

HB 292 INTRODUCED BY MCCORMICK, ET AL.  
STATE COMPENSATION FOR REPRESENTATIVE PAYEES  
APPOINTED BY SOCIAL SECURITY

1/19 INTRODUCED  
1/19 REFERRED TO STATE ADMINISTRATION  
1/19 FISCAL NOTE REQUESTED  
1/26 FISCAL NOTE RECEIVED  
1/29 HEARING  
1/29 COMMITTEE REPORT--BILL NOT PASSED  
1/30 ADVERSE COMMITTEE REPORT ADOPTED

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House BILL NO. 292

INTRODUCED BY *McLennan Pistoria Beck* *Styck*  
*Cannell Keena Poff Delq Nishit*

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE STATE  
COMPENSATION TO PERSONS OR ORGANIZATIONS WHO ARE APPOINTED  
BY THE FEDERAL SOCIAL SECURITY ADMINISTRATION TO ACT AS  
REPRESENTATIVE PAYEES FOR CERTAIN FEDERAL BENEFICIARIES."

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

Section 1. Compensation of representative payee --  
definition. (1) A representative payee is either a person or  
an organization selected by the federal social security  
administration, pursuant to 42 U.S.C. and regulations  
promulgated pursuant to that title, to receive benefits on  
behalf of a beneficiary.

(2) For duties performed relating to each beneficiary  
receiving payment through him, a representative payee is  
entitled as compensation to an amount equal to \$1,250 a  
year, payable in monthly installments.

(3) The department of social and rehabilitation  
services shall pay a representative payee for each month  
that service is rendered as a representative payee. To  
receive payment, a representative payee shall register with  
the department. Payments must be made from funds  
appropriated for such purposes.

-End-



INTRODUCED BILL  
HB-292

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB292, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to provide state compensation to persons or organizations who are appointed by the federal social security administration to act a representative payees for certain federal beneficiaries.

ASSUMPTIONS:

1. There are 15,000 representative payees in Montana, of which about 12,000 are representative payees for children.
2. It is assumed that SRS already mails correspondence to one-half of these payees, necessitating increased mail costs for only 7,500 payees.
3. It is assumed that an additional 1.5 FTE will be necessary -- a full-time grade 7 data entry operator and a half-time grade 9 administrative assistant.
4. It is assumed that the data entry operator can enter 800 records per work day or the total of 15,000 records in 18.75 days. The half-time administrative assistant is needed to verify the payment amounts.
5. If payments were made only to those payees representing persons other than children, administrative costs would be approximately \$33,000, benefits and claims costs would be \$3,750,000 and total cost would be \$3,783,000.

FISCAL IMPACT:

Expenditures:

	<u>FY88</u>		<u>FY89</u>	
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Current Law</u>	<u>Proposed Law</u>
Personal Services	\$ 0	\$ 24,123	\$ 0	\$ 24,123
Operating Expenses	0	43,200	0	43,200
Benefits & Claims	0	18,750,000	0	18,750,000
Total	\$ 0	\$ 18,817,323	\$ 0	\$ 18,817,323

Funding:

General Fund \$ 18,817,323 \$ 18,817,323

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

State expenditures under the proposed legislation would change as the number of payees changed.

David L. Hunter DATE 1/24/82  
 DAVID L. HUNTER, BUDGET DIRECTOR  
 Office of Budget and Program Planning

Lloyd McCormick DATE 1/26/82  
 LLOYD MCCORMICK, PRIMARY SPONSOR

Fiscal Note for HB292, as introduced.

**HB-292**