

HB 542 INTRODUCED BY BRADLEY, ET AL.  
LIMITING EMPLOYABLE PERSONS TO 6 MONTHS ELIGIBILITY  
FOR GENERAL RELIEF

1/30 INTRODUCED  
1/30 REFERRED TO HUMAN SERVICES & AGING  
1/30 FISCAL NOTE REQUESTED  
2/05 FISCAL NOTE REQUEST CANCELLED  
2/07 HEARING  
2/09 FISCAL NOTE REQUESTED  
2/16 FISCAL NOTE RECEIVED  
2/18 TABLED IN COMMITTEE



1 of supporting themselves through employment and therefore  
 2 will provide for counseling, therapy, and rehabilitation for  
 3 eligible persons to the extent that funding is available."

4 Section 2. Section 53-3-109, MCA, is amended to read:

5 "53-3-109. Definitions. For the purposes of this  
 6 chapter, the following definitions apply:

7 ~~{1}--"Abie-bodied"--means-the-condition-of-a-person-who~~  
 8 ~~is-not-infirm.~~

9 {2}(1) "Basic necessities" means food, shelter,  
 10 utilities, and personal needs.

11 {3}(2) "Department" means the department of social and  
 12 rehabilitation services provided for in Title 2, chapter 15,  
 13 part 22.

14 (3) "Employable" means the condition of a person who  
 15 is unemployed but has been gainfully employed within the  
 16 preceding 2 years and:

17 (a) is under age 65;

18 (b) does not have a mental disorder or a serious  
 19 medical condition;

20 (c) is not physically or mentally impaired as a  
 21 consequence of excessive use of narcotic drugs, alcohol, or  
 22 other drug or substance;

23 (d) is able to read at the 10th-grade level;

24 (e) is not the parent or caretaker relative of a child  
 25 under the age of 6 in a household that includes no other

1 adult caretaker; and

2 (f) is not responsible for the care of a household  
 3 member who requires his presence on a substantially  
 4 continuous basis.

5 (4) "General relief" means ~~in-accordance-with-this~~  
 6 ~~chapter,~~ a program of-public-assistance described in this  
 7 chapter that provides a monthly stipend for basic  
 8 necessities and medical needs to those eligible persons  
 9 determined-to-be-eligible-for-that-assistance.

10 (5) "Household" means all persons who by choice,  
 11 necessity, or legal relationship are mutually dependent upon  
 12 each other for basic necessities and who reside in the same  
 13 residence.

14 (6) "Income" means the value of all property of any  
 15 nature, earned, unearned, or in-kind, including benefits  
 16 reasonably certain to be received by or available to a  
 17 household during the month of the receipt of the income.

18 (7) "Indigent" or "misfortunate" means a person who is  
 19 lacking the means, financial or otherwise, by which to  
 20 prevent destitution for himself and others dependent upon  
 21 him for basic necessities and who is otherwise eligible for  
 22 assistance under this chapter. ~~Except-as-provided-otherwise~~  
 23 ~~in---53-3-205---and---53-3-209,--the--terms--do--not--include~~  
 24 ~~able-bodied--persons--unless--they--have--dependent---minor~~  
 25 ~~children-living-in-the-household:~~

1 (8) "Infirm" means the condition of a person who is  
2 diagnosed by a licensed medical practitioner and confirmed  
3 by an expert medical review to have a physical or mental  
4 handicap that significantly impairs the person's ability to  
5 be employed.

6 (9) "Lump-sum income" means a nonrecurring source of  
7 income received in a single payment by a household during  
8 any eligibility period, including but not limited to  
9 proceeds from a lawsuit, insurance settlement, inheritance,  
10 lump-sum retirement, veterans' or unemployment benefits;  
11 benefits received under the federal Social Security Act;  
12 prizes; and tax refunds.

13 (10) "Mental disorder" means any organic, mental, or  
14 emotional impairment that has substantial adverse effects on  
15 an individual's cognitive or volitional functions.

16 ~~(10)~~(11) "Resource" means all real and personal  
17 property retained after the calendar month of its receipt  
18 and which the household or a member of the household has a  
19 legal right to sell or liquidate.

20 ~~(11)~~(12) "Secure facility" means any facility in which  
21 a person may be lawfully held against his will by federal,  
22 state, or local authorities.

23 ~~(12)~~(13) "Serious medical condition" means a physical  
24 condition that causes a serious health risk to a person and  
25 for which treatment is medically necessary, including

1 pregnancy. Diagnosis and determination of necessary  
2 treatment must be made by a licensed medical practitioner,  
3 and the department may confirm it through an expert medical  
4 review. Necessary treatment includes prenatal care and such  
5 other elective treatments as determined by department rule  
6 to be medically necessary."

7 Section 3. Section 53-3-201, MCA, is amended to read:  
8 "53-3-201. Residency requirements. (1) Any person  
9 otherwise qualified who makes his home in Montana with the  
10 intent to become a resident shall be eligible for general  
11 relief.

12 (2) If a person is absent from the state voluntarily,  
13 he is ineligible for general relief in Montana.

14 ~~(3)--Aliens-found-to-be--illegally--within--the--United~~  
15 ~~States-are-not-eligible-for-relief-from-state-funds-~~

16 ~~(4)~~(3) Nonresidents or interstate transients may  
17 receive temporary relief from county funds in cases of  
18 extreme necessity and destitution until they are returned at  
19 state expense to their state of residence or origin."

20 Section 4. Section 53-3-205, MCA, is amended to read:  
21 "53-3-205. Eligibility for general relief. (1) A  
22 person or persons constituting a household may receive  
23 general relief assistance for basic necessities if the  
24 household is determined to be eligible under the provisions  
25 of this section and is in need of such assistance as a

1 result of their the infirmity, misfortune, or indigency, or  
2 unemployability of one or more household members.

3 (2) A household is eligible for general relief if the  
4 household income does not exceed that set forth in the  
5 following table:

6 Number of Persons 7 in Household	Monthly Income Standard
8 1	\$212
9 2	282
10 3	354
11 4	426
12 5	501
13 6	570
14 7	642
15 8	713
16 9	785
17 10 or more	857

18 (3) ~~Abie-bodied--persons---without---dependent---minor~~  
19 ~~children--living-in-the-household~~ Employable persons are not  
20 eligible for nonmedical general relief assistance, ~~---except~~  
21 only as provided in 53-3-209.

22 (4) (a) When the household's income exceeds the  
23 monthly income standard for a household of that size because  
24 of receipt of lump-sum income, the household will be  
25 ineligible for general relief for the full number of months,

1 beginning with the month of receipt, derived by dividing the  
2 total of the lump-sum income and other income by the monthly  
3 income standard for a household of that size. Any income  
4 remaining from this calculation will be considered as income  
5 in the first month following the period of ineligibility.

6 (b) The period of ineligibility may be recalculated if  
7 the household size changes or if a portion of the lump sum  
8 was used to pay medical bills for a serious medical  
9 condition.

10 (c) Ineligibility due to the receipt of a lump sum  
11 does not preclude eligibility for general relief medical  
12 assistance.

13 (5) All applicants for and recipients of general  
14 relief assistance who reside in the same residence are  
15 considered as one household.

16 (6) Prospective income that is reasonably certain to  
17 be received by the household during an eligibility period  
18 must be considered when determining eligibility.

19 (7) The following resources of a household must be  
20 excluded from consideration of resources for eligibility  
21 purposes:

22 (a) the domicile of the household, including necessary  
23 appurtenant land not exceeding 10 acres;

24 (b) a motor vehicle that has no more than \$1,500 in  
25 equity value;

1 (c) personal items, clothing, household furniture,  
2 appliances, and other essential household items, the total  
3 equity value of which does not exceed resource eligibility  
4 limits established by rule; and

5 (d) tools of a trade that are essential to the current  
6 or future employment of a household member.

7 (8) A person who is committed or sentenced by legal  
8 process to a state institution or a secure facility or who  
9 is incarcerated in a secure facility pending resolution of  
10 legal process is not eligible for general relief.

11 (9) A person who resides for a period of 1 day or more  
12 in any state or federally operated institution or residence  
13 is not eligible for general relief for the period of that  
14 residency.

15 (10) For the purposes of an eligibility determination,  
16 an applicant for or recipient of general relief may be  
17 requested to produce all financial and other information  
18 concerning the household.

19 (11) Whenever practical, an eligibility determination  
20 must be made within 30 days of the date of application and  
21 the applicant must be notified in writing of the eligibility  
22 determination and the reasons for the determination.

23 (12) An alien determined to be illegally within the  
24 United States is not eligible for general relief."

25 Section 5. Section 53-3-209, MCA, is amended to read:

1 "53-3-209. Period of eligibility. (1) The period of  
2 eligibility for receipt of general relief for basic  
3 necessities is 1 month<sup>7</sup>, ~~except~~ Except as provided in  
4 subsections (2) and ~~(3)~~ (4)<sup>7</sup>. A a person may seek to  
5 establish eligibility for the succeeding month prior to the  
6 end of the current month of eligibility.

7 (2) ~~Able-bodied~~ Employable persons ~~without-dependent~~  
8 ~~minor-children-living-in-the-household~~ are eligible for no  
9 more than 2 6 months of nonmedical general relief assistance  
10 within any 12-month period, except that assistance received  
11 prior to ~~November-17-1986~~ [the effective date of this act]  
12 ~~shall~~ may not be counted.

13 (3) Eligibility for general relief medical assistance  
14 terminates when the serious medical condition of the person  
15 has been treated.

16 (4) The period of eligibility for any type of general  
17 assistance terminates at any time the county welfare board  
18 or the department determines that the household:

19 (a) no longer meets the applicable eligibility  
20 requirements; or

21 (b) received general relief by means of fraud or  
22 mistake."

23 Section 6. Section 53-3-304, MCA, is amended to read:

24 "53-3-304. Power to require ~~recipient~~ employable  
25 recipients to participate in job search, training, and work

1 programs. (1) The department shall cooperate with the  
 2 department of labor and industry and other designated  
 3 agencies to initiate, promote, and develop job search,  
 4 training, and work programs that will contribute to the  
 5 employability of persons receiving general relief under the  
 6 provisions of this chapter. These programs must be designed  
 7 to preserve and improve the work habits and job-finding  
 8 skills of recipients for whom jobs are not otherwise  
 9 immediately available.

10 (2) For each county with state-assumed welfare  
 11 services, the department shall contract with the department  
 12 of labor and industry or other designated agencies to  
 13 institute a job search, training, and work program that  
 14 provides able-bodied employable general relief recipients  
 15 with the necessary job-finding skills to seek unsubsidized  
 16 employment independently.

17 (3) In a county with state-assumed welfare services,  
 18 an able-bodied employable recipient of general relief shall  
 19 enroll in a structured job search and training program at an  
 20 employment office or other site designated by the  
 21 department. The program must include but is not limited to  
 22 the following elements:

- 23 (a) assessment and testing;
- 24 (b) an employability plan;
- 25 (c) remedial education or job skills training, if it

1 is called for in the employability plan and if it provides  
 2 for immediate referral to an appropriate Job Training  
 3 Partnership Act program;

4 (d) a job readiness and job search program that must  
 5 include but is not limited to:

- 6 (i) self-assessment and occupational testing;
- 7 (ii) instruction in completing applications, writing  
 8 resumes, and preparing for interviews;
- 9 (iii) identification of and contact with potential  
 10 employers; and
- 11 (iv) participation in simulated job interviews;
- 12 (e) a supervised effort to find employment; and
- 13 (f) efforts to address barriers to employment.

14 (4) (a) In addition to the training required in  
 15 subsection (3), if a public agency or a private nonprofit  
 16 agency has work available which a recipient of general  
 17 relief is capable of performing or the department of social  
 18 and rehabilitation services is required to operate a work  
 19 program under the provisions of 53-2-822, then the county  
 20 department of public welfare or the department of social and  
 21 rehabilitation services may require a recipient to perform  
 22 work at the minimum wage or may pay a recipient at the  
 23 prevailing rate of wages paid in that county by that agency  
 24 for similar work, to be paid from the county poor fund or  
 25 state funds, in place of granting him general relief.

1 (b) No currently employed worker may be displaced by  
2 any recipient (including partial displacement such as a  
3 reduction in the hours of nonovertime work, wages, or  
4 employment benefits).

5 (c) No recipient may be employed when any other person  
6 is on layoff from the same or any substantially equivalent  
7 job or when the employer has terminated the employment of  
8 any regular employee or otherwise reduced its workforce with  
9 the intention of filling the vacancy so created by hiring a  
10 recipient whose wages are subsidized under this section.

11 (5) The county department of public welfare or the  
12 department of social and rehabilitation services, as the  
13 case may be, shall provide coverage under the Workers'  
14 Compensation Act for those recipients of general relief  
15 working under the provisions hereof and may enter into such  
16 agreements with the division of workers' compensation of the  
17 department of labor and industry as may be necessary to  
18 carry out the provisions of this section.

19 (6) A An employable recipient who has completed the  
20 assessment and testing portions of the program and has  
21 developed an employability plan shall participate in the job  
22 readiness and job search program provided for in subsection  
23 (3)(d) for at least 80 hours in any 5-week period and shall  
24 spend at least 8 hours a week in a supervised effort to find  
25 employment.

1 (7) A An employable recipient who has completed the  
2 job search program provided for in subsection (3) shall:

3 (a) continue to spend at least 8 hours a week in a  
4 supervised effort to find employment; and

5 (b) for the duration of his eligibility for general  
6 relief, spend 32 hours a week, as called for in the  
7 employability plan, in:

8 (i) remedial education;

9 (ii) counseling;

10 (iii) job skills training;

11 (iv) work for a public agency or a private nonprofit  
12 agency, as required in subsection (4); or

13 (v) job-seeking or other related activities.

14 ~~{8}--Nothing--in--this--chapter--requires--a--recipient--to~~  
15 ~~continue--the--activities--required--by--subsection--{7}--for~~  
16 ~~longer--than--6--months--~~

17 ~~{9}~~(8) Where a labor organization represents a  
18 substantial number of employees who are engaged in similar  
19 work or training in the area where it is proposed to assign  
20 the recipient to work or training, an opportunity must be  
21 provided for that organization to submit comments with  
22 respect to such proposal.

23 ~~{10}~~(9) No work program may impair existing contracts  
24 for services or collective bargaining agreements, and no  
25 work program that would be inconsistent with the terms of a

1 collective bargaining agreement may be undertaken without  
2 the written concurrence of the labor organization and  
3 employer concerned."

4 NEW SECTION. Section 7. Programs for recipients  
5 determined not employable. A person who is eligible for  
6 general relief and is not employable, as defined in  
7 53-3-109, shall report to an employment service office or  
8 other site designated by the department for an initial  
9 assessment by a panel consisting of a representative of the  
10 department, a representative of the department of labor and  
11 industry, and a licensed psychologist or professional  
12 counselor qualified to evaluate intellectual functioning and  
13 to diagnose mental disorders, drug or alcohol abuse, and  
14 other barriers to employment. The panel shall determine  
15 whether the person is likely to benefit from counseling,  
16 treatment, or rehabilitation and recommend that he:

17 (1) be enrolled in a program designed specifically for  
18 persons who are not classified as employable and comprised  
19 of at least the following elements:

- 20 (a) assessment and testing;  
21 (b) an employability plan;  
22 (c) remedial education or job skills training, if it  
23 is called for in the employability plan; and  
24 (d) efforts to address barriers to employment,  
25 including counseling, therapy, or vocational rehabilitation

1 to the extent that funding is available; or

2 (2) be maintained as a general relief recipient as  
3 long as he is eligible under 53-3-205 without further  
4 testing, assessment, training, or rehabilitation, subject to  
5 a quarterly reevaluation by the panel.

6 NEW SECTION. Section 8. Codification instruction.  
7 Section 7 is intended to be codified as an integral part of  
8 Title 53, chapter 3, part 2, and the provisions of Title 53,  
9 chapter 3, apply to section 7.

10 NEW SECTION. Section 9. Extension of authority. Any  
11 existing authority of the department of social and  
12 rehabilitation services to make rules on the subject of the  
13 provisions of this act is extended to the provisions of this  
14 act.

15 NEW SECTION. Section 10. Effective date. This act is  
16 effective July 1, 1987.

-End-

## STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB542, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act requiring a determination of a person's employability as a criterion for eligibility for general relief; providing for rehabilitation of certain recipients; amending sections 53-3-108, 53-3-109, 53-3-201, 53-3-205, 53-3-209 and 53-3-304, MCA; and providing an effective date.

ASSUMPTIONS:

- This fiscal note assumes that the state will prevail in the lawsuit challenging HB33, passed in the June 1986 Special Session, that limits general assistance payments to two months in any 12 month period. The two month limitation will be in effect for a part of FY88 and all of FY89.  
NOTE: If the state were to lose the lawsuit, HB33 would increase administrative costs and reduce benefit costs. The result would be a net increase in general fund cost of approximately \$500,000 in FY88 and a savings of \$200,000 in FY89, as compared to the costs of \$1,819,306 and \$2,494,450 presented below.
- Thirty-six percent of the GA caseload will be classified as infirm and not subject to the two month limitation. About 14 percent of the caseload is projected to be unemployable for reasons specified in section 2 of the proposed law.
- Monthly GA caseload projections are 2,150 in FY88 and 2,500 in FY89 and the average monthly payment is estimated to be \$212 throughout the 1989 biennium.
- It is estimated that 50 percent of the GA caseload will be employable.
- GA recipients will be evaluated by a panel of three persons to determine employability. It is assumed that the Department of Labor would expand its current GA job training and search contract with the Department of Social and Rehabilitation Services to hire an additional 16.2 FTE to accomplish the evaluations.

FISCAL IMPACT:Expenditures for Department of Labor and SRS:

FTE	FY88			FY89		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
	0	16.2	16.2	0	16.2	16.2
Personal Services	\$ 0	\$ 574,747	\$ 574,747	\$ 0	\$ 547,747	\$ 547,747
Operating Expenses and Capital Outlay	0	104,847	104,847	0	104,847	104,847
Benefits (SRS)	4,075,488	5,215,200	1,139,712	3,760,032	5,601,888	1,841,856
Total Expenditures	\$ 4,075,488	\$ 5,894,794	\$ 1,819,306	\$ 3,760,032	\$ 6,254,482	\$ 2,494,450

Funding:

General Fund	\$4,075,488	\$5,894,794	\$ 1,819,306	\$3,760,032	\$6,254,482	\$ 2,494,450
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*David L. Hunter* DATE 2/14/87  
DAVID L. HUNTER, BUDGET DIRECTOR  
Office of Budget and Program Planning

*Dorothy Bradley* DATE \_\_\_\_\_  
DOROTHY BRADLEY, PRIMARY SPONSOR

Fiscal Note for HB542, as introduced.

**HB 542**