

HOUSE BILL NO. 197

Introduced: 01/13/83

Referred to Committee on Local Government: 01/13/83

Hearing: 2/17/83

Died in Committee

1 *House* BILL NO. *197*
 2 INTRODUCED BY *Justin D. Kelly, Chairman*
 3 *Richard E. Hanning, O. Canrell, Hansford J. Jacobson*

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH THAT
 5 COUNTY COSTS FOR MATERIALS AND SUPPLIES AND FOR
 6 ADMINISTRATIVE AND SUPERVISORY PERSONNEL IN THE OPERATION OF
 7 A WORKFARE PROGRAM ARE NECESSARY AND REASONABLE POOR FUND
 8 EXPENDITURES FOR PURPOSES OF QUALIFYING FOR THE STATE
 9 WELFARE MATCHING GRANT-IN-AID PROGRAM; TO MAKE THE STATE
 10 WELFARE MATCHING GRANT-IN-AID PROGRAM PERMANENT; AMENDING
 11 SECTION 2, CHAPTER 11, SPECIAL LAWS OF 1981; REPEALING
 12 SECTION 4, CHAPTER 11, SPECIAL LAWS OF 1981; AND PROVIDING
 13 EFFECTIVE DATES."

14
 15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

16 Section 1. Section 2, Chapter 11, Special Laws of
 17 1981, is amended to read:

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

24 (2) ~~(a)~~ The grant shall be awarded if the board of
 25 county commissioners or an executive officer of a county

1 makes written application to the department certifying:

2 ~~(a)(i)~~ that the county has budgeted for a mill levy in
 3 excess of 8 mills for the county poor fund;

4 ~~(b)(iii)~~ that the county has, or within a reasonable
 5 time will have, expended from the poor fund an amount raised
 6 by 8 mills;

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

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

15 ~~(b) Reasonable and necessary county poor fund~~
 16 ~~expenditures under subsection (2)(a)(iii) include county~~
 17 ~~costs for materials and supplies and for administrative and~~
 18 ~~supervisory personnel employed in the operation of a county~~
 19 ~~work program.~~

20 (3) Upon determination that a county has met the
 21 conditions for a matching grant-in-aid, the state shall
 22 financially participate in 50% of all further lawful poor
 23 fund expenditures, except those for medical facility
 24 subsidy, until such time that a county qualifies for an
 25 emergency grant-in-aid. The department may at its discretion

1 advance funds to a county for the state's matching
2 contribution for poor fund expenditures, or it may reimburse
3 a county for such expenditures.

4 (4) (a) A county receiving a matching grant-in-aid may
5 not levy more than 1/2 mill for each 1-mill expenditure
6 equivalent over 8 mills for poor fund purposes except to
7 subsidize a medical facility.

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

14 (5) The department may adopt rules to implement this
15 section."

16 NEW SECTION. Section 2. Repealer. Section 4, Chapter
17 11, Special Laws of 1981, is repealed.

18 NEW SECTION. Section 3. Effective dates. (1) Section
19 1 is effective on July 1, 1983.

20 (2) Section 2 is effective on passage and approval.

-End-

STATE OF MONTANA

REQUEST NO. 110-83

FISCAL NOTE

Form BD-15

In compliance with a written request received January 15, , 19 83 , there is hereby submitted a Fiscal Note for House Bill 197 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

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 197 would make the state welfare matching grant-in-aid program permanent and would include materials and supplies and administrative and supervisory personnel of county work programs as allowable grant-in-aid costs.

ASSUMPTIONS:

- 1) The state would prevail in a current grant-in-aid law suit brought by Missoula County. If not, the cost increase could be significantly higher.
- 2) Administrative costs of the work program will be the weighted average per case reported by counties inflated at 6% per year.
- 3) General assistance caseloads for grant-in-aid counties will remain the same as the first quarter of fiscal year 1983.
- 4) County costs will inflate 6% per year.
- 5) There will be no major work program building projects.

FISCAL IMPACT:

It is estimated the proposal will increase state general fund costs as follows:

	<u>FY 84</u>	<u>FY 85</u>	<u>Biennium</u>
Work Program Costs	\$ 143,193	\$ 151,780	\$ 294,973
Matching Grant-In-Aid	<u>2,013,066</u>	<u>2,133,850</u>	<u>4,146,916</u>
Total Cost Increase	<u>\$ 2,156,259</u>	<u>\$2,285,630</u>	<u>\$ 4,441,889</u>

TECHNICAL NOTE:

The proposal repeals Section 4, Chapter 11, special laws of 1981, a "sunset" provision, which terminated matching grant-in-aid on June 30, 1983. Since the proposal's effective date is July 1, 1983; the law being amended would have already expired. If the effective date were changed to June 30, 1983, the expiration problem would be clarified but the cost estimate would change.

FISCAL NOTE 5:I/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-20-83