178	264	255	528	652	763	559	399	298	234	97	73	21	37	30	0	71
Kalispell city	97	217	185	238	297	341	358	212	122	102	49	28	18	0	24	62	63
Missoula city	157	369	556	1,247	1,449	1,253	1,201	862	605	408	282	170	37	57	73	18	155
Bonner-West Riverside CDP	0	0	12	52	58	36	59	14	25	14	0	0	0	0	0	0	4
Evergreen CDP	4	0	28	49	91	72	65	37	16	47	12	2	0	0	0	0	10
Helena Valley Northeast CDP	0	0	0	4	0	14	0	0	22	6	0	0	0	0	0	0	0
Helena Valley Northwest CDP	0	0	0	0	0	0	13	0	5	0	0	0	9	0	0	0	5
Helena Valley Southeast CDP	0	7	14	16	54	29	15	23	15	9	0	29	0	6	0	0	8
Helena Valley West Central CDP	0	0	0	14	0	64	96	22	28	14	37	9	3	3	0	0	19
Helena West Side CDP	0	0	6	15	7	35	8	28	7	7	6	0	0	0	0	0	17
Lockwood CDP	13	0	15	0	28	58	38	16	38	34	11	12	0	0	0	0	17
Lolo CDP	0	0	8	6	41	18	51	19	9	18	8	8	0	0	0	0	10
Malmstrom AFB CDP	6	0	0	15	32	229	260	160	21	38	6	18	7	7	6	0	520
Orchard Homes CDP	7	12	16	139	302	233	283	247	219	65	28	23	9	7	13	0	43
Sun Prairie CDP	0	0	0	4	0	0	7	0	13	0	0	5	0	0	0	0	0
Beaverhead County	69	68	121	133	206	135	67	48	0	17	15	4	0	0	0	0	174
Big Horn County	21	82	157	239	129	84	86	122	11	23	13	5	0	0	0	0	138
Blaine County	29	67	126	119	82	88	42	25	19	9	2	0	0	2	0	0	178
Broadwater County	11	14	28	25	44	19	40	13	7	8	8	4	0	0	0	0	55
Carbon County	17	39	51	84	118	90	72	40	30	17	3	4	1	2	0	0	109
Carter County	0	6	10	10	17	0	2	2	2	0	0	0	0	0	0	0	43
Cascade County	26	63	67	122	161	106	106	48	48	21	15	10	5	0	6	0	124
Chouteau County	10	22	59	48	55	54	25	26	14	4	7	0	2	0	0	0	139
Custer County	40	72	177	269	252	189	151	76	47	54	8	0	0	5	0	0	90
Daniels County	7	16	20	29	12	7	11	2	1	11	0	0	0	0	0	0	34
Dawson County	16	67	146	144	121	102	141	62	13	6	13	0	0	11	0	7	61
Deer Lodge County	91	148	253	135	164	71	47	41	15	7	0	0	0	0	0	0	93
Fallon County	28	9	36	31	35	29	13	4	11	7	2	2	0	0	0	0	35
Fergus County	37	66	144	190	145	195	87	79	29	8	2	0	4	0	0	0	123
Flathead County	66	121	185	329	409	589	432	296	285	116	128	50	64	18	61	0	321
Gallatin County	47	83	96	196	235	401	299	256	142	99	86	70	23	44	26	11	191
Garfield County	0	0	8	7	27	16	0	2	0	2	0	0	0	0	0	0	59
Glacier County	85	116	224	185	161	178	81	87	75	42	6	8	11	2	4	0	145
Golden Valley County	0	0	0	17	7	0	4	1	0	0	0	0	0	0	0	0	18
Granite County	16	7	20	43	45	19	13	4	6	0	0	0	2	0	0	0	64
Hill County	89	108	247	343	313	284	264	217	102	53	25	28	13	4	0	4	186
Jefferson County	24	26	46	49	71	85	58	31	10	13	6	0	2	0	7	0	86
Judith Basin County	2	14	16	22	30	14	7	5	0	0	0	0	0	2	0	0	59
Lake County	118	224	187	324	295	287	161	114	56	42	9	21	0	0	0	0	262
Lewis and Clark County	9	18	30	65	60	60	81	29	33	16	13	11	0	2	0	0	58
Liberty County	7	12	17	21	24	14	15	12	2	3	3	0	0	0	0	0	51
Lincoln County	60	97	167	193	374	224	185	86	35	35	15	1	8	0	2	0	149
Madison County	9	25	32	56	66	71	52	68	13	4	8	0	0	11	5	0	120
McCone County	2	3	2	16	29	20	9	10	4	1	0	2	0	2	0	0	33
Meagher County	6	8	17	23	13	31	10	9	3	0	0	0	0	0	0	1	54
Mineral County	3	26	17	81	47	34	26	12	8	2	7	2	2	0	0	2	35

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TABLE T.12 Continued
MARKET AND INVENTORY CONDITIONS OF THE POPULATION
RENTAL UNITS BY PRICE RANGE (MONTHLY)
(IN DOLLARS)

AREA NAME	< 100	100-149	150-199	200-249	250-299	300-349	350-399	400-449	450-499	500-549	550-599	600-649	650-699	700-749	750-999	>1000	0 RENT
Missoula County	0	28	29	109	129	162	173	100	20	129	48	7	10	0	25	0	118
Musselshell County	16	47	8	47	49	61	9	17	7	2	0	0	0	0	0	0	40
Park County	34	123	134	187	261	236	176	122	77	40	39	10	0	14	10	0	187
Petroleum County	0	0	0	0	8	5	0	0	0	0	0	0	0	0	0	0	18
Phillips County	33	34	56	51	74	43	45	45	16	6	6	4	2	0	0	0	109
Pondera County	19	18	57	106	71	105	29	15	26	11	3	1	0	0	0	0	137
Powder River County	0	2	12	17	14	15	23	5	3	2	0	0	0	0	0	0	57
Powell County	6	25	106	108	99	71	29	32	23	4	0	0	0	0	0	0	77
Prairie County	7	3	9	18	20	5	2	0	0	0	0	2	0	0	0	0	26
Ravalli County	26	99	181	276	276	330	226	189	100	104	32	16	11	9	0	6	207
Richland County	28	94	136	104	197	175	90	67	34	31	4	0	8	0	0	0	99
Roosevelt County	15	70	185	168	180	176	109	52	70	45	8	6	2	4	4	0	154
Rosebud County	41	95	78	133	86	95	117	45	33	37	30	0	26	0	0	0	163
Sanders County	17	54	106	141	74	109	48	22	17	6	2	0	3	0	0	0	131
Sheridan County	16	15	31	63	55	48	24	19	8	0	10	15	1	0	0	2	67
Silver Bow County	242	475	527	506	544	552	440	268	161	79	30	4	0	0	0	0	192
Stillwater County	32	20	25	64	81	79	62	44	19	15	7	3	2	0	0	0	63
Sweet Grass County	9	23	28	51	39	42	15	3	5	3	6	1	0	0	0	0	54
Teton County	22	26	54	65	70	47	38	27	25	7	5	7	0	0	0	0	78
Toole County	32	45	77	72	44	47	54	38	1	9	14	0	0	0	0	0	72
Treasure County	2	5	14	2	4	3	0	2	3	0	0	0	0	0	0	0	26
Valley County	44	63	80	117	171	87	66	25	50	26	15	0	6	0	0	0	92
Wheatland County	6	20	15	29	17	7	10	5	3	0	0	0	0	0	0	0	43
Wibaux County	2	18	16	7	8	11	13	1	0	0	0	0	0	0	0	0	29
Yellowstone County	36	109	143	187	278	232	225	170	125	48	20	9	8	7	35	0	255
Montana	2,862	5,449	7,767	11,280	13,129	13,364	11,422	7,941	4,991	3,401	2,056	1,094	551	494	585	277	7,243

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TABLE T.13
MARKET AND INVENTORY CONDITIONS OF THE POPULATION
VALUE OF OWNER OCCUPIED HOUSING UNITS
(IN THOUSANDS OF DOLLARS)

AREA NAME	LESS THAN 15	15 to 20	20 to 25	25 to 30	30 to 35	35 to 40	40 to 45	45 to 50	50 to 60	60 to 75	75 to 100	100 to 125	125 to 150	150 to 175	175 to 200	200 to 250	250 to 300	300 to 400	400 to 500	500 OR MORE
Billings city	174	129	249	344	534	544	978	1,175	3,309	4,341	3,198	956	410	160	128	113	40	33	0	0
Bozeman city	0	9	17	29	48	59	112	139	395	923	566	121	59	54	21	0	11	0	0	0
Great Falls city	146	119	198	242	396	658	734	852	2,490	3,076	1,875	440	242	125	68	68	17	0	0	0
Helena city	33	25	26	85	110	194	297	359	982	1,283	981	215	120	40	19	9	5	0	0	6
Kalispell city	15	47	43	81	111	143	231	245	522	602	310	100	20	16	0	0	0	0	0	0
Missoula city	52	6	45	44	244	296	447	548	1,489	2,058	1,457	329	162	82	39	41	47	6	0	0
Bonner-West Riverside CDP	7	8	28	19	41	22	13	22	5	8	16	0	0	0	0	0	0	0	0	0
Evergreen CDP	17	0	6	18	27	15	30	90	144	134	27	14	0	4	0	0	0	0	0	0
Helena Valley Northeast CDP	0	0	0	0	0	0	6	13	60	74	32	21	19	0	0	0	0	0	0	0
Helena Valley Northwest CDP	0	0	0	0	0	0	22	42	44	71	11	8	6	0	0	0	0	0	0	0
Helena Valley Southeast CDP	6	0	5	0	12	8	80	108	234	137	59	12	0	0	0	0	0	0	0	0
Helena Valley West Central CDP	0	0	7	15	12	5	30	36	243	405	329	37	24	0	0	0	0	0	0	0
Helena West Side CDP	6	0	0	16	0	19	62	23	45	50	50	16	17	0	0	0	0	0	0	0
Lockwood CDP	0	11	0	43	20	39	64	61	151	137	25	7	0	0	0	0	0	0	0	0
Lolo CDP	0	0	0	0	0	5	19	54	174	146	113	4	4	0	0	0	0	0	0	0
Malmstrom AFB CDP	0	0	0	0	0	0	0	5	0	0	0	0	0	0	0	0	0	0	0	0
Orchard Homes CDP	12	0	6	36	28	26	51	86	316	492	436	79	81	21	17	0	0	0	0	0
Sun Prairie CDP	0	0	8	0	0	14	17	8	56	44	46	8	4	0	0	0	0	0	0	0
Beaverhead County	43	11	72	44	57	70	84	128	196	247	162	35	35	12	0	8	0	0	0	0
Big Horn County	139	96	65	82	108	118	165	67	174	137	84	0	0	0	0	2	0	0	0	0
Blaine County	68	46	59	66	94	63	82	56	122	101	60	9	0	0	0	0	0	0	0	0
Broadwater County	14	10	27	25	49	53	77	44	91	78	48	3	7	2	4	0	0	0	0	0
Carbon County	74	33	103	107	94	96	112	112	164	177	154	37	22	32	0	12	5	3	0	0
Carter County	41	11	15	9	15	4	10	4	9	4	2	2	0	0	0	0	0	0	0	0
Cascade County	121	62	75	144	105	90	199	95	313	393	331	151	57	36	25	11	7	19	0	0
Chouteau County	54	43	63	65	59	52	48	44	98	115	42	15	4	9	0	0	6	0	0	2
Custer County	296	214	156	186	233	209	230	139	220	238	96	50	23	15	0	0	0	0	0	0
Daniels County	91	32	29	58	45	13	24	30	36	44	19	6	4	0	0	0	0	0	0	0
Dawson County	200	141	133	187	156	156	149	115	227	183	110	24	8	0	8	0	0	0	0	0
Deer Lodge County	280	220	224	266	284	183	240	171	207	165	154	6	7	0	0	0	0	0	0	3
Fallon County	85	39	43	31	60	41	39	54	40	56	33	0	0	0	0	0	0	0	0	0
Fergus County	146	102	114	192	157	199	157	126	254	236	107	52	31	0	5	0	0	0	0	0
Flathead County	66	79	93	142	224	262	442	415	846	1,536	1,480	534	332	166	88	152	61	16	5	19
Gallatin County	32	21	68	84	87	128	157	226	499	929	1,006	341	187	165	30	71	54	8	0	0
Garfield County	28	14	6	10	10	9	6	6	14	13	7	0	0	0	0	0	0	0	0	0
Glacier County	132	43	70	112	71	113	158	144	185	181	112	10	12	0	6	0	0	0	4	4
Golden Valley County	16	16	13	15	11	7	11	4	11	6	4	0	0	0	0	0	0	0	0	0
Granite County	34	48	42	31	38	23	35	30	25	58	23	7	0	0	0	0	4	0	0	8
Hill County	90	118	121	138	174	137	275	220	392	472	444	72	47	4	11	0	0	0	0	0
Jefferson County	22	33	26	42	70	69	100	85	106	253	296	85	27	8	9	9	0	0	0	0
Judith Basin County	45	25	37	19	24	16	19	10	27	31	10	0	0	0	0	0	0	0	0	0
Lake County	47	69	125	82	145	135	237	193	358	520	454	194	135	49	55	65	21	13	6	11
Lewis and Clark County	53	15	25	96	57	88	97	104	206	236	171	87	7	8	7	13	0	0	0	0
Liberty County	16	20	30	24	24	9	33	9	24	31	39	11	2	0	0	0	0	0	0	0
Lincoln County	96	90	100	152	221	286	300	220	435	482	241	57	45	9	10	0	0	2	0	0
Madison County	30	26	12	25	14	49	48	51	132	142	131	40	19	5	6	4	0	5	0	0

TABLE T.13 Continued
MARKET AND INVENTORY CONDITIONS OF THE POPULATION
VALUE OF OWNER OCCUPIED HOUSING UNITS
(IN THOUSANDS OF DOLLARS)

AREA NAME	LESS THAN 15	15 to 20	20 to 25	25 to 30	30 to 35	35 to 40	40 to 45	45 to 50	50 to 60	60 to 75	75 to 100	100 to 125	125 to 150	150 to 175	175 to 200	200 to 250	250 to 300	300 to 400	400 to 500	500 OR MORE
McCone County	58	28	22	27	30	17	31	7	18	18	17	7	0	0	0	0	0	0	0	0
Meagher County	19	31	27	10	26	33	17	17	34	24	14	9	0	0	0	2	0	0	0	0
Mineral County	25	31	17	30	36	37	54	37	45	68	26	16	1	0	0	0	0	0	0	0
Missoula County	19	21	52	31	36	130	164	188	425	696	752	240	181	108	28	47	17	0	7	0
Musselshell County	126	56	60	61	50	80	52	22	50	42	16	5	2	0	0	2	0	0	0	0
Park County	44	74	72	154	187	227	264	174	300	310	239	111	20	12	0	0	0	0	9	0
Petroleum County	33	3	2	2	2	8	4	4	2	2	0	0	0	0	0	0	0	0	0	0
Phillips County	114	39	43	44	61	49	42	27	119	95	59	9	2	0	0	0	2	0	0	0
Pondera County	83	41	52	62	94	122	76	56	116	142	70	21	11	0	0	0	6	0	2	0
Powder River County	10	7	11	10	16	12	12	6	20	37	11	0	2	0	0	0	0	0	0	0
Powell County	56	38	82	89	93	91	120	82	129	121	48	5	17	0	0	0	0	0	0	0
Prairie County	89	29	21	25	18	9	6	4	15	12	4	0	0	0	0	0	0	0	0	0
Ravalli County	30	48	81	96	195	209	273	224	626	943	686	213	76	26	31	20	4	0	0	0
Richland County	216	86	104	89	130	139	143	105	270	253	177	16	0	8	10	0	0	0	0	0
Roosevelt County	134	72	110	108	168	125	156	110	155	198	99	18	1	2	0	0	0	0	0	0
Rosebud County	86	49	39	52	54	91	99	36	212	282	153	24	0	0	0	0	0	0	0	5
Sanders County	70	68	97	82	112	81	73	127	127	147	66	16	5	1	0	3	2	0	0	0
Sheridan County	116	64	53	64	61	69	80	41	81	95	80	15	0	4	2	3	0	0	0	0
Silver Bow County	769	460	474	550	646	683	617	566	928	1,017	879	338	84	34	25	22	6	0	0	6
Stillwater County	22	19	31	27	63	55	72	66	199	201	142	32	19	7	0	0	0	0	0	3
Sweet Grass County	26	12	26	21	38	55	40	63	58	81	62	17	3	5	0	0	0	0	0	0
Teton County	51	40	53	66	58	93	78	65	184	115	80	15	6	0	0	0	0	0	0	0
Toole County	133	43	50	48	88	100	56	75	99	104	61	0	7	0	0	0	0	0	0	5
Treasure County	9	11	10	9	16	13	13	8	9	5	5	0	0	0	0	0	0	0	0	0
Valley County	249	62	123	85	154	151	134	125	147	147	96	12	2	0	3	0	0	2	0	0
Wheatland County	82	56	43	39	52	32	31	12	28	11	17	2	0	0	0	0	0	0	0	0
Wibaux County	35	9	8	17	16	12	10	4	19	6	2	2	0	0	0	2	0	0	0	0
Yellowstone County	85	75	113	155	182	259	332	457	638	987	892	333	101	90	45	67	23	0	6	3
Montana	5,615	3,603	4,450	5,434	6,919	7,696	9,764	9,466	21,126	27,204	20,204	6,671	2,719	1,319	700	746	338	107	39	76

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DATE 1-12-93

TABLE T.14
MARKET AND INVENTORY CONDITIONS
CONDITION OF THE HOUSING UNITS

	KITCHEN FACILITIES		PLUMBING FACILITIES				
AREA NAME	COMPLETE	INCOMPLETE OR MISSING	OCCUPIED HOMES	OCCUPIED INCOMP. OR MISSING	VACANT HOMES	VACANT INCOMP. OR MISSING	TOTAL UNITS
Billings city	35,704	260	33,078	103	2,768	15	35,964
Bozeman city	9,105	12	8,735	16	361	5	9,117
Great Falls city	24,030	127	22,511	128	1,429	89	24,157
Helena city	10,908	38	10,293	23	626	4	10,946
Kalispell city	5,516	21	5,200	37	300	0	5,537
Missoula city	18,337	151	17,545	132	768	43	18,488
Bonner-West Riverside CDP	720	0	661	0	59	0	720
Evergreen CDP	1,635	0	1,548	0	87	0	1,635
Helena Valley Northeast CDP	597	0	575	6	16	0	597
Helena Valley Northwest CDP	423	0	388	0	35	0	423
Helena Valley Southeast CDP	1,637	6	1,558	6	79	0	1,643
Helena Valley West Central CDP	2,281	0	2,198	7	76	0	2,281
Helena West Side CDP	773	6	725	6	48	0	779
Lockwood CDP	1,500	0	1,368	0	132	0	1,500
Lolo CDP	953	0	913	0	40	0	953
Malmstrom AFB CDP	1,496	0	1,415	0	81	0	1,496
Orchard Homes CDP	4,333	6	4,155	14	170	0	4,339
Sun Prairie CDP	451	0	410	0	41	0	451
Beaverhead County	3,899	229	3,177	34	740	177	4,128
Big Horn County	4,231	73	3,384	64	798	58	4,304
Blaine County	2,873	57	2,353	26	513	38	2,930
Broadwater County	1,538	55	1,261	19	248	65	1,593
Carbon County	4,675	153	3,262	7	1,427	132	4,828
Carter County	765	51	576	13	183	44	816
Cascade County	6,723	236	5,623	46	1,050	240	6,959
Chouteau County	2,594	74	2,064	0	545	59	2,668
Custer County	5,305	100	4,590	41	747	27	5,405
Daniels County	1,180	40	912	7	272	29	1,220
Dawson County	4,396	91	3,679	12	757	39	4,487
Deer Lodge County	4,743	87	4,028	32	701	69	4,830
Fallon County	1,486	39	1,164	2	344	15	1,525
Fergus County	5,652	80	4,589	14	1,041	88	5,732
Flathead County	19,494	313	15,818	231	3,582	176	19,807
Gallatin County	12,025	208	10,191	73	1,855	114	12,233
Garfield County	891	33	565	12	323	24	924
Glacier County	4,705	92	3,747	69	898	83	4,797
Golden Valley County	432	0	321	9	96	6	432
Granite County	1,838	86	1,033	18	755	118	1,924
Hill County	7,163	182	6,408	18	781	138	7,345
Jefferson County	3,199	103	2,829	38	361	74	3,302
Judith Basin County	1,180	166	890	18	286	152	1,346
Lake County	10,739	233	7,736	78	2,962	196	10,972
Lewis and Clark County	4,582	161	2,823	41	1,738	141	4,743
Liberty County	959	48	780	8	177	42	1,007
Lincoln County	7,691	311	6,539	129	1,141	193	8,002
Madison County	3,811	91	2,329	58	1,446	69	3,902
McCone County	1,096	65	842	2	283	34	1,161
Meagher County	1,076	183	690	19	357	193	1,259
Mineral County	1,528	107	1,260	22	247	106	1,635
Missoula County	8,874	92	7,284	78	1,561	43	8,966
Musselshell County	2,110	73	1,600	61	502	20	2,183
Park County	6,832	140	5,603	40	1,195	134	6,972
Petroleum County	270	23	203	6	61	23	293
Phillips County	2,554	211	1,898	33	645	189	2,765
Pondera County	2,599	19	2,210	36	360	12	2,618
Powder River County	1,011	85	781	24	236	55	1,096
Powell County	2,784	51	2,222	12	560	41	2,835
Prairie County	732	17	558	10	171	10	749
Ravalli County	10,789	310	9,596	102	1,183	218	11,099
Richland County	4,686	139	3,946	10	793	76	4,825
Roosevelt County	4,231	34	3,677	17	550	21	4,265
Rosebud County	4,191	60	3,436	43	759	13	4,251
Sanders County	4,213	122	3,316	81	830	108	4,335
Sheridan County	2,390	27	1,891	8	500	18	2,417
Silver Bow County	15,365	109	13,819	80	1,518	57	15,474
Stillwater County	3,192	99	2,519	4	656	112	3,291
Sweet Grass County	1,583	56	1,275	6	312	46	1,639
Teton County	2,632	93	2,321	8	334	62	2,725
Toole County	2,255	99	1,912	10	369	63	2,354
Treasure County	433	15	337	2	95	14	448
Valley County	5,168	136	3,256	12	1,896	140	5,304
Wheatland County	1,109	20	846	3	269	11	1,129
Wibaux County	562	1	452	2	109	0	563
Yellowstone County	11,205	112	10,109	31	1,104	73	11,317
Montana	354,638	6,517	303,806	2,357	50,336	4,654	361,155

TABLE T.15
MARKET AND INVENTORY CONDITIONS
CONDITION OF HOUSING BY PERCENT OF HOUSING STOCK

AREA NAME	Housing Units with Missing or Incomplete Kitchen Facilities	Occupied Housing with Missing or Incomplete Plumbing Facilities	Vacant Housing with Missing or Incomplete Plumbing Facilities
Billings city	0.72%	0.31%	0.54%
Bozeman city	0.13%	0.18%	1.37%
Great Falls city	0.83%	0.57%	5.86%
Helena city	0.35%	0.22%	0.63%
Kalispell city	0.39%	0.71%	0.00%
Missoula city	0.82%	0.75%	5.30%
Bonner-West Riverside CDP	0.00%	0.00%	0.00%
Evergreen CDP	0.00%	0.00%	0.00%
Helena Valley Northeast CDP	0.00%	1.03%	0.00%
Helena Valley Northwest CDP	0.00%	0.00%	0.00%
Helena Valley Southeast CDP	0.37%	0.38%	0.00%
Helena Valley West Central CDP	0.00%	0.32%	0.00%
Helena West Side CDP	0.77%	0.82%	0.00%
Lockwood CDP	0.00%	0.00%	0.00%
Lolo CDP	0.00%	0.00%	0.00%
Malmstrom AFB CDP	0.00%	0.00%	0.00%
Orchard Homes CDP	0.14%	0.34%	0.00%
Sun Prairie CDP	0.00%	0.00%	0.00%
Beaverhead County	5.55%	1.08%	19.30%
Big Horn County	1.70%	1.86%	6.79%
Blaine County	1.95%	1.09%	6.90%
Broadwater County	3.45%	1.48%	20.77%
Carbon County	3.17%	0.21%	8.47%
Carter County	6.25%	2.21%	19.38%
Cascade County	3.39%	0.81%	18.60%
Chouteau County	2.77%	0.00%	9.77%
Custer County	1.85%	0.89%	3.49%
Daniels County	3.28%	0.76%	9.63%
Dawson County	2.03%	0.33%	4.90%
Deer Lodge County	1.80%	0.79%	8.96%
Fallon County	2.56%	0.17%	4.18%
Fergus County	1.40%	0.30%	7.79%
Flathead County	1.56%	1.44%	4.88%
Gallatin County	1.70%	0.71%	5.79%
Garfield County	3.57%	2.08%	6.92%
Glacier County	1.92%	1.81%	8.46%
Golden Valley County	0.00%	2.73%	5.88%
Granite County	4.47%	1.71%	13.52%
Hill County	2.48%	0.28%	15.02%
Jefferson County	3.12%	1.33%	17.01%
Judith Basin County	12.33%	1.98%	34.70%
Lake County	2.12%	1.00%	6.21%
Lewis and Clark County	3.39%	1.43%	7.50%
Liberty County	4.77%	1.02%	19.15%
Lincoln County	3.89%	1.93%	14.47%
Madison County	2.33%	2.43%	4.55%
McCone County	5.60%	0.24%	10.73%
Meagher County	14.54%	2.68%	36.09%
Mineral County	6.54%	1.72%	30.03%
Missoula County	1.03%	1.06%	2.98%
Musselshell County	3.34%	3.67%	3.83%
Park County	2.01%	0.71%	10.08%
Petroleum County	7.85%	2.87%	27.38%
Phillips County	7.63%	1.71%	22.68%
Pondera County	0.73%	1.60%	3.23%
Powder River County	7.78%	2.98%	18.90%
Powell County	1.80%	0.54%	6.82%
Prairie County	2.27%	1.76%	5.52%
Ravalli County	2.79%	1.05%	15.56%
Richland County	2.88%	0.25%	8.75%
Roosevelt County	0.80%	0.46%	3.68%
Rosebud County	1.41%	1.24%	1.68%
Sanders County	2.81%	2.38%	11.81%
Sheridan County	1.12%	0.42%	3.47%
Silver Bow County	0.70%	0.58%	3.62%
Stillwater County	3.01%	0.16%	14.58%
Sweet Grass County	3.42%	0.47%	12.85%
Teton County	3.41%	0.34%	15.56%
Toole County	4.21%	0.52%	14.58%
Treasure County	3.36%	0.59%	12.84%
Valley County	2.58%	0.37%	8.88%
Wheatland County	1.77%	0.35%	3.93%
Wibaux County	0.18%	0.44%	0.00%
Yellowstone County	0.99%	0.31%	6.20%
Montana	1.80%	0.77%	8.46%

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TABLE T.16

MARKET AND INVENTORY CONDITIONS

NUMBER OF HOUSING UNITS WITH WATER AND WASTEWATER SYSTEMS

AREA NAME	PUBLIC WATER	WELL WATER	OTHER SOURCES	PUBLIC SEWER	SEPTIC TANK	OTHER SEWER	TOTAL UNITS
Billings city	35,647	299	18	34,736	1,188	40	35,964
Bozeman city	8,774	336	7	8,823	294	0	9,117
Great Falls city	23,989	160	8	23,916	200	41	24,157
Helena city	10,785	155	6	10,824	116	6	10,946
Kalispell city	5,461	63	13	5,234	303	0	5,537
Missoula city	17,901	587	0	15,630	2,813	45	18,488
Bonner-West Riverside CDP	172	540	8	52	668	0	720
Evergreen CDP	1,389	246	0	207	1,428	0	1,635
Helena Valley Northeast CDP	132	440	25	140	452	5	597
Helena Valley Northwest CDP	27	396	0	0	407	16	423
Helena Valley Southeast CDP	598	1,039	6	484	1,140	19	1,643
Helena Valley West Central CDP	423	1,858	0	462	1,805	14	2,281
Helena West Side CDP	363	410	6	221	546	12	779
Lockwood CDP	1,379	99	22	84	1,416	0	1,500
Lolo CDP	601	352	0	610	336	7	953
Malmstrom AFB CDP	1,490	0	6	1,474	15	7	1,496
Orchard Homes CDP	2,056	2,283	0	1,009	3,307	23	4,339
Sun Prairie CDP	392	55	4	306	145	0	451
Beaverhead County	2,120	1,782	226	1,864	2,083	161	4,128
Big Horn County	2,381	1,662	261	2,402	1,631	271	4,304
Blaine County	1,768	859	303	1,712	1,185	33	2,930
Broadwater County	759	739	95	731	791	71	1,593
Carbon County	2,409	2,076	343	2,454	2,214	160	4,828
Carter County	311	429	76	286	485	45	816
Cascade County	2,368	3,336	1,255	1,546	5,142	271	6,959
Chouteau County	1,938	478	252	1,360	1,290	18	2,668
Custer County	4,180	1,184	41	4,333	1,011	61	5,405
Daniels County	703	498	19	702	449	69	1,220
Dawson County	3,001	1,457	29	3,274	1,156	57	4,487
Deer Lodge County	3,480	1,252	98	3,405	1,376	49	4,830
Fallon County	1,126	386	13	1,071	420	34	1,525
Fergus County	3,724	1,693	315	3,433	2,157	142	5,732
Flathead County	7,903	10,344	1,560	5,255	14,009	543	19,807
Gallatin County	4,098	7,851	284	4,490	7,574	169	12,233
Garfield County	248	616	60	274	539	111	924
Glacier County	3,606	1,042	149	3,358	1,253	186	4,797
Golden Valley County	110	308	14	207	206	19	432
Granite County	620	1,121	183	718	1,094	112	1,924
Hill County	5,427	1,649	269	5,569	1,595	181	7,345
Jefferson County	1,523	1,603	176	1,195	2,015	92	3,302
Judith Basin County	301	828	217	429	797	120	1,346
Lake County	4,345	4,829	1,798	3,254	7,440	278	10,972
Lewis and Clark County	701	3,681	361	1,359	3,066	318	4,743
Liberty County	662	168	177	568	387	52	1,007
Lincoln County	3,380	3,732	890	1,941	5,763	298	8,002
Madison County	1,478	2,178	246	1,512	2,275	115	3,902
McCone County	406	709	46	394	740	27	1,161
Meagher County	580	437	242	479	543	237	1,259
Mineral County	541	821	273	522	1,007	106	1,635
Missoula County	2,607	5,965	394	773	7,959	234	8,966
Musselshell County	1,207	952	24	1,126	954	103	2,183
Park County	4,069	2,369	514	3,603	3,071	298	6,972
Petroleum County	101	161	31	95	171	27	293
Phillips County	1,612	984	169	1,490	1,062	213	2,765
Pondera County	1,980	419	219	1,705	883	30	2,618
Powder River County	310	715	71	309	717	70	1,096
Powell County	1,668	1,067	80	1,648	1,064	103	2,836
Prairie County	91	648	10	464	189	96	749
Ravalli County	2,619	8,112	368	2,719	8,099	281	11,099
Richland County	2,732	2,033	60	2,966	1,749	110	4,825
Roosevelt County	3,210	1,008	47	3,175	957	133	4,265
Rosebud County	2,965	1,225	61	2,978	1,171	102	4,251
Sanders County	1,925	1,798	612	1,150	2,918	267	4,335
Sheridan County	1,540	814	63	1,540	826	51	2,417
Silver Bow County	14,178	1,241	55	14,275	1,164	35	15,474
Stillwater County	1,279	1,790	222	1,420	1,727	144	3,291
Sweet Grass County	802	656	181	774	800	65	1,639
Teton County	1,343	1,252	130	1,416	1,232	77	2,725
Toole County	2,046	101	207	1,684	629	41	2,354
Treasure County	212	214	22	194	240	14	448
Valley County	3,774	1,190	340	3,731	1,424	149	5,304
Wheatland County	699	384	46	681	444	4	1,129
Wibaux County	310	247	6	310	251	2	563
Yellowstone County	5,437	4,862	1,018	3,817	7,378	122	11,317
Montana	236,532	109,273	15,350	218,372	135,371	7,412	361,155

TABLE T.17
EMPLOYMENT BY PLACE OF WORK
STATE OF MONTANA

YEAR	FARM	AFF	MINING	CONSTRCT	MFG	TCPU	WHOLE	RETAIL	FIRE	SERV	FED C	FED M	S&L GOV	TOTAL
1967	41,040	2,230	5,630	15,470	23,480	18,400	9,420	45,380	11,270	47,650	12,360	15,220	35,370	282,830
1968	38,780	2,400	5,650	14,780	23,930	18,350	9,600	46,070	11,560	48,490	11,710	12,400	36,700	280,410
1969	37,690	2,280	6,580	14,540	25,640	18,870	10,410	48,910	12,830	51,400	11,800	11,170	37,950	290,080
1970	37,630	2,380	6,830	14,990	25,300	18,840	10,720	49,520	13,330	52,360	12,030	11,320	39,180	294,420
1971	38,310	2,650	5,660	15,750	25,040	19,000	10,840	51,210	13,320	54,630	11,840	11,430	41,580	301,270
1972	37,930	2,870	6,500	17,780	25,510	19,910	11,710	53,330	14,130	58,200	12,380	11,240	42,340	313,920
1973	37,960	3,090	7,020	18,980	25,920	20,740	12,210	56,420	15,710	61,280	12,200	11,660	43,790	326,990
1974	38,510	3,310	7,630	19,350	25,930	22,000	12,960	58,610	16,670	63,060	13,000	11,790	45,790	338,500
1975	35,270	3,250	6,670	19,100	24,690	22,000	15,640	57,440	17,130	65,350	13,540	11,220	47,710	339,010
1976	33,370	3,340	6,370	20,990	25,760	22,520	16,360	62,030	18,240	71,410	13,420	10,740	48,660	353,210
1977	31,800	3,480	6,640	23,400	27,340	23,440	16,910	64,930	19,730	75,190	13,240	10,180	49,810	366,070
1978	31,660	3,770	7,660	25,140	28,800	24,960	17,670	70,040	21,520	80,350	13,840	10,100	51,190	386,600
1979	34,060	3,600	8,380	23,980	29,010	26,360	18,550	70,530	22,520	81,860	14,000	9,790	51,270	393,890
1980	32,870	3,740	9,410	22,320	26,190	26,210	18,830	68,760	22,950	82,980	13,950	9,230	51,920	389,360
1981	33,460	3,920	11,900	21,100	25,010	26,430	19,150	69,470	23,740	84,330	13,640	8,120	51,120	391,390
1982	33,220	4,160	10,360	22,150	22,360	25,910	18,180	69,940	23,910	85,440	13,130	7,950	50,940	387,660
1983	34,110	4,680	8,440	22,940	24,200	24,560	17,910	71,020	24,640	88,810	13,060	8,540	51,410	394,320
1984	33,170	4,950	8,790	23,150	24,890	25,710	18,300	73,290	25,950	93,730	12,850	8,480	52,190	405,420
1985	32,270	4,860	7,620	21,700	24,230	25,500	17,430	72,450	26,350	97,150	12,870	8,340	52,680	403,330
1986	32,120	4,950	6,540	20,180	23,710	24,380	16,070	71,050	26,030	99,640	12,700	8,620	53,190	399,180
1987	32,320	5,370	6,790	18,340	23,470	23,860	15,810	71,690	25,610	102,920	13,160	8,980	52,760	400,970
1988	31,860	5,510	6,950	18,350	23,920	23,820	15,640	74,080	26,370	106,680	13,550	9,090	53,690	409,500
1989	31,040	5,450	7,000	19,290	24,900	23,890	16,440	76,590	25,690	110,290	13,780	9,510	54,340	418,230
1990	31,000	5,630	7,000	20,250	25,040	24,120	16,510	77,590	26,000	114,170	13,940	9,200	55,590	426,030

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TABLE T.18
EARNED INCOME BY PLACE OF WORK
STATE OF MONTANA
1000's of 1987 Dollars

YEAR	FARM	AFF	MINING	CONSTRCT	MFG	TCPU	WHOLE	RETAIL	FIRE	SERV	FED C	FED M	S&L GOV	TOTAL
1967	585,630	18,160	136,320	346,480	600,070	431,990	213,870	688,660	179,990	578,960	261,630	171,640	498,870	4,608,060
1968	581,890	19,320	135,610	343,800	526,510	445,540	217,690	596,210	188,780	589,330	264,220	143,930	517,030	4,568,860
1969	726,420	29,590	162,410	367,710	576,000	487,390	252,280	686,120	205,660	710,030	278,330	123,980	565,860	5,171,780
1970	834,450	28,610	173,940	392,980	567,430	494,150	257,970	693,100	203,230	731,270	308,390	134,640	601,380	5,422,440
1971	698,550	34,760	147,420	413,040	574,110	518,280	261,860	723,580	218,560	753,960	316,500	138,790	652,610	5,451,020
1972	1,066,200	42,470	176,780	481,600	603,330	567,900	286,390	776,010	228,530	811,070	342,930	149,220	687,150	6,217,580
1973	1,497,210	48,090	197,680	498,680	622,120	601,900	303,010	831,670	236,160	857,030	348,500	158,780	728,820	6,929,660
1974	1,075,670	50,910	230,980	503,730	627,550	625,070	336,510	836,630	228,250	866,030	358,790	151,990	744,650	6,633,560
1975	848,650	48,110	226,960	507,610	609,680	619,460	396,610	815,790	243,860	924,940	388,490	140,080	805,570	6,676,710
1976	465,680	52,810	206,440	591,260	659,050	680,170	416,640	882,140	281,740	1,044,880	373,070	137,980	842,100	6,633,850
1977	164,490	60,060	215,870	680,170	719,540	721,130	425,940	910,050	305,770	1,117,010	367,350	126,960	864,630	6,668,960
1978	560,110	57,940	249,390	725,410	771,890	769,550	444,320	953,180	338,910	1,198,150	373,240	122,710	884,840	7,449,440
1979	381,600	53,670	283,900	674,350	789,060	806,190	466,050	944,890	339,730	1,232,160	373,040	114,040	890,370	7,349,050
1980	392,440	40,580	328,970	624,470	706,110	792,190	472,800	858,640	307,000	1,231,890	360,720	104,130	878,700	7,098,640
1981	446,400	44,020	406,460	544,690	670,390	793,030	462,020	827,610	291,580	1,251,130	357,200	104,790	876,160	7,075,480
1982	227,390	35,970	344,340	553,750	571,660	798,620	431,730	813,540	279,070	1,246,140	342,460	106,160	912,890	6,663,710
1983	136,320	62,700	273,840	537,890	609,900	768,010	411,820	835,630	299,030	1,284,580	345,340	107,680	939,440	6,601,080
1984	78,600	54,770	269,540	496,710	624,470	783,510	418,760	830,800	296,410	1,357,580	348,190	105,340	953,560	6,618,240
1985	7,930	45,060	242,580	469,480	592,810	740,410	392,910	793,840	290,890	1,398,620	352,130	104,370	967,250	6,388,280
1986	379,380	38,530	205,130	415,180	572,960	720,400	357,260	748,410	291,410	1,449,530	334,740	107,420	956,590	6,576,940
1987	437,200	52,010	202,440	359,970	556,950	691,480	348,450	730,370	332,630	1,491,380	345,220	111,200	940,730	6,600,030
1988	224,790	50,210	224,600	359,720	550,560	684,210	341,850	760,420	320,760	1,566,090	366,330	111,460	927,730	6,488,730
1989	528,760	49,700	229,900	362,630	564,610	659,950	355,280	777,680	281,240	1,631,420	360,960	119,350	906,540	6,828,020
1990	392,440	51,090	225,480	358,850	561,580	654,380	354,790	776,320	284,440	1,698,770	363,760	117,300	914,300	6,753,500

TABLE T.19

TOTAL INCOME

STATE OF MONTANA

1000's of 1987 Dollars

YEAR	TOTAL EARNINGS	CONTRIB. TO SOCIAL INS.	RESIDENCE ADJUSTMENT	DIVIDENDS, INT. & RENT	TRANSFER PAYMENTS	TOTAL INCOME	POPULATION	PER CAPITA INCOME
1967	4,508,060	209,110	(2,650)	962,070	568,510	5,826,880	700,800	8,315
1968	4,568,860	213,560	(2,770)	952,760	608,720	5,914,010	699,900	8,450
1969	5,171,780	240,390	(3,580)	900,900	692,580	6,521,290	694,300	9,393
1970	5,422,440	250,480	(3,040)	963,460	770,860	6,903,240	697,500	9,897
1971	5,451,020	263,410	(2,050)	942,850	854,590	6,983,000	711,000	9,821
1972	6,217,580	281,820	(1,160)	993,220	914,190	7,842,010	719,100	10,905
1973	6,929,650	332,290	270	1,129,220	1,000,000	8,726,860	726,900	12,006
1974	6,633,560	336,160	1,900	1,183,190	1,066,160	8,548,650	737,700	11,588
1975	6,575,710	336,620	330	1,192,800	1,195,090	8,627,310	749,500	11,511
1976	6,633,850	374,720	1,640	1,244,370	1,259,920	8,765,060	758,500	11,556
1977	6,668,960	392,910	2,720	1,353,400	1,301,010	8,933,180	771,400	11,580
1978	7,449,440	404,920	(1,740)	1,483,140	1,334,040	9,859,960	784,000	12,576
1979	7,349,050	395,320	1,640	1,603,120	1,376,380	9,934,870	789,100	12,590
1980	7,098,640	392,850	10,200	1,669,270	1,470,730	9,855,990	789,000	12,492
1981	7,075,480	417,470	15,260	1,876,590	1,548,040	10,097,900	795,310	12,697
1982	6,663,710	424,650	20,790	1,973,960	1,639,490	9,873,290	804,010	12,280
1983	6,601,080	424,500	20,710	1,962,570	1,703,040	9,862,900	814,120	12,115
1984	6,618,240	438,410	14,450	2,037,780	1,722,600	9,954,660	821,020	12,125
1985	6,388,280	451,970	14,300	2,048,950	1,763,570	9,763,130	822,550	11,869
1986	6,576,940	466,210	12,620	1,977,770	1,883,300	9,984,420	813,870	12,268
1987	6,600,030	451,930	10,890	1,935,380	1,889,160	9,983,530	805,220	12,399
1988	6,488,730	479,820	12,590	1,981,100	1,935,680	9,938,280	800,370	12,417
1989	6,828,020	503,680	12,690	2,355,140	1,947,100	10,639,370	799,640	13,305
1990	6,753,500	507,770	13,900	2,389,260	2,013,060	10,661,950	799,065	13,344

EXHIBIT 10
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TABLE T.20
EARNINGS PER EMPLOYEE
STATE OF MONTANA
1987 Dollars

YEAR	FARM	AFF	MINING	CONSTRCT	MFG	TCPU	WHOLE	RETAIL	FIRE	SERV	FED C	FED M	S&L GOV	AVERAGE
1967	14,270	8,143	24,036	22,332	21,298	23,478	22,704	12,970	16,971	12,160	21,167	11,271	14,048	15,933
1968	16,006	8,060	24,002	23,261	21,960	24,280	22,676	12,941	16,346	12,164	22,564	11,607	14,088	16,293
1969	19,274	12,978	24,682	26,290	22,466	26,829	24,234	14,028	16,030	13,814	23,687	11,099	14,911	17,829
1970	22,176	12,441	25,467	26,216	22,428	26,229	24,064	13,996	15,246	13,966	25,635	11,885	15,349	18,417
1971	18,234	13,117	26,046	26,225	22,928	27,278	24,157	14,130	16,408	13,801	26,647	12,143	15,695	18,093
1972	28,110	14,300	27,043	27,087	23,661	28,523	24,457	14,532	16,173	13,936	27,700	13,276	16,229	19,806
1973	39,442	16,663	28,160	26,327	24,002	29,021	24,817	14,741	14,969	13,986	28,566	13,617	16,644	21,192
1974	27,930	16,381	30,273	26,033	24,202	28,412	26,888	14,280	13,692	13,718	27,699	12,891	16,262	19,697
1975	24,062	14,803	34,027	26,671	24,693	28,167	25,369	14,202	14,236	14,164	28,692	12,485	16,885	19,397
1976	13,962	16,811	32,408	28,168	25,584	30,203	25,467	14,221	16,446	14,632	27,800	12,847	17,306	18,782
1977	4,868	17,266	32,511	29,067	26,318	30,765	25,189	14,016	16,498	14,856	27,745	12,472	17,359	18,218
1978	17,691	16,369	32,600	28,865	26,802	30,955	25,145	13,609	16,749	14,910	26,968	12,160	17,282	19,269
1979	11,204	14,908	33,878	28,121	27,200	30,684	25,124	13,397	15,086	15,052	26,646	11,649	17,366	18,658
1980	11,939	10,850	34,960	27,978	26,961	30,225	25,109	12,487	13,377	14,846	25,868	11,282	16,924	18,232
1981	13,341	11,230	34,156	25,815	26,805	30,005	24,126	11,913	12,282	14,836	26,188	12,905	17,139	18,078
1982	6,846	8,647	33,237	26,000	25,666	30,823	23,748	11,632	11,672	14,586	26,081	13,353	17,921	17,190
1983	3,967	13,369	32,445	23,448	25,202	30,864	22,994	11,766	12,136	14,464	26,443	12,597	18,273	16,740
1984	2,370	11,065	30,664	21,456	25,089	30,476	22,883	11,336	11,422	14,484	27,096	12,422	18,271	16,324
1985	246	9,291	31,835	21,174	24,466	29,036	22,542	10,957	11,039	14,397	27,361	12,514	18,396	15,839
1986	11,811	7,784	31,365	20,674	24,165	29,549	22,231	10,534	11,196	14,648	26,357	12,462	17,984	16,476
1987	13,527	9,685	29,814	19,628	23,730	28,981	22,040	10,202	12,988	14,491	26,233	12,411	17,830	16,460
1988	7,068	9,113	32,317	19,603	23,017	28,724	21,867	10,265	12,164	14,680	27,035	12,262	17,279	15,846
1989	17,035	9,119	32,843	18,799	22,675	27,626	21,611	10,154	10,947	14,792	26,194	12,650	16,683	16,326
1990	12,659	9,075	32,211	17,721	22,427	27,130	21,489	10,005	10,940	14,879	26,095	12,760	16,447	15,852

B. MONTANA'S HOUSING NEEDS

This section describes in greater detail Montana's housing needs, first by summarizing several in-need populations. The needs were, in a large part, identified by housing officials, constituency organizations, and housing lenders across Montana in telephone interviews conducted during October, 1992. Supporting data are included where available. This discussion augments research conducted during the FY 1992 CHAS development process. The findings are presented in summary fashion, then later explored in greater detail. The order in which this narrative is presented in not meant to imply any priority rating, as the degree of one need can be sharp in some areas of the State, with other needs being just as sever in other parts of the State.

IDENTIFICATION OF MONTANA'S IN-NEED POPULATIONS

Vacancy rates throughout the state have changed dramatically since the census. In Glendive, there were 300 vacant homes in 1990, now there are 30. The low vacancy rates in this area have occurred over the last 4-6 months. There has been a tremendous change in the statewide rental market in the past year. In Sidney, desire is high for single family homes, but because of purchase demand for homes, landlords won't guarantee to rent for a year. As houses open up, people upgrade from mobile homes and apartments. Sidney lost 75 homes from its rental market this year because people bought them. In Miles City, low rent units are rented immediately. Things have gotten tight since the end of Spring. Compared to other states, Montana's housing was usually fairly affordable. It was easier for people with limited income to find housing here than in some other places. This is no longer the case, especially in the State's more urbanized areas.

World affairs are also affecting Montana's housing needs. The break up of the Soviet Union resulted in five Russian refugee families in a Missoula shelter between April and August. They have very large families, 9 or 10 children, come with no sponsor, and can't find housing. There have been a number of Tibetan refugees too, but their sponsors planned well and rented a 3-story boarding house for the transition.

The tight housing market is now affecting student housing. A lot of college students stay in single room occupancy units. Vacancies are not advertised... it's all done by word of mouth, and vacancies are filled before they're even vacant. The crunch was so bad this year that students with apartments rented them through the summer to insure they would have them in the fall. Dorms were filled by July. Many students are still bunking in hallways and basements.

The Americans with Disabilities Act (ADA) may have far-reaching implications for nearly every aspect of housing. Needs, problems, and solutions all must viewed with an eye toward ADA compliance.

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Several populations need housing assistance; most of the most easily identified segments include low income people, the elderly, people with disabilities, Native Americans, families, young singles with children, moderate income people, the broad population, homeless/people in transition, minorities, first-time home buyers, singles, newly poor, refugees, pregnant women, and students. Four are discussed below.

Low income

Places like Melrose, Basin, and Boulder are up to 80% low income. On the south side of Glendive, one neighborhood is 98% low income. Low and moderate income people can't find anything to buy in Bozeman, Missoula, Kalispell, Billings, or Helena. They're simply priced out of the market because prices have increased so much. And, the housing that is available is too high-priced to qualify for the Board of Housing Program.

Elderly

The 18 county Glendive/Miles City area has the highest percentage of low income elderly per capita in the state. Granite County is almost 40% elderly. In Park County, there is a large population of elderly experiencing a housing shortage because of people moving in from Gallatin County. The elderly tend to own their own homes. Livingston historically is a retirement community. In Wolf Point, the typical assisted housing client is elderly, female, and owns her own home, but doesn't have the financial means or the physical ability to keep the house up. As physical ability deteriorates, people need safety railings on stairs, they need some alternative to high bath tubs, they need improved insulation to keep the house warm. Some seniors are paying 50% of their income just for utilities. Rehabilitation and upkeep affordability are the major problems.

Native Americans

Montana's seven Indian reservations operate their own Tribal Housing Authorities. Harlem, Havre, and Helena have significant populations of off-reservation Native Americans who need housing assistance. At least half of Montana's Native Americans are in economic trouble. Affordability is a problem for Native Americans. A physical structure called "housing" is not the total problem. Housing is just one piece of their economic difficulties and overriding social issues. The reservation system has forced a housing type on Native Americans that is not culturally sensitive and may not be appropriate to their wants and needs. Discrimination against Native Americans is a big issue in this area. Native Americans are turned down for rentals more than half the time. And, when rental property is owned by non-Native Americans, refusal to rehabilitate housing occupied by Native Americans can be, and frequently is interpreted as racial discrimination.

People with Disabilities

People with disability have a high association with poverty, and about 80% unemployment. 60% of people with disabilities are unemployed and in need of housing assistance. Even employed people with disabilities don't have much earning power. Males with disabilities earn 12% less than males without disabilities; females with disabilities earn 24% less than females without disabilities. People with disabilities live at subsistence level. Almost 100% need some kind of assisted housing. 100% of those who rely solely on SSI are in need. Without subsidies and assistance, housing is essentially unaffordable for this population. In Missoula, it would require at least 100% of their income. Assuming that a dwelling is available and accessible, it would require 50% or more of the person's income. Social Security and SSI combined is about $927 a month. That's not going to get much of a place to live. Even if they can afford to purchase a house, they can't afford to modify it to make it accessible. Of the population with disabilities, people with mental illness have the greatest need for housing. They are not being appropriately served, and a housing problem has been created because of deinstitutionalization. There is just nothing available for their specific needs. Another problem is determining the appropriate living arrangement for elderly people with developmental disabilities. The mentally ill and developmentally disabled also face discrimination when landlords have other tenants standing in line.

CLASSIFICATION OF MONTANA'S HOUSING NEEDS

Montana's housing needs fall into four broad categories: availability, affordability, accessibility, and suitability. Within these categories there is widespread need for construction, rehabilitation, expansion, financing, ownership opportunities, demolition, and coordination and continuity. Each are addressed below.

HOUSING AVAILABILITY

Lack of available housing is the major problem statewide. In many parts of the state, there is nothing available. Housing is extremely tight, and if it is available, it's substandard. Despite census numbers to the contrary, Montana's major cities are experiencing a dramatic population influx that is driving up the demand for housing.

In Kalispell, Missoula, Bozeman, Helena, and Billings, that influx is high-income out-of-staters. In those areas, there is essentially zero vacancy rate. People who can afford housing are willing to settle for less due to the lack of housing of any kind, and lower income residents lose their housing options. Many people are homeless because they can no longer afford housing in these area. The only housing being built is high-end. There's nothing being built in the low or middle ranges. The housing stock in Missoula has not grown, and has even shrunk because of changes in tax policy and increased enrollments at the University, which creates more competition for available housing. Great Falls is experiencing an influx of retail, tourism/hospitality, and medical service workers, earning minimum wage to a high of $6 or $7 per hour. Also, Malmstrom Air Force Base brought in 200 -300 jobs a couple years ago. And, there is a major ethanol production project pending.

HOUSING AFFORDABILITY

Affordability varies from region to region. Affordability is a bigger problem in the urban areas, while rural areas tend to experience more problems with quality. The tight market and general lack of housing stock have pushed prices up. Purchase prices and rents are sky-rocketing. There is a huge gap between markets and what people can afford. The crisis is acute in Missoula. This is a major problem for people looking for affordable housing. This in turn has slowed down the turn-over in existing subsidized housing. It's difficult to find any housing, particularly housing they can afford.

Section 8 landlords are increasing rents at annual review, citing prevailing market rates, taxes, and sewer increases. Since Section 8 annual rent increases are limited in amounts by HUD in the certificates program, and since Section 8 certificate participants cannot pay more than 30% of gross income for rent, and since voucher program participants can not afford the new rents, Section 8 landlords are simply leaving the program for a private rental market that has wider profit margins. A high-income group is moving in, and the division between rich and poor is widening. Salaries are going down in relation to the rate at which costs are going up, both in general and specifically as it relates to housing. Wages and assistance have decreased in comparison to cost of living. In Missoula whole segments of the population are desperate for affordable housing.

For example, in Missoula, new houses are $125,000 and up. Housing requires 50% - 90% of income, when it is available. General Assistance pays $230, and the lowest rent available, for just a room, is $250. Units on the south side of Billings have gone from $250/mo to $400/mo in the last year. In Kalispell, housing is affordable only for the rich, requiring at least 33% of net or 50% of gross income for average income person ($27,000).

In Livingston, up until the past year housing was basically affordable. Rent was $250 - $350 for a 3 bedroom house. There is a critical shortage now, and rents have more than doubled. Apartments are asking for more than $700. Housing is unaffordable for almost anyone who doesn't already have a house. Even though the per capita income at $14,000 is higher than the state average, housing is still unaffordable. In Havre, affordable housing is available, but it is not in good shape. A significant number of people are paying more than 30% of their income. It's difficult to find an apartment affordable for a family with an income of $10,000.

Housing affordability for Butte, Glendive, Miles City, Sidney, and Poplar is not bad. It has gone up a bit in Butte, but it's still affordable compared to the rest of the state. In Helena, there is some affordable housing available for sale (because of Eastgate in East Helena), but far from enough.

HOUSING ACCESSIBILITY

Under the Americans with Disabilities Act, housing accessibility has become a visible need across the state. Accessibility is a big problem unless it's a unit specifically built for people with disabilities. It's also difficult to modify existing apartments. ADA says when you leave the apartment you must restore it to it's original condition. Most people with disabilities can't afford to do this, and landlords don't want the hassle or cost of constant remodelling. Accessibility means not only ramps , roll in showers, etc., inside the home, but also transportation to services. Under that definition, accessibility becomes an issue not only for people with disabilities, but also for the elderly, and most low income people. In Miles City low income units are located outside the city. Transportation is a problem. There is no bus service for school children. Turnover is high because people move into town as soon as they can.

HOUSING SUITABILITY

Outside Montana's metropolitan areas, the major problem is dilapidated housing. Although many people live in their own homes, incomes aren't high enough to maintain homes. In Havre, the major problem for all groups is quality, affordable, decent housing. In Harlem almost all existing housing is in bad condition. In Park County, most available houses are in poor condition. Many are 100 years old, built on piles of sandstone for foundation, with old fashioned wiring, gas venting chimneys being used for wood stoves, poorly insulated, etc. In Miles City decent, safe housing for the elderly is a major concern.

Lack of return on investment is the major problem for landlords of housing that needs rehabilitation. Landlords don't want to lose their present tenants, and aren't willing to borrow money and incur debt when they can't afford to dislocate tenants or raise the rents to meet the debt service.

IDENTIFICATION OF MONTANA'S HOUSING NEEDS

CONSTRUCTION OF LOW-RENT UNITS

There is a large demand for additional low-rent units across the state. The demand is urgent in Montana's seven major cities, but there are shortages in most rural areas of the state as well.

Very low, low, and moderate income Montanans are competing with upper income newcomers for the same stock of rental units. The increasing demand has depleted the affordable rental units. In those regions of the state favored by wealthy newcomers many Montanans cannot afford year-round rental housing without subsidy. This is particularly true for the western region

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of the state. The market is driven by the lack of units, and people are priced out of what once was low cost units. The situation is deteriorating rapidly. For instance, in Missoula, where housing has always been tight, typically, vacancy rates would be about 10%. In 1990, before the boom, the vacancy rate was only 1%.

Gentrification, the process of upgrading formerly low cost housing to accommodate the wishes of middle and upper income people, and overall increasing demand for the existing rental stock, has contributed to the decreasing stock of affordable rental units in major cities. Vacancy rates are below 1% in Billings, Glendive, Great Falls, Helena, Kalispell, Missoula, Bozeman, and Park County. Their rents have increased more than 100% since 1988.

There has been almost no new rental construction in recent years, especially in major cities where Farmers Home Administration (FmHA) funds cannot be used (communities with populations in excess of 20,000). In many places, there are no lots on which to build more units. Areas zoned for multifamily are already built. Zoning changes would be needed. That's not as simple as it sounds because of the "not in my backyard" syndrome.

Public housing construction has decreased. There's not enough, so there are long waiting lists. Some of the funding was shifted to subsidized housing. When housing is tight a lot of landlords don't want to take Section 8 people if their housing is decent. Slum lords will take it because the government fixes it when the tenants move out. Landlords take advantage of it if they have bad housing. There are many places where toilets don't work, there's inadequate or no heat or hot water.

All regions except Sidney have waiting lists for all sizes of publicly-assisted units. The waiting lists for rental units indicate that the greatest need is for two bedroom units. This is of particular concern in Billings, Bozeman, Great Falls, Helena, Kalispell, and Missoula. Families requiring larger units (3 or more bedrooms) are waiting longer for fewer units. While the waiting lists for larger units are not so long, the turnover rate is low, and large families remain on waiting lists for years.

The Great Falls Housing Authority has 362 people on the waiting list. There are 1,365 people on the housing waiting lists in Cascade County, an increase of 348 or 25% over two years ago; there are 711 properties on the multiple listing service in the County, a decrease of 281 or 28% from two years ago. There are over 1,000 families on the Section 8 waiting list, 500 more than a year ago. Havre has a waiting list of 297 people or families. In Missoula, the Section 8 waiting list is 900 families; public housing waiting list is 1200; these people are now paying more than 50% of their income for housing. This means a one to five year wait. Even the Section 8 preferences don't mean anything. There's just no vacancy. There is a waiting list of 200 families in the 6 districts under Fort Peck Tribal Housing (most of northeast MT). In the service area outside of Billings there are 325 on the Section 8 waiting list. In Billings there are 1200 on the Section 8 waiting list and 1,000 on public housing waiting list, which constitutes a 4-5 year wait. Helena has a waiting list of 975. Section 8 is taking up to 2 years to get off the waiting list. Public Housing, about 9 months. In the meantime, people are doubling or tripling up with other families, living in tents, etc. The Livingston HRDC assistance waiting lists are 130 - 160. Fort Peck has a waiting list of 200 families for low-rent units. Sidney is probably unique in Montana in that we have no waiting list for assisted housing, and we have 5 available units.

Subsidized or unsubsidized, low cost rental units simply are not available in the areas where they are in the most demand.

CONSTRUCTION OF SINGLE FAMILY UNITS

In much of urban Montana, there aren't enough affordable single family units to meet the demand or need. The influx of affluent newcomers has driven home prices up in Billings, Bozeman, Helena, Missoula, and Kalispell. Home ownership in those communities is becoming a luxury. In these places, there are homes priced over $100,000. Homes priced $60,000 to $100,000 are very difficult to find, and under $60,000 practically non existent. In Great Falls houses are not available at any price. Neighborhood Housing Services was able to finance construction of five new houses on a lot where they removed eight that had fallen down. There were 36 families on the waiting list before the project was publicly announced. The houses are running $60,000 to $61,500, but subsidies will buy them down to around $40,000. In Kalispell, so-called starter homes are out of the grasp of most people...$75,000 and up. There are long waiting lists to get into houses. Families are moving in to take jobs, but there is no housing available. In Missoula, three so-called low-income homes were built this year, starting at $47,000 for a 2 bedroom. Habitat for Humanity is building its third house there.

Even parts of northern and eastern Montana are experiencing housing shortages. Chester has some single family homes available, but they tend to be old and in terrible condition. Some hospital employees are living up to 50 miles away. Glendive has lots of houses, but the vacancy rate is very low. There are 30 homes for sale and almost no homes for rent. Realtors there say less than 100 homes is a tight market. In Miles City, realtors are calling homeowners every week asking if they want to sell. There is a demand for the more expensive homes. There's a broad spectrum in town, but low-cost homes are in dangerous neighborhoods. Rents haven't escalated yet, but with the market tightening, they soon will. In Sidney, the market is tight for single family homes and prices are going up.

The picture is somewhat brighter in Billings and Butte. In Billings, there has been a 34% reduction in stock for sale. There are some homes being built now in most price ranges, but not enough to keep up with the need. There are homes available to rent and buy in Butte, but there is a gap in moderate priced homes, $50,000 - $60,000.

Interviewees identified a need for low and moderately priced single family units of up to four bedroom. To construct them cost effectively, Montana should consider alternative housing that takes up less space and less land.

REHABILITATION OF EXISTING LOW-RENT UNITS

In the present building price market, there's no incentive to build low income units, so there's a general lack of new units and a deterioration of existing stock. Many people are living in substandard units or units in violation of law...basement apartments that violate fire codes, etc. The issue is becoming larger than shelter, it's becoming human safety. People will go to any lengths, even self-endangerment, for shelter.

Many of Montana's non-subsidized low-rent units are in substandard condition. This is especially true for rural areas where rental markets are less dynamic and rehabilitation financing is difficult to obtain. Most low-rent units and single family units were built before 1940 and need major renovation like wiring and heating. Many of the units on the Fort Peck Reservation are substandard. They have used comprehensive housing assistance money to bring some up to standard, but many more need rehabilitation. Many units carry high utility costs for tenants. Electric heating systems can cost tenants an additional $200 to $300 per month in the winter months.

REHABILITATION OF EXISTING SINGLE FAMILY UNITS

In rural areas of Montana especially, older single family units continue to deteriorate. Landlords are reluctant to go into debt to rehabilitate units when there's no way to recover that additional debt. And, homeowners in rural areas often don't have enough income or education to maintain their homes properly. A lot of rental properties get stuck...somebody dies, somebody else inherits, or abandons the property. Nobody is interested in doing anything with it, and it deteriorates and becomes an eyesore and a danger.

The rural area around Butte has many homes in generally poor condition. Livingston has some of the oldest homes in Montana. In the old quarter of the city, 95% are more than 60 years old. They don't meet modern zoning...they're crowded together right up next to the sidewalk. In one third of the town, 77% of homes are substandard. In general, 80% of the stock is pre-1950; 56% is pre-1939. Rural areas and small communities just don't have the resources to put together and operate an effective rehabilitation program.

According to the 1980 Census, 30% of the housing stock was constructed prior to 1940. While age is not necessarily an indicator of substandard condition, the State of Montana Building Codes Bureau maintains that homes constructed prior to 1940 are more likely to be susceptible to deterioration of the foundation, to exhibit inadequate roof support, and to experience drainage problems. In addition, many single family home owners experience higher energy costs because their homes are not properly weatherized. When families do try to purchase these homes, they find that the homes do not qualify for federally insured mortgages because of their deteriorated condition.

Montana needs to rehabilitate rental properties and keep rents affordable. This will protect the housing stock and the tax base. Havre used CDBG Housing Rehabilitation money and Section 8 rehabilitation funds for 30 units. They asked the banks to subsidize up to fair market value, then went to landlords with a subsidized rental contract.

AFFORDABLE HOME OWNERSHIP OPPORTUNITIES

Home ownership gives people pride, a sense of community, equity for the future, and a stake in maintenance. But, where there is no affordable housing stock available to purchase, home ownership opportunity programs can have little impact. Most urban Montana communities are experiencing severe shortages of affordable single family homes. As in the case of rental housing, low and moderate income home buyers must compete with middle and upper income home buyers for a relatively fixed number of units. In areas with high demand for more homes, there has been little new construction in recent years. Where new construction is taking place, particularly in Bozeman, Kalispell, and Missoula, most new units are for upper income buyers ($100,000+).

Where it might be a natural evolution for individuals and families to move from rental units into single family homes, it is not always possible. Even in those cases where the monthly mortgage payment would be significantly lower than rental costs in a non-subsidized unit potential buyers often lack the funds for a down payment and other closing costs. Likewise, qualified buyers -- those who have the incomes to support home ownership -- sometimes have difficulty finding qualified houses (e.g., those that meet FHA and VA guidelines).

Billings is using HOPE III funds (out of HUD) to buy five homes that have been repossessed and work with employed families who are potentially capable of ownership. The banks provide a 2% reduction in their interest rate to help. The program provides $1,000 down for 80 hours of work on the home. The family buys it, the bank finances it, and the program gets its money back. The only drawback is that repossessed homes are also becoming more unavailable.

REPAIR AND MAINTENANCE ASSISTANCE

Elderly Montanans on fixed incomes, people with disabilities, and people with chronic illness often are unable to maintain their homes. They lack the financial or physical resources for normal repair and maintenance. As home owners become less able to maintain their homes, the condition worsens. These Montanans would often prefer to remain in their own homes and receive rehabilitation and maintenance assistance than move into low-rent units, assisted care facilities, or with other members of their families.

In Decent and Affordable Housing for All, a 1986 publication of the National Governor's Association, the authors note that:

"...a higher proportion of older homes are subject to deterioration. For the poorest and oldest rural residents, the housing options available to them are narrow and often substandard."

Elderly Montanans constitute the largest single group of single family home owners. More than half (58%) of Montana's elderly population own homes. According to a recent study by the Governor's office on Aging, 61% have lived in their homes at least 20 years. According to the 1990 census, 62% of Montanans over age 60 live in rural areas, with the highest concentration in eastern Montana.

There is a cost savings connected to lengthening the period of elderly independence. The biggest problem for the elderly is affordability of existing housing. The costs of upkeep and utilities keep rising, and they're all on fixed incomes. Even if their homes are paid for, the simple costs of maintaining are a problem.

ASSISTANCE FOR MANUFACTURED HOME AND MOBILE HOME OWNERS

For many Montanans, mobile homes represent the only affordable housing alternative. As stated in the 'Market and Inventory' section, there are more than 50,000 mobile homes in the state, and officials estimate that between 1 in 5 and 1 in 7 Montanans live in mobile homes. There is a strong demand for mobile homes. It's a carry over of the desire for a single family home. This past decade in Missoula, 79% in the increase of housing stock was mobile homes. Lending institutions are seeing a rise in applications for mobile home financing since there is nothing else available. Financing applications have shifted from $40,000 homes (of which there are none) to $20,000 mobile homes plus $10,000 for land plus wells and septic systems.

Mobiles may be affordable on a square footage basis, but quality standards aren't comparable. Mobile homes are not subject to the same building code review as permanently constructed homes. There are concerns about weatherization, structural standards, and ADA compliance. Mobile and manufactured housing is receiving scrutiny. As a result, it could be priced out of the market. Although the homes themselves are affordable, many people don't have and can't get the money to include lot costs in their loans.

Mobile homes are prevalent in Bozeman, Havre, and Livingston. They provide a low-end price option for shelter, so they are popular with MSU students. In some places in Havre, mobile homes constitute 30% of a community. Individual sites for mobile homes are plentiful, especially in and around Havre. Existing mobile homes courts are pretty full. There aren't many in Chinook or Chester.

There is only one mobile home area in Livingston designated by zoning. There are many lots available on the East and north side. Most mobile homes are on 20 acre parcels with septic systems. Taxes are low, and the homes are in good shape. There is one mobile home park filled with pre-hud standard trailers. One fifth of the city allows mobile homes on individual lots. 90% are old trailers. Much of the area where mobile homes are allowed is in the flood plain, so it must first be surveyed, then elevated 2 feet above flood level. That's a lot of additional cost for surveying and landscaping.

Mobile homes are about the only thing available in Helena, where living in a mobile home generally means living in the valley, up to ten miles from town. Transportation becomes a problem as does the high cost of utilities. Sites are also tight in Missoula. About 80% of mobile home lots are in rural areas (so transportation is a problem). If they're available, they're usually in poor condition. Because of the housing squeeze, demand is high, and so are prices. They're not necessarily an affordable alternative. A four bedroom double wide runs about $725; a 2 bedroom single wide, $450.

While mobile home lots are becoming hard to find in these places, they are non-existent in Great Falls, Billings, Park County, Gallatin County, and Kalispell. And, although mobile homes are allowed on the Fort Peck Indian Reservation, they're restricted to smaller lots, and are not a culturally-preferred kind of housing.

Mobile home accessibility is a problem because of size limitations. They are hard for wheelchair users, unless they're custom made. Title III of ADA seems to place new construction standards on mobile home manufacturers as well as all new construction. Nationwide, about 12% of physically disabled adults live in mobile homes. They do provide an ownership option. The Rural Institute on Disabilities is working on a research project in cooperation with the North Carolina Center for Accessible Housing to design accessible manufactured homes.

Mobile homes are subject to local zoning regulations. This has been a difficult issue, subject to litigation (Martz v. Butte-Silver Bow Government, 1982). The Supreme Court held, in this case, that a zoning ordinance, under which only 6.7% of the zoned land area of 5.1% of the vacant land within the zoned area is available for the location of mobile homes, raises a constitutional issue regarding exclusion.

The issue of exclusion relates to the fact that communities must make sure there are adequate areas for mobile home parks and single family zones that allow mobile homes. In other words, a local zoning ordinance regarding mobile homes does not become exclusionary until the end result is that people have no other place to go in their community for affordable housing.

Local governments need to review their land use policies to determine whether they are exclusionary with respect to affordable housing. Local governments similarly should provide reasonable and desirable areas for mobile homes and other manufactured housing within their communities. Whether intended or not, zoning codes discriminate against mobile homes.

The relationship between mobile home courts and mobile home owners is not regulated

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in Montana. Therefore, the condition of the courts and the contents of lease arrangements may contribute to condition related problems. For example, leases often do not include proper eviction procedures and the responsibilities of court owners regarding upkeep and maintenance. Montana People's Action is working on co-op mobile home parks where people could have ownership in the court, an investment and some pride in their neighborhood. They couldn't be asked to move out with no notice. There's a petition now to protect tenants from eviction with no notice.

There is a desperate need for the affordable option mobiles provide. But, it's politically difficult to install courts because of neighborhood attitudes. They deplete property value, increase traffic, place too much demand on sewer and water, and constitute a health threat with their septic systems and wells. Mobile homes are still viewed as third class housing. There is discrimination in zoning. People admit a need for the housing options mobile homes provide, but they don't want them in their backyards. Poor management of courts and lots will keep them stigmatized, as they are in Butte, where there are not many nice trailer courts. In Butte, trailers tend to be mixed in residential areas, grandfathered in under zoning. As a rule they're dumpy. They perpetuate the low-class stigma. There are no yards or trees. And there hasn't been an effort to improve them. If they were more visually pleasing, there would be less stigma. If the parks are designed properly they would be acceptable to the community.

The 4 mobile home courts in Glendive are in decline. People moved out of trailers into houses or just left the trailers after the oil bust. There are lots of vacant lots. The banks didn't want the trailers and dumped them for peanuts. People bought the trailers and moved them to Fort Peck Reservoir for vacation cabins. There are half as many trailers there as ten years ago. Mobile homes are also leaving Sidney. There were about 500 of them there during the oil boom. Then people moved away and left them for repossession. Now people are moving them to Arizona as retirement homes; and dealers from the Kalispell area are buying them for resale. There are fewer than 100 left. Mobile homes are not a competitive housing choice in Sidney. People want out of them... they're not energy efficient, and lot rent is not cheap. The total for the mobile home plus lot rent is about equal to the cost of renting a house.

ASSISTANCE FOR SINGLE PARENT FAMILIES
AND
FAMILIES WITH SUPPORTIVE NEEDS

There is a growing number of single head of household families, the majority headed by women. More particularly, 35,139 families with children or 17% of all family households in the state, are headed by one parent. Of those, 75.6% are headed by single women and 24.4% by men. These families are having difficulty finding affordable units that provide supportive services. Many families on waiting lists were families headed by one parent.

In the major cities, some PHA managers have noted that many of the families they serve need counseling, day-care, chemical dependency programs, and employment assistance.

LOW-RENT CONGREGATE CARE FACILITIES FOR ELDERLY MONTANANS

Congregate facilities foster independent living while providing limited shared services such as meals, recreation facilities and on-call medical services. The congregate care approach recognizes the elderly housing issues cannot be dealt with in isolation. For those elderly who do not wish to live in a nursing home but do require some assistance, congregate care facilities offer an attractive alternative.

This is no longer a compelling need in most parts of the state to construct more units. There is, rather, a need to continue to fund existing congregate care and provide more comprehensive range of housing/care options for the elderly. The need for additional congregate care is specific to Butte, Glendive area, Wibaux, Great Falls, Havre, Kalispell, and Wolf Point. Great Falls will need more units in the future. The population is aging, and people want to stay there. In Kalispell, developers are keen on building them wherever they can put them. And, the community welcomes them. The elderly are generally good neighbors.

HOUSING FOR DISABLED PEOPLE/PEOPLE REQUIRING SUPPORTIVE SERVICES

As housing has become more scarce and less affordable, people with disabilities join the many others on waiting lists for lower cost rental units and other subsidized units. In addition, handicapped accessible units that are not subsidized are usually more expensive because of the increased square footage required for wheel chair accessibility and other modifications.

The primary concern for handicapped people is accessibility. Many of the units in the state were constructed without adequate accessibility. Many disabled people requiring handicapped accessibility would prefer to remain in existing homes or apartments. Often these units require renovation for access.

This is a compelling need statewide. In Great Falls, there is a need, especially for the mobility impaired. The Mobility Impaired Task Force has been trying for two years to get funding to build 24 units. Young adults with disabilities tend to live at home. There doesn't seem to be any money to build or remodel for accessibility, and facilities are extremely expensive to build. There does seem to money for group homes for people with developmental disabilities. This kind of housing is extremely limited in Helena. It's a really BIG problem, especially for the emotionally handicapped. The elderly and the handicapped are lumped together under HUD. This causes problems because the younger, emotionally handicapped prefer a younger life style that annoys the elderly, and the elderly tend to be frightened by unpredictable behavior from the emotionally handicapped. The elderly ostracize everybody else, then everyone is unhappy. The catch 22 in separating the programs will be that it will make it harder for the emotionally handicapped to find housing.

Title III of Americans with Disabilities Act requires "reasonable accommodations". There could be problems with interpretation of what services are needed, expected, and legally required according to the tenants. This consideration could dissuade landlords or developers from accepting people with disabilities.

HOUSING FOR HOMELESS PEOPLE

Until recently the situation here has been "out of sight, out of mind". The perception generally is that Montana doesn't have much of a problem. The problem may not be as extensive as in Portland or Seattle, but we don't have adequate resources to deal with all the different kinds of homelessness we are facing. The problem is most severe inn the urban areas. In the urban areas there are more and more homeless families rather than just transients. They simply have no place to go. And, at certain times, at certain university campuses, students are a major part of the homeless population. Many of the homeless are de-institutionalized mentally ill and handicapped people released with no thought to housing or aftercare. Unable to find appropriate and affordable housing, they are ultimately reinstitutionalized or join the ranks of the homeless.

While the precise numbers of homeless people in Montana is not known, housing officials note that families in some locales are being housed for short periods in hotels. In other cases, families are divided and placed in shelters designed for single men and women. Most facilities do not provide shelter for more than 30 days, which is not long enough to find permanent housing given the shortage in rental units in most regions of the state. Short-term housing and emergency services for the transient homeless is not as big a problem as long-term housing for homeless families.

Although the other major cities have a problem, Great Falls doesn't really have a homeless problem yet. Both the Salvation Army and the Rescue Mission have space, although families are segregated by sex. With the tight housing market, it may become a problem soon. People are doubling up with other people, so they're out of sight. Native American tradition is to take care of friends and family, so families share their space with others in need.

HOUSING FOR PEOPLE WITH THE AIDS VIRUS

Montana has had 107 documented cases of AIDS. While there has been no study of the specific housing needs of persons with HIV related diseases, some of the victims have also been physically disabled by the disease and require handicapped accessible units with supportive services. Some AIDS patients have also been subject to housing discrimination. It's illegal for subsidized programs to deny housing to people with AIDS.

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C. MONTANA'S HOUSING PROBLEMS

The problems faced by Montana's communities are as diverse and widespread as the geography. A combination of an influx of people and an economy undergoing structural change has had a dire effect on Montana's housing situation. Since the 1990 Census was taken, the cost of housing has risen dramatically and available, affordable housing for the very low income, low income, and moderate income population has become virtually nonexistent in many areas of the State. On the other hand, existing vacant housing lacks maintenance, causing an overall decline in the quality of housing in other parts of the State. No single approach to solving the housing problems will fit Statewide; just as there does not exist any single number One housing priority for the whole State. The problems are severe and can be summarized as:

A shortage of rental units, especially lower rent units
Subsidized housing is insufficient in face of high demand
A shortage of available housing for all but the wealthy
Opportunities for home ownership are limited
Existing stock of homes is deteriorating
Assistance programs are complex, difficult to understand, and under funded
State appears to have inadequate resources to meet needs for supportive housing
Lack of coordination of housing activities and documentation of housing need
Homelessness

PROBLEM A
OVERALL SHORTAGE OF AVAILABLE HOUSING STOCK
DESCRIPTION

There is a lack of housing in Montana for all but the wealthy. The problems are especially severe for the low and moderate income population. From the long-term poor to the newly-poor, the elderly, disabled, families, young singles, all face a lack of availability of affordable housing and shelter. The biggest increase in need, however, appears to be low to moderate income families. The number of homeless, newly-poor families has risen greatly, just in the last year, while available, affordable housing has decreased Statewide. This increase in demand has been met with little, if any, corresponding increase in housing stock anywhere in the state. The latter condition does not appear to be disappearing.

Vacancy rates statewide average from 3% in some of the rural areas to 0% in the urban areas with long waiting lists. Because of the shortage of all types of housing, landlords are able to rent their units for much higher prices. For example, in the Billings south side area rentals priced at $250 a year ago now rent for up to $400 and people are standing in line for them. The increase in demand caused by people moving into Montana from out of state appears to have priced the low income population out of even minimum standard shelter. Deinstitutionalization of mentally handicapped people, an increasing number of elderly people who can no longer maintain their own homes, and low income people being displaced by those who can afford to pay higher rents are all contributing to the problem as well.

During the survey of housing officials statewide, it was expressed that there is little incentive for developers to build the kinds of housing needed to ease the housing problem in Montana. There appears to be little or no return on investment for builders and there appears to be a lack of appropriate zoning for multi-family dwellings. There is also a shortage of land subdivided and ready to build upon. There is a severe lack of mobile home spaces. The lack of statewide subdivision regulations is also an issue. Subdivisions tend to get created through "occasional sale" transactions, bypassing subdivision laws, thereby frustrating comprehensive planning efforts and creating infrastructure problems for the counties.

POTENTIAL SOLUTIONS

New construction must be initiated. Multi-family dwellings and additional public housing are necessary. Rehabilitation programs to keep existing stock from deteriorating and maintenance programs to help the elderly remain in their homes are needed. In some locations there are local facilities that could be turned into transitional emergency shelters if there was funding available to rehabilitate existing structures not currently being used. State-funded housing programs should be expanded to help build housing and provide state matches for federal programs. Land bank legislation should be considered as well as statewide subdivision regulations. Zoning restrictions should be examined. Lenders, local housing authorities, and service organizations should work together to develop cohesive packages to compete for Affordable Housing Program monies. Incentives to builders should be initiated and extended as much as possible. Programs such as the Low Income Housing Tax Credit Program and the Multifamily Bond Program should be utilized to their fullest extent and, if possible, expanded.

PROBLEM B
MONTANA HAS A SHORTAGE OF ASSISTED RENTAL HOUSING UNITS

PROBLEM DESCRIPTION

Public Housing Authorities (PHA) in Montana have not been able to keep up with the demand for affordable rental housing for lower income persons. Waiting lists in the major cities are extremely long, especially for families. In Billings there are more than 1200 people on the HUD Section 8 waiting list and 1,000 on the public housing waiting list (which constitutes a 4-5 year wait). This, of course, adds greatly to an increasing demand for emergency shelters for the homeless, especially for families.

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The HUD Section 8 program provides far fewer units than are required. In the July 1992 regional competition for rental certificates and vouchers, no rental certificates or vouchers were allocated to any PHA in Montana. Every Administrator of Section 8 subsidies in the state reports waiting lists for families.

Housing officials also noted that Section 8 vouchers are issued to the tenants themselves, independent of a particular unit. The potential exists for those holding vouchers to take them with them when they leave the community. Housing officials are not issued new vouchers, and as a result, the community is less able to address low-rent housing needs. This problem is especially difficult for rural areas where people are leaving in greater numbers to find employment in larger communities. The Bear Paw Development Corporation in northern Montana noted that when tenants can take their vouchers with them, Section 8 program managers are unable to provide assurances of occupancy to developers who need to borrow funds in order to rehabilitate their units.

POTENTIAL SOLUTIONS

It is clear that more affordable units of multifamily rental housing must be created. The lack of available, affordable rental housing is at a crisis level in many parts of the state. Rental housing programs must be directed toward the development of new units through new construction and substantial rehabilitation of existing units.

Since the Section 8 voucher system does not guarantee that the assistance will stay within a community, since families take vouchers with them when they move, periodic review of voucher distribution by HUD and the State of Montana would help determine if additional vouchers should be issued.

Where possible, program access and administration should be simplified. Educational programs which assist lenders, program managers, and renters in understanding how they may access federal and state programs are critical. Efforts should be made wherever possible to reduce the time for approval and to simplify complicated program applications. For example,in Billings, the local government has employed an "expediter" who assists developers in meeting all local requirements including building permits, zoning restrictions, and system fees (water, sewer, utilities, etc.). Other communities may benefit from this type of approach to development. Too, non-profit organizations can provide a great deal of impetus for implementing housing policy. They can assist renters' organizations and housing officials in developing more multifamily housing for their communities. This can be accomplished through housing advocacy programs, educational efforts, overall organization and outright sponsorship of low income multifamily housing construction in some cases.

Multifamily housing needs should be an integral part of the local community master planning process to assure that there is enough land which is properly zoned for low-rent units.

It has also been suggested that zoning restrictions on numbers of multifamily units constructed per project include provisions for density bonuses. Density bonuses can, for example, permit an increased number of units per multifamily project, if those units are rented to lower income families.

PROBLEM C
MONTANA HAS A SHORTAGE OF AVAILABLE CAPITAL TO BUILD AN ADEQUATE NUMBER OF AFFORDABLE HOUSING UNITS

PROBLEM DESCRIPTION

There has been little new construction or rehabilitation of existing housing units in recent years. HUD noted in its june, 1991 report entitled A HUD Perspective of Montana:

> "There is little new development of apartments in the state. Refinancing of existing projects is also slow because of low market valued and constrictive underwriting requirements for available programs. Importation of capital into Montana via conventional sources is scarce. Local lenders why away from lending on government projects because of their size and the lenders' lack of knowledge about HUD programs."

Further, the 1986 Federal Tax Reform Act eliminated a number of investment incentives including the provisions effecting capital gains exclusions, accelerated depreciation and passive income issues. For example, the investment tax credit for the rehabilitation of older buildings for income purposes including multifamily housing has been severely impacted. The Montana State Historic Preservation Office, which manages the program, notes that the number of projects has diminished sharply since 1986.

Often real estate development financing is derived through the use of limited partnerships. The investment incentives for limited partnerships were all but eliminated through provisions in the 1986 Act. This has resulted in the development of fewer multifamily units aimed at benefiting lower income Montanans.

According to the Montana Building Industry Association, the loss of federal tax incentives associated with multifamily construction in 1986 is now resulting in a serious rental housing shortage in a number of Montana jurisdictions.

Some areas of the state cited higher "outside" costs as a contributing factor to the lack of development of multifamily units. These include service hook-ups and compliance with various local land use regulations. However, all agreed that the overriding issue has been the loss of important federal incentives which guarantee an adequate rate of return for the development of multifamily housing.

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In many areas, especially those where there is a high demand for all types of rental housing (college communities, tourism communities, and communities which offer regional medical and social services), housing officials noted that fair market rents under the Section 8 program were too low to be of interest to private developers.

POTENTIAL SOLUTIONS

Financial resources must be committed to the development of affordable housing units, and private developers must be guaranteed an adequate return on their investment. Federal and state programs which facilitate this process should be retained and expanded.

Where possible, HUD fair market rents (FMR's) should be analyzed by HUD in relationship to the actual market. Where FMR's are ;below the non-subsidized rents being charged in a community, adjustments should be made so that property managers are willing to continue to provide low-rent units.

Currently, allocations for the rehabilitations of affordable rental housing from the CDBG program are limited by fund availability. The state of Montana sets aside a percentage of each year's CDBG funds for economic development. Remaining dollars are allocated between housing and public works projects. Increased funding from HUD for CDBG activities aimed at providing affordable housing through rehabilitation should be encouraged.

The success of the Section 8 Program will continue to depend on the willingness of private developers to provide more units. However, those developers will be more likely to provide units if they are guaranteed the availability of subsidies through Section 8. Montana housing officials stress the need for more project based assistance rather than tenant based to assure ongoing financial solvency for project managers.

The continued use of the low income tax credit for the development of low income multifamily housing is encouraged. Extension of this incentive by the U.S. Congress is extremely important to the development of affordable units.

PROBLEM D
LOW AND MODERATE INCOME HOUSEHOLDS ARE UNABLE TO BUY HOMES

PROBLEM DESCRIPTION

Many low income families currently living in rental housing would like to move into a home. Often, the monthly mortgage payment would be significantly lower than rental costs in a non-subsidized unit. However, many people lack the funds for a down payment and other closing costs. Further, in order to qualify for participation in various programs (Montana Board of Housing, FHA, VA) the house itself must be qualified. Often, buyers simply cannot find a qualified house which they can afford.

Today, most new construction is of higher priced homes. Low and moderate income people also are priced out of the market because of these housing cost pressures; and, much of the housing that is available to be bought is too high-priced to qualify for the Board of Housing Programs. For example, in the Helena area, there tends to be plenty of housing priced over $120,000, some housing available in the $45,000-$80,000 range, but nothing priced below $45,000. Low and moderate income people are increasingly unable to accumulate the money required for down payments and closing costs even if they are able to afford the monthly payments, as rents appearing to be shooting higher.

POTENTIAL SOLUTIONS

The newly established HOPE and HOME programs will provide new sources of funds to assist first time home buyers in securing affordable housing.

The HUD 203(k) program, which assists home buyers in making repairs to homes in order to qualify for mortgage assistance, should be more widely utilized. The loan limitations contained in the program should be reviewed to reflect inflationary effects on the cost of renovation and compliance work.

Additional research into alternative building materials to decrease the cost of housing for families should be supported. Minimum requirements for room size in single family dwellings might be altered in order to decrease the cost of housing.

Neighborhood Housing Services in Great Falls noted that families on Social Security Income were unable to save for a down payment on the purchase of a house because of certain regulations which dictate the size of a savings account in relationship to the amount of monthly SSI payments received. HUD and the Social Security Administration may wish to review policies which may result in dis-incentives to homeownership.

The Montana Board of Housing may want to review its home purchase cost requirements, specifically the $45,000 purchase price maximum allowed for down payment assistance, in light of increasing housing costs statewide.

Government loan programs should be examined and restructured to make them more flexible. For example, to be eligible for assisted financing one currently has to be a first-time homebuyer. That should be expanded to include people who may have owned in the past but no longer do for whatever reason. Also, FHA has doubled their loan insurance charge, making the cost of using the FHA Program dramatically higher. Program regulations and restrictions should be flexible enough to allow for co-ownership opportunities. The Affordable Housing Program is a step in the right direction. However, because it is a competitive program that forces communities in Montana to compete with metropolitan areas like Seattle, it does not provide much help to Montana. The metropolitan areas have the expertise and organizations to develop proposals far beyond the capability of most Montana communities.

Educational programs which help lenders, developers, and program managers better understand what is available and how to access it are critical. HOPE III monies should be made available for new homes in addition to repossessed homes.

PROBLEM E
MONTANANS HAVE LIMITED RESOURCES TO FINANCE HOUSING MAINTENANCE AND IMPROVEMENTS

PROBLEM DESCRIPTION

Funding is limited for improvements to homes and rental units, especially for elderly persons, persons who require special modifications for handicapped access, for those experiencing high energy costs, and for those homes which are in violation of building codes.

There is major deterioration of existing stock. Section 8 housing and rentable unit condition in Montana is depicted as poor in most areas, with many people living in substandard units or units in violation of the law - basement apartments that violate fire codes, etc. The issue is becoming larger than shelter, it's becoming human safety. Most rentable housing was constructed in the 30's and 40's and is in need of maintenance, rehabilitation and renovation. In many of the urban areas, poor conditions in mobile home parks also exist. Accessibility for the mobility disabled is a problem and maintenance assistance for the elderly is needed.

In addition to deterioration of the housing itself, there are major problems with infrastructure in many areas of the state. Sidewalks, water and sewer systems and roads are in need of repair and upgrading.

POTENTIAL SOLUTIONS

Public education programs need to be established. Many low income people do not know how to care for their homes and need to be taught to recognize seemingly small problems that need attention and how to do simple things themselves. There is also a general lack of knowledge about the availability of programs such as Reverse Annuity Mortgage. Volunteer programs should be established. A grassroots effort to help educate and to assist with rehabilitation and maintenance could be most helpful. Long-term housing rehabilitation loan funds should be made available and Community Development Block Grants should be flexible enough to allow application for rehabilitation money.

The State must identify programs which can assist elderly persons who wish to stay in their own homes. These might include special community projects which employ persons to make needed repairs. CDBG funds may be used to leverage private dollars to establish revolving loan/grant funds. Under such a program public and private dollars could also be made available to senior home owners to make repairs. As with the Reverse Annuity Program, the loan would be repaid when the house was sold.

Accessibility is a critical issue for many disabled persons. Accessible housing must be developed for disabled persons which takes into account their needs for accessibility. The development of capital resources is required to assist home owners and rental unit managers in the rehabilitation of existing units to provide accessibility. Both remedial and compensatory projects which accommodate the accessibility costs for property managers, landlords, and home owners with disabilities are critically needed. Further, disabled renters need more assistance in rental deposits so that once units are available, initial occupancy costs are not prohibitive.

A statewide data base which identifies all handicapped accessible living units in the state would be extremely helpful to disabled person, housing managers and other housing advocates. Housing discrimination continues to be a significant obstacle for people with disabilities. It has been suggested that programs which test for discrimination be expanded and that housing development projects be monitored for compliance with federal statutes regarding the number of accessible units.

Given the high cost of space heating in Montana, it has been suggested that greater emphasis be placed on the energy efficiency of rental units to assure lower utility costs to tenants. Multifamily projects which use innovative heating and cooling systems which emphasize conservation should be given preference.

Finally, given the age of Montana's housing stock, programs which emphasize the alleviation of code related problems should be encouraged.

PROBLEM F
ASSISTANCE PROGRAMS COMPLEX AND UNDER FUNDED

PROBLEM DESCRIPTION

There is simply not enough money available to adequately cover the needs of Montana's low income population. Although existing programs are generally good, all are under funded. Paperwork and documentation requirements are complex and stringent and personnel limited. The extent of increased need and lack of resources makes field administration difficult at best and the complexity and volume of the paperwork is beyond the capability of meagerly staffed offices. Rules, regulations, and available monies are too program specific. They should be more flexible and coordinated with other helping programs. Housing programs are run separately as categorical programs with no comprehensive mechanism to combine programs to fit client needs. Case managers should be able to use a coordinated range of assistance resources for people.

Montana needs a comprehensive state plan with coordinated strategies and goals to meet housing and assistance needs. No coordinated state plan existed until recently. There is no operative vehicle to collectively tackle the housing problems in this state. The CHAS tends to be viewed as a regulatory document as opposed to an enabling document. This presents a problem for Montana, a state not sophisticated enough from a documentation standpoint to precisely pinpoint housing needs and, consequently, appropriate housing policy.

POTENTIAL SOLUTIONS

Government agencies need to coordinate program implementation efforts and pool their resources. A case management approach to assistance would help. Program implementation and available monies should be made as flexible and accessible as possible. Program access and administration should be simplified.

A lead agency needs to be identified to develop a vehicle to collectively tackle the issues surrounding housing in Montana. A coordinated housing committee with implementation power is critical to solving the housing problems faced by the state. The CHAS should be used as a way to bring federal government, state government, local governments and the private sector together to help develop a coordinated state plan. The State Advisory Committee on Housing needs to be revitalized and used in an appropriate capacity. The recently formed Affordability Housing Task Force in Missoula could well be a model for other local task forces in Montana. It is comprised of representatives from the University, city government, county government, private constituencies, the local housing authority, and others. Local task forces need to include builders, lenders, low-income organizations, tenant/landlord organizations, as many of the stakeholders as can be involved.

PROBLEM G
FAIR HOUSING NONCOMPLIANCE

PROBLEM DESCRIPTION

With rental units full and tenants standing in line, it has become easy to discriminate against the poor, the physically disabled, the mentally disabled, Native Americans, even the elderly. Landlords can and do pick and choose to whom they rent. Sexual harassment and eviction for no reason have become issues. The "Not In My Back Yard" syndrome is prevalent since, as the middle class disappears and income gaps widen, the cultural differences widen too.

The general public, landlords and tenants alike, need to be better educated on fair housing practices. The state needs to "affirmatively further fair housing practices" in whatever way it can. Violations of fair housing practices need to be reported and handled in an effective way. One effective way to further these goals is by facilitating the creation of neighborhood advisory boards, broadening the participatory nature of Statewide Housing policies and goals, and involving more citizens in fulfilling fair housing practices.

PROBLEM H

MONTANA HAS INADEQUATE RESOURCES TO MEET THE NEEDS OF THOSE PERSONS REQUIRING SUPPORTIVE AND TRANSITIONAL SERVICES

PROBLEM DESCRIPTION

Homeless individuals and families and persons with disabilities require supportive services in conjunction with the provision of affordable housing. In particular, those persons with non-mobility related disabilities often require extensive special services, particularly those which are chronically homeless, chemically dependent, and mentally disabled.

POTENTIAL SOLUTIONS

As is the case for most rural, sparsely populated states, Montana has suffered from inequitable funding for programs authorized by the McKinney Act. Many of the programs authorized appear targeted to more populated, urban states. The level of matching funds required and the staffing capabilities to compete for these funds has states like Montana at a distinct disadvantage. It is hoped that the Congressional requirement that HUD explore the feasibility of block granting more of these programs will address this inequity.

Preventative measures to keep people in their homes are most desirable. Funds for short-term payment of mortgages until families find new employment would reduce the numbers of homeless persons significantly. As with other types of rental housing, incentives must be expanded to attract private dollars for the construction of additional transitional units.

The construction and rehabilitation of units to assist the homeless must occur coincidentally with the expansion of supportive services to deal with persons who are chronically homeless, mentally unstable, and chemically dependent.

Finally, a number of communities in the state identified the need for additional Single Room Occupancy units for SRO's. The HUD Section 8 program allocated funds for SRO subsidies. However, the program requires applications in response to a Notice of Funds Available for NOFA. Information about this program must be more widely distributed. Non-

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profit organizations and other advocates should work with local governments and other housing officials to secure these funds for Montana communities.

With regard to those housing issues associated with persons who have HIV positive related problems, Montana Department of Health officials stressed the need to make prevention of the disease a priority. Given that many AIDS victims have physical disabilities resulting from their illness, they face many of the same accessibility and discrimination issues which other physically disabled persons confront. Preventative measures, including the expansion of public education programs will mitigate the increased need for special housing units for persons with AIDS in the future.

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U.S. Department of Housing and Urban Development
Office of Community Planning and Development

Comprehensive Housing Affordability Strategy (CHAS)
Instructions for States

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Montana

me of Contact Person:
Mr. George Warn

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(406)444-2804

dress:
Housing Assistance Bureau
1424 9th Avenue
Helena, MT 59620

Type of Submission: (mark one)
☐ New Five-Year CHAS: (enter fiscal yrs.) FY: through FY:
☒ Annual Plan for FY:

(mark one)
☒ Initial Submission
☐ Resubisission of Disapproved CHAS

e State
Name of Authorized Official:
Mr. Alan G. Elliott, Director
Montana Department of Commerce
Signature & Date:
X

HUD Approval
Name of Authorized Official:
Signature & Date:
X

Other

EXHIBIT 11

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Uniform Data Exchange Policy

Montana has recently received a grant from the Annie E. Casey Foundation "Kids Count" project, for collaborative data collection and analysis of child welfare statistics. Montana is also developing a State Center for Health Statistics with funding from the Robert Woods Johnson Foundation. Interagency linkage of child welfare and health data may be difficult, however, because of conflicting policies about data collection, storage, and confidentiality.

This proposal establishes a uniform state human services data collection, storage, analysis and sharing policy.

Cost: This policy proposal has no direct costs.

Interagency Coordinating Council for Prevention

The 1991 Montana Legislature charged the interim Subcommittee on Children and Families with studying, among other issues, methods of interagency coordination of programs. Last spring, the Subcommittee hosted a policy development forum for state and local government officials, nonprofit representatives and community leaders. Participants at that forum expressed a "strong desire to funnel money into prevention activities." Discussion leader Dr. Charles Bruner, policy associate with the National Conference of State Legislatures' Children, Youth and Families Program, concluded that a "vision for a fundamental reorientation on serving children and families was very well articulated [by forum participants]; the group saw the need for a broadly inclusive interfacing human service system."

After analyzing efforts to reform children's services nationwide, the Education and Human Services Consortium reports that most states initiate reform by first establishing an interagency group (task force, commission, committee, or council) through which state policymakers direct agencies to plan together to address child and family needs. Montana's interim Subcommittee has preliminarily recommended (as of this printing) creation of an Interagency Coordinating Council for Prevention as a first step toward reinventing this state's approach to the problems of children and families.

Cost Estimate: Support for the Coordinating Council is expected to come from existing staff and budgets.

Contact:

Restore AFDC (Aid to Families with Dependent Children) to 42% of Poverty

Poverty is the leading cause of hunger in Montana. Families with children are at the greatest risk. Yet in the 1992 Special Session of the Legislature, AFDC payments were lowered to 40.5% of the federal poverty level. Reducing AFDC payments without establishing any alternatives deepens poverty and increases hunger. Putting families deeper into poverty does not save money for the state in the short or the long term, and it does not represent due caring for families in need.

This proposal is to restore funding to the 42% level, which is the level it was at the beginning of 1992. Restoring the 1-1/2% amount helps alleviate poverty and hunger somewhat.

Cost Estimate: $1.1 million in state general funds annually, plus amounts for increases in the base cost of living and an

Family Planning Community Educator

Unplanned pregnancies continue to wage a heavy econom and emotional toll on individuals in the state, particularl low-income families and teens. In Montana in 1990 the were 2,055 pregnancies to teens; 34% resulted in abortio and 45% in out-of-wedlock births.

This proposal funds a Family Planning Community Educ tor in the DHES Family Planning Bureau, to enhance pub awareness and information about the numerous healt benefits of family planning services and to develop aware ness about the public health problems of and the solutio to the prevention of unplanned pregnancy, especia among teenagers.

Cost Estimate:
FY 94-95 Biennium: $83,810, Preventive Health and Hea Services Block Grant Funds or State General Funds.

Contact: Mary Ellen Holverson, 442-3830.

Montana Family Policy Act

Montana currently has no formal articulation of state poli in relation to families. As a result, the legislative and administrative branches lack a coherent guide for determining whether a specific proposed bill, appropriation request other measure accords with the state's overall goals in re tion to children and families.

The Montana Family Policy Act specifies that it is the poli of this state to support and preserve families; to develop full continuum of prevention, early intervention and treatment services; to work toward a system of comprehensiv and coordinated services driven by the needs of famili rather than by a predetermined array of categorical servic to promote community planning and collaboration to provide services as close as possible to families, home comm nities; and to encourage public and private sect participation in building community capacity to meet th needs of children and families.

Cost: No funding is requested.

Contact: Jeanne Kemmis, Montana Council for Families 728-9449

Follow Me

The Montana Children's Alliance supports a comprehensive system of family support services designed to prevent adverse outcomes for Montana's children. Montana children continue to be at risk for child abuse and neglect, school failure, chronic and communicable disease, developmental disabilities or delays, accidents, poor parenting, and the negative effects of poverty and homelessness.

This proposal uses intensive public health home visiting services for 'at risk' families, and provides support through anticipatory guidance and parenting education, developmental assessment, resource information, and referrals. Follow Me will build on existing local public health department services.

Cost Estimate:
$468,000 per biennium

12 Health

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Immunization Education Campaign and Video

Lack of understanding and motivation of parents is a major reason for low immunization levels in preschool children. The Montana Immunization Action Plan (IAP) includes a state-wide immunization promotional campaign which will target parents of young children. The campaign includes cause-related marketing (milk carton labels, displays in diaper sections of grocery stores, etc.), paid advertisements and billboards, coordinated development and distribution with existing resources (state and local), and an immunization video.

This proposal funds the cost of producing and distributing promotional materials; substantial savings are realized by sharing production costs with the "Baby Your Baby" project.

Cost Estimate: $16,000

Contact: Dick Paulsen, DHES, 444-3624

Increase Nursing Support for Immunization Services and Outreach in Montana Counties

The DHES Immunization Program has developed a statewide Immunization Action Plan (IAP), to improve immunization levels in children by ensuring public immunization clinics in communities across Montana have adequate nursing support to extend clinic hours and improve public clinic access for parents. A portion of the plan has been funded by a grant from the federal Centers for Disease Control and Prevention.

This proposal supplies the remaining funding for nursing support, as described in the IAP. Implementing this key element of the IAP will help raise immunization levels in children age 0-2 years, from the current low level of 40% to the national standard level of 90% (Year 2000 Objective).

Cost Estimate: $242,666

Access to Health Care

Over 142,000 Montanans, lack health insurance. 35%, or 50,000, are the children of the "working poor," not eligible for Medicaid. In a recent survey, 39% of low income Montanans reported having to wait for health care until they have paid a previous bill, and 64% had left an injury or illness untreated because they could not afford care.

This proposal supports any reasonable method to establish universal access to affordable health care in Montana. It may be a "single-payer" plan, a "pay-or-play" plan, a "managed competition" plan, or any other plan that meets the needs of Montanans for (1) Universal, community-rated access, (2) Affordability, (3) Emphasis on preventive care, and (4) Comprehensive coverage.

Cost: The cost will vary with the proposal. One estimate is $400,000 per year, to staff a two year planning process, which may be General Fund, private or federal.

Contact: Paulette Kohman, Montana Council for Maternal and Child Health, 443-1674

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

Human Services COMMITTEE BILL NO. ____________

DATE 1-12-93 SPONSOR(S) ____________________________

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[illegible]	AFL-CIO		
Monica Tietjen	HRDC Billings		
Sharon Hoff	Montana Catholic Conference		
[illegible]	[illegible]		
Kathy McGowan	MCMHC		
Paulette Kohman	Mt council Mat & Child Health (MCMCH)		
Judith Carlson	HRDCs; Social Workers		
Kate Cholewa	MT Women's Lobby		

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

DATE 1-12-93

SENATE COMMITTEE ON Human Serv.

BILLS BEING HEARD TODAY:

Name	Representing	Bill No.	Check One	
			Support	Oppose
Penny Robbe	SRS			
[illegible]	[illegible] - Missoula			
Tammy C Lenton	Options - [illegible]			
[illegible] Thomas	Options - [illegible]			
Roger La Voie	SRS			
Cristine [illegible]	Mt Low Income Coalition			
[illegible]	Options - [illegible]			
Laura Rice	WORD			
[illegible]	Options - Missoula			
MA Wellbank	SRS - Child Support			
Elizabeth Dane	[illegible] Assoc. of Social Workers			
Ken [illegible]	MT Hunger Coalition			
[illegible]	[illegible]			

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

F10

DATE 1-12-93

SENATE COMMITTEE ON Human Ser.

BILLS BEING HEARD TODAY:

Name	Representing	Bill No.	Check One	
			Support	Oppose
Karolin Stauce	[illegible]			
[illegible]	[illegible]			
Dennis Shober	SRS/Child Support			
John McRAE	SRS/ CHILD SUPPORT			
Linus Carleton	SRS/ CSED			
[illegible]				
Elizabeth Dane	National Assoc. of Soc. Workers			

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PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

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