

THE MINUTES OF THE MEETING OF THE LOCAL GOVERNMENT
COMMITTEE - SPECIAL SESSION
November 20, 1981

The meeting was called to order by CHAIRMAN BERTELSEN on Friday, November 20, 1981, in room 135 of the Capitol building.

ROLL CALL was taken with all members present.

HOUSE BILL 14, A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT PAYMENT OF INTEREST ON REGISTERED POOR FUND WARRANTS USED FOR PURPOSES REIMBURSABLE UNDER A GRANT-IN-AID IS INCLUDED AS A PROPER EXPENDITURE FOR GRANT-IN-AID REIMBURSEMENT: AMENDING SECTION 53-2-323, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

HOUSE BILL 14, (EXHIBIT 1), was taken up.

REPRESENTATIVE JAY FABREGA, District 44, introduced H.B. 14, and stated that it keeps up the theme introduced in H.B. 12, but narrows it to the grant-in-aid. He stated that it is difficult to understand that when a county at the present time goes to 13.5 mills, has qualified and has been spending for welfare purposes, they now allow the state to take over the responsibility from there. The question arises then, when does the county get that money from the state? The counties have been spending their money from the poor fund a little bit at a time on what should be the state's responsibility and therefore, they should also draw interest since it is like small loans to the state and they have been stuck with interest they have had to pay. If the state had a mechanism where they could submit the money when those bills became due, then the state would forego the income, because state monies are invested on a day-to-day basis and earn income. Reference was made to page 3, line 20 on H.B. 14, explaining the use of the grants-in-aid.

PROPOSERS were called for.

JOHN PEOPLES, Chief Executive of Silver Bow County, spoke in favor of House Bill 14. He said that it is as Representative Fabrega stated, that the interest will continue to accrue and add to the increase in the cost of the amount of the grant-in-aid. He stated that he sees this bill as a benefit to local government and eventually to the state.

There being no other Proponents and no Opponents, questions were called for from the Committee.

REPRESENTATIVE HANNAH asked if all counties forced to borrow in this situation borrow from lenders. MR. PEOPLES said that they register their warrants through the banks. REPRESENTATIVE HANNAH stated he understood that Yellowstone County was borrowing internally. MR. PEOPLES said you could if you have

money in your county, but that most counties do not.

REPRESENTATIVE FABREGA closed on House Bill 14 by saying that this is not subsidized interest. Whatever the county has to pay it would stay within the present system. They would register with the bank and when the interest expense is computed it becomes part of the grant-in-aid, therefore the state would recognize the interest expense to be a legitimate expense to the poor fund.

THE MEETING WAS CALLED INTO EXECUTIVE SESSION ON HOUSE BILL 14.

REPRESENTATIVE MATSKO MOVED that House Bill 14 Do Pass. Question was asked. MOTION PASSED with all voting AYE but REPRESENTATIVE HANNAH, voting NO.

THE MEETING WAS OPENED TO HOUSE BILL NO. 13, (EXHIBIT 2).

REPRESENTATIVE FABREGA stated that all the questions and objections that he raised against the Governor's proposal of aid to the counties were met by REPRESENTATIVE MC BRIDE's approach, and that he is in support of the concept and level that the bill was introduced.

PROPOSERS were called.

BARBARA REYNOLDS, County Commissioner from Missoula, spoke in favor of House Bill 13.

OPPONENTS to House Bill 13 were called for. There were none so the meeting was closed on H.B. 13.

THE AMENDMENTS to H.B. 13 were opened for discussion.

The first set of amendments reviewed were presented by Representative Bertelsen and suggested by Speaker Bob Marks.

LEE HEIMAN, Staff Attorney, explained the amendments, and stated that this amendment provided that after a county levies 10 mills, or, everything over 10 mills but less than 13.5 mills, it is matched with a 50/50 with the state, if that county has a work program that operates and is approved by Department of Social and Rehabilitation Services. There's an existing emergency grant statute for over 13.5 mills which provides a cap for this one. This has to be a new section. The existing emergency grant-in-aid cannot be amended to cover this situation.

The Bertelsen amendments are shown as (EXHIBIT 3).

The expenditures before the match is made and after the match is made have to be reasonable. Before the match is made the expenditures can be of any standard poor fund expense. After the match is made it can be for all expenses except subsidy for a medical facility as well as the work program. The Department of Social and Rehabilitation Services can, at their discretion, make an advancement of funds or a reimbursement to the county.

The cap part is Subsection 4 (a), A county receiving a grant-in-aid may not levy more than 1/2 mill for each 1 mill expenditure equivalent over 10 mills for poor fund purposes except to subsidize a medical facility.

REPRESENTATIVE HURWITZ gave figures using the 10 mill projection, and said that this legislation would impact on 22 counties in the heavier poor fund burden. This would amount to a total impact of \$3,224,000. It would include the portion that would be spent for grant-in-aid above 13.5 mills whether they pass the bill or not. What it actually provides to the counties then who reach this plateau is half of the 3.5 mills between 10 and 13.5, that amount of relief, 1 3/4 mills. It seems to be the intent of the call of this legislature to react to the impact of block grants, this system seems to do that in that the counties get some assistance if they go above the 10 mill levy.

Another concern is work training programs tend to have a certain amount of curtailment on the demand of the poor fund. There are some that will object to working for assistance.

The benefit is a participation in a greater care in handling money. Another thing it does is require a minimum of poor fund effort on the part of the county before they become a part of any state aid. It will also give a track record to see if this is a reasonable approach to assisting the counties. (CHARTS EXHIBIT 2)

REPRESENTATIVE MATSKO questioned the comparison between this amendment and the McBride amendment. In reference to the Bertelson amendment he stated that he does not believe the amendment in title quite follows exactly and there should be a language change. Lee Heiman, staff attorney said they could correct that. The McBride amendments are shown as EXHIBIT 4.

In order that both the Bertelsen amendments and the McBride amendments may be both discussed at the same time it was the unanimous decision of the committee to move and discuss both amendments at the same time.

REPRESENTATIVE MC BRIDE offered her explanation and what they were presented at the hearing and how her amendments address those in contrast to the Bertelsen amendments.

There are three things the amendments from the hearing on November 19th did and one was to remove the 13.5 mills ceiling. That has not been done in the McBride nor the Bertelsen amendments, so there is still a 13.5 ceiling. The second thing the McBride amendments do is that they have the trigger between 6 mills and the 13.5 mills, which is a 50/50 match between the local government and the state grant-in-aid program. The Bertelsen amendment is set at 10 mills and that match is between 10 and 13.5 mills. The other addition, in comparison, in that there is a requirement that if you are going to give the state money, that you have a work program, REPRESENTATIVE MC BRIDE stated that she is of firm belief if that is the direction they have decided to go that they must make it worth the counties while. The dollar figure that the 6 mill level would potentially impact the state with would be about \$5.1 million.

It was stated by Lee Heiman that the only difference between the work programs provisions is not in the bill itself but in the Statement of Intent. In the McBride bill it states the department may provide guidelines for the work program. It is the matter of the matter the scope of the rules they can adopt under the bill rather the wording in the bill itself.

It was confirmed that the \$5.1 million included the impact above the \$13.5 million, therefore you must subtract this in order to get the impact between the two bills. They are both based on how many counties would be impacted right now on their mill levy, and potential impact based on the changes that are going on.

Question was asked what the additional cost to the state would be if they kept the present law with all the other changes and just went above the 13.5 mills.

MR. BEN JOHNS, Department of Social Rehabilitation Services, stated that it would be approximately \$2.2 million in the amount of 13.5 mills.

It was also related that if the county did not wish to establish the work-fair program, what they are saying is that they are giving up the state money.

Comparison shows that under the McBride amendments the 100% state match kicks in at 9.75 mills and at 11.75 mills under the Bertelsen amendment.

REPRESENTATIVE WALDRON stated the difference between the amendments is under the Bertelsen amendment we provide local government with \$1 million in relief and under the McBride bill we provide about \$3 million in relief to the local government which transfers into property tax relief.

BARBARA REYNOLDS, County Commissioner from Missoula, stated that there are some counties with no general assistance costs, but Missoula does. It does not seem fair for the larger counties to be paying the load for the smaller counties that send their people to them. If it comes from the state it is much more fair.

NADIEN JENSEN, Director of State Assayers of the state of Montana, said they have a fear of nothing being built into the bill to protect people already working for the county. She stated preference to the McBride amendment as it leaves the option of going with the work program to the county.

JOHN PEOPLES favors the McBride amendment because of the amount of assistance coming in. He stated that they would have to keep in mind that with the work program, they would have to hire supervisors. The total cost would be approximately \$35,000 to \$50,000 a year to run the work program.

JOHN WILKINSON, Commissioner of Lewis and Clark County, testified that they have experienced a work program and that these people who come under the work program must be supervised. He said that they are getting an increase of people and are running out of things for them to do.

Discussion was closed and the MEETING WAS CALLED INTO EXECUTIVE ACTION ON H.B. 13

MOTION was made by REPRESENTATIVE MCBRIDE that House Bill 13 DO PASS.

REPRESENTATIVE BERTELSEN moved the Bertelsen amendment. REPRESENTATIVE MATSKO MOVED to amend the Bertelsen Amendment, on page 1 of the amendment, line 5, for clarity sake.

Strike: Following: "MILLS OF"

Strike: Strike: "13.5"

MOTION PASSED.

REPRESENTATIVE ANDREASON MOVED to amend the Bertelsen Amendment to strike 10 and insert the figure 6 when referring to mills and continue the procedure throughout the bill.

DISCUSSION was held. Representative Kitselman and Representative McBride impressed that the impact would be on the taxpayers. Representative Gould stated that they need to find out what

kind of impact there is going to be. Representative Neuman said he favored the amendments.

ROLL CALL VOTE WAS TAKEN: (EXHIBIT 5)

REP. BERTELSEN	NO	REP. SWITZER	NO
REP. VINGER	NO	REP. WALDRON	YES
REP. HURWITZ	NO	REP. KESSLER	YES
REP. ANDREASON	NO	REP. DUSSAULT	YES
REP. BERGENE	YES	REP. HOLLIDAY	YES
REP. KITSELMAN	YES	REP. MCBRIDE	YES
REP. GOULD	YES	REP. PISTORIA	YES
REP. HANNAH	NO	REP. AZZARA	YES
REP. MATSKO	YES	REP. NEUMAN	YES
REP. SALES	NO		

MOTION PASSED.

QUESTION was called for on the BERTELSEN AMENDMENT. All members voted in favor but the following:

REP. VINGER	REP. SWITZER
REP. HURWITZ	REP. SALES
REP. HANNAH	

MOTION PASSED.

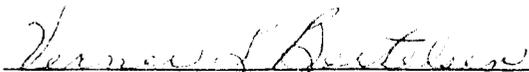
MOTION was restated by REPRESENTATIVE MCBRIDE that HOUSE BILL 13 DO PASS AS AMENDED.

MOTION PASSED. All members voted Aye but the following:

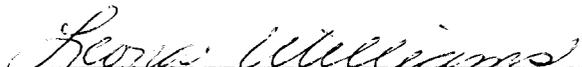
REP. VINGER	REP. SWITZER
REP. HURWITZ	REP. SALES
REP. HANNAH	

MOTION was made by REPRESENTATIVE ANDREASON to MOVE THE STATEMENT OF INTENT. MOTION PASSED with all voting AYE.

MOTION was made to adjourn at 3:15 p.m.



CHAIRMAN VERNER BERTELSEN



Leona Williams, Secretary

1 HOUSE BILL NO. 13 Special Session I
2 INTRODUCED BY McBride, Secretary Regan July Jackson

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT A
5 COUNTY ~~MAY LEVY NO MORE THAN 8~~ MILLS OF THE 1985 MILL COUNTY
6 POOR FUND FOR ASSISTANCE TO THE NEEDY; AMENDING SECTION
7 53-2-321, MCA; PROVIDING AN EFFECTIVE DATE."
8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
10 Section 1. Section 53-2-321, MCA, is amended to read:
11 "53-2-321. County authorized to care for indigent and
12 levy taxes therefor. The board of county commissioners has
13 jurisdiction and power under such limitations and
14 restrictions as are prescribed by law to provide for the
15 care and maintenance of the indigent sick, except as
16 otherwise provided in other parts of this title, or the
17 otherwise dependent poor of the county; erect and maintain
18 hospitals therefor or otherwise provide for the same; and
19 for said purposes to levy and collect annually a tax on
20 property not exceeding 13 1/2 mills, which levy of which not
21 more than 8 mills may be levied to provide assistance to the
22 needy under Title 53, Chapter 3, shall be made at the time
23 other tax levies are made on property, as provided by law."
24 Section 2. Effective date. This act is effective July
25 1, 1982.

Will Receive a 50 PER CENT STATE
MATCHING GRANT-IN-AID IF IT
HAS A WORK PROGRAM AFTER
EXPENDING 10

Approved by Comm.
on Local Government

1 HOUSE BILL NO. 14

2 INTRODUCED BY *[Signature]*

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT PAYMENT
5 OF INTEREST ON REGISTERED POOR FUND WARRANTS USED FOR
6 PURPOSES REIMBURSABLE UNDER A GRANT-IN-AID IS INCLUDED AS A
7 PROPER EXPENDITURE FOR GRANT-IN-AID REIMBURSEMENT; AMENDING
8 SECTION 53-2-323, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE
9 DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12 Section 1. Section 53-2-323, MCA, is amended to read:
13 "53-2-323. Grants from state funds to counties. A
14 county may apply to the department for an emergency
15 grant-in-aid, and the grant shall be made to the county upon
16 the following conditions:

17 (1) The board of county commissioners or a duly
18 elected or appointed executive officer of the county shall
19 make written application to the department for emergency
20 assistance and shall show by written report and sworn
21 affidavit of the county clerk and recorder and chairman of
22 the board of county commissioners or other duly elected or
23 appointed executive officer of the county the following:

24 (a) that the county will not be able to meet its
25 obligations under law to provide assistance to the needy of

1 the county or meet its proportionate share of any public
2 assistance activity carried on jointly with the department;
3 (b) that all lawful sources of revenue and other
4 income to the county poor fund will be exhausted;
5 (c) that all expenditures from the county poor fund
6 have been lawfully made; and
7 (d) that all expenditures from the county poor fund
8 have been reasonable and necessary, according to criteria
9 set by the department in rules adopted for that purpose, for
10 the county to meet its obligations under law to provide
11 assistance to the needy.

12 (2) Within 10 days of receipt of the application and
13 affidavit, the department shall determine whether the county
14 poor fund will be depleted and shall give notice to the
15 county of the department's intention to deny or allow the
16 grant-in-aid. Before a grant-in-aid for any fiscal year may
17 be made to a county under this section, any money credited
18 during that fiscal year to the depletion allowance reserve
19 fund from the sources provided by 7-34-2402(2) shall be
20 transferred to the county poor fund to be used for lawful
21 poor fund expenditures. The amount of the grant-in-aid shall
22 be determined after all sources of income available to the
23 poor fund, including the depletion allowance reserve fund
24 transfers, have been exhausted.

25 (3) Within 10 days of receiving notice from the

EXHIBIT 1

1 department that a grant-in-aid will be made to the county,
 2 the board of county commissioners or other duly elected or
 3 appointed executive officer of the county shall adopt an
 4 emergency budget. There is no requirement of notice and
 5 hearing for that emergency budget. The emergency budget
 6 shall state the amount required to meet the obligation of
 7 the county and shall allocate that whole amount among the
 8 various classes of expenditures for which the grant was
 9 made.

10 (4) Upon receipt and approval of the county emergency
 11 budget, the department shall issue a warrant to the county
 12 treasurer of the county for the total amount stated in the
 13 approved emergency budget.

14 (5) The grant-in-aid received by the county shall be
 15 placed in an emergency fund account to be kept separate and
 16 distinct from the poor fund account. All expenditures from
 17 the emergency fund account shall be made by a separate
 18 series of warrants or checks marked as emergency warrants or
 19 checks.

20 (6) The grants-in-aid from the department may be used
 21 only for public assistance activities lawfully conducted by
 22 the county, including but not limited to medical aid,
 23 hospitalization, and institutional care, and the payment of
 24 interest on warrants used for such purposes. No part of a
 25 grant-in-aid may be used, directly or indirectly, to pay for

1 the erection or improvement of any county building or for
 2 furniture, fixtures, appliances, or equipment for a county
 3 building.

4 (7) In the event the county poor fund is replenished
 5 by other lawful sources of revenue, the county shall issue
 6 warrants to meet its obligations from the county poor fund
 7 until such time as that fund is again so depleted that
 8 warrants can no longer lawfully be drawn on that account.
 9 Upon depletion of the county poor fund, the county may again
 10 make disbursements from the emergency fund account as
 11 provided in subsection (5). At the close of the county
 12 fiscal year, the county shall return to the department any
 13 amounts remaining in the county poor fund and the emergency
 14 fund account, but the remaining amount to be returned may
 15 not exceed the total amount of the emergency grant-in-aid
 16 for that fiscal year.

17 (8) Any amount which is unlawfully disbursed or
 18 transferred from the emergency fund account or used for a
 19 purpose other than that specified in the grant-in-aid shall
 20 be returned by the county to the department.*
 21 Section 2. Effective date. This act is effective on
 22 passage and approval.

-End-

Amend House Bill 13 (First Special Session)

Representative Bertlesen

Page 1, line 5.

Following: "COUNTY"

Strike: "MAY LEVY NO MORE THAN 8"

Insert: "WILL RECEIVE A 50 PER CENT STATE MATCHING GRANT-IN-AID IF IT HAS A WORK PROGRAM AFTER EXPENDING 10"

Following: "MILLS OF"

Strike: "13.5"

2. Page 1, lines 20 through 22.

Following: "~~which-levy~~"

Strike: "of which not more than 8 mills may be levied to provide assistance to the needy under Title 53, chapter 3,"

Insert: "except as provided in [section 2], that"

3. Following: line 23.

Insert: "Section 2. Matching grants from state funds to counties. (1) A county may apply to the department for a matching grant-in-aid. The matching grant-in-aid is a state contribution of 50% of the county cost of providing assistance to the needy for all lawful poor fund purposes, except subsidy to a medical facility.

(2) The grant shall be awarded if the board of county commissioners or an executive officer of a county makes written application to the department certifying:

(a) that the county has budgeted for a mill levy in excess of 10 mills for the county poor fund;

(b) that the county has or, within a reasonable time will have expended from the poor fund an amount raised by 10 mills;

(c) that such expenditures were reasonable and necessary, according to criteria set by the department in its rules adopted for such purposes, for the county to meet its obligations under law to provide assistance to the needy; and

(d) that the county participates in or operates a work program, as authorized by 53-3-304, that has been approved by the department.

(3) Upon determination that a county has met the conditions for a matching grant-in-aid, the state shall financially participate in 50% of all further lawful poor fund expenditures, except those for a medical facility subsidy, until such time that a county qualifies for an emergency grant-in-aid. The department may at its discretion advance funds to a county for the state's matching contribution for poor fund expenditures or it may reimburse a county for such expenditures.

(4)(a) A county receiving a matching grant-in-aid may not levy more than $\frac{1}{2}$ mill for each 1-mill expenditure equivalent over 10 mills for poor fund purposes except to subsidize a medical facility.

(b) For the purposes of 53-2-323, a county has exhausted all sources of revenue whenever its lawful poor fund expenditures (other than a subsidy for a medical facility) plus the state matching contribution has reached an amount equivalent to the revenues that could have been raised by the maximum mill levy authorized by 53-2-321.

(5) the department may adopt rules to implement this section."

Renumber:

Subsequent

section.

For Representative Bertlesen Amendment

STATEMENT OF INTENT--House Bill 13 (First Special Session)

Adopted by the House Local Government Committee, November 20, 1981.

A statement of intent is necessary for this bill because section 2 grants rulemaking authority to the department of social and rehabilitation services.

The department is to make rules defining reasonable and necessary expenses of a county poor fund both for the purposes of expenditures prior to the time a county qualifies for a state matching grant-in-aid and for defining reasonable and necessary expenditures that the state shall participate in. The rules are expected to be guidelines that adequately forewarn counties as to the expenses that they can reasonably expect to be recognized by the state, yet not restrict a county's ability to locally operate its assistance program except insofar as a legitimate state interest is involved because of state financial participation.

The department shall also adopt rules providing guidelines for state approval of work programs. It is preferred that the department will establish minimum and perhaps maximum standards allowing a county latitude in formulating a meaningful work program based upon its caseload and geographical location. The county plan adopted within these guidelines would then be subject to department approval.

Because of the uniqueness of this act it the department may adopt rules governing the administration of the state matching grant-in-aid. Such matters as county reporting, methods of application, manner or actual funds advancement or reimbursement, and and other matters which if properly addressed by rule will prevent repetitious ad-hoc decisions relating to different counties and, within the bounds of law, to provide simple and economical administration of the state matching grant-in-aid to encourage county work programs.

The rules to implement this section shall be applicable only for the purposes of the state matching grant-in-aid. This act confers no rulemaking authority to the department to mandate eligibility, necessary expenses, work programs or other matters involving counties not otherwise eligible or not electing to receive state matching grants-in-aid. The rules promulgated to administer this act may, where applicable, be coordinated with rules for emergency grants-in-aid.

MONTANA ASSOCIATION OF COUNTIES
 FY 82 Budget Analysis

(Courtesy of MACo)

Form 4256 Counties

Mills Levied

State Publishing Co. Helena, Montana	CO. class	Value of one mill	General Fund	Poor Fund	Bridge Fund	Road Fund
Beaverhead	4	\$ 15,803	20.0	6.50	5.0	13.0
Big Horn	1	108,103	13.75	1.89	3.40	11.92
Blaine	2	33,985	17.38	2.78	6.00	14.25
Broadwater	6	7,574	23.72	5.75	4.00	17.25
Carbon	3	26,613	16.81	4.11	3.50	12.49
Carter	6	7,707	22.00	4.0	4.0	15.00
Cascade	1	95,262	25.00	13.50	4.00	14.25
Chouteau	3	28,692	17.93	2.22	4.00	14.25
Custer	3	20,255	21.73	6.31	6.00	14.25
Daniels	6	8,704	24.26	1.86	5.00	17.25
Dawson	3	27,190	23.00	5.20	6.00	14.25
Deer Lodge	4	15,353	86.85	13.50	gen. fund	gen. fund
Fallon	2	65,856	7.242	2.147	3.639	11.937
Fergus	3	23,356	23.82	7.38	3.00	12.00
Flathead	1	85,037	23.40	6.615	3.567	12.00
Gallatin	1	60,000	22.71	5.03	3.91	12.00
Garfield	6	6,690	27.00	13.50	4.00	17.25
Glacier	2	47,745	10.04	7.82	4.00	12.00
Golden Valley	7	4,377	24.00	1.00	3.00	15.00
Granite	6	5,928	27.00	13.50	4.00	5.00
Hill	2	43,775	9.514	7,221	4.00	14.25
Jefferson	5	11,566	27.00	12.36	6.00	17.00 + 2
Judith Basin	5	10,017	27.00	2.41	4.00	17.25
Lake	3	28,003	12.00	13.50	4.00	14.25
Lewis and Clark	1	57,401	22.27	9.02	3.10	13.31
Liberty	4	18,961	13.00	10.00	4.00	17.25
Lincoln	3	31,111	-0-	11.67	-0-	-0-
Madison	4	14,250	12.11	12.52	2.52	12.52
McCone	5	11,932	21.78	12.41	4.00	17.25
Meagher	6	5,329	27.00	3.83	4.98	18.00
Mineral	7	4,891	24.04	12.90	1.40	-0-
Missoula	1	137,196	24.601	10.47	2.708	12.851
Musselshell	4	23,964	15.13	3.15	3.23	7.47
Park	4	18,803	21.00	9.14	4.00	14.25
Petroleum	7	3,371	12.00	1.00	4.00	6.00
Phillips	3	26,646	15.00	3.10	6.00	12.00
Pondera	3	23,460	18.00	5.50	4.00	14.25
Powder River	1	63,481	13.56	.80	1.50	8.00
Powell	5	12,503	23.00	10.00	3.00	5.00
Prairie	6	5,669	27.00	13.50	3.83	11.02
Ravalli	3	24,236	13.42	12.93	3.73	13.93
Richland	1	106,320	5.30	3.40	4.00	14.25
Roosevelt	3	39,472	7.58	5.25	4.00	13.00
Rosebud	1	118,378	.853	1.846	1.647	5.615
Sanders	4	20,070	21.813	3.281	4.031	-0-
Sheridan	2	74,455	1.40	.90	3.00	12.00
Silver Bow	1	52,163		12.94		
Stillwater	5	14,086	24.00	1.65	6.00	16.00
Sweet Grass	6	7,434	24.20	3.40	4.00	17.30
Teton	4	19,318	23.00	3.00	5.00	14.25
Toole	2	40,308	10.29	10.00	4.00	14.25
Treasure	7	3,948	27.00	1.67	4.00	23.68
Valley	3	23,090	5.00	7.50	4.00	14.25
Wheatland	6	5,182	27.00	6.25	4.00	18.00
Wibaux	5	13,200	12.88	7.05	4.00	17.25
Yellowstone	1	200,664	7.00	8.52	2.36	11.45

	Current over 8 mills	Additional over 8 mills	Total over 8 mills
Beaverhead	0	37 045	37 045
Big Horn	0	0	0
Blaine	0	0	0
Broadwater	0	0	0
Carbon	0	0	0
Carter	0	0	0
Cascade	47 295 6	79 834 0	127 130 6
Chouteau	0	0	0
Custer	0	0	0
Daniels	0	0	0
Dawson	0	0	0
Deer Lodge	84 436	12 588 6	217 322
Fallon	0	0	0
Fergus	0	85 913	85 913
Flathead	0	23 150 0	23 150 0
Gallatin	0	0	0
Garfield	0	0	0
Glacier	0	0	0
Golden Valley	0	0	0
Granite	0	19 206	19 206
Hill	0	40 990	40 990
Jefferson	45 976	28 155	74 131
Judith Basin	0	0	0
Lake	15 190 5	86 723	238 628
Lewis and Clark	58 549	10 963 6	168 185
Liberty	0	0	0
Lincoln	11 413 7	122 534	236 671
Madison	81 944	50 210	132 154
McCone	0	95 885	95 885
Meagher	0	0	0
Mineral	23 966	11 689	35 655
Missoula	335 303	741 195	1076 498
Musselshell	0	0	0
Park	21 375	23 438	44 813
Petroleum	0	0	0
Phillips	0	0	0
Pondera	0	0	0
Powder River	0	0	0
Powell	25 008	57 518	82 526
Prairie	31 180	41 383	72 563
Ravalli	59 711	134 904	194 615
Richland	0	0	0
Roosevelt	0	0	0
Rosebud	0	0	0
Sanders	0	0	0
Sheridan	0	0	0
Silver Bow	28 671 4	63 917 9	92 589 3
Stillwater	0	0	0
Sweet Grass	0	0	0
Teton	0	0	0
Toole	80 608	12 897	93 505
Treasure	0	0	0
Valley	0	18 010	18 010
Wheatland	0	22 903	22 903
Wibaux	0	0	0
Yellowstone	77 531	52 219 2	59 972 3
	195 132 9	405 733 1	600 866 0

Amend House Bill 13 (First Special Session)

Representative McBride

1. Page 1, line 5.

Following: "COUNTY"

Strike: "MAY LEVY NO MORE THAN 8"

Insert: "WILL RECEIVE A 50 PER CENT STATE MATCHING GRANT-IN-AID IF IT HAS A WORK PROGRAM AFTER EXPENDING 6"

Following: "MILLS OF"

Strike: "13.5"

2. Page 1, lines 20 through 22.

Following: "~~which-levy~~"

Strike: "of which not more than 8 mills may be levied to provide assistance to the needy under Title 53, chapter 3,"

Insert: "except as provided in [section 2], that"

3. Following: line 23.

Insert: "Section 2. Matching grants from state funds to counties. (1) A county may apply to the department for a matching grant-in-aid. The matching grant-in-aid is a state contribution of 50% of the county cost of providing assistance to the needy for all lawful poor fund purposes, except subsidy to a medical facility.

(2) The grant shall be awarded if the board of county commissioners or an executive officer of a county makes written application to the department certifying:

For Representative McBride Amendment

STATEMENT OF INTENT--House Bill 13 (First Special Session)

Adopted by the House Local Government Committee, November 20, 1981.

A statement of intent is necessary for this bill because section 2 grants rulemaking authority to the department of social and rehabilitation services.

The department is to make rules defining reasonable and necessary expenses of a county poor fund both for the purposes of expenditures prior to the time a county qualifies for a state matching grant-in-aid and for defining reasonable and necessary expenditures that the state shall participate in. The rules are expected to be guidelines that adequately forewarn counties as to the expenses that they can reasonably expect to be recognized by the state, yet not restrict a county's ability to locally operate its assistance program except insofar as a legitimate state interest is involved because of state financial participation.

The department may also adopt guidelines for state approval of work programs.

Because of the uniqueness of this act it the department may adopt rules governing the administration of the state matching grant-in-aid. Such matters as county reporting, methods of application, manner or actual funds advancement or reimbursement, and and other matters which if

properly addressed by rule will prevent repetitious ad-hoc decisions relating to different counties and, within the bounds of law, to provide simple and economical administration of the state matching grant-in-aid to encourage county work programs.

The rules to implement this section shall be applicable only for the purposes of the state matching grant-in-aid. This act confers no rulemaking authority to the department to mandate eligibility, necessary expenses, work programs or other matters involving counties not otherwise eligible or not electing to receive state matching grants-in-aid. The rules promulgated to administer this act may, where applicable, be coordinated with rules for emergency grants-in-aid.

STANDING COMMITTEE REPORT

SPECIAL SESSION

November 20, 19 81

MR. SPEAKER

We, your committee on LOCAL GOVERNMENT

having had under consideration HOUSE Bill No. 14

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT PAYMENT OF INTEREST ON REGISTERED POOR FUND WARRANTS USED FOR PURPOSES RE-IMBURSABLE UNDER A GRANT-IN-AID IS INCLUDED AS A PROPER EXPENDITURE FOR GRANT-IN-AID REIMBURSEMENT; AMENDING SECTION 53-2-323, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Respectfully report as follows: That HOUSE Bill No. 14

DO PASS


Chairman

STANDING COMMITTEE REPORT

November 20, 1981

MR. **SPEAKER**

We, your committee on **LOCAL GOVERNMENT**

having had under consideration **HOUSE** Bill No. **13**

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT A COUNTY WILL RECEIVE A 50 PER CENT STATE MATCHING GRANT-IN-AID IF IT HAS A WORK PROGRAM AFTER EXPENDING 10 MILLS OF THE MILL COUNTY POOR FUND FOR ASSISTANCE TO THE NEEDY; AMENDING SECTION 53-2-321, MCA; PROVIDING AN EFFECTIVE DATE."

Respectfully report as follows: That **HOUSE** Bill No. **13**

Introduced copy be amended as follows:

**Page 1, line 5.
Following: "COUNTY"
Strike: "MAY LEVY NO MORE THAN 8"
Insert: "WILL RECEIVE A 50 PER CENT STATE MATCHING GRANT-IN-AID IF IT HAS A WORK PROGRAM AFTER EXPENDING 6"**

**DO PASS AS AMENDED
AMENDMENT Continued.
STATEMENT OF INTEREST ATTACHED**

1

Turner L. Bertelsen
Chairman.

2. Page 1, lines 20 through 22.

Following: "which-levy"

Strike: "of which not more than 8 mills may be levied to provide assistance to the needy under Title 53, chapter 3," 19.....

Insert: "except as provided in [section 2], that"

3. Following: line 23.

Insert: "Section 2. Matching grants from state funds to counties. (1) A county may apply to the department for a matching grant-in-aid. The matching grant-in-aid is a state contribution of 50% of the county cost of providing assistance to the needy for all lawful poor fund purposes, except subsidy to a medical facility.

(2) The grant shall be awarded if the board of county commissioners or an executive officer of a county makes written application to the department certifying:

(a) that the county has budgeted for a mill levy in excess of 6 mills for the county poor fund;

(b) that the county has or, within a reasonable time will have expended from the poor fund an amount raised by 6 mills;

(c) that such expenditures were reasonable and necessary, according to criteria set by the department in its rules adopted for such purposes, for the county to meet its obligations under law to provide assistance to the needy; and

(d) that the county participates in or operates a work program, as authorized by 53-3-304, that has been approved by the department.

(3) Upon determination that a county has met the conditions for a matching grant-in-aid, the state shall financially participate in 50% of all further lawful poor fund expenditures, except those for a medical facility subsidy, until such time that a county qualifies for an emergency grant-in-aid. The department may at its discretion advance funds to a county for the state's matching contribution for poor fund expenditures or it may reimburse a county for such expenditures.

(4)(a) A county receiving a matching grant-in-aid may not levy more than $\frac{1}{2}$ mill for each 1-mill expenditure equivalent over 6 mills for poor fund purposes except to subsidize a medical facility.

(b) For the purposes of 53-2-323, a county has exhausted all sources of revenue whenever its lawful poor fund expenditures (other than a subsidy for a medical facility) plus the state matching contribution has reached an amount equivalent to the revenues that could have been raised by the maximum mill levy authorized by 53-2-321.

(5) the department may adopt rules to implement this section."

Renumber: Subsequent section.

Werner L. Bartelsen

Chairman.

STATEMENT OF INTENT--House Bill 13 (First Special Session)

Adopted by the House Local Government Committee, November 20, 1981.

A statement of intent is necessary for this bill because section 2 grants rulemaking authority to the department of social and rehabilitation services.

The department is to make rules defining reasonable and necessary expenses of a county poor fund both for the purposes of expenditures prior to the time a county qualifies for a state matching grant-in-aid and for defining reasonable and necessary expenditures that the state shall participate in. The rules are expected to be guidelines that adequately forewarn counties as to the expenses that they can reasonably expect to be recognized by the state, yet not restrict a county's ability to locally operate its assistance program except insofar as a legitimate state interest is involved because of state financial participation.

The department may also adopt guidelines for state approval of work programs. It is preferred that the department will establish minimum and perhaps maximum standards allowing a county latitude in formulating a meaningful work program based upon its caseload and geographical location. The county plan adopted with these guidelines would be then be subject to department approval.

Because of the uniqueness of this act it the department may adopt rules governing the administration of the state matching grant-in-aid. Such matters as county reporting, methods of application, manner or actual funds advancement or reimbursement, and and other matters which if properly addressed by rule will prevent repetitious ad-hoc decisions relating to different counties and, within the bounds of law, to provide simple and economical administration of the state matching grant-in-aid to encourage county work programs.

The rules to implement this section shall be applicable only for the purposes of the state matching grant-in-aid. This act confers no rulemaking authority to the department to mandate eligibility, necessary expenses, work programs or other matters involving counties not otherwise eligible or not electing to receive state matching grants-in-aid. The rules promulgated to administer this act may, where applicable, be coordinated with rules for emergency grants-in-aid.

LOCAL GOVERNMENT COMMITTEE

ROLL CALL VOTE -----

SPECIAL SESSION 1981

11/20/81

	Date: No:	Date: No:	Date: No:	Date: No:	Date: No:
REP. BERTELSEN	Vermas	Yes	Yes	Yes	Yes
REP. VINGER	Conroy	No	No	No	No
REP. HURWITZ	Burk	No	No	No	No
REP. ANDEASON	Oran	No	No	No	No
REP. BERGENE	Trub	Yes	Yes	Yes	Yes
REP. KITSELMAN	Trub	Yes	Yes	Yes	Yes
REP. GOULD	Trub	Yes	Yes	Yes	Yes
REP. HANNAH	Trub	Yes	Yes	Yes	Yes
REP. MATSKO	Trub	Yes	Yes	Yes	Yes
REP. SALES	Trub	Yes	Yes	Yes	Yes
REP. SWITZER	Trub	No	No	No	No
REP. WALDRON	Trub	Yes	Yes	Yes	Yes
REP. KESSLER	Trub	Yes	Yes	Yes	Yes
REP. DESSAULT	Trub	Yes	Yes	Yes	Yes
REP. HOLLIDAY	Trub	Yes	Yes	Yes	Yes
REP. MC BRIDE	Kathleen	Yes	Yes	Yes	Yes
REP. PISTORIA	Paul	Yes	Yes	Yes	Yes
REP. AZZARA	James	Yes	Yes	Yes	Yes
REP. NEUMAN	Lee	Yes	Yes	Yes	Yes