

HOUSE BILL 681

IN THE HOUSE

February 9, 1979	Introduced and referred to Committee on Human Services.
February 13, 1979	Rereferred to Select Committee on Aging.
February 22, 1979	On motion, taken from Select Committee on Aging and referred to Committee on Appropriations.
March 26, 1979	Committee recommend bill, do not pass.
March 27, 1979	Report adopted.

1 House BILL NO. 681
 2 INTRODUCED BY Cheryl Hagan Reichert
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A PILOT
 5 PROGRAM IN REGION II OF THE HUMAN SERVICE PLANNING AREAS TO
 6 PROVIDE A GROUP HOME FOR SENIOR CITIZENS."

7
 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 Section 1. Department of social and rehabilitation
 10 services to establish a pilot group home program. The
 11 department of social and rehabilitation services shall
 12 establish a senior citizen group home pilot program in
 13 region II of the human service planning areas. Region II
 14 includes Cascade, Chouteau, Blaine, Hill, Liberty, Toole,
 15 Glacier, Pondera, and Teton Counties.

16 Section 2. Eligibility. A senior citizen who is 60
 17 years of age or older is eligible for the group home
 18 placement program.

19 Section 3. Group home to be provided. The department
 20 of social and rehabilitation services shall provide through
 21 the area council on aging, or another nonprofit agency, a
 22 group home, salaried staff, and coordinated community
 23 services for elderly residents.

24 Section 4. Department to report results and make
 25 recommendations. The department of social and rehabilitation

1 services shall report to the 47th legislature the results of
 2 the pilot program established under [this act] and make
 3 recommendations as to the feasibility of continuing the
 4 group home program and expanding it throughout the state.
 5 The department's report shall be accompanied by legislation
 6 necessary to implement recommendations made.

7 Section 5. Expiration date. This act expires June 30,
 8 1981.

-End-

-2- HB 681
 INTRODUCED BILL

FISCAL NOTE

Form BD-15

In compliance with a written request received February 28, 1979, there is hereby submitted a Fiscal Note for House Bill 681 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:

House Bill 681 is an act to establish a pilot group home program for the elderly in Region II.

ASSUMPTIONS:

1. A community residence suitable for eight elderly plus two live-in house parents would be built or purchased. Cost would be \$70,000 with a 25% downpayment and a conventional mortgage at 10½%. Attached is an overview of possible government programs offering direct or insured loans and/or rental assistance.
2. It is assumed that each elderly resident of the group home would contribute to the support of the home. The income from such contributions is based on the lowest fixed income of an elderly person, which is the SSI support level, i.e. \$189.40 per month less \$25 retained for spending money.

FISCAL IMPACT:

	FY 80	FY 81
Additional revenue due to proposed law (resident contributions)	<u>\$15,000</u>	<u>\$16,000</u>
Less: Additional operating costs	48,000	51,500
Start-up costs (house downpayment and furnishings)	<u>25,000</u>	<u>0</u>
	<u>73,000</u>	<u>51,500</u>
Net additional cost of proposed legislation	<u>\$58,000</u>	<u>\$35,500</u>

The additional cost must be funded from the State General Fund.

Richard L. Zuercher
 BUDGET DIRECTOR
 Office of Budget and Program Planning
 Date: 3/6/79

NOTE TO ACCOMPANY FISCAL NOTE FOR H.B. 681

Possible Forms of Loan or Rental Assistance
For Elderly Housing

There are three forms of government assistance that may be available for the acquisition and/or operating expenses for elderly housing. These would be:

- 1) direct loan subsidies under the Housing and Urban Development (HUD) 202 Direct Loan Program or Farmers Home Administration (FmHA) Section 515 Rural Rental Housing Program
- 2) rental assistance programs such as the FMHA rental assistance program or the HUD Section 8 program
- 3) insured loans that would provide a loan guarantee for conventional financing such as the HUD 231 program and the HUD 221(d)3 program.