

1 *House* BILL NO *803*  
 2 INTRODUCED BY *Ramirez, Jones, Moore, Elliott, Smith, D. C. & S. and Robinson, Hoyer, Eddley, Conway, Siefert, Ellison, and*  
 3  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A PILOT

5 PROGRAM TO PROVIDE RECIPIENTS OF UNEMPLOYMENT COMPENSATION  
 6 BENEFITS AN OPPORTUNITY TO CONTRIBUTE THEIR EFFORTS TO  
 7 SOCIETY IN RETURN FOR BENEFITS RECEIVED AND TO EXPLCRE THE  
 8 FEASIBILITY OF EXPANDING SUCH A PROGRAM PERMANENTLY."

9  
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Purpose. The purpose of this act is to  
 12 establish a pilot work program to be applied in limited  
 13 areas of the state to provide recipients of unemployment  
 14 compensation benefits an opportunity to contribute their  
 15 efforts to society and to explore the feasibility of  
 16 expanding this program to cover the entire state. The goal  
 17 of the program is to avail a person who is able to work, but  
 18 for whatever reason cannot work, of the opportunity to  
 19 contribute his efforts on a constructive work project in  
 20 return for unemployment compensation benefits received.

21 Section 2. Department of labor and industry to  
 22 establish pilot work program. The department of labor and  
 23 industry shall establish a pilot program wherein an  
 24 employable or potentially employable person may be required  
 25 to participate in a work program to be eligible to receive

1 unemployment compensation benefits. In establishing this  
 2 program, the department may enter into agreements with any  
 3 governmental unit or agency or any nonprofit agency in the  
 4 establishment of work projects. The pilot project shall be  
 5 established in at least six counties in the state. The  
 6 department may adopt rules necessary for the administration  
 7 of the program.

8 Section 3. Determination of ability to work. The  
 9 department shall establish rules for determination of  
 10 employability. A person shall be considered employable if  
 11 not rendered unable to work by:

- 12 (1) illness or significant and substantial
- 13 incapacitation to the extent that the illness or
- 14 incapacitation prevents the person from performing services;
- 15 (2) advanced age; or
- 16 (3) the need of the person to provide full-time care
- 17 for other members of the person's household who are wholly
- 18 incapacitated or who are children and for whom required care
- 19 is not otherwise reasonably available notwithstanding
- 20 diligent efforts by the person to obtain others to provide
- 21 care.

22 Section 4. Work program not to interfere with other  
 23 programs. (1) The work programs established under this act  
 24 may not be used to supplant or perform any work ordinarily  
 25 and actually performed by regular employees of any

1 department of government or to replace or perform any work  
 2 ordinarily performed by craftsmen or tradesmen in private  
 3 employment. Work performed for a nonprofit agency must not  
 4 result in the displacement of regular employees of the  
 5 agency.

6 (2) No person may be required to participate in a work  
 7 project if such participation would interfere with his  
 8 participation in an approved training program designed to  
 9 improve his employability and in which he would otherwise  
 10 participate.

11 (3) If any portion of the program is found to conflict  
 12 with federal law or rules, that portion may be suspended.  
 13 The reason for suspension shall be reflected in the report  
 14 required under [section 6].

15 Section 5. Limitation on days of work required. A  
 16 person participating in a work program may not be required  
 17 to work more than the number of days necessary to earn the  
 18 amount to which he is eligible under the unemployment  
 19 compensation laws of the state. The equivalent rate of  
 20 reimbursement may not be less than the average weekly wage  
 21 determined as provided in 87-103.

22 Section 6. Department to report results and make  
 23 recommendations. The department of labor and industry shall  
 24 report to the 46th legislature the results of the pilot  
 25 program established under this act and make recommendations

1 as to the feasibility of continuing the work program and  
 2 expanding it throughout the state. The department's report  
 3 shall be accompanied by legislation necessary to implement  
 4 recommendations made.

5 Section 7. Expiration of act. This act expires June  
 6 30, 1979.

-End-

STATE OF MONTANA

REQUEST NO. 584-77

FISCAL NOTE

Form BD-15

In compliance with a written request received February 18, 1977, there is hereby submitted a Fiscal Note for House Bill 803 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to establish a pilot program to provide recipients of unemployment compensation benefits an opportunity to contribute their efforts to society in return for benefits received and to explore the feasibility of expanding such a program permanently.

FISCAL IMPACT:

No estimate of the fiscal impact can be provided. There would be no savings under this bill, and no effect on total payout of unemployment insurance benefits, since it is evidently voluntary and there is no penalty for non-participation. Administrative costs would occur, but since the bill gives no direction as to the size or scope of the program (except that it shall occur in six (6) counties), it is impossible to project these administrative costs. Any such costs would have to be borne by the state or local government as the federal money received to administer the Unemployment Insurance Program can be used only for that purpose.

Before any assumptions can be made on costs, we must know how many participants; type of projects; supervision required and who will provide it; transportation, working tools needed, provided by whom; whether workers' compensation, health or liability insurance would have to be provided; etc.

LOCAL IMPACT:

This bill would provide workers for county or local projects, evidently at no cost, but it is assumed that supervisory and administrative costs would be the obligation of local government.

TECHNICAL NOTE:

1. The proposed legislation may be in conflict with fair labor standard laws and unemployment insurance laws.
2. Conflicts with labor unions may ensue which would require disposition.

*Richard A. Drayton*  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-23-77

Labor & Employment Relations  
Objection Raised to Adverse Committee Report

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*HB 803*

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