

HOUSE BILL NO. 427

INTRODUCED BY COBB, KEATING, RYE, BARNETT,
MILLS, DEVLIN, GAGE, BOHLINGER, KASTEN,
SIMON, R. JOHNSON

IN THE HOUSE

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| FEBRUARY 2, 1993 | INTRODUCED AND REFERRED TO COMMITTEE ON APPROPRIATIONS. |
| | FIRST READING. |
| FEBRUARY 24, 1993 | COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED. |
| MARCH 2, 1993 | PRINTING REPORT. |
| MARCH 17, 1993 | ON MOTION, REREFERRED TO COMMITTEE ON APPROPRIATIONS. |
| MARCH 19, 1993 | COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED. |
| MARCH 22, 1993 | PRINTING REPORT. |
| | SECOND READING, DO PASS AS AMENDED. |
| MARCH 23, 1993 | ENGROSSING REPORT. |
| MARCH 24, 1993 | THIRD READING, PASSED. AYES, 59; NOES, 40. |
| MARCH 25, 1993 | TRANSMITTED TO SENATE. |

IN THE SENATE

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| MARCH 26, 1993 | INTRODUCED AND REFERRED TO COMMITTEE ON FINANCE & CLAIMS. |
| | FIRST READING. |
| APRIL 13, 1993 | COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED. |
| APRIL 14, 1993 | SECOND READING, CONCURRED IN AS AMENDED. |
| APRIL 15, 1993 | THIRD READING, NOT CONCURRED IN. AYES, 22; NOES, 28. |

ON MOTION, PREVIOUS ACTION
RECONSIDERED.

ON MOTION, RULES SUSPENDED TO ALLOW
RETURN TO 3RD READING THIS DAY.

THIRD READING, CONCURRED IN.
AYES, 29; NOES, 21.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 16, 1993

ON MOTION, CONSIDERATION PASSED
FOR THE DAY.

APRIL 19, 1993

SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 20, 1993

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *House* BILL NO. *427*
 2 INTRODUCED BY *Cobb, Keating, Olson, Barnett, Miller*
 3 *Derkin, Bap, Bohning, Foster, Jono, Bih...*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING STATE
 5 ASSUMPTION OF COUNTY WELFARE ASSISTANCE; REVISING THE MILL
 6 LEVY LIMIT FOR A COUNTY; AMENDING SECTIONS 53-2-301,
 7 53-2-302, 53-2-304, 53-2-322, 53-3-110, 53-3-112, 53-3-113,
 8 53-3-209, 53-3-304, 53-3-308, 53-3-309, 53-3-310, 53-3-311,
 9 53-3-321, 53-3-322, 53-3-323, 53-3-325, AND 53-3-326, MCA;
 10 REPEALING SECTIONS 53-2-323, 53-2-801, 53-2-802, 53-2-803,
 11 53-2-811, 53-2-812, 53-2-813, 53-2-821, 53-2-822, 53-3-114,
 12 53-3-324, 53-3-327, AND 53-3-328, MCA; AND PROVIDING AN
 13 EFFECTIVE DATE."

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

16 **Section 1.** Section 53-2-301, MCA, is amended to read:

17 "53-2-301. County departments to be established. There
 18 shall must be established in each county of the state,
 19 except---in---a---county---that---has---transferred---its---public
 20 assistance-and-protective-services-responsibilities---to---the
 21 state---under---the---provisions---of---part-8-of-this-chapter, a
 22 county department of public welfare, which shall consist of
 23 a county board of public welfare and such staff personnel as
 24 may be necessary for the efficient performance of the public
 25 assistance activities of the county. If conditions warrant

1 and if two or more county boards enter into an agreement,
 2 two or more counties may combine into one administrative
 3 unit and use the same staff personnel throughout the
 4 administrative unit."

5 **Section 2.** Section 53-2-302, MCA, is amended to read:

6 "53-2-302. County commissioners ex officio county
 7 welfare board. Except-in-a-county-that-has-transferred-its
 8 public-assistance-and-protective--services--responsibilities
 9 to--the-state-under-part-8-of-this-chapter, the The board of
 10 county commissioners shall--be is the ex officio county
 11 welfare board and--is--hereby--authorized--to--devote-such
 12 additional-time-for-public--assistance--matters--as--may--be
 13 found--necessary. The members of the county welfare board
 14 shall receive the same compensation for their services and
 15 the same mileage when acting as the county board of public
 16 welfare as they receive when acting as the board of county
 17 commissioners,--and--shall--be The board is limited as to
 18 meetings as now provided by law, and the compensation and
 19 mileage of the members of the board shall must be paid from
 20 county funds. They may transact business as a board of
 21 county commissioners and as a county welfare board on the
 22 same day, and in such cases they shall must be paid as a
 23 board of county commissioners but may not receive
 24 compensation for more than 1 day's work for all services
 25 performed on the same calendar day."

Section 3. Section 53-2-304, MCA, is amended to read:

"53-2-304. Staff personnel of county department. (1)

Each county board shall select and appoint from a list of qualified persons furnished by the department of-social-and-rehabilitation-services-such staff personnel as are the board determines necessary. The staff personnel in each county shall consist of at least one qualified staff worker (or investigator) and such clerks and stenographers as may ~~be-decided~~ the board determines necessary. If conditions warrant, the county board, with the approval of the department of--social--and--rehabilitation--services, may appoint ~~some~~ a fully qualified person listed by the department as supervisor of its staff personnel. The staff personnel of each county department are directly responsible to the county board, but the department of-social-and-rehabilitation--services may supervise such the county employees in respect to the efficient and proper performance of their duties. The county board of public welfare may not dismiss any member of the staff personnel without the approval of the department of--social-and-rehabilitation services. The department may request the county board to dismiss any member of the staff personnel for inefficiency, incompetence, or similar cause. The final authority for dismissal is the county board. In--counties--where--the department-has-assumed-the-administration-of-welfare-duties,

~~the--final--authority--for--dismissal-is-the-director-of-the department.~~

(2) Public assistance staff personnel attached to the county board ~~shall~~ must be paid from state public assistance funds both their salaries and their travel expenses as provided for in 2-18-501 through 2-18-503 when away from the county seat in the performance of their duties, but the county board of public welfare shall reimburse the department of-social-and-rehabilitation-services from county poor funds the full amount of the salaries and travel expenses not reimbursed to the department by the federal government and the full amount of the department's administrative costs which that are allocated by the department to the county for the administration of county welfare programs and not reimbursed to the department by the federal government. Under circumstances prescribed by the department of--social--and--rehabilitation--services, the reimbursement by the county board of public welfare may be less than the county share as prescribed above in this subsection. All other administrative costs of the county department ~~shall-also~~ must be paid from county poor funds.

(3) On or before the 20th day of the month following the month for which the payments to the public assistance staff personnel of the county were made, the department of social--and--rehabilitation--services shall present to the

county department of public welfare a claim for the required reimbursements. The county board shall make such the reimbursements within 20 days after the presentation of the claim, and the department of--social--and--rehabilitation services shall credit (add) all such the reimbursements to its account for administrative costs.

~~(4)--If-a-county-has-transferred-its--public--assistance and--protective-services-responsibilities-to-the-state-under part-8-of-this-chapter,--the--appropriate--department--shall select,---appoint,---and---supervise--all--necessary--public assistance-and-protective-services-personnel,--including--if necessary---a---supervisor--of--staff--personnel,--All--such personnel--are-directly-responsible-to-that-department."~~

Section 4. Section 53-2-322, MCA, is amended to read:

"53-2-322. County to levy taxes, budget, and make expenditures for public assistance activities. (1) The board of county commissioners in each county shall levy ~~13.5~~ 18 mills for the county poor fund as provided by law or so much thereof of that amount as may be necessary. Counties transferring---public--assistance--and--protective--services responsibilities-to-the-state-under-part-8-of--this--chapter may-not-levy-more-than-the-difference-between-13.5-mills-and the-state-levy-pursuant-to-53-2-013.

(2) The board shall budget and expend so much of the funds in the county poor fund for public assistance and

protective services purposes as will enable the county welfare department to pay the general relief activities of the county and to reimburse the department of--social--and--rehabilitation--services and the department of family services for the county's proportionate share of the administrative costs of the county welfare department and of all public assistance and protective services and its proportionate share of any other public assistance activity that may be carried on jointly by the state and the county.

(3) The amounts set up in the budget for the reimbursements to the department of---social---and--rehabilitation---services and the department of family services shall must be sufficient to make all of these reimbursements in full. The budget shall must make separate provision for each one of these public assistance and protective services activities, and proper accounts shall must be established for the funds for all such the activities.

(4) The department of---social--and--rehabilitation services shall submit to the counties, no later than May 10, the most current county participation percentages that are necessary to establish preliminary county budgets. As soon as the county proposed budget provided for in 7-6-2315 has been agreed upon, a copy thereof--shall--without-delay must be mailed to the department of--social--and--rehabilitation

services, and at any time before the final adoption of the budget, the department shall make such recommendations with regard to changes in any part of the budget relating to the county poor fund as considered necessary in order to enable the county to discharge its obligations under the public assistance laws.

(5) The department of---social---and---rehabilitation services shall promptly examine the county proposed budget in order to ascertain if the amounts provided for reimbursements to the department are likely to be sufficient and shall notify the county clerk of its findings. The board shall make such changes in the amounts provided for reimbursements, if any are required, in order that the county will be able to make the reimbursements in full.

(6) The board of county commissioners may not make any transfer from the amounts budgeted for reimbursing the department of--social--and--rehabilitation-services without having first obtained a statement in writing from the department to the effect that the amount to be transferred will not be required during the fiscal year for the purposes for which the amounts were provided in the budget.

(7) ~~No-part-of-the~~ The county poor fund, irrespective of the source of any part thereof of the fund, may not be used directly or indirectly for the erection or improvement of any county building so long as the fund is needed for

general relief expenditures by the county or is needed for paying the county's proportionate share of public assistance and protective services or its proportionate share of any other public assistance activity that may be carried on jointly by the state and the county. Expenditures for improvement of any county buildings used directly for care of the poor, except a county hospital or county nursing home, may be made out of ~~any-moneys~~ money in the county poor fund, whether ~~such-moneys-are~~ the money was produced by the ~~13-5-mill~~ 18-mill levy provided for in subsection (1) of ~~this-section~~ or from any additional levy authorized ~~or-to-be~~ authorized by law. Such The expenditure shall may be authorized only when any county building used for the care of the poor must be improved in order to meet legal standards required for ~~such-buildings~~ the building by the department of health and environmental sciences and when ~~such~~ the expenditure has been approved by the department of social and rehabilitation services and the department of family services."

Section 5. Section 53-3-110, MCA, is amended to read:

"53-3-110. Burial of deceased indigent. ~~(1)-in-a-county without--state-assumed--welfare--services,--the~~ The county welfare board shall provide for the burial of a deceased indigent.

~~(2)--in--a--county--with-state-assumed-welfare-services,~~

~~the department shall provide for the burial of a deceased indigent."~~

Section 6. Section 53-3-112, MCA, is amended to read:

"53-3-112. **Fraud and recovery of overpayments.** (1) The county department of public welfare shall deny general relief for a reasonable period of time to any household determined to have received any assistance by means of fraud.

(2) The county department of public welfare or its agent may recover or offset any amounts of general relief made available to a household which that, because of fraud or mistake, are above the amounts that should have been provided."

Section 7. Section 53-3-113, MCA, is amended to read:

"53-3-113. **Contested case hearing.** (1) Except as provided in subsection (2), a hearing must be held on request of any person who is dissatisfied with:

- (a) an action taken on an application;
- (b) an eligibility determination; or
- (c) the amount or condition of payment.

(2) A hearing need not be granted if either state or federal law requires automatic grant adjustments for classes of persons unless the reason for an individual appeal is incorrect grant computation.

(3) The applicant or recipient must be informed of the

right to request a hearing at the time any adverse action affects his eligibility.

(4) A hearing must be requested within 90 calendar days from the date of notice of adverse action. An applicant is considered to have been given notice on the date the notice is mailed or personally served.

(5) The hearing must be held in:

(a) the person's county of residence; or

(b) the county where application is made if residency is unestablished; ~~or~~

~~{c}--Lewis-and-Clark-County-if-a-real-party-in-interest requests-a-hearing-for-an-applicant-in-any-county-with state-assumed-welfare-services.~~

~~{6}--When-a-real-party-in-interest-requests-a-hearing for-an-applicant,--venue--for-judicial-review-of-the-final administrative-action-is-Lewis-and-Clark-County-if-financial responsibility-is-alleged-to-be-with-a-state-assumed-county welfare-program."~~

Section 8. Section 53-3-209, MCA, is amended to read:

"53-3-209. **Period of eligibility.** (1) The period of eligibility for receipt of general relief is 1 month. Except as provided in subsection (3), a person may seek to establish eligibility for the succeeding month prior to the end of the current month of eligibility.

(2) Eligibility for general relief medical assistance

1 is granted for a period of 1 month and terminates when the
2 serious medical condition of the person has been treated.
3 Except as provided in subsection (3), continued eligibility
4 for general relief medical assistance may be established in
5 any subsequent month.

6 (3) The period of eligibility for any type of general
7 relief terminates at any time the county welfare board or
8 the county department of public welfare determines that the
9 household:

10 (a) no longer meets the applicable eligibility
11 requirements; or

12 (b) received general relief by means of fraud or
13 mistake."

14 **Section 9.** Section 53-3-304, MCA, is amended to read:

15 "53-3-304. Power to require employable and temporarily
16 unemployable recipients to participate in job search,
17 training, workfare, and self-sufficiency programs. (1) The
18 department shall initiate, promote, and develop job search,
19 training, workfare, and self-sufficiency programs that will
20 provide any combination of employment, training, work
21 experience, or self-sufficiency for persons receiving
22 general relief under the provisions of this chapter. These
23 programs must be designed to:

24 (a) preserve and improve the work habits and skills of
25 recipients for whom jobs are not otherwise immediately

1 available;

2 (b) provide training and work experience that will
3 enable recipients to find regular, sustainable employment;
4 and

5 (c) provide necessary supportive services and training
6 in order to overcome any condition of temporary
7 unemployability.

8 (2) ~~For each county with state-assumed welfare~~
9 ~~services, the department shall institute job search,~~
10 ~~training, workfare, and self-sufficiency programs as~~
11 ~~provided in subsection (1).~~

12 (3) Except as otherwise provided in this chapter, in a
13 county with state-assumed welfare services, an employable or
14 temporarily unemployable recipient of general relief shall
15 enroll in a structured job search, training, or
16 self-sufficiency program, as required, at an employment
17 office or other site designated by the department. The
18 programs may include the following elements:

19 (a) assessment and testing;

20 (b) an employability plan;

21 (c) a requirement that recipients participate for a
22 minimum of 40 hours a week in a combination of activities,
23 including workfare as provided in subsection (4)(3), unless
24 they are prevented with good cause from participating in
25 such activities;

(d) remedial education or job skills training, if it is called for in the employability plan and if it provides for immediate referral to an appropriate Job Training Partnership Act program;

(e) a job readiness and job search program that may include:

- (i) self-assessment and occupational testing;
- (ii) instruction in completing applications, writing resumes, and preparing for interviews;
- (iii) identification of and contact with potential employers;
- (iv) participation in simulated job interviews; and
- (v) intensive job search activity and prompt placements for recipients who are ready to enter the work force;
- (f) a supervised effort to find employment;
- (g) efforts to address barriers to employment;
- (h) an expectation that recipients must be employed at the end of the program;
- (i) followup and monitoring of program performance;
- (j) supportive services necessary to overcome temporary unemployability;
- (k) a self-sufficiency plan; and
- (l) concentrated rehabilitation activities.

~~†4†~~(3) In addition to the training required in subsection ~~†3†~~(2), the county department of public welfare

~~or--the department of social and rehabilitation services~~ may require a recipient to participate in a workfare program. The purpose of the workfare program is to provide work experience and training for general relief recipients in specifically created work projects operated by a public agency or a private, nonprofit agency. A workfare program established under this section must provide that:

(a) a currently employed worker may not be displaced by any recipient (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits);

(b) a recipient may not be given a work experience or training assignment if:

(i) the assignment would fill an established, unfilled vacancy that exists because an employee has been laid off; or

(ii) the employer has terminated the employment of any regular employee or otherwise reduced its work force with the intention of filling the vacancy with a general relief recipient;

(c) a recipient may not be required to participate in a workfare program if participation is determined to interfere with:

(i) participation in a job search, training, or self-sufficiency program; or

(ii) attendance in a secondary education program;

(d) the maximum number of hours that a recipient may be required to participate in a workfare program and job search, training, and self-sufficiency programs may not exceed 40 hours in a week.

~~(5)(4)~~ The county department of public welfare or--the department--of--social--and--rehabilitation-services,--as-the case-may-be, shall provide coverage under the Workers' Compensation Act for those recipients of general relief participating in the workfare program and may enter into such agreements with the department of labor and industry as may be necessary to carry out the provisions of this section.

~~(6)(5)~~ Where When a labor organization represents a substantial number of employees who are engaged in similar work or training in the area ~~where-it-is-proposed-to--assign in which assignment of~~ the recipient to a workfare project is proposed, an opportunity must be provided for that organization to submit comments with respect to such the proposal.

~~(7)(6)~~ A workfare program may not impair existing contracts for services or collective bargaining agreements, and a workfare program that would be inconsistent with the terms of a collective bargaining agreement may not be undertaken without the written concurrence of the labor

organization and employer concerned.

~~(8)(7)~~ No A program established under this section may not include any political, partisan, or lobbying activities. The department shall deny funds to any program involved in such those activities."

Section 10. Section 53-3-308, MCA, is amended to read:

"53-3-308. Responsibility for general relief. (1) The county boards of public welfare and the department, in accordance with this chapter and other relevant statutes, are responsible for the provision of general relief as follows:.

~~(a)~~ Counties without--state-assumed--welfare--services shall provide general relief consistent with their duties as specified in Title 53, chapter 2, parts 3 and 7, and this chapter.

~~(b)--in--counties--with--state-assumed-welfare-services,~~ general-relief-must-be-provided-by-the-department--and--must be--consistent--with--its--duties--as-specified-in-Title-53, chapter-2, part-07, and this chapter.

(2) In-counties-without-state-assumed-welfare-services, general General relief must be paid from the county poor fund as authorized in 53-2-321 through--53-2-323 and 53-2-322.

~~(3)--in-counties-with--state-assumed--welfare--services,~~ general--relief--must--be-paid-from-and-may-not-exceed-money

1 available-through:

2 {a)--a-general-appropriation-for-such-purpose;

3 {b)--county-mill-levies-as-provided-for-in-53-2-013;-and

4 {c)--federal-or-other-assistance."

5 **Section 11.** Section 53-3-309, MCA, is amended to read:

6 "53-3-309. Form of relief. The choice as to the form or
7 forms of relief provided is at the discretion of the county
8 welfare department in-counties-without-state-assumed-welfare
9 services---or---the---department---if---the---state---has---assumed
10 responsibility-for-the-welfare-services---in---a---county. The
11 form of relief may include but is not limited to cash,
12 checks, vouchers, lines of credit, in-kind goods and
13 services, and food commodities."

14 **Section 12.** Section 53-3-310, MCA, is amended to read:

15 "53-3-310. Scope of general relief medical assistance
16 -- limitations. (1) General relief medical assistance is
17 limited to inpatient and outpatient hospital services,
18 physician services, and prescription drugs. Assistance may
19 not exceed the scope or duration of similar services
20 provided under the Montana medicaid program pursuant to
21 Title 53, chapter 6, part 1, and rules adopted by the
22 department to administer the program.

23 (2) General relief medical assistance in a county
24 without-state-assumed--welfare--services must, within the
25 limitations of subsection (1), be provided in amounts

1 determined by the county welfare board.

2 {3}--General--relief-medical-assistance-in-counties-with
3 state-assumed-welfare-services-must-within-the--limitations
4 of--subsection--{1}--be--provided--in-amounts-not-to-exceed
5 payments--under--the--medicaid--program--Services--must--be
6 limited-to--the--least--costly--method--of--alleviating--the
7 serious-medical-condition-

8 {4}{3} General relief medical assistance is limited to
9 covered medical needs not met by other services or benefits
10 available to the person. Available services or benefits
11 include but are not limited to health and accident
12 insurance, veterans' benefits, industrial accident benefits,
13 medicare and medicaid benefits, and other liable third
14 parties.

15 {5}{4} A person who is chronically ill may receive
16 general relief medical assistance for services limited to
17 treatment of a serious medical condition related to chronic
18 illness.

19 {6}{5} A person who has an acute medical need but who
20 is not chronically ill may receive general relief medical
21 assistance but only for services necessary to treat a
22 serious medical condition that requires immediate medical
23 attention to alleviate a serious health risk.

24 {7}{6} A child less than 18 years of age may receive
25 the same scope and duration of services as provided under

1 the Montana medicaid program provided for in Title 53,
2 chapter 6.

3 {8}{7} A person who requires medical services in order
4 to obtain or retain employment may receive services similar
5 to those provided under the Montana medicaid program but
6 only for the duration of need.

7 {9}{8} Except as provided in subsection {7}{6}, nothing
8 in this chapter may be construed to require the same scope
9 of medical services as provided under the Montana medicaid
10 program."

11 **Section 13.** Section 53-3-311, MCA, is amended to read:

12 "53-3-311. Amount of general relief. {1} In a each
13 county without-state-assumed-welfare-services, the amounts
14 of general relief must be determined and adopted at the
15 discretion of the county welfare board.

16 {2}--in-a-county-with--state-assumed--welfare--services,
17 the--amount--of--general--relief--available--to--an-eligible
18 household--is--the--amount--determined--for--the--same--size
19 household-pursuant-to-53-3-205{2}-and--{3}-less-countable
20 income-and-resources-not-excluded-in-53-3-205{4}-and-{8}-

21 {a}--Countable--income--during--the--first--2--months-of
22 continuous-eligibility-is-the-income-the-household-is-likely
23 to-receive--during--the--benefit--month--less--the--amounts
24 excluded-in-53-3-205{2}-

25 {b}--Countable--income--in-the-third-and-all-consecutive

1 continuous-months-of-eligibility-is-the-income-the-household
2 received-in-the-second-calendar-month-immediately--preceding
3 the-benefit-month-less-the-amounts-excluded-in-53-3-205{2}-"

4 **Section 14.** Section 53-3-321, MCA, is amended to read:

5 "53-3-321. Services for recipients in need of special
6 assistance. (1) Unless otherwise exempted, in-a-county--with
7 state-assumed--welfare--services, a person who has a serious
8 barrier to employment, who is temporarily unemployable, or
9 who suffers from drug or alcohol dependency shall report to
10 any combination of a job search, training, workfare, or
11 self-sufficiency program, as required by the department, for
12 the purpose of receiving an assessment to determine whether
13 the person is likely to benefit from counseling, therapy, or
14 rehabilitation. The agency department shall require that the
15 person be enrolled in any combination of:

16 (a) a job search, training, workfare, or
17 self-sufficiency program established under 53-3-304, except
18 that the person need not participate in the job search
19 program under 53-3-304{3}{e}{2}(e) until the agency
20 department determines that the person is ready to
21 participate in the work force; or

22 (b) a program designed specifically to help that person
23 overcome problems that impair the potential for employment.

24 (2) Subject to available funding, a program provided
25 for in subsection (1)(b) may include the following elements:

- 1 (a) assessment and testing;
- 2 (b) an employability or self-sufficiency plan;
- 3 (c) remedial education or job skills training, if
- 4 required by the employability or self-sufficiency plan;
- 5 (d) a chemical dependency assessment; and
- 6 (e) services, including counseling, therapy, and
- 7 rehabilitation, to address serious barriers to employment
- 8 and drug or alcohol dependency.

9 (3) In order to encourage rehabilitation, the
10 department may restrict services to persons suffering from
11 drug or alcohol dependency to one intervention through the
12 provision of services described in subsections (2)(a)
13 through (2)(e)."

14 **Section 15.** Section 53-3-322, MCA, is amended to read:

15 "53-3-322. **Payment after performance.** (1) The county
16 department of public welfare may by rule withhold general
17 relief or limit payments to shelter or personal needs until
18 all employable or temporarily unemployable members of the
19 household have completed 4 full weeks in a structured job
20 search, training, workfare, or self-sufficiency program as
21 required in 53-3-304.

22 (2) A person is ineligible for assistance under
23 subsection (1) if:

- 24 (a) the person fails to cooperate with the county
- 25 department of public welfare in its investigation of

1 eligibility; or

- 2 (b) the department's county department of public
- 3 welfare's investigation during the 4-week period described
- 4 in subsection (1) discloses that the person is ineligible to
- 5 receive assistance."

6 **Section 16.** Section 53-3-323, MCA, is amended to read:

7 "53-3-323. **Limitation of services.** (1) The county
8 department of public welfare may limit the scope and
9 availability of programs and services under 53-3-304 as may
10 be necessary because of:

- 11 (a) the actual needs of an individual, as determined in
- 12 accordance with an employability or self-sufficiency plan;
- 13 (b) funding limitations;
- 14 (c) service limitations;
- 15 (d) limitations caused by the lack of available
- 16 employment in the area; and
- 17 (e) an insufficient number of recipients in an area to
- 18 justify establishment of any combination of a job search,
- 19 training, workfare, or self-sufficiency program.

20 (2) Recipients residing in areas where programs and
21 services are restricted because of subsection (1) are exempt
22 from mandatory participation in a job search, training,
23 workfare, or self-sufficiency program."

24 **Section 17.** Section 53-3-325, MCA, is amended to read:

25 "53-3-325. **Transition-to-work allowance.** (1) As an

1 alternative to the programs and services provided in
2 53-3-304, the county department of public welfare may pay
3 recipients a transition-to-work allowance. This allowance
4 may be used only for relocation expenses for recipients who
5 have obtained employment in another county or state.

6 (2) Notwithstanding any other provision of this
7 chapter, a person who elects to receive the allowance
8 provided in subsection (1) is ineligible for general relief
9 for a period of 16 months."

10 **Section 18.** Section 53-3-326, MCA, is amended to read:

11 "53-3-326. **Transportation assistance.** The county
12 department of public welfare may provide necessary
13 transportation or reimbursement of transportation costs for
14 persons enrolled in job search, training, workfare, or
15 self-sufficiency programs provided in 53-3-304."

16 **NEW SECTION. Section 19. Repealer.** Sections 53-2-323,
17 53-2-801, 53-2-802, 53-2-803, 53-2-811, 53-2-812, 53-2-813,
18 53-2-821, 53-2-822, 53-3-114, 53-3-324, 53-3-327, and
19 53-3-328, MCA, are repealed.

20 **NEW SECTION. Section 20. Effective date.** [This act] is
21 effective July 1, 1993.

-End-

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0427, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

Elimination of state assumption of county welfare assistance and revision of the county mill levy limits.

Assumptions:

Department of Social and Rehabilitation Services (SRS):

1. The state will no longer receive the revenue raised by the 12 mill levy currently imposed in the twelve state-assumed counties (i.e. Cascade, Deer Lodge, Flathead, Lake, Lewis and Clark, Lincoln, Mineral, Missoula, Park, Powell, Ravalli and Silver Bow). Instead, the counties will be responsible for levying adequate funds to provide for the county poor fund and purchasing eligibility determination, claims processing and other administrative services from the state. The state-assumed counties will be funded as the non-assumed counties currently are.
2. The mill levy maximum for county poor funds increases from 13.5 mills to 18 mills to pay for county welfare expenses.
3. General assistance and medically indigent benefits will be determined at the county level and all costs for the benefits will be paid from the county welfare poor fund.
4. The general assistance base utilized in this fiscal note reflects the Racicot budget with reductions already built in.
5. Counties would be responsible for 22.5% of the non-federal share of all expenditures paid by the state for Aid to Families with Dependent Children (AFDC). The federal medicaid assistance percentage for FY94 is 71.02% and the estimate for FY95 is 70.5%. The county share of AFDC would be 6.52% in FY94 and 6.64% in FY95.
6. All general fund for the administrative budgets of state-assumed county operations will be replaced by county welfare funds. Personnel and travel expenses for state-assumed county administration would remain in the statewide budget and accounting system. The non-federal match will be state special revenue instead of general fund.
7. The Department of Social and Rehabilitation Services (SRS) is responsible for establishing a work and training program in every county of the state that provides activities for employable and temporarily unemployable recipients of county general assistance. SRS will bill the counties for the non-federal share of these work programs. A rough estimate is that the cost of Project Work Programs (PWP) will double.
8. The counties that are currently state assumed would be responsible for paying indirect costs to SRS. This amount is estimated at 7% of personnel expenditures for each county. This expense is reimbursement for the county portion for processing payroll, travel and other administrative overhead for SRS central office.
9. TRAMS data processing charges will remain 65% federal and 35% matching funds. This bill will shift the remaining general fund mainframe costs from the general fund to the county funds.
10. Elimination of state assumption will remove the counties state special revenue contribution of \$8,000,000 in FY94 and \$8,160,000 in FY95.

Department of Family Services (DFS):

11. This bill eliminates state assumption for protective services activities as well as for county welfare assistance.

(continued)

David Lewis 2-9-93
DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

2-11-93
JOHN COBB, PRIMARY SPONSOR DATE

Fiscal Note for HB0427, as introduced
HB 427

Counties must reimburse DFS from county poor funds for a portion of the cost of foster care services, for a portion of DFS expenditures for salaries, travel and indirects, and pay operating costs for rent, supplies and utilities for DFS offices in counties. These items are currently paid from general fund.

12. Section 41-3-1122, MCA, establishes the level of reimbursement for foster care services to the state from the counties. It is set at the FY87 level if this amount was \$10,000 or greater. If FY87 was less than \$10,000, (the 12 counties were assumed prior to FY87, so their reimbursement to the state was zero) then the level of reimbursement is the lesser of the FY87 level and the average of FY84 through FY87 (i.e. zero). The general fund would continue to pay any costs not reimbursed by the counties.

The technical notes address this issue. For purposes of this fiscal note, the assumption is that the counties would reimburse the state for the full cost of foster care.

13. Section 52-1-110, MCA, requires counties to reimburse the state for salaries, travel expenses and indirect costs of protective services from the county poor funds. The reimbursement is set at the FY87 level adjusted for inflation. But the 12 counties were assumed prior to FY87, so their reimbursement to the state was zero. The general fund would continue to pay any costs not reimbursed by the counties.

Again, the technical notes address this issue. For purposes of this fiscal note, the assumption is that the counties would reimburse the state for the full cost of salaries, travel expenses and indirect costs of protective service employees.

14. Counties are required to budget and spend county poor funds for the county portions of administrative costs for protective services. Based on FY92 expenditures, DFS estimates \$348,662 will be paid directly by the counties.

FISCAL IMPACT:

| | FY '94 | | | FY '95 | | |
|-------------------------------------|--------------|--------------|-------------|--------------|--------------|-------------|
| | Current Law | Proposed Law | Difference | Current Law | Proposed Law | Difference |
| <u>Expenditures (SRS):</u> | | | | | | |
| Program 01 - Family Assistance | | | | | | |
| AFDC | \$49,388,019 | \$49,388,019 | \$ 0 | \$50,393,383 | \$50,393,383 | \$ 0 |
| Emergency AFDC | 225,753 | 225,753 | 0 | 225,753 | 225,753 | 0 |
| General Assistance | 2,774,891 | 0 | (2,774,891) | 2,774,891 | 0 | (2,774,891) |
| GA Burials | 190,000 | 0 | (190,000) | 190,000 | 0 | (190,000) |
| Project Work Program | 657,526 | 1,315,052 | 657,526 | 657,526 | 1,315,052 | 657,526 |
| Legal Services | 50,000 | 0 | (50,000) | 50,000 | 0 | (50,000) |
| Program 04 - Support Services | | | | | | |
| Indirect Cost Shift | 2,917,255 | 2,917,255 | 0 | 2,951,916 | 2,951,916 | 0 |
| Program 06 - State Assumed Counties | | | | | | |
| Personnel | 5,405,876 | 5,405,876 | 0 | 5,418,602 | 5,418,602 | 0 |
| Operations | 1,010,926 | 26,961 | (983,965) | 1,024,416 | 27,688 | (996,728) |
| Equipment | 31,700 | 0 | (31,700) | 31,700 | 0 | (31,700) |

HB 427

| | FY '94 | | | FY '95 | | |
|-------------------------------|--------------------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| | <u>Current Law</u> | <u>Proposed Law</u> | <u>Difference</u> | <u>Current Law</u> | <u>Proposed Law</u> | <u>Difference</u> |
| Program 07 - Medicaid | | | | | | |
| State Medical | 3,933,690 | 0 | (3,933,690) | 4,012,635 | 0 | (4,012,635) |
| Claims Processing | 145,000 | 0 | (145,000) | 145,000 | 0 | (145,000) |
| Operations | 80,137 | 0 | (80,137) | 80,137 | 0 | (80,137) |
| Program 09 - OMAS | | | | | | |
| Indirect Cost Shift | 1,831,930 | 1,831,930 | 0 | 1,855,123 | 1,855,123 | 0 |
| TEAMS Processing | <u>1,780,800</u> | <u>1,780,800</u> | <u>0</u> | <u>1,577,280</u> | <u>1,577,280</u> | <u>0</u> |
| Total Expenditures | \$70,423,503 | \$62,891,646 | \$ (7,531,857) | \$71,388,362 | \$63,764,797 | \$ (7,623,565) |
| DFS: None | | | | | | |
| Funding: | | | | | | |
| General Fund (SRS) | \$25,483,874 | \$12,272,133 | \$ (13,211,741) | \$26,061,146 | \$12,715,135 | \$ (13,346,011) |
| State Special | 1,796,355 | 8,308,317 | 6,511,962 | 1,824,342 | 8,380,367 | 6,566,025 |
| Federal | <u>43,143,274</u> | <u>42,311,196</u> | <u>(832,078)</u> | <u>43,502,874</u> | <u>42,669,295</u> | <u>(833,579)</u> |
| Total Funding | \$70,423,503 | \$62,891,646 | \$ (7,531,857) | \$71,388,362 | \$63,764,797 | \$ (7,623,565) |
| Revenues: | | | | | | |
| Loss of State Special Revenue | \$ 0 | \$ (8,000,000) | \$ 8,000,000 | \$ 0 | \$ (8,160,000) | \$ 8,160,000 |
| Net Impact: | | | | | | |
| To General Fund (from SRS) | | | \$ (5,211,741) | | | \$ (5,186,011) |
| To General Fund (from DFS) | | | <u>\$ (2,196,292)</u> | | | <u>\$ (2,196,292)</u> |
| | | | \$ (7,408,033) | | | \$ (7,382,303) |

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES: This legislation will affect only 12 counties. These expenses will be transferred to the county where the welfare fund levy of up to 18 mills will support these programs. The county will have the discretion to determine the amount and form that assistance may take, so the amount of expense to be borne by the county poor fund in these 12 counties cannot be estimated.

TECHNICAL NOTES: (SRS) Laws that were written for the state-assumed general assistance program and the state-assumed general medical program now apply to all counties. There may be increased costs experienced by some counties that may be operating under stricter guidelines for these programs. (DFS) Sections 41-3-1122, MCA, and 52-1-110, MCA, need to be amended to allow for establishment of base reimbursement levels for the counties to the state for foster care and protective services. Based on FY87 expenditures, the total would be \$1,213,626 per year for foster care and \$982,666 per year for personal services and travel, for a total of \$2,196,292 per year.

HB 427

APPROVED BY COMMITTEE
ON APPROPRIATIONS

HOUSE BILL NO. 427

INTRODUCED BY COBB, KEATING, RYE, BARNETT,

MILLS, DEVLIN, GAGE, BOHLINGER, KASTEN,

SIMON, R. JOHNSON

A BILL FOR AN ACT ENTITLED: "AN ACT ~~ELIMINATING~~ GENERALLY
REVISING THE LAWS RELATING TO PUBLIC ASSISTANCE; REVISING
THE STATE ASSUMPTION OF COUNTY WELFARE ASSISTANCE; REVISING
THE MILL LEVY LIMIT FOR A COUNTY; REVISING GENERAL RELIEF;
AMENDING SECTIONS 7-6-2512, 7-6-2523, 15-10-412, 15-16-117,
39-71-118, 41-3-1122, 52-1-110, 53-2-207, 53-2-301,
53-2-302, 53-2-304, 53-2-306, 53-2-322, 53-2-801, 53-2-802,
53-2-803, 53-2-811, 53-2-812, 53-2-813, 53-2-1101,
53-2-1109, 53-3-1107, 53-3-112, 53-3-1137, 53-3-2097, 53-3-3047,
53-3-3007, 53-3-207, 53-3-303, 53-3-309, 53-3-310, 53-3-3117,
53-3-3217, 53-3-3227, 53-3-3237, 53-3-325, AND 53-3-326, MCA;
REPEALING SECTIONS 53-2-321, 53-2-323, 53-2-8017, 53-2-8027,
53-2-8037, 53-2-8117, 53-2-8127, 53-2-8137, 53-2-821, 53-2-822,
53-3-109, 53-3-110, 53-3-113, 53-3-114, 53-3-121, 53-3-122,
53-3-201, 53-3-205, 53-3-208, 53-3-209, 53-3-210, 53-3-211,
53-3-212, 53-3-215, 53-3-304, 53-3-305, 53-3-307, 53-3-308,
53-3-310, 53-3-311, 53-3-314, 53-3-318, 53-3-321, 53-3-322,
53-3-323, 53-3-324, 53-3-325, 53-3-326, 53-3-327, AND
53-3-328, MCA; AND PROVIDING AN EFFECTIVE DATE DATES."

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

(Refer to Introduced Bill)

Strike everything after the enacting clause and insert:

NEW SECTION. **Section 1.** Legislative findings. (1) The legislature finds that in order to use the limited resources of the state for the purposes of providing public assistance to persons whom it has determined are in need, certain programs must be eliminated and the provision of public assistance programs must be reorganized for more efficient delivery of services.

(2) The legislature finds that county governments are in the best position to efficiently and effectively deliver the general relief program provided for in Title 53, chapter 3.

(3) (a) The legislature finds that the needs of persons who are aged, infirm, or misfortunate are adequately and appropriately provided for through the following programs:

(i) medicaid;

(ii) aid for dependent children;

(iii) food stamps;

(iv) commodities; and

(v) low-income energy assistance.

(b) The legislature further finds that the counties may in their discretion provide other programs of public assistance that they determine are appropriate and that may

be funded with money derived from the county poor fund mill levy.

Section 2. Section 7-6-2512, MCA, is amended to read:

"7-6-2512. County tax levy for nursing homes and hospital facilities. The board of county commissioners may, annually at the time of levying county taxes, fix and levy a tax, not to exceed 10 mills on each dollar of taxable valuation of property, upon all property within the county for the erection, maintenance, and operation of county-owned or county-operated hospitals and nursing homes or other hospital facilities created under 7-8-2102, 7-34-2201, 7-34-2301, and 7-34-2502. "Hospital facilities" as used in this section means a hospital or hospital-related facility, including outpatient facilities, public health centers, rehabilitation facilities, long-term care facilities, and infirmaries. The combined total number of mills levied under this section and for the county poor fund under ~~53-2-321~~ 53-2-322 may not exceed 18 mills. A higher levy may be made upon compliance with 7-6-2531 through 7-6-2537. If a hospital district is created under Title 7, chapter 34, part 21, the mill levy authorized by this section may not be imposed on property within that hospital district."

Section 3. Section 7-6-2523, MCA, is amended to read:

"7-6-2523. Special service levies replaced by all-purpose levy. A county using the all-purpose levy may

not impose any of the following levies:

- (1) general fund levy, as provided in 7-6-2501;
- (2) bridge levy, as provided in 7-14-2502;
- (3) recreation levy, as provided in 7-16-101;
- (4) county fair levy, as provided in 7-21-3410;
- (5) weed levy, as provided in 7-22-2142;
- (6) insect pest levy, as provided in 7-22-2306;
- (7) poor fund levy, as provided in ~~53-2-321~~ 53-2-322;

or

- (8) developmental disabilities facility levy, as provided in 53-20-208."

Section 4. Section 15-10-412, MCA, is amended to read:

"15-10-412. Property tax limited to 1986 levels -- clarification -- extension to all property classes. Section 15-10-402 is interpreted and clarified as follows:

(1) The limitation to 1986 levels is extended to apply to all classes of property described in Title 15, chapter 6, part 1.

(2) The limitation on the amount of taxes levied is interpreted to mean that, except as otherwise provided in this section, the actual tax liability for an individual property is capped at the dollar amount due in each taxing unit for the 1986 tax year. In tax years thereafter, the property must be taxed in each taxing unit at the 1986 cap or the product of the taxable value and mills levied,

1 whichever is less for each taxing unit, except in a taxing
 2 unit that levied a tax in tax years 1983 through 1985 but
 3 did not levy a tax in 1986, in which case the actual tax
 4 liability for an individual property is capped at the dollar
 5 amount due in that taxing unit for the 1985 tax year.

6 (3) The limitation on the amount of taxes levied does
 7 not mean that no further increase may be made in the total
 8 taxable valuation of a taxing unit as a result of:

9 (a) annexation of real property and improvements into a
 10 taxing unit;

11 (b) construction, expansion, or remodeling of
 12 improvements;

13 (c) transfer of property into a taxing unit;

14 (d) subdivision of real property;

15 (e) reclassification of property;

16 (f) increases in the amount of production or the value
 17 of production for property described in 15-6-131 or
 18 15-6-132;

19 (g) transfer of property from tax-exempt to taxable
 20 status; or

21 (h) revaluations caused by:

22 (i) cyclical reappraisal; or

23 (ii) expansion, addition, replacement, or remodeling of
 24 improvements.

25 (4) The limitation on the amount of taxes levied does

1 not mean that no further increase may be made in the taxable
 2 valuation or in the actual tax liability on individual
 3 property in each class as a result of:

4 (a) a revaluation caused by:

5 (i) construction, expansion, replacement, or remodeling
 6 of improvements that adds value to the property; or

7 (ii) cyclical reappraisal;

8 (b) transfer of property into a taxing unit;

9 (c) reclassification of property;

10 (d) increases in the amount of production or the value
 11 of production for property described in 15-6-131 or
 12 15-6-132;

13 (e) annexation of the individual property into a new
 14 taxing unit; or

15 (f) conversion of the individual property from
 16 tax-exempt to taxable status.

17 (5) Property in classes four and eleven is valued
 18 according to the procedures used in 1986, including the
 19 designation of 1982 as the base year, until the reappraisal
 20 cycle beginning January 1, 1986, is completed and new
 21 valuations are placed on the tax rolls and a new base year
 22 designated, if the property is:

23 (a) new construction;

24 (b) expanded, deleted, replaced, or remodeled
 25 improvements;

1 (c) annexed property; or

2 (d) property converted from tax-exempt to taxable
3 status.

4 (6) Property described in subsections (5)(a) through
5 (5)(d) that is not class four or class eleven property is
6 valued according to the procedures used in 1986 but is also
7 subject to the dollar cap in each taxing unit based on 1986
8 mills levied.

9 (7) The limitation on the amount of taxes, as clarified
10 in this section, is intended to leave the property appraisal
11 and valuation methodology of the department of revenue
12 intact. Determinations of county classifications, salaries
13 of local government officers, and all other matters in which
14 total taxable valuation is an integral component are not
15 affected by 15-10-401 and 15-10-402 except for the use of
16 taxable valuation in fixing tax levies. In fixing tax
17 levies, the taxing units of local government may anticipate
18 the deficiency in revenues resulting from the tax
19 limitations in 15-10-401 and 15-10-402, while understanding
20 that regardless of the amount of mills levied, a taxpayer's
21 liability may not exceed the dollar amount due in each
22 taxing unit for the 1986 tax year unless:

23 (a) the taxing unit's taxable valuation decreases by 5%
24 or more from the 1986 tax year. If a taxing unit's taxable
25 valuation decreases by 5% or more from the 1986 tax year, it

1 may levy additional mills to compensate for the decreased
2 taxable valuation, but in no case may the mills levied
3 exceed a number calculated to equal the revenue from
4 property taxes for the 1986 tax year in that taxing unit.

5 (b) a levy authorized under Title 20 raised less
6 revenue in 1986 than was raised in either 1984 or 1985, in
7 which case the taxing unit may, after approval by the voters
8 in the taxing unit, raise each year thereafter an additional
9 number of mills but may not levy more revenue than the
10 3-year average of revenue raised for that purpose during
11 1984, 1985, and 1986;

12 (c) a levy authorized in 50-2-111 that was made in 1986
13 was for less than the number of mills levied in either 1984
14 or 1985, in which case the taxing unit may, after approval
15 by the voters in the taxing unit, levy each year thereafter
16 an additional number of mills but may not levy more than the
17 3-year average number of mills levied for that purpose
18 during 1984, 1985, and 1986.

19 (8) The limitation on the amount of taxes levied does
20 not apply to the following levy or special assessment
21 categories, whether or not they are based on commitments
22 made before or after approval of 15-10-401 and 15-10-402:

23 (a) rural improvement districts;

24 (b) special improvement districts;

25 (c) levies pledged for the repayment of bonded

1 indebtedness, including tax increment bonds;
 2 (d) city street maintenance districts;
 3 (e) tax increment financing districts;
 4 (f) satisfaction of judgments against a taxing unit;
 5 (g) street lighting assessments;
 6 (h) revolving funds to support any categories specified
 7 in this subsection (8);
 8 (i) levies for economic development authorized pursuant
 9 to 90-5-112(4);
 10 (j) levies authorized under 7-6-502 for juvenile
 11 detention programs; and
 12 (k) elementary and high school districts; and
 13 (l) poor fund levies authorized under 53-2-322.
 14 (9) The limitation on the amount of taxes levied does
 15 not apply in a taxing unit if the voters in the taxing unit
 16 approve an increase in tax liability following a resolution
 17 of the governing body of the taxing unit containing:
 18 (a) a finding that there are insufficient funds to
 19 adequately operate the taxing unit as a result of 15-10-401
 20 and 15-10-402;
 21 (b) an explanation of the nature of the financial
 22 emergency;
 23 (c) an estimate of the amount of funding shortfall
 24 expected by the taxing unit;
 25 (d) a statement that applicable fund balances are or by

1 the end of the fiscal year will be depleted;
 2 (e) a finding that there are no alternative sources of
 3 revenue;
 4 (f) a summary of the alternatives that the governing
 5 body of the taxing unit has considered; and
 6 (g) a statement of the need for the increased revenue
 7 and how it will be used.
 8 (10) (a) The limitation on the amount of taxes levied
 9 does not apply to levies required to address the funding of
 10 relief of suffering of inhabitants caused by famine,
 11 conflagration, or other public calamity.
 12 (b) The limitation set forth in this chapter on the
 13 amount of taxes levied does not apply to levies to support:
 14 (i) a city-county board of health as provided in Title
 15 50, chapter 2, if the governing bodies of the taxing units
 16 served by the board of health determine, after a public
 17 hearing, that public health programs require funds to ensure
 18 the public health. A levy for the support of a local board
 19 of health may not exceed the 5-mill limit established in
 20 50-2-111.
 21 (ii) county, city, or town ambulance services authorized
 22 by a vote of the electorate under 7-34-102(2).
 23 (11) The limitation on the amount of taxes levied by a
 24 taxing jurisdiction subject to a statutory maximum mill levy
 25 does not prevent a taxing jurisdiction from increasing its

number of mills beyond the statutory maximum mill levy to produce revenue equal to its 1986 revenue.

(12) The limitation on the amount of taxes levied does not apply to a levy increase to repay taxes paid under protest in accordance with 15-1-402."

Section 5. Section 15-16-117, MCA, is amended to read:

"15-16-117. **Personal property -- treasurer's duty to collect certain taxes.** (1) The county treasurer shall demand payment of poor fund taxes, authorized by ~~53-2-321~~ 53-2-322, and road taxes, authorized by 7-14-2206 or 7-14-2501 through 7-14-2504, of every person liable therefor for the taxes whose name does not appear on the assessment lists. On the neglect or refusal of any--such a person to pay the same taxes, the treasurer shall collect the taxes by seizure and sale of any property owned by the person.

(2) These taxes must be added upon the assessment lists to other property taxes of persons paying taxes upon real and personal property and paid to the county treasurer at the time of payment of other taxes.

(3) The procedure for the sale of such property by the county treasurer for such the taxes must be regulated by 15-16-113 and 15-17-911.

(4) The provisions of this section do not apply to property for which delinquent property taxes have been suspended or canceled under the provisions of Title 15,

chapter 24, part 17."

Section 6. Section 39-71-118, MCA, is amended to read:

"39-71-118. **Employee, worker, workman, and volunteer firefighter defined.** (1) The terms "employee", "~~workman~~", or "worker" mean:

(a) each person in this state, including a contractor other than an independent contractor, who is in the service of an employer, as defined by 39-71-117, under any appointment or contract of hire, expressed or implied, oral or written. The terms include aliens and minors, whether lawfully or unlawfully employed, and all of the elected and appointed paid public officers and officers and members of boards of directors of quasi-public or private corporations while rendering actual service for such the corporations for pay. Casual employees as defined by 39-71-116 are included as employees if they are not otherwise covered by workers' compensation and if an employer has elected to be bound by the provisions of the compensation law for these casual employments, as provided in 39-71-401(2). Household or domestic service is excluded.

(b) a recipient of general relief who is performing work for a county of this state under the provisions of 53-3-303 ~~through--53-3-305~~ and any juvenile performing work under authorization of a district court judge in a delinquency prevention or rehabilitation program;

(c) a person receiving on-the-job vocational rehabilitation training or other on-the-job training under a state or federal vocational training program, whether or not under an appointment or contract of hire with an employer as defined in this chapter and whether or not receiving payment from a third party. However, this subsection does not apply to students enrolled in vocational training programs as outlined above while they are on the premises of a public school or community college.

(d) students enrolled and in attendance in programs of vocational-technical education at designated vocational-technical centers;

(e) an airman or other person employed as a volunteer under 67-2-105; or

(f) a person, other than a juvenile as defined in subsection (1)(b), performing community service for a nonprofit organization or association or for a federal, state, or local government entity under a court order, or an order from a hearings officer as a result of a probation or parole violation, whether or not under appointment or contract of hire with an employer as defined in this chapter and whether or not receiving payment from a third party. For a person covered by the definition in this subsection (f):

(i) compensation benefits must be limited to medical expenses pursuant to 39-71-704 and an impairment award

pursuant to 39-71-703 that is based upon the minimum wage established under Title 39, chapter 3, part 4, for a full-time employee at the time of the injury; and

(ii) premiums must be paid by the employer, as defined in 39-71-117(3), and must be based upon the minimum wage established under Title 39, chapter 3, part 4, for the number of hours of community service required under the order from the court or hearings officer.

(2) The term "volunteer firefighter" means a firefighter who is an enrolled and active member of a fire company organized and funded by a county, a rural fire district, or a fire service area.

(3) (a) If the employer is a partnership or sole proprietorship, such the employer may elect to include as an employee within the provisions of this chapter any member of such the partnership or the owner of the sole proprietorship devoting full time to the partnership or proprietorship business.

(b) In the event of such an election, the employer must serve upon the employer's insurer written notice naming the partners or sole proprietor to be covered and stating the level of compensation coverage desired by electing the amount of wages to be reported, subject to the limitations in subsection (3)(d). A partner or sole proprietor is not considered an employee within this chapter until such notice

1 has been given.

2 (c) A change in elected wages must be in writing and is
3 effective at the start of the next quarter following
4 notification.

5 (d) All weekly compensation benefits must be based on
6 the amount of elected wages, subject to the minimum and
7 maximum limitations of this subsection. For premium
8 ratemaking and for the determination of weekly wage for
9 weekly compensation benefits, the electing employer may
10 elect not less than \$900 a month and not more than 1 1/2
11 times the average weekly wage as defined in this chapter.

12 (4) The trustees of a rural fire district, a county
13 governing body providing rural fire protection, or the
14 county commissioners or trustees for a fire service area may
15 elect to include as an employee within the provisions of
16 this chapter any volunteer firefighter. A volunteer
17 firefighter who receives workers' compensation coverage
18 under this section may not receive disability benefits under
19 Title 19, chapter 12.

20 (5) An ~~employee, workman,~~ or worker in this state whose
21 services are furnished by a person, association, contractor,
22 firm, or corporation, other than a temporary service
23 contractor, to an employer as defined in 39-71-117 is
24 presumed to be under the control and employment of the
25 employer. This presumption may be rebutted as provided in

1 39-71-117(3).

2 (6) For purposes of this section, an "employee,
3 ~~workman,~~ or worker in this state" means:

4 (a) a resident of Montana who is employed by an
5 employer and whose employment duties are primarily carried
6 out or controlled within this state; or

7 (b) a nonresident of Montana whose principal employment
8 duties are conducted within this state on a regular basis
9 for an employer."

10 **Section 7.** Section 41-3-1122, MCA, is amended to read:

11 "41-3-1122. Payment for support of youth in need of
12 care, youth in need of supervision, or delinquent youth --
13 reimbursement by county. (1) Whenever a youth who is a youth
14 in need of care, a youth in need of supervision, or a
15 delinquent youth is placed by the department of family
16 services in a youth care facility, the department shall pay,
17 within the limits of the appropriation for that purpose, a
18 foster care payment to the youth care facility at a rate
19 established by the department for board, clothing, personal
20 needs, treatment, and room of the youth.

21 (2) On or before the 20th of each month the department
22 shall present a claim to the county of residence of the
23 youth for no more than one-half of the nonfederal share of
24 the payments so made during the month. The county must make
25 reimbursement to the department within 20 days after the

claim is presented.

(3) Except as provided in subsection (4), when a county's level of expenditure for any year reaches the level of reimbursement for foster care in fiscal year 1987, the county has no further obligation for foster care expenditures.

(4) If a county's level of expenditure for foster care in fiscal year 1987 is \$10,000 or less, the county's level of expenditure for purposes of determining the county's reimbursement specified in subsection (3) is the level of expenditures for fiscal year 1987 or the average of expenditures for fiscal years 1984 through 1987, whichever is less.

(5) A county that was state-assumed prior to 1987 is responsible for reimbursement of foster care expenditures up to the county's calculated level of expenditures for fiscal year 1987 as if the county had not been state-assumed.

~~(5)~~(6) The department shall conduct or arrange for the review required under 41-3-1115 of a youth placed in a youth care facility if the youth is placed by the department."

Section 8. Section 52-1-110, MCA, is amended to read:

"52-1-110. County contribution for salaries and travel of protective services employees. (1) Upon transfer of certain functions of the county welfare department to the department of family services as provided in section 12,

Chapter 609, Laws of 1987, the salaries and travel expenses, as provided in 2-18-501 through 2-18-503, of protective services employees must be paid by the department of family services. The board of county commissioners shall reimburse the department of family services from county poor funds in an amount equal to that county's expenditures for salaries, travel expenses, and indirect costs of protective services employees in fiscal year 1987, adjusted for annual inflation.

(2) A county that was state-assumed prior to 1987 is responsible for reimbursement of salaries, travel expenses, and indirect costs up to the county's calculated level of expenditures for fiscal year 1987 as if the county had not been state-assumed.

~~(2)~~(3) On or before the 20th day of the month following the month for which payments were made for protective services employees' salaries, travel, and indirect costs, the department of family services shall present to the board of county commissioners a claim for the required reimbursement. The board of county commissioners shall make such the reimbursement within 20 days after the presentation of the claim."

Section 9. Section 53-2-207, MCA, is amended to read:

"53-2-207. Power of department in administering state grants-in-aid and federal funds. In administering or

1 supervising any state or federal funds appropriated or made
2 available to the department for public assistance purposes,
3 the department ~~shall have~~ has the authority to:

4 (1) require ~~as-a-condition-for-receiving--grants-in-aid~~
5 ~~that the county shall to~~ bear the proportion of the total of
6 local public assistance as is fixed by law relating to such
7 ~~the~~ assistance;

8 (2) make use of all legal processes to enforce the
9 ~~minimum~~ standards prescribed for public assistance purposes
10 by the department ~~under laws--providing--for--grants-in-aid,~~
11 ~~provided--that--such--standards--shall--not--exceed--in--cost--the~~
12 ~~amount--derived--from--levies--established--by--state--law; and~~

13 (3) require that each part of the public assistance
14 laws ~~shall~~ be in effect in all counties of the state."

15 **Section 10.** Section 53-2-301, MCA, is amended to read:

16 "53-2-301. County departments to be established. There
17 ~~shall must~~ be established in each county of the state,
18 ~~except---in---a---county---that---has---transferred---its---public~~
19 ~~assistance-and-protective-services-responsibilities--to--the~~
20 ~~state--under--the--provisions--of--part-8-of-this-chapter; a~~
21 county department of public welfare, which shall consist of
22 a county board of public welfare and such staff personnel as
23 may be necessary for the efficient performance of the public
24 assistance activities of the county. If conditions warrant
25 and if two or more county boards enter into an agreement,

1 two or more counties may combine into one administrative
2 unit and use the same staff personnel throughout the
3 administrative unit."

4 **Section 11.** Section 53-2-302, MCA, is amended to read:

5 "53-2-302. County commissioners ex officio county
6 welfare board. ~~Except-in-a-county-that-has-transferred-its~~
7 ~~public-assistance-and-protective--services--responsibilities~~
8 ~~to--the-state-under-part-8-of-this-chapter; the~~ The board of
9 county commissioners ~~shall--be~~ is the ex officio county
10 welfare board and ~~--is--hereby--authorized--to--devote--such~~
11 ~~additional-time-for-public--assistance--matters--as--may--be~~
12 ~~found--necessary.~~ The members of the county welfare board
13 shall receive the same compensation for their services and
14 the same mileage when acting as the county board of public
15 welfare as they receive when acting as the board of county
16 commissioners. ~~--and--shall--be~~ The board is limited as to
17 meetings as ~~now~~ provided by law, and the compensation and
18 mileage of the members of the board ~~shall must~~ be paid from
19 county funds. They may transact business as a board of
20 county commissioners and as a county welfare board on the
21 same day, and in such cases they ~~shall must~~ be paid as a
22 board of county commissioners but may not receive
23 compensation for more than 1 day's work for all services
24 performed on the same calendar day."

25 **Section 12.** Section 53-2-304, MCA, is amended to read:

1 "53-2-304. Staff personnel of county department. (1)
 2 Each county board shall select and appoint from a list of
 3 qualified persons furnished by the department ~~of-social-and~~
 4 ~~rehabilitation-services-such~~ staff personnel as are the
 5 board determines necessary. The staff personnel in each
 6 county shall consist of at least one qualified staff worker
 7 (or investigator) and ~~such~~ clerks and stenographers as ~~may~~
 8 ~~be-decided~~ the board determines necessary. If conditions
 9 warrant, the county board, with the approval of the
 10 department ~~of--social--and--rehabilitation--services~~, may
 11 appoint ~~some~~ a fully qualified person listed by the
 12 department as supervisor of its staff personnel. The staff
 13 personnel of each county department are directly responsible
 14 to the county board, but the department ~~of-social-and~~
 15 ~~rehabilitation--services~~ may supervise ~~such~~ the county
 16 employees in respect to the efficient and proper performance
 17 of their duties. The county board of public welfare may not
 18 dismiss any member of the staff personnel without the
 19 approval of the department ~~of--social-and-rehabilitation~~
 20 ~~services~~. The department may request the county board to
 21 dismiss any member of the staff personnel for inefficiency,
 22 incompetence, or similar cause. The final authority for
 23 dismissal is the county board. ~~in--counties--where--the~~
 24 ~~department-has-assumed-the-administration-of-welfare-duties~~
 25 ~~the--final--authority--for--dismissal-is-the-director-of-the~~

1 department.

2 (2) Public assistance staff personnel attached to the
 3 county board ~~shall~~ must be paid from state public assistance
 4 funds both their salaries and their travel expenses as
 5 provided for in 2-18-501 through 2-18-503 when away from the
 6 county seat in the performance of their duties, but the
 7 county board of public welfare shall reimburse the
 8 department ~~of-social-and-rehabilitation-services~~ from county
 9 poor funds the full amount of the salaries and travel
 10 expenses not reimbursed to the department by the federal
 11 government and the full amount of the department's
 12 administrative costs which that are allocated by the
 13 department to the county for the administration of county
 14 welfare programs and not reimbursed to the department by the
 15 federal government. Under circumstances prescribed by the
 16 department ~~of--social--and--rehabilitation--services~~, the
 17 reimbursement by the county board of public welfare may be
 18 less than the county share as prescribed above in this
 19 subsection. All other administrative costs of the county
 20 department ~~shall-also~~ must be paid from county poor funds.

21 (3) On or before the 20th day of the month following
 22 the month for which the payments to the public assistance
 23 staff personnel of the county were made, the department ~~of~~
 24 ~~social--and--rehabilitation--services~~ shall present to the
 25 county department of public welfare a claim for the required

reimbursements. The county board shall make such the reimbursements within 20 days after the presentation of the claim, and the department of--social--and--rehabilitation services shall credit (add) all such the reimbursements to its account for administrative costs.

~~(4)--if-a-county-has-transferred-its--public--assistance and--protective-services-responsibilities-to-the-state-under part-8-of-this-chapter,--the--appropriate--department--shall select,--appoint,--and--supervise--all--necessary--public assistance-and-protective-services-personnel,--including--if necessary---a---supervisor--of--staff--personnel. All--such personnel-are-directly-responsible-to-that-department."~~

Section 13. Section 53-2-306, MCA, is amended to read:

"53-2-306. County department charged with local administration of public assistance. Except in a county that has--transferred--its--public--assistance---and---protective services--responsibilities-to-the-state-under-part-8-of-this chapter, the The county department of public welfare shall be is charged with the local administration of all forms of public assistance operations in the county. All such local administration of public assistance must conform to federal and state law and the rules as established by the department of social and rehabilitation services."

Section 14. Section 53-2-322, MCA, is amended to read:

"53-2-322. County to levy taxes, budget, and make

expenditures for public assistance activities. (1) The board of county commissioners in each county shall levy 13.5 mills for the county poor fund as provided by law or so much thereof of that amount as may be necessary. The board may levy an additional 12 mills if approved by the voters in the county for fiscal year 1993. A county shall levy sufficient mills to reimburse the state for any administrative or operational costs in excess of the administrative and operational costs for fiscal year 1993. The department shall notify the counties of the number of mills required to be levied. Counties---transferring---public---assistance--and protective-services-responsibilities-to-the-state-under-part 8-of-this-chapter-may-not-levy-more-than-the-difference between-13.5-mills-and-the-state-levy-pursuant-to-53-2-813.

(2) The board shall budget and expend so much of the funds in the county poor fund for public assistance and protective services purposes as will enable the county welfare department to pay the general relief activities of the county and to reimburse the department of--social--and--rehabilitation--services and the department of family services for the county's proportionate share of the administrative costs of the county welfare department and of all public assistance and protective services and its proportionate share of any other public assistance activity that may be carried on jointly by the state and the county.

1 (3) The amounts set up in the budget for the
 2 reimbursements to the department of~~----social----and~~
 3 ~~rehabilitation---services~~ and the department of family
 4 services shall must be sufficient to make all of these
 5 reimbursements in full. The budget shall must make separate
 6 provision for each one of these public assistance and
 7 protective services activities, and proper accounts shall
 8 must be established for the funds for all such the
 9 activities.

10 (4) The department of~~---social--and--rehabilitation~~
 11 ~~services~~ shall submit to the counties, no later than May 10,
 12 the most current county participation percentages that are
 13 necessary to establish preliminary county budgets. As soon
 14 as the county proposed budget provided for in 7-6-2315 has
 15 been agreed upon, a copy thereof~~shall without delay~~ must be
 16 mailed to the department of~~--social--and--rehabilitation~~
 17 ~~services~~, and at any time before the final adoption of the
 18 budget, the department shall make such recommendations with
 19 regard to changes in any part of the budget relating to the
 20 county poor fund as considered necessary in order to enable
 21 the county to discharge its obligations under the public
 22 assistance laws.

23 (5) The department of~~---social----and---rehabilitation~~
 24 ~~services~~ shall promptly examine the county proposed budget
 25 in order to ascertain if the amounts provided for

1 reimbursements to the department are likely to be sufficient
 2 and shall notify the county clerk of its findings. The board
 3 shall make such changes in the amounts provided for
 4 reimbursements, if any are required, in order that the
 5 county will be able to make the reimbursements in full.

6 (6) The board of county commissioners may not make any
 7 transfer from the amounts budgeted for reimbursing the
 8 department of~~--social--and--rehabilitation-services~~ without
 9 having first obtained a statement in writing from the
 10 department to the effect that the amount to be transferred
 11 will not be required during the fiscal year for the purposes
 12 for which the amounts were provided in the budget.

13 (7) ~~No-part-of-the~~ The county poor fund, irrespective
 14 of the source of any part thereof of the fund, may not be
 15 used directly or indirectly for the erection or improvement
 16 of any county building so long as the fund is needed for
 17 general relief expenditures by the county or is needed for
 18 paying the county's proportionate share of public assistance
 19 and protective services or its proportionate share of any
 20 other public assistance activity that may be carried on
 21 jointly by the state and the county. Expenditures for
 22 improvement of any county buildings used directly for care
 23 of the poor, except a county hospital or county nursing
 24 home, may be made out of any-moneys money in the county poor
 25 fund, whether ~~such-moneys-are~~ the money was produced by the

~~19.5-mill~~ mill levy provided for in subsection (1) ~~of this section~~ or from any additional levy authorized ~~or--to--be~~ authorized by law. Such ~~The~~ expenditure ~~shall~~ may be authorized only when any county building used for the care of the poor must be improved in order to meet legal standards required for ~~such buildings~~ the building by the department of health and environmental sciences and when ~~such~~ the expenditure has been approved by the department of social and rehabilitation services and the department of family services.

(8) Money in the county poor fund may be used as matching funds for the receipt of federal money."

Section 15. Section 53-2-801, MCA, is amended to read:

"53-2-801. Purpose. The purpose of this part is to provide for the department of social and rehabilitation services to assume all responsibilities for public assistance programs, except for general relief as provided in chapter 3, and for the department of family services to assume all responsibilities for protective services for children and adults that, as of July 1, 1983, are provided by the counties pursuant to Titles 41 and 53. The assumption may become effective only at the option and with the express consent of each individual county requesting state assumption."

Section 16. Section 53-2-802, MCA, is amended to read:

"53-2-802. Definitions. Unless the context requires otherwise, in this part the following definitions apply:

(1) "County department" means the county department of public welfare provided for in part 3 of this chapter.

(2) "Mill levy equivalent" means the prior year's expenditure divided by the value of 1 mill.

(3) "Needy person" is one who is eligible for public assistance under the laws of this state.

(4) "Protective services" means services to children and adults to be provided by the department of family services as permitted by Titles 41 and 53.

(5) "Public assistance" or "assistance" means any type of monetary or other assistance furnished under this title to a person by a state or county department, regardless of the original source of assistance, except general relief as provided in chapter 3.

(6) "State assumption" means the transfer to the department of social and rehabilitation services and the department of family services for the county by the board of county commissioners of all powers and duties, including staff personnel as provided in 53-2-301 through 53-2-306 and public assistance and protective services, respectively, provided by the county department pursuant to Titles 41 and 53, except as otherwise specifically provided in this part."

Section 17. Section 53-2-803, MCA, is amended to read:

"53-2-803. Authority to adopt rules. (1) The department of social and rehabilitation services and the department of family services may adopt rules necessary to carry out the purposes of this part, including implementing transfer of the county programs to each department, respectively.

(2) ~~The department of social and rehabilitation services may adopt rules:~~

(a) ~~to determine the amount, scope, and duration of general relief, which may not exceed those services and amounts payable under the department of social and rehabilitation services, programs of medicaid and aid to families with dependent children as necessary to carry out the purposes of this part; and~~

(b) ~~establishing a system of penalties and sanctions applicable to providers of health-related services to state-assumed counties in accordance with 53-6-111(2) through (5)."~~

Section 18. Section 53-2-811, MCA, is amended to read:

"53-2-811. Transfer of county public assistance and protective services to state departments -- reassumption of responsibility. (1) All authority granted to the board of county commissioners to establish and operate a public assistance program and provide protective services for children and adults pursuant to Titles 41 and 53 may be transferred to the department of social and rehabilitation

services and the department of family services, respectively, except that the county attorney shall continue to provide legal assistance and representation for the purposes of adult and child protective services without charge and all debts and obligations incurred prior to the effective date of state assumption continue as the responsibility of the county.

(2) The board of county commissioners, after public hearing, may by resolution or ordinance transfer to the department of social and rehabilitation services and the department of family services all powers and duties for public assistance and protective services for children and adults, respectively, including the selection, supervision, and termination of staff personnel associated with the performance of these activities. Upon the effective date of such the transfer, the department of social and rehabilitation services and the department of family services shall assume all powers and duties related to public assistance and protective services, respectively, and accorded by law to the county welfare department. If the notice required in subsection (3) is given, the transfer is effective at the start of the next state fiscal year.

(3) Counties opting for state assumption or reassuming responsibility shall notify the department of social and rehabilitation services and the department of family

~~services at least 90 days prior to the start of the state fiscal year unless the time period is waived in whole or in part by the director of each department~~ within 30 days after [the effective date of this section]. A county shall notify the department of social and rehabilitation services and the department of family services by October 1 if the county wishes to change its status on the following July 1.

(4) Counties opting for state assumption shall permit the department of social and rehabilitation services and the department of family services to use the same facilities currently occupied by the county department or substantially equal facilities, with fair rental value for such the facilities to be paid by each department. Counties opting for state assumption shall transfer to the appropriate department all materials, equipment, and supplies used in the operation of the county department and which were paid for in whole or in part with federal or state funds."

Section 19. Section 53-2-812, MCA, is amended to read:

"53-2-812. State assumption -- permanent transfer to state -- exceptions. (1) A county opting for state assumption does so on a complete and permanent basis, unless the county requests to retain or reassume responsibility for medical assistance or monetary payments to needy persons as provided in Title 53, chapter 3. State assumption must be made pursuant to the adoption of a resolution or ordinance

as provided in 53-2-811(2) and notice to the department of social and rehabilitation services and the department of family services as provided in 53-2-811(3). A county that has opted for state assumption prior to [the effective date of this section] may reassume responsibility for public assistance and protective services if notice is provided pursuant to 53-2-811(2) and (3). A county shall notify the department of social and rehabilitation services and the department of family services by October 1 if the county wishes to change its status on the following July 1. Under such a retention or reassumption, staff personnel continue under the supervision and control of the department of social and rehabilitation services but the department may contract with the counties for the operation of programs provided in Title 53, chapter 3. A county may not retain or reassume assistance programs partially funded by the federal government.

(2) A county transferring all duties and responsibilities to the state may reassume limited responsibility for medical assistance or monetary payments to needy persons as provided in subsection (1) but may not thereafter request full state assumption. A county initially requesting limited state assumption may not thereafter request full state assumption. A county opting for limited or full state assumption does so on a permanent basis,

except-as-provided-in-this-section."

Section 20. Section 53-2-813, MCA, is amended to read:

"53-2-813. Mill levy for counties transferring public assistance and protective services. (1) For the purpose of this part, 12 mills must be levied annually in those counties opting for state assumption.

(2) For-a-county-electing-state-assumption-before-July 17--1986, the proceeds of the mill levy established in subsection (1) must be deposited in the state special revenue fund in the state treasury for the purpose of paying the expenses of the department of social and rehabilitation services. The mill levy may not exceed 12 mills, notwithstanding actual expenditures made by the department.

(3) For a county electing state assumption on or after July 17, 1986, the proceeds of the mill levy established in subsection (1) must be deposited in the state special revenue fund in the state treasury to the credit of the department of social and rehabilitation services. The general fund authority of the department of social and rehabilitation services shall must be reduced and the general fund authority of the department of family services shall must be increased by an amount equal to the county's expenditures for child and adult protective services in the fiscal year immediately preceding state assumption. The mill levy may not exceed 12 mills, notwithstanding actual

expenditures made by the department of social and rehabilitation services and the department of family services.

(4) For a county retaining or reassuming operational responsibility for medical assistance or monetary payments to needy persons as provided in 53-2-812, the levy provided in subsection (1) must be reduced by the mill levy equivalent expended by that county or the department for such purposes in the fiscal year immediately preceding the option to retain or reassume such responsibility."

NEW SECTION. Section 21. General relief -- optional county program. (1) A county may provide a program of general relief that it determines necessary. The program may include assistance for food, clothing, shelter, transportation, and medical assistance for individuals not eligible for state or federal programs providing similar assistance. A county may provide for the burial of indigents. The general relief activities of the county include:

(a) job training and employment programs authorized under Title 53, chapter 2, part 11;

(b) general relief assistance benefits as provided in Title 53, chapter 3, part 2; and

(c) health care, preventive care, and wellness programs as determined by the county commissioners.

(2) A county may establish the criteria for determining eligibility for assistance, including but not limited to residency requirements, limits on income and resources, and the amount, scope, and duration of assistance.

(3) A county may deny assistance for a reasonable period if a person has voluntarily left employment without good cause or is discharged due to misconduct.

(4) The program may be funded with money derived from the county poor fund mill levy established in 53-2-322.

Section 22. Section 53-2-1101, MCA, is amended to read:

"53-2-1101. Legislative findings. The legislature finds and declares that:

(1) many economically disadvantaged persons are unable to take their place in the economic mainstream of society because they lack the skills and training needed to obtain productive employment or to avoid long-term dependency on public assistance programs;

(2) existing state and federal employment and training programs, including the work incentive program~~7-the-work programs--provided--for--in--53-3-3847~~ and the programs administered under Title II-A of the Job Training Partnership Act, have proved to be a multiple, uncoordinated response to the needs of the economically disadvantaged; and

(3) a successful job training program will require a comprehensive, integrated range of nonduplicative employment

and training services for economically disadvantaged persons that will result in economic self-sufficiency through placement of economically disadvantaged persons in long-term, sustainable employment."

Section 23. Section 53-2-1109, MCA, is amended to read:

"53-2-1109. Coordination of services. The state job training coordinating council shall identify, in coordination with the appropriate state and local agencies, the employment, training, and vocational education needs throughout the state and assess the extent to which employment and training, vocational education, rehabilitation services, public assistance, economic development, and other federal, state, and local programs and services represent a consistent, integrated, and coordinated approach to meeting such needs. In carrying out this coordinating function, the council shall consider state policy set forth in 2-15-101 to eliminate overlapping and duplication of services within state government and in accordance with the provisions of section 121 of the Job Training Partnership Act (29 U.S.C. 1531) and other employment and training programs, including:

(1) programs operated under the federal Family Support Act of 1988; and

(2) programs and services of public assistance agencies~~7-including-the-programs-established-in-53-3-3847~~."

Section 24. Section 53-3-112, MCA, is amended to read:

"53-3-112. **Fraud and recovery of overpayments.** (1) The county department of public welfare shall deny general relief for a reasonable period of time to any household determined to have received any assistance by means of fraud.

(2) The county department of public welfare or its agent may recover or offset any amounts of general relief made available to a household which that, because of fraud or mistake, are above the amounts that should have been provided."

Section 25. Section 53-3-207, MCA, is amended to read:

"53-3-207. **Application for other state and federal programs -- interim relief -- subrogation of department to receipt of federal payments.** (1) General relief is available to a recipient to the extent such the relief is not duplicative of resources or benefits reasonably available to the recipient.

(2) If other federal or state programs of assistance are reasonably available to meet the needs of a household, an applicant must apply for those programs before general relief may be provided. A household may be provided general relief after initial application for other programs of assistance. If denied such the other assistance, the applicant must pursue available administrative appeals for

those programs to the final administrative appeal level. If the applicant becomes eligible for other assistance covering the same period of time that interim general relief is provided, such the interim relief must be repaid to the county department or offset from lump sums or retroactive payments from other programs of assistance.

(3) To the extent necessary for repayment of interim general relief provided to an applicant, the county department is subrogated to the right of an attorney to recover from the federal government the costs of providing the applicant legal assistance in obtaining eligibility for supplemental security income under Title XVI of the Social Security Act."

Section 26. Section 53-3-303, MCA, is amended to read:

"53-3-303. **Conditions of eligibility.** (1) As a condition of eligibility for general relief, an employable or temporarily unemployable recipient must:

(a) register for employment with the department of labor and industry;

(b) maintain an active job registration file; and

(c) ~~comply--with--and--actively--participate--in--any--job search--training--workfare--or--self-sufficiency--program required--by--the--department--and~~

(d) actively pursue and accept available employment within ~~his-or-her~~ the recipient's capability.

(2) Refusal--without--good--cause--to--comply--with--the requirements-of-subsection-(1)--will--render--the--individual recipient--but--not--the--rest--of--that--recipient's--household, ineligible-for-general-relief-for--3--months--following--the first--refusal--and--for--6--months--following--any--subsequent refusal--The-period-of-ineligibility--begins--on--the--first--day of--the--next--month--in--which--the--person--would--otherwise--be eligible---for---general---relief. A county may require participation in job search, training, and work programs or in a program of drug or alcohol rehabilitation as a condition of the receipt of assistance. General relief may be withheld until participation in a program is completed. A county may deny assistance for a reasonable period of time for any person refusing to participate in a required program."

Section 27. Section 53-3-309, MCA, is amended to read:

"53-3-309. **Form of relief.** The choice as to the form or forms of relief provided is at the discretion of the county welfare department in-counties-without-state-assumed-welfare services--or--the--department--if--the--state--has---assumed responsibility--for--the--welfare--services--in--a--county. The form of relief may include but is not limited to cash, checks, vouchers, lines of credit, in-kind goods and services, and food commodities."

Section 28. Section 53-3-310, MCA, is amended to read:

"53-3-310. **Scope of general relief medical assistance** -- limitations. (1) General relief medical assistance is limited to inpatient--and--outpatient--hospital--services, physician services, laboratory services, x-ray services, and prescription drugs. Assistance may not exceed the scope or duration of similar services provided under the Montana medicaid program pursuant to Title 53, chapter 6, part 1, and rules adopted by the department to administer the program.

(2) General relief medical assistance in a county without state-assumed welfare services must, within the limitations of subsection (1), be provided in amounts determined by the county welfare board.

(3) General relief medical assistance in counties with state-assumed welfare services must, within the limitations of subsection (1), be provided in amounts not to exceed payments under the medicaid program. Services must be limited to the least costly method of alleviating the serious medical condition.

(4) General relief medical assistance is limited to covered medical needs not met by other services or benefits available to the person. Available services or benefits include but are not limited to health and accident insurance, veterans' benefits, industrial accident benefits, medicare and medicaid benefits, and other liable third

parties.

(5) A person who is chronically ill may receive general relief medical assistance for services limited to treatment of a serious medical condition related to chronic illness.

(6) A person who has an acute medical need but who is not chronically ill may receive general relief medical assistance but only for services necessary to treat a serious medical condition that requires immediate medical attention to alleviate a serious health risk.

(7) A child less than 18 years of age may receive the same scope and duration of services as provided under the Montana medicaid program provided for in Title 53, chapter 6.

(8) A person who requires medical services in order to obtain or retain employment may receive services similar to those provided under the Montana medicaid program but only for the duration of need.

(9) Except as provided in subsection (7), nothing in this chapter may be construed to require the same scope of medical services as provided under the Montana medicaid program."

Section 29. Section 53-3-325, MCA, is amended to read:

"53-3-325. Transition-to-work allowance. (1) As an alternative to the programs and services provided in 53-3-304, the county department of public welfare may pay

recipients a transition-to-work allowance. This allowance may be used only for relocation expenses for recipients who have obtained employment in another county or state.

(2) Notwithstanding any other provision of this chapter, a person who elects to receive the allowance provided in subsection (1) is ineligible for general relief for a period of 16 months."

Section 30. Section 53-3-326, MCA, is amended to read:

"53-3-326. Transportation assistance. The county department of public welfare may provide necessary transportation or reimbursement of transportation costs for persons enrolled in job search, training, workfare, or self-sufficiency programs provided in 53-3-304."

NEW SECTION. Section 31. Repealer. Sections 53-2-321, 53-2-323, 53-2-821, 53-2-822, 53-3-109, 53-3-110, 53-3-113, 53-3-114, 53-3-121, 53-3-122, 53-3-201, 53-3-205, 53-3-208, 53-3-209, 53-3-210, 53-3-211, 53-3-212, 53-3-215, 53-3-304, 53-3-305, 53-3-307, 53-3-308, 53-3-310, 53-3-311, 53-3-314, 53-3-318, 53-3-321, 53-3-322, 53-3-323, 53-3-324, 53-3-325, 53-3-326, 53-3-327, and 53-3-328, MCA, are repealed.

NEW SECTION. Section 32. Codification instruction. [Sections 1 and 21] are intended to be codified as an integral part of Title 53, and the provisions of Title 53 apply to [sections 1 and 21].

NEW SECTION. Section 33. Effective dates. (1)

HB 0427/02

1 [Sections 18, 19, 28, and 32 and this section] are effective
2 on passage and approval.

3 (2) [Sections 1 through 17, 20 through 27, and 29
4 through 31] are effective January 1, 1994.

-End-

RE-REFERRED AND HB 0427/03
 APPROVED BY COMMITTEE
 ON APPROPRIATIONS
 AS AMENDED

HOUSE BILL NO. 427

INTRODUCED BY COBB, KEATING, RYE, BARNETT,
 MILLS, DEVLIN, GAGE, BOHLINGER, KASTEN,
 SIMON, R. JOHNSON

A BILL FOR AN ACT ENTITLED: "AN ACT ~~ELIMINATING~~ GENERALLY
~~REVISING THE LAWS RELATING TO PUBLIC ASSISTANCE; REVISING~~
~~THE STATE ASSUMPTION OF COUNTY WELFARE ASSISTANCE; REVISING~~
~~THE MILL LEVY LIMIT FOR A COUNTY; REVISING ELIMINATING~~
~~EMERGENCY GRANTS; ELIMINATING GENERAL RELIEF; AMENDING~~
~~SECTIONS 7-6-2512, 7-6-2523, 15-10-4127, 15-16-117,~~
~~33-32-103, 39-71-118, 40-4-215, 41-3-1122, 52-1-110,~~
~~53-2-201, 53-2-203, 53-2-207, 53-2-3017, 53-2-3027, 53-2-3047,~~
~~53-2-3067, 53-2-322, 53-2-601, 53-2-606, 53-2-608, 53-2-610,~~
~~53-2-801, 53-2-802, 53-2-803, 53-2-811, 53-2-812, 53-2-813,~~
~~53-2-1101, 53-2-1103, 53-2-1109, 53-3-1107, 53-3-1127,~~
~~53-3-1137, 53-3-2097, 53-3-3047, 53-3-3087, 53-3-2077, 53-3-3037,~~
~~53-3-3097, 53-3-205, AND 53-3-310, 53-3-3117, 53-3-3217,~~
~~53-3-3227, 53-3-3237, 53-3-3257, AND 53-3-3267, MCA; REPEALING~~
~~SECTIONS 53-2-321, 53-2-323, 53-2-8017, 53-2-8027, 53-2-8037,~~
~~53-2-8117, 53-2-8127, 53-2-8137, 53-2-821, 53-2-822, 53-3-109,~~
~~53-3-110, 53-3-112, 53-3-113, 53-3-114, 53-3-121, 53-3-122,~~
~~53-3-201, 53-3-205, 53-3-207, 53-3-208, 53-3-209, 53-3-210,~~
~~53-3-211, 53-3-212, 53-3-215, 53-3-303, 53-3-304, 53-3-305,~~
~~53-3-307, 53-3-308, 53-3-309, 53-3-310, 53-3-311, 53-3-313,~~

53-3-314, 53-3-318, 53-3-321, 53-3-322, 53-3-323, 53-3-324,
53-3-325, 53-3-326, 53-3-327, AND 53-3-328, AND 90-4-211,
 MCA; AND PROVIDING AN EFFECTIVE DATE DATES."

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

(Refer to Introduced Bill)

Strike everything after the enacting clause and insert:

NEW SECTION. Section 1. Legislative findings. (1) The legislature finds that in order to use the limited resources of the state for the purposes of providing public assistance to persons whom it has determined are in need, certain programs must be eliminated and the provision of public assistance programs must be reorganized for more efficient delivery of services.

(2) The legislature finds that county governments are in the best position to efficiently and effectively deliver ~~the general relief program provided for in Title 53, chapter 3~~ SERVICES FOR THOSE IN NEED WHO ARE NOT OTHERWISE ELIGIBLE FOR SIMILAR SERVICES PROVIDED BY THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES.

(3) (a) The legislature finds that the needs of persons who are aged, infirm, or misfortunate are adequately and appropriately provided for through the following programs:

(i) medicaid;

(ii) aid for dependent children;

(iii) food stamps;

(iv) commodities; and

(v) low-income energy assistance.

(b) The legislature further finds that the counties may in their discretion provide other programs of public assistance that they determine are appropriate and that may be funded with money derived from the county poor fund mill levy.

Section 2. Section 7-6-2512, MCA, is amended to read:

"7-6-2512. County tax levy for nursing homes and hospital facilities. The board of county commissioners may, annually at the time of levying county taxes, fix and levy a tax, not to exceed 10 mills on each dollar of taxable valuation of property, upon all property within the county for the erection, maintenance, and operation of county-owned or county-operated hospitals and nursing homes or other hospital facilities created under 7-8-2102, 7-34-2201, 7-34-2301, and 7-34-2502. "Hospital facilities" as used in this section means a hospital or hospital-related facility, including outpatient facilities, public health centers, rehabilitation facilities, long-term care facilities, and infirmaries. The combined total number of mills levied under this section and for the county poor fund under 53-2-321 53-2-322 may not exceed 18 mills. A higher levy may be made upon compliance with 7-6-2531 through 7-6-2537. If a

hospital district is created under Title 7, chapter 34, part 21, the mill levy authorized by this section may not be imposed on property within that hospital district."

Section 3. Section 7-6-2523, MCA, is amended to read:

"7-6-2523. Special service levies replaced by all-purpose levy. A county using the all-purpose levy may not impose any of the following levies:

(1) general fund levy, as provided in 7-6-2501;

(2) bridge levy, as provided in 7-14-2502;

(3) recreation levy, as provided in 7-16-101;

(4) county fair levy, as provided in 7-21-3410;

(5) weed levy, as provided in 7-22-2142;

(6) insect pest levy, as provided in 7-22-2306;

(7) poor fund levy, as provided in 53-2-321 53-2-322;

or

(8) developmental disabilities facility levy, as provided in 53-20-208."

Section 4. ~~Section 15-10-412, MCA, is amended to read:--~~

~~"15-10-412.--Property tax--limited--to--1986--levels---- clarification----extension-to-all-property-classes--Section 15-10-402-is-interpreted-and-clarified-as-follows:~~

~~(1)--The-limitation-to-1986-levels-is-extended-to--apply to-all-classes-of-property-described-in-Title-15, chapter-6, part-1-~~

~~(2)--The--limitation--on--the--amount-of-taxes-levied-is~~

1 interpreted to mean that, except as otherwise provided in
 2 this section, the actual tax liability for an individual
 3 property is capped at the dollar amount due in each taxing
 4 unit for the 1986 tax year, in tax years thereafter, the
 5 property must be taxed in each taxing unit at the 1986 cap
 6 or the product of the taxable value and mills levied,
 7 whichever is less for each taxing unit, except in a taxing
 8 unit that levied a tax in tax years 1983 through 1985 but
 9 did not levy a tax in 1986, in which case the actual tax
 10 liability for an individual property is capped at the dollar
 11 amount due in that taxing unit for the 1985 tax year.
 12 (3) the limitation on the amount of taxes levied does
 13 not mean that no further increase may be made in the total
 14 taxable valuation of a taxing unit as a result of:
 15 (a) annexation of real property and improvements into a
 16 taxing unit;
 17 (b) construction, expansion, or remodeling of
 18 improvements;
 19 (c) transfer of property into a taxing unit;
 20 (d) subdivision of real property;
 21 (e) reclassification of property;
 22 (f) increases in the amount of production or the value
 23 of production for property described in 15-6-131 or
 24 15-6-132;
 25 (g) transfer of property from tax exempt to taxable

1 status, or
 2 (h) revaluations caused by:
 3 (i) cyclical reappraisal; or
 4 (ii) expansion, addition, replacement, or remodeling of
 5 improvements;
 6 (4) the limitation on the amount of taxes levied does
 7 not mean that no further increase may be made in the taxable
 8 valuation or in the actual tax liability on individual
 9 property in each class as a result of:
 10 (a) a revaluation caused by:
 11 (i) construction, expansion, replacement, or remodeling
 12 of improvements that adds value to the property, or
 13 (ii) cyclical reappraisal;
 14 (b) transfer of property into a taxing unit;
 15 (c) reclassification of property;
 16 (d) increases in the amount of production or the value
 17 of production for property described in 15-6-131 or
 18 15-6-132;
 19 (e) annexation of the individual property into a new
 20 taxing unit; or
 21 (f) conversion of the individual property from
 22 tax exempt to taxable status;
 23 (5) Property in classes four and eleven is valued
 24 according to the procedures used in 1986, including the
 25 designation of 1982 as the base year, until the reappraisal

cycle--beginning--January--1--1986--is--completed--and--new
valuations--are--placed--on--the--tax--rolls--and--a--new--base--year
designated--if--the--property--is--

(a)--new--construction--;

(b)--expanded--deleted--replaced--or--remodeled
improvements--;

(c)--annexed--property--or--

(d)--property--converted--from--tax--exempt--to--taxable
status--

(6)--Property--described--in--subsections--(5)(a)--through
(5)(d)--that--is--not--class--four--or--class--eleven--property--is
valued--according--to--the--procedures--used--in--1986--but--is--also
subject--to--the--dollar--cap--in--each--taxing--unit--based--on--1986
mills--levied--;

(7)--The--limitation--on--the--amount--of--taxes--as--clarified
in--this--section--is--intended--to--leave--the--property--appraisal
and--valuation--methodology--of--the--department--of--revenue
intact--Determinations--of--county--classifications--salaries
of--local--government--officers--and--all--other--matters--in--which
total--taxable--valuation--is--an--integral--component--are--not
affected--by--15-10-401--and--15-10-402--except--for--the--use--of
taxable--valuation--in--fixing--tax--levies--In--fixing--tax
levies--the--taxing--units--of--local--government--may--anticipate
the--deficiency--in--revenues--resulting--from--the--tax
limitations--in--15-10-401--and--15-10-402--while--understanding

that--regardless--of--the--amount--of--mills--levied--a--taxpayer's
liability--may--not--exceed--the--dollar--amount--due--in--each
taxing--unit--for--the--1986--tax--year--unless--

(a)--the--taxing--unit's--taxable--valuation--decreases--by--5%
or--more--from--the--1986--tax--year--If--a--taxing--unit's--taxable
valuation--decreases--by--5%--or--more--from--the--1986--tax--year--it
may--levy--additional--mills--to--compensate--for--the--decreased
taxable--valuation--but--in--no--case--may--the--mills--levied
exceed--a--number--calculated--to--equal--the--revenue--from
property--taxes--for--the--1986--tax--year--in--that--taxing--unit--

(b)--a--levy--authorized--under--Title--20--raised--less
revenue--in--1986--than--was--raised--in--either--1984--or--1985--in
which--case--the--taxing--unit--may--after--approval--by--the--voters
in--the--taxing--unit--raise--each--year--thereafter--an--additional
number--of--mills--but--may--not--levy--more--revenue--than--the
3--year--average--of--revenue--raised--for--that--purpose--during
1984--1985--and--1986--

(c)--a--levy--authorized--in--50-2-111--that--was--made--in--1986
was--for--less--than--the--number--of--mills--levied--in--either--1984
or--1985--in--which--case--the--taxing--unit--may--after--approval
by--the--voters--in--the--taxing--unit--levy--each--year--thereafter
an--additional--number--of--mills--but--may--not--levy--more--than--the
3--year--average--number--of--mills--levied--for--that--purpose
during--1984--1985--and--1986--

(d)--The--limitation--on--the--amount--of--taxes--levied--does

1 not apply to the following levy or special assessment
 2 categories, whether or not they are based on commitments
 3 made before or after approval of 15-10-401 and 15-10-402:
 4 (a) rural improvement districts;
 5 (b) special improvement districts;
 6 (c) levies pledged for the repayment of bonded
 7 indebtedness, including tax increment bonds;
 8 (d) city street maintenance districts;
 9 (e) tax increment financing districts;
 10 (f) satisfaction of judgments against a taxing unit;
 11 (g) street lighting assessments;
 12 (h) revolving funds to support any categories specified
 13 in this subsection (8);
 14 (i) levies for economic development authorized pursuant
 15 to 90-5-112(4);
 16 (j) levies authorized under 7-6-502 for juvenile
 17 detention programs; and
 18 (k) elementary and high school districts; and
 19 (l) poor fund levies authorized under 53-2-322.
 20 (9) The limitation on the amount of taxes levied does
 21 not apply in a taxing unit if the voters in the taxing unit
 22 approve an increase in tax liability following a resolution
 23 of the governing body of the taxing unit containing:
 24 (a) a finding that there are insufficient funds to
 25 adequately operate the taxing unit as a result of 15-10-401

1 and 15-10-402;
 2 (b) an explanation of the nature of the financial
 3 emergency;
 4 (c) an estimate of the amount of funding shortfall
 5 expected by the taxing unit;
 6 (d) a statement that applicable fund balances are or by
 7 the end of the fiscal year will be depleted;
 8 (e) a finding that there are no alternative sources of
 9 revenue;
 10 (f) a summary of the alternatives that the governing
 11 body of the taxing unit has considered; and
 12 (g) a statement of the need for the increased revenue
 13 and how it will be used.
 14 (10) (a) The limitation on the amount of taxes levied
 15 does not apply to levies required to address the funding of
 16 relief of suffering of inhabitants caused by a famine
 17 conflagration or other public calamity.
 18 (b) The limitation set forth in this chapter on the
 19 amount of taxes levied does not apply to levies to support:
 20 (i) a city county board of health as provided in title
 21 50, chapter 2, if the governing bodies of the taxing units
 22 served by the board of health determine after a public
 23 hearing that public health programs require funds to ensure
 24 the public health; A levy for the support of a local board
 25 of health may not exceed the 5 mill limit established in

50-2-111.

~~{11} county, city, or town ambulance services authorized by a vote of the electorate under 7-34-102(2).~~

~~{11} The limitation on the amount of taxes levied by a taxing jurisdiction subject to a statutory maximum mill levy does not prevent a taxing jurisdiction from increasing its number of mills beyond the statutory maximum mill levy to produce revenue equal to its 1986 revenue.~~

~~{12} The limitation on the amount of taxes levied does not apply to a levy increase to repay taxes paid under protest in accordance with 15-1-402."~~

Section 4. Section 15-16-117, MCA, is amended to read:

"15-16-117. Personal property -- treasurer's duty to collect certain taxes. (1) The county treasurer shall demand payment of poor fund taxes, authorized by 53-2-321 53-2-322, and road taxes, authorized by 7-14-2206 or 7-14-2501 through 7-14-2504, of every person liable therefor for the taxes whose name does not appear on the assessment lists. On the neglect or refusal of any such a person to pay the same taxes, the treasurer shall collect the taxes by seizure and sale of any property owned by the person.

(2) These taxes must be added upon the assessment lists to other property taxes of persons paying taxes upon real and personal property and paid to the county treasurer at the time of payment of other taxes.

(3) The procedure for the sale of such property by the county treasurer for such the taxes must be regulated by 15-16-113 and 15-17-911.

(4) The provisions of this section do not apply to property for which delinquent property taxes have been suspended or canceled under the provisions of Title 15, chapter 24, part 17."

SECTION 5. SECTION 33-32-103, MCA, IS AMENDED TO READ:

"33-32-103. Utilization review plan. A person may not conduct a utilization review of health care services provided or to be provided to a patient covered under a contract or plan for health care services issued in this state unless that person, at all times, maintains with the commissioner a current utilization review plan that includes:

(1) a description of review criteria, standards, and procedures to be used in evaluating proposed or delivered health care services that, to the extent possible, must:

(a) be based on nationally recognized criteria, standards, and procedures;

(b) reflect community standards of care, except that a utilization review plan for health care services under the general relief medical assistance or medicaid programs program provided for in Title 53 need not reflect community standards of care;

- 1 (c) ensure quality of care; and
- 2 (d) ensure access to needed health care services;
- 3 (2) the provisions by which patients or providers may
- 4 seek reconsideration or appeal of adverse decisions by the
- 5 person conducting the utilization review;
- 6 (3) the type and qualifications of the personnel either
- 7 employed or under contract to perform the utilization
- 8 review;
- 9 (4) policies and procedures to ensure that a
- 10 representative of the person conducting the utilization
- 11 review is reasonably accessible to patients and health care
- 12 providers at all times;
- 13 (5) policies and procedures to ensure compliance with
- 14 all applicable state and federal laws to protect the
- 15 confidentiality of individual medical records;
- 16 (6) a copy of the materials designed to inform
- 17 applicable patients and health care providers of the
- 18 requirements of the utilization review plan; and
- 19 (7) any other information as may be required by the
- 20 commissioner that is necessary to implement this chapter."

21 **Section 6.** Section 39-71-118, MCA, is amended to read:

22 "39-71-118. Employee, worker, workman, and volunteer

23 firefighter defined. (1) The terms "employee", "workman", or

24 "worker" mean:

- 25 (a) each person in this state, including a contractor

1 other than an independent contractor, who is in the service

2 of an employer, as defined by 39-71-117, under any

3 appointment or contract of hire, expressed or implied, oral

4 or written. The terms include aliens and minors, whether

5 lawfully or unlawfully employed, and all of the elected and

6 appointed paid public officers and officers and members of

7 boards of directors of quasi-public or private corporations

8 while rendering actual service for such the corporations for

9 pay. Casual employees as defined by 39-71-116 are included

10 as employees if they are not otherwise covered by workers'

11 compensation and if an employer has elected to be bound by

12 the provisions of the compensation law for these casual

13 employments, as provided in 39-71-401(2). Household or

14 domestic service is excluded.

15 (b) ~~a recipient of general relief who is performing~~

16 ~~work for a county of this state under the provisions of~~

17 ~~53-3-303 through 53-3-305 and any juvenile performing work~~

18 ~~under authorization of a district court judge in a~~

19 ~~delinquency prevention or rehabilitation program;~~

20 (c) a person receiving on-the-job vocational

21 rehabilitation training or other on-the-job training under a

22 state or federal vocational training program, whether or not

23 under an appointment or contract of hire with an employer as

24 defined in this chapter and whether or not receiving payment

25 from a third party. However, this subsection does not apply

1 to students enrolled in vocational training programs as
2 outlined above while they are on the premises of a public
3 school or community college.

4 (d) students enrolled and in attendance in programs of
5 vocational-technical education at designated
6 vocational-technical centers;

7 (e) an airman or other person employed as a volunteer
8 under 67-2-105; or

9 (f) a person, other than a juvenile as defined in
10 subsection (1)(b), performing community service for a
11 nonprofit organization or association or for a federal,
12 state, or local government entity under a court order, or an
13 order from a hearings officer as a result of a probation or
14 parole violation, whether or not under appointment or
15 contract of hire with an employer as defined in this chapter
16 and whether or not receiving payment from a third party. For
17 a person covered by the definition in this subsection (f):

18 (i) compensation benefits must be limited to medical
19 expenses pursuant to 39-71-704 and an impairment award
20 pursuant to 39-71-703 that is based upon the minimum wage
21 established under Title 39, chapter 3, part 4, for a
22 full-time employee at the time of the injury; and

23 (ii) premiums must be paid by the employer, as defined
24 in 39-71-117(3), and must be based upon the minimum wage
25 established under Title 39, chapter 3, part 4, for the

1 number of hours of community service required under the
2 order from the court or hearings officer.

3 (2) The term "volunteer firefighter" means a
4 firefighter who is an enrolled and active member of a fire
5 company organized and funded by a county, a rural fire
6 district, or a fire service area.

7 (3) (a) If the employer is a partnership or sole
8 proprietorship, such the employer may elect to include as an
9 employee within the provisions of this chapter any member of
10 such the partnership or the owner of the sole proprietorship
11 devoting full time to the partnership or proprietorship
12 business.

13 (b) In the event of such an election, the employer must
14 serve upon the employer's insurer written notice naming the
15 partners or sole proprietor to be covered and stating the
16 level of compensation coverage desired by electing the
17 amount of wages to be reported, subject to the limitations
18 in subsection (3)(d). A partner or sole proprietor is not
19 considered an employee within this chapter until such notice
20 has been given.

21 (c) A change in elected wages must be in writing and is
22 effective at the start of the next quarter following
23 notification.

24 (d) All weekly compensation benefits must be based on
25 the amount of elected wages, subject to the minimum and

1 maximum limitations of this subsection. For premium
 2 ratemaking and for the determination of weekly wage for
 3 weekly compensation benefits, the electing employer may
 4 elect not less than \$900 a month and not more than 1 1/2
 5 times the average weekly wage as defined in this chapter.

6 (4) The trustees of a rural fire district, a county
 7 governing body providing rural fire protection, or the
 8 county commissioners or trustees for a fire service area may
 9 elect to include as an employee within the provisions of
 10 this chapter any volunteer firefighter. A volunteer
 11 firefighter who receives workers' compensation coverage
 12 under this section may not receive disability benefits under
 13 Title 19, chapter 12.

14 (5) An ~~employee-workman~~ or worker in this state whose
 15 services are furnished by a person, association, contractor,
 16 firm, or corporation, other than a temporary service
 17 contractor, to an employer as defined in 39-71-117 is
 18 presumed to be under the control and employment of the
 19 employer. This presumption may be rebutted as provided in
 20 39-71-117(3).

21 (6) For purposes of this section, an "employee
 22 ~~workman~~ or worker in this state" means:

23 (a) a resident of Montana who is employed by an
 24 employer and whose employment duties are primarily carried
 25 out or controlled within this state; or

1 (b) a nonresident of Montana whose principal employment
 2 duties are conducted within this state on a regular basis
 3 for an employer."

4 **SECTION 7. SECTION 40-4-215, MCA, IS AMENDED TO READ:**

5 "40-4-215. Investigations and reports. (1) In contested
 6 custody proceedings and in other custody proceedings if a
 7 parent or the child's custodian so requests, the court may
 8 order an investigation and report concerning custodial
 9 arrangements for the child. If the court orders the
 10 department of family services to conduct the investigation,
 11 the department may charge a reasonable fee. The department
 12 shall waive the fee for conducting the investigation if the
 13 parent or the child's custodian requesting the investigation
 14 is a recipient of aid to families with dependent children,
 15 ~~or food stamps, or general relief benefits.~~ The cost of the
 16 investigation and report ~~shall~~ must be paid according to the
 17 final order.

18 (2) In preparing ~~his~~ the report concerning a child, the
 19 investigator may consult any person who may have information
 20 about the child and ~~his~~ potential custodial arrangements.
 21 Upon order of the court, the investigator may refer the
 22 child to professional personnel for diagnosis. The
 23 investigator may consult with and obtain information from
 24 medical, psychiatric, or other expert persons who have
 25 served the child in the past without obtaining the consent

of the parent or the child's custodian; but the child's consent must be obtained if he the child has reached the age of 16 unless the court finds that he the child lacks mental capacity to consent. If the requirements of subsection (3) are fulfilled, the investigator's report may be received in evidence at the hearing.

(3) The court shall mail the investigator's report to counsel and to any party not represented by counsel at least 10 days prior to the hearing. The investigator shall make available to counsel and to any party not represented by counsel the investigator's file of underlying data and reports, complete texts of diagnostic reports made to the investigator pursuant to the provisions of subsection (2), and the names and addresses of all persons whom the investigator has consulted. Any party to the proceeding may call the investigator and any person whom he the investigator has consulted for cross-examination. A party may not waive his the right of cross-examination prior to the hearing."

Section 8. Section 41-3-1122, MCA, is amended to read:

"41-3-1122. Payment for support of youth in need of care, youth in need of supervision, or delinquent youth -- reimbursement by county. (1) Whenever a youth who is a youth in need of care, a youth in need of supervision, or a delinquent youth is placed by the department of family

services in a youth care facility, the department shall pay, within the limits of the appropriation for that purpose, a foster care payment to the youth care facility at a rate established by the department for board, clothing, personal needs, treatment, and room of the youth.

(2) On or before the 20th of each month the department shall present a claim to the county of residence of the youth for no more than one-half of the nonfederal share of the payments so made during the month. The county must make reimbursement to the department within 20 days after the claim is presented.

(3) Except as provided in subsection (4), when a county's level of expenditure for any year reaches the level of reimbursement for foster care in fiscal year 1987, the county has no further obligation for foster care expenditures.

(4) If a county's level of expenditure for foster care in fiscal year 1987 is \$10,000 or less, the county's level of expenditure for purposes of determining the county's reimbursement specified in subsection (3) is the level of expenditures for fiscal year 1987 or the average of expenditures for fiscal years 1984 through 1987, whichever is less.

(5) A county that was state-assumed prior to 1987, BUT AT A LATER DATE REASSUMES RESPONSIBILITY PURSUANT TO

1 53-2-811, is responsible for reimbursement of foster care
 2 expenditures up to the county's calculated level of
 3 expenditures for fiscal year 1987 as if the county had not
 4 been state-assumed.

5 {5}(6) The department shall conduct or arrange for the
 6 review required under 41-3-1115 of a youth placed in a youth
 7 care facility if the youth is placed by the department."

8 **Section 9.** Section 52-1-110, MCA, is amended to read:

9 "52-1-110. County contribution for salaries and travel
 10 of protective services employees. (1) Upon transfer of
 11 certain functions of the county welfare department to the
 12 department of family services as provided in section 12,
 13 Chapter 609, Laws of 1987, the salaries and travel expenses,
 14 as provided in 2-18-501 through 2-18-503, of protective
 15 services employees must be paid by the department of family
 16 services. The board of county commissioners shall reimburse
 17 the department of family services from county poor funds in
 18 an amount equal to that county's expenditures for salaries,
 19 travel expenses, and indirect costs of protective services
 20 employees in fiscal year 1987, adjusted for annual
 21 inflation.

22 (2) A county that was state-assumed prior to 1987, BUT
 23 AT A LATER DATE REASSUMES RESPONSIBILITY PURSUANT TO
 24 53-2-811, is responsible for reimbursement of salaries,
 25 travel expenses, and indirect costs up to the county's

1 calculated level of expenditures for fiscal year 1987 as if
 2 the county had not been state-assumed.

3 {2}(3) On or before the 20th day of the month following
 4 the month for which payments were made for protective
 5 services employees' salaries, travel, and indirect costs,
 6 the department of family services shall present to the board
 7 of county commissioners a claim for the required
 8 reimbursement. The board of county commissioners shall make
 9 such the reimbursement within 20 days after the presentation
 10 of the claim."

11 **SECTION 10.** SECTION 53-2-201, MCA, IS AMENDED TO READ:

12 "53-2-201. Powers and duties of department. (1) The
 13 department shall:

14 (a) administer or and supervise public assistance,
 15 including the provision of food stamps, food commodities,
 16 aid to families with dependent children, energy assistance,
 17 weatherization, vocational rehabilitation, services for
 18 persons with severe disabilities, developmental disability
 19 services, and medical care payments in behalf of recipients
 20 of public assistance;

21 (b) give consultant service to private institutions
 22 providing care for the needy, indigent, handicapped, or
 23 dependent adults;

24 (c) cooperate with other state agencies and develop
 25 provisions for services to the blind, including the

prevention of blindness, the location of blind persons, medical services for eye conditions, and vocational guidance and training of the blind;

(d) provide services in respect to organization and supervise county departments of public welfare and county boards of public welfare in the administration of public assistance functions and for efficiency and economy;

(e) assist and cooperate with other state and federal departments, bureaus, agencies, and institutions, when so requested, by performing services in conformity with public assistance purposes;

(f) administer all state and federal funds allocated to the department for public assistance and do all things necessary, in conformity with federal and state law, for the proper fulfillment of public assistance purposes; and

(g) make rules governing payment for services and supplies provided to recipients of public assistance.

(2) The department may:

(a) purchase, exchange, condemn, or receive by gift either real or personal property which is necessary to carry out its public assistance functions. Title to property obtained under this subsection ~~shall~~ must be taken in the name of the state of Montana for the use and benefit of the department.

(b) contract with the federal government to carry out

its public assistance functions. The department may do all things necessary in order to avail itself of federal aid and assistance.

(c) make rules, consistent with state and federal law, establishing the amount, scope, and duration of services to be provided to recipients of public assistance."

SECTION 11. SECTION 53-2-203, MCA, IS AMENDED TO READ:

"53-2-203. Department to maintain merit system and supervise public assistance personnel. ~~(1)~~ The department shall:

~~(a)~~ (1) maintain a merit system pertaining to qualifications for appointment, terms of office, annual merit rating, releases, promotions, and salary schedules for all public assistance personnel; personnel standards ~~shall~~ must conform as far as possible with general standards established or required by the federal government;

~~(b)~~ (2) have examinations held from time to time throughout the state to establish and furnish to county departments lists, in order of merit, of persons eligible for appointment;

~~(c)~~ (3) develop policies relating to educational leave of employees and to staff development needs;

~~(d)~~ (4) supervise the appointment, dismissal, and entire status of the public assistance personnel attached to county boards in accordance with the merit system.

{2}--All public assistance personnel shall be residents of this state unless it is impossible to find residents of this state possessing qualifications required by the merit system; if possible, county assistance personnel shall be residents of the county in which they work."

Section 12. Section 53-2-207, MCA, is amended to read:

"53-2-207. Power of department in administering state grants-in-aid and federal funds. In administering or supervising any state or federal funds appropriated or made available to the department for public assistance purposes, the department shall have has the authority to:

(1) require as a condition for receiving grants-in-aid that the county shall to bear the proportion of the total of local public assistance as is fixed by law relating to such the assistance;

(2) make use of all legal processes to enforce the minimum standards prescribed for public assistance purposes by the department under laws providing for grants-in-aid, provided that such standards shall not exceed in cost the amount derived from levies established by state law; and

(3) require that each part of the public assistance laws shall be in effect in all counties of the state."

Section 10. Section 53-2-301, MCA, is amended to read:--

"53-2-301. County departments to be established. There shall must be established in each county of the state

except in a county that has transferred its public assistance and protective services responsibilities to the state under the provisions of part 8 of this chapter, a county department of public welfare, which shall consist of a county board of public welfare and such staff personnel as may be necessary for the efficient performance of the public assistance activities of the county. If conditions warrant and if two or more county boards enter into an agreement, two or more counties may combine into one administrative unit and use the same staff personnel throughout the administrative unit."

Section 11. Section 53-2-302, MCA, is amended to read:--

"53-2-302. County commissioners ex officio county welfare board. Except in a county that has transferred its public assistance and protective services responsibilities to the state under part 8 of this chapter, the The board of county commissioners shall be is the ex officio county welfare board and is hereby authorized to devote such additional time for public assistance matters as may be found necessary. The members of the county welfare board shall receive the same compensation for their services and the same mileage when acting as the county board of public welfare as they receive when acting as the board of county commissioners, and shall be The board is limited as to meetings as now provided by law, and the compensation and

mileage--of-the-members-of-the-board-shall must-be-paid-from
 county-funds. They may--transact--business--as--a--board--of
 county--commissioners--and--as--a--county-welfare-board-on-the
 same-day, and-in-such-cases-they-shall must--be--paid--as--a
 board---of---county---commissioners---but--may--not--receive
 compensation-for-more-than-1-day's-work--for--all--services
 performed-on-the-same-calendar-day."

Section 12.--Section 53-2-304, MCA, is amended to read:--

"53-2-304. Staff--personnel--of--county-department. (1)
 Each-county-board-shall-select-and-appoint-from-a--list-of
 qualified--persons-furnished-by-the-department-of-social-and
 rehabilitation-services-such--staff--personnel--as--are the
board--determines--necessary. The--staff--personnel-in-each
 county-shall-consist-of-at-least-one-qualified-staff--worker
 (or--investigator)--and-such-clerks-and-stenographers-as-may
 be-decided the-board-determines--necessary. If-conditions
 warrant,---the--county--board,---with--the--approval--of--the
 department--of--social--and--rehabilitation--services,---may
 appoint---some a--fully-qualified-person-listed-by-the
 department-as-supervisor-of-its-staff-personnel. The--staff
 personnel-of-each-county-department-are-directly-responsible
 to--the--county--board,---but--the--department--of-social-and
 rehabilitation--services--may-supervise--such the--county
 employees-in-respect-to-the-efficient-and-proper-performance
 of--their-duties. The-county-board-of-public-welfare-may-not

dismiss-any--member--of--the--staff--personnel--without--the
 approval--of--the--department--of--social-and-rehabilitation
 services. The-department-may-request--the--county--board--to
 dismiss--any-member-of-the-staff-personnel-for-inefficiency,
 incompetence, or-similar--cause. The--final--authority--for
 dismissal--is--the--county--board. In-counties--where--the
 department-has-assumed-the-administration-of-welfare-duties,
 the--final--authority--for--dismissal-is-the-director-of-the
 department.

(2)--Public-assistance-staff-personnel-attached--to--the
 county-board-shall must-be-paid-from-state-public-assistance
 funds--both--their--salaries--and--their--travel-expenses-as
 provided-for-in-2-18-501-through-2-18-503-when-away-from-the
 county-seat-in-the-performance--of--their--duties,---but--the
 county---board---of---public--welfare--shall-reimburse--the
 department-of-social-and-rehabilitation-services from-county
 poor-funds-the--full--amount--of--the--salaries--and--travel
 expenses--not--reimbursed--to--the-department-by-the-federal
 government--and--the--full--amount--of--the--department's
 administrative--costs--which that--are--allocated--by--the
 department-to-the-county-for-the--administration--of--county
 welfare-programs-and-not-reimbursed-to-the-department-by-the
 federal-government. Under--circumstances-prescribed-by-the
 department--of--social--and--rehabilitation--services,---the
 reimbursement--by--the-county-board-of-public-welfare-may-be

1 less-than-the-county-share-as-prescribed-above in-this
2 subsection. All other administrative costs of the county
3 department shall also must be paid from county poor funds.

4 {3} On or before the 20th day of the month following
5 the month for which the payments to the public assistance
6 staff personnel of the county were made, the department of
7 social and rehabilitation services shall present to the
8 county department of public welfare a claim for the required
9 reimbursements. The county board shall make such the
10 reimbursements within 20 days after the presentation of the
11 claim, and the department of social and rehabilitation
12 services shall credit {add} all such the reimbursements to
13 its account for administrative costs.

14 {4} If a county has transferred its public assistance
15 and protective services responsibilities to the state under
16 part 8 of this chapter, the appropriate department shall
17 select, appoint, and supervise all necessary public
18 assistance and protective services personnel, including if
19 necessary a supervisor of staff personnel. All such
20 personnel are directly responsible to that department."

21 **Section 13.** Section 53-2-306, MCA, is amended to read:

22 "53-2-306. County department charged with local
23 administration of public assistance. Except in a county that
24 has transferred its public assistance and protective
25 services responsibilities to the state under part 8 of this

1 chapter, the The county department of public welfare shall
2 be is charged with the local administration of all forms of
3 public assistance operations in the county. All such local
4 administration of public assistance must conform to federal
5 and state law and the rules as established by the department
6 of social and rehabilitation services."

7 **Section 13.** Section 53-2-322, MCA, is amended to read:

8 "53-2-322. County to levy taxes, budget, and make
9 expenditures for public assistance activities. (1) The board
10 of county commissioners in each county shall levy 13.5 mills
11 for the county poor fund as provided by law or so much
12 thereof of that amount as may be necessary. The board may
13 levy an additional 12 mills if approved by the voters in the
14 county for fiscal year 1993. A county shall levy sufficient
15 mills to reimburse the state for any administrative or
16 operational costs in excess of the administrative and
17 operational costs for fiscal year 1993. The department shall
18 notify the counties of the number of mills required to be
19 levied. Counties transferring public assistance and
20 protective services responsibilities to the state under part
21 8 of this chapter may not levy more than the difference
22 between 13.5 mills and the state levy pursuant to 53-2-813.
23 COUNTIES TRANSFERRING FINANCIAL RESPONSIBILITY FOR PUBLIC
24 ASSISTANCE AND PROTECTIVE SERVICES RESPONSIBILITIES TO THE
25 STATE UNDER PART 8 OF THIS CHAPTER MAY NOT LEVY MORE THAN

THE DIFFERENCE BETWEEN 13.5 MILLS AND THE STATE LEVY
PURSUANT TO 53-2-813.

(2) The board shall budget and expend so much of the funds in the county poor fund for public assistance and protective services purposes as ~~will enable the county welfare department to pay the general relief activities of the county and~~ NECESSARY to reimburse the department of ~~social and rehabilitation services~~ and the department of family services for the county's proportionate share of the administrative costs ~~of the county welfare department~~ and of all public assistance and protective services and its proportionate share of any other public assistance activity that may be carried on jointly by the state and the county.

(3) The amounts set up in the budget for the reimbursements to the department ~~of social and rehabilitation services~~ and the department of family services ~~shall~~ must be sufficient to make all of these reimbursements in full. The budget ~~shall~~ must make separate provision for each one of these public assistance and protective services activities, and proper accounts ~~shall~~ must be established for the funds for all such the activities.

(4) The department ~~of social and rehabilitation services~~ shall submit to the counties, no later than May 10, the most current county participation percentages that are

necessary to establish preliminary county budgets. As soon as the county proposed budget provided for in 7-6-2315 has been agreed upon, a copy ~~thereof shall without delay~~ must be mailed to the department ~~of social and rehabilitation services~~, and at any time before the final adoption of the budget, the department shall make such recommendations with regard to changes in any part of the budget relating to the county poor fund as considered necessary in order to enable the county to discharge its obligations under the public assistance laws.

(5) The department ~~of social and rehabilitation services~~ shall promptly examine the county proposed budget in order to ascertain if the amounts provided for reimbursements to the department are likely to be sufficient and shall notify the county clerk of its findings. The board shall make such changes in the amounts provided for reimbursements, if any are required, in order that the county will be able to make the reimbursements in full.

(6) The board of county commissioners may not make any transfer from the amounts budgeted for reimbursing the department ~~of social and rehabilitation services~~ without having first obtained a statement in writing from the department to the effect that the amount to be transferred will not be required during the fiscal year for the purposes for which the amounts were provided in the budget.

(7) ~~No-part-of-the~~ The county poor fund, irrespective of the source of any part thereof of the fund, may not be used directly or indirectly for the erection or improvement of any county building so long as the fund is needed for ~~general-relief-expenditures-by-the-county-or-is-needed-for~~ paying the county's proportionate share of public assistance and protective services or its proportionate share of any other public assistance activity that may be carried on jointly by the state and the county. Expenditures for improvement of any county buildings used directly for care of the poor, except a county hospital or county nursing home, may be made out of ~~any-moneys~~ money in the county poor fund, whether ~~such-moneys-are~~ the money was produced by the ~~13-5-mill~~ mill levy provided for in subsection (1) of ~~this~~ section or from any additional levy authorized ~~or-to-be~~ authorized by law. Such ~~The~~ expenditure ~~shall~~ may be authorized only when any county building used for the care of the poor must be improved in order to meet legal standards required for ~~such-buildings~~ the building by the department of health and environmental sciences and when ~~such~~ the expenditure has been approved by the department of social and rehabilitation services and the department of family services.

(8) Money in the county poor fund may be used as matching funds for the receipt of federal money."

SECTION 14. SECTION 53-2-601, MCA, IS AMENDED TO READ:

"53-2-601. Disqualification from public assistance when property transferred for purpose of qualifying for public assistance. The department may deny public assistance to any person who has ~~divested-himself~~ directly or indirectly of transferred any property for the purpose of qualifying for public assistance. The department ~~shall-make~~ may adopt rules that raise a rebuttable presumption that any transfer of property within 30 months of the date of application for ~~general-relief~~ was for the purpose of qualifying for such assistance. ~~The--department--may-also-make-rules-consistent-with-federal-law-raising-a-similar-rebuttable-presumption-for-purposes-of-state-administered-federal-public-assistance-programs-authorized-under-Title-53."~~

SECTION 15. SECTION 53-2-606, MCA, IS AMENDED TO READ:

"53-2-606. Right of appeal. (1) If an application for assistance ~~under-this-title~~ for food stamps, aid to families with dependent children, or medicaid is not acted upon promptly or if a decision is made with which the applicant or recipient is not satisfied, ~~he~~ the applicant or recipient may appeal to the board of social and rehabilitation appeals for a fair hearing by addressing a request for a hearing to the department. The board of social and rehabilitation appeals shall, upon receipt of a request for a hearing, give the applicant or recipient prompt notice and opportunity for

1 a fair hearing. ~~A county welfare board which is involved in~~
 2 ~~a grievance shall be represented at such a hearing.~~

3 (2) The department may upon its own motion review any
 4 decision of a county welfare board and may consider any
 5 application upon which a decision has not been made by the
 6 county board within a reasonable time from the filing
 7 thereof of the decision. The department may have an
 8 additional investigation made and shall make a decision as
 9 to the granting of assistance and the amount of assistance
 10 to be granted the applicant as in its opinion is justified
 11 and in conformity with the provisions of this title.

12 (3) If the department reviews a county decision on its
 13 own motion, applicants or recipients affected by the
 14 decisions of the department shall upon request be given
 15 reasonable notice and an opportunity for a fair hearing by
 16 the board of social and rehabilitation appeals.

17 (4) All decisions of the department or the board of
 18 social and rehabilitation appeals are final and are binding
 19 and shall must be complied with by the county department."

20 **SECTION 16. SECTION 53-2-608, MCA, IS AMENDED TO READ:**

21 "53-2-608. Method of issuing assistance grants. (1)
 22 Checks in payment of public assistance, ~~with the exception~~
 23 ~~of general relief, shall~~ must be issued by the department of
 24 social and rehabilitation services upon approved
 25 certificates of award and reports of changes of such

1 eligible grantees as are forwarded by the county department
 2 to the state department, and all such checks ~~will~~ must be
 3 mailed to the individual recipient or the appropriate
 4 vendor. The checks in payment of public assistance ~~shall~~
 5 must be issued in the full approved amount for each eligible
 6 approved grantee, and the original monthly payment ~~shall~~
 7 must be from the state public assistance accounts. All
 8 public assistance checks ~~shall~~ represent cash on demand at
 9 full par value to the recipient and vendor.

10 (2) Whenever the department of social and
 11 rehabilitation services, acting pursuant to standards
 12 established by the department, determines that any otherwise
 13 eligible recipient of public assistance has, by reason of
 14 any physical or mental condition, such inability to manage
 15 funds that making payments to him the recipient would be
 16 contrary to his the recipient's welfare, the department may,
 17 under standards established under the state plan, make the
 18 public assistance payment on behalf of such the recipient to
 19 another person found by the department to be interested in
 20 or concerned with the welfare of ~~such needy individual~~ the
 21 recipient."

22 **SECTION 17. SECTION 53-2-610, MCA, IS AMENDED TO READ:**

23 "53-2-610. County to reimburse department. (1) On or
 24 before the 20th of each month, the department of social and
 25 rehabilitation services shall present a claim for

1 reimbursement to each county department for its
2 proportionate share of public assistance granted in the
3 county to recipients during the month and for vendor medical
4 payments made on behalf of recipients in the previous month.
5 The county department shall make the reimbursement to the
6 department of social and rehabilitation services within 20
7 days after the claim is presented.

8 (2) The counties may not be required to reimburse the
9 department of social and rehabilitation services for:

10 (a) any portion of public assistance paid to a
11 household eligible for aid to families with dependent
12 children if the household includes an enrolled Indian who is
13 the caretaker relative of a needy dependent child; or

14 (b) any payment on behalf of any person in a
15 state-operated medical institution.

16 ~~(3)--The--federal--government--may--reimburse--the--state--of~~
17 ~~Montana--on--behalf--of--counties--providing--general--relief--to~~
18 ~~enrolled--Indians--a--sum--in--lieu--of--taxes--which--the--counties~~
19 ~~would--collect--if--the--lands--of--such--Indians--were--not--in--trust~~
20 ~~status.~~

21 ~~(4)(3)~~ (a) From the original date of entrustment or the
22 original date of state residency, whichever is earlier,
23 recipients of public assistance who become wards or patients
24 in a licensed nursing home or hospital, foster home, or
25 private charitable institution ~~shall be~~ are the financial

1 responsibility of the appropriate county as provided in
2 subsections ~~(4)(b)~~ (3)(b) through ~~(4)(d)~~ (3)(d).

3 (b) The county in which commitment of an adult is
4 initiated is considered the county of financial
5 responsibility except where court decree declares the
6 residency to be otherwise. When an adult is transferred from
7 a facility or institution to one of the ~~above-enumerated~~
8 facilities listed in subsection (3)(a), the county ~~which~~
9 that initiated the original commitment is considered the
10 county of financial responsibility except in the case of an
11 adult transfer from an out-of-state institution, in which
12 case the county in which the facility is located is
13 considered the county of financial responsibility.

14 (c) In all cases ~~where~~ in which a minor patient or ward
15 is involved, the county of financial responsibility is the
16 county in which the parent or guardian resides. If the
17 custody of a minor is entrusted to a state agency, the
18 agency may make a reasonable declaration of the county
19 residency of its ward using applicable guidelines enumerated
20 in this section.

21 (d) If a person is or becomes an adult while in an
22 institution, ~~he~~ the person may determine ~~his-own~~ the county
23 of residence when ~~he~~ the person is restored to competency
24 and released. The person becomes the financial
25 responsibility of the new county of residence."

Section 18. Section 53-2-801, MCA, is amended to read:

"53-2-801. Purpose. The purpose of this part is to provide for the department of social and rehabilitation services to assume all responsibilities for public assistance programs, ~~except for general relief as provided in chapter 37~~ and for the department of family services to assume all responsibilities for protective services for children and adults that, as of July 1, 1983, are provided by the counties pursuant to Titles 41 and 53. The assumption may become effective only at the option and with the express consent of each individual county requesting state assumption. STATE ASSUMPTION ALLOWS COUNTIES TO PAY THE STATE THE PROCEEDS FROM THE 9-MILL LEVY PROVIDED FOR IN 53-2-813 RATHER THAN AN AMOUNT BASED ON THE ACTUAL COST OF PROVIDING PUBLIC ASSISTANCE AND PROTECTIVE SERVICES IN THE COUNTY. COUNTIES THAT OPT FOR STATE ASSUMPTION MAY PROVIDE OTHER OPTIONAL SERVICES FOR INDIGENTS WITH MONEY AVAILABLE FROM FUNDS DERIVED FROM THE DIFFERENCE BETWEEN THE 9-MILL LEVY AND THE MAXIMUM AMOUNT OF 13.5 MILLS PERMITTED BY 53-2-322."

Section 19. Section 53-2-802, MCA, is amended to read:

"53-2-802. Definitions. Unless the context requires otherwise, in this part the following definitions apply:

(1) "County department" means the county department of public welfare provided for in part 3 of this chapter.

(2) "Mill levy equivalent" means the prior year's expenditure divided by the value of 1 mill.

(3) "Needy person" is one who is eligible for public assistance under the laws of this state.

(4) "Protective services" means services to children and adults to be provided by the department of family services as permitted by Titles 41 and 53.

(5) "Public assistance" or "assistance" means any type of monetary or other assistance furnished under this title to a person by a state or county department, regardless of the original source of assistance, ~~except general relief as provided in chapter 3.~~

(6) "State assumption" means the transfer to the department of social and rehabilitation services and the department of family services ~~for the county~~ by the board of county commissioners of all powers and duties, including staff personnel as provided in 53-2-301 through 53-2-306 and ~~for~~ public assistance and protective services, respectively, provided by the county department pursuant to Titles 41 and 53, except as otherwise specifically provided in this part. A COUNTY MAY CONTINUE TO PROVIDE OPTIONAL INDIGENT ASSISTANCE AS PROVIDED IN [SECTION 24] AND NURSING HOME AND HOSPITAL SERVICES AS PROVIDED IN 7-6-2512."

Section 20. Section 53-2-803, MCA, is amended to read:

"53-2-803. Authority to adopt rules. ~~{}~~ The department

of social and rehabilitation services and the department of family services may adopt rules necessary to carry out the purposes of this part, including implementing transfer of the county programs to each department, respectively.

~~{2}--The--department--of---social---and---rehabilitation services--may--adopt--rules--~~

~~{a}--to--determine--the--amount,--scope,--and--duration--of general--relief,--which--may--not--exceed--those--services--and amounts---payable---under---the--department--of--social--and rehabilitation--services--programs--of--medicaid--and--aid--to families--with--dependent--children--as--necessary--to--carry--out the--purposes--of--this--part,--and~~

~~{b}--establishing--a--system--of--penalties--and--sanctions applicable---to--providers--of--health--related--services--to state--assumed--counties--in--accordance---with---53-6-111{2} through--{5};"~~

Section 21. Section 53-2-811, MCA, is amended to read:

"53-2-811. Transfer of county public assistance and protective services to state departments -- reassumption of responsibility. (1) All authority granted to the board of county commissioners to establish and operate a RESPONSIBILITY OF A COUNTY FOR public assistance program and provide protective services for children and adults pursuant to Titles 41 and 53 may be transferred to the department of social and rehabilitation services and the department of

family services, respectively, except that the county attorney shall continue to provide legal assistance and representation for the purposes of adult and child protective services without charge and all debts and obligations incurred prior to the effective date of state assumption continue as the responsibility of the county.

(2) The board of county commissioners, after public hearing, may by resolution or ordinance transfer to the department of social and rehabilitation services and the department of family services all powers and duties for public assistance and protective services for children and adults, respectively, including the selection, supervision, and termination of staff personnel associated with the performance of these activities. Upon the effective date of such the transfer, the department of social and rehabilitation services and the department of family services shall assume all powers and duties related to public assistance and protective services, respectively, and accorded by law to the county welfare department. If the notice required in subsection (3) is given, the transfer is effective at the start of the next state fiscal year.

(3) Counties opting for state assumption or-reassumingresponsibility shall notify the department of social and rehabilitation services and the department of family services at-least-90-days-prior-to-the-start--of--the--state

1 ~~fiscal--year-unless-the-time-period-is-waived-in-whole-or-in~~
 2 ~~part-by-the-director-of-each-department within-30-days-after~~
 3 ~~{the-effective-date-of-this-section} A-county-shall--notify~~
 4 ~~the-department-of-social-and-rehabilitation-services-and-the~~
 5 ~~department--of--family--services by October 1 if the county~~
 6 ~~wishes to change its status on the following July 1. A~~
 7 ~~COUNTY THAT HAS OPTED FOR STATE ASSUMPTION PRIOR TO JULY 1,~~
 8 ~~1995, MAY REASSUME RESPONSIBILITY FOR PUBLIC ASSISTANCE AND~~
 9 ~~PROTECTIVE SERVICES ON JULY 1, 1996, IF THE COUNTY NOTIFIES~~
 10 ~~THE DEPARTMENT PRIOR TO SEPTEMBER 30, 1995.~~

11 (4) Counties opting for state assumption shall permit
 12 the department of social and rehabilitation services and the
 13 department of family services to use the same facilities
 14 currently occupied by the county department or substantially
 15 equal facilities, with fair rental value for such the
 16 facilities to be paid by each department. Counties opting
 17 for state assumption shall transfer to the appropriate
 18 department all materials, equipment, and supplies used in
 19 the operation of the county department and which were paid
 20 for in whole or in part with federal or state funds."

21 **Section 22.** Section 53-2-812, MCA, is amended to read:

22 "53-2-812. State assumption -- permanent transfer to
 23 state -- exceptions. ~~{}~~ A EXCEPT AS PROVIDED IN THIS
 24 SECTION, A county opting for state assumption does so on a
 25 complete and permanent basis, unless the county requests--to

1 ~~retain--or-reassume-responsibility-for-medical-assistance-or~~
 2 ~~monetary-payments-to-needy-persons-as-provided-in-Title--53,~~
 3 ~~chapter--37. State assumption OR REASSUMPTION must be made~~
 4 ~~pursuant to the adoption of a resolution or ordinance as~~
 5 ~~provided in 53-2-811(2) and notice to the department of~~
 6 ~~social and rehabilitation services and the department of~~
 7 ~~family services as provided in 53-2-811(3). A county that~~
 8 ~~has opted for state assumption prior to {the-effective--date~~
 9 ~~of--this--section} JULY 1, 1995, may reassume responsibility~~
 10 ~~for public assistance and protective services if notice is~~
 11 ~~provided pursuant to 53-2-811(2) and (3). A county shall~~
 12 ~~notify the department of social and rehabilitation services~~
 13 ~~and the department of family services by October 1 if the~~
 14 ~~county wishes to change its status on the following July 1.~~
 15 ~~Under--such--a--retention--or--reassumption, staff-personnel~~
 16 ~~continue-under-the-supervision-and-control-of-the-department~~
 17 ~~of-social-and-rehabilitation-services-but-the The department~~
 18 ~~may contract-with-the-counties-for-the-operation-of-programs~~
 19 ~~provided-in-Title--53,--chapter--37. UNDER A RETENTION OR~~
 20 ~~REASSUMPTION, STAFF PERSONNEL CONTINUE UNDER THE SUPERVISION~~
 21 ~~AND CONTROL OF THE DEPARTMENT. ALL DEBTS AND OBLIGATIONS OF~~
 22 ~~THE DEPARTMENT AND THE DEPARTMENT OF FAMILY SERVICES~~
 23 ~~PERTAINING TO PUBLIC ASSISTANCE AND PROTECTIVE SERVICES AT~~
 24 ~~THE TIME OF REASSUMPTION MUST BE TRANSFERRED TO THE COUNTY~~
 25 ~~OPTING FOR REASSUMPTION. A COUNTY MAY NOT RETAIN OR REASSUME~~

ASSISTANCE PROGRAMS PARTIALLY FUNDED BY THE FEDERAL GOVERNMENT. A county may not retain or reassume assistance programs partially funded by the federal government.

(2) A county transferring all duties and responsibilities to the state may reassume limited responsibility for medical assistance or monetary payments to needy persons as provided in subsection (1) but may not thereafter request full state assumption. A county initially requesting limited state assumption may not thereafter request full state assumption. A county opting for limited or full state assumption does so on a permanent basis, except as provided in this section.

Section 23. Section 53-2-813, MCA, is amended to read:

"53-2-813. Mill levy for counties transferring public assistance and protective services. (1) For the purpose of this part, 12 9 mills must be levied annually in those counties opting for state assumption.

(2) For a county electing state assumption before July 17, 1986, the proceeds of the mill levy established in subsection (1) must be deposited in the state special revenue fund in the state treasury for the purpose of paying the expenses of the department of social and rehabilitation services. The mill levy may not exceed 12 mills, notwithstanding actual expenditures made by the department.

(3) For a county electing state assumption on or after

July 17, 1986, the proceeds of the mill levy established in subsection (1) must be deposited in the state special revenue fund in the state treasury to the credit of the department of social and rehabilitation services. The general fund authority of the department of social and rehabilitation services shall must be reduced and the general fund authority of the department of family services shall must be increased by an amount equal to the county's expenditures for child and adult protective services in the fiscal year immediately preceding state assumption. The mill levy may not exceed 12 mills, notwithstanding actual expenditures made by the department of social and rehabilitation services and the department of family services.

(4) For a county retaining or reassuming operational responsibility for medical assistance or monetary payments to needy persons as provided in 53-2-812, the levy provided in subsection (1) must be reduced by the mill levy equivalent expended by that county or the department for such purposes in the fiscal year immediately preceding the option to retain or reassume such responsibility."

NEW SECTION. Section 24. General relief INDIGENT ASSISTANCE -- optional county program. (1) A county may provide a program of general relief INDIGENT ASSISTANCE that it determines necessary. The program may include assistance

1 for food, clothing, shelter, transportation, and medical
 2 assistance for individuals not eligible for state or federal
 3 programs providing similar assistance. A county may provide
 4 for the burial of indigents. The general--relief--activities
 5 INDIGENT ASSISTANCE PROGRAM of the county include INCLUDES:

6 (a) JOB SEARCH, job training, WORK-FOR-ASSISTANCE, and
 7 employment programs authorized under Title 53, chapter 2,
 8 part 11;

9 (b) general relief assistance benefits as provided in
 10 Title 53, chapter 3, part 2; and

11 (c) health care, preventive care, and wellness programs
 12 as determined by the county commissioners.

13 (2) A county may establish the criteria for determining
 14 eligibility for assistance, including but not limited to
 15 residency requirements, limits on income and resources, and
 16 the amount, scope, and duration of assistance.

17 (3) A county may deny assistance for a reasonable
 18 period if a person has voluntarily left employment without
 19 good cause or is discharged due to misconduct.

20 (4) The program may be funded with money derived from
 21 the county poor fund mill levy established in 53-2-322.

22 **Section 25.** Section 53-2-1101, MCA, is amended to read:

23 "53-2-1101. Legislative findings. The legislature finds
 24 and declares that:

25 (1) many economically disadvantaged persons are unable

1 to take their place in the economic mainstream of society
 2 because they lack the skills and training needed to obtain
 3 productive employment or to avoid long-term dependency on
 4 public assistance programs;

5 (2) existing state and federal employment and training
 6 programs, including the work incentive program, the work
 7 programs provided for in 53-3-304, and the programs
 8 administered under Title II-A of the Job Training
 9 Partnership Act, have proved to be a multiple, uncoordinated
 10 response to the needs of the economically disadvantaged; and

11 (3) a successful job training program will require a
 12 comprehensive, integrated range of nonduplicative employment
 13 and training services for economically disadvantaged persons
 14 that will result in economic self-sufficiency through
 15 placement of economically disadvantaged persons in
 16 long-term, sustainable employment."

17 **SECTION 26.** SECTION 53-2-1103, MCA, IS AMENDED TO READ:

18 "53-2-1103. Definitions. For the purposes of this part,
 19 unless the context requires otherwise, the following
 20 definitions apply:

21 (1) "Economically disadvantaged person" has the same
 22 meaning as provided in section 4 of the Job Training
 23 Partnership Act (29 U.S.C. 1503).

24 (2) "Job Training Partnership Act" means the federal
 25 Job Training Partnership Act of 1982, Public Law 97-300 (29

U.S.C. 1501, et seq.), as amended.

(3) "Job training plan" means the plan for providing services and training in a service delivery area, as required in 53-2-1107.

(4) "Program" means the program created by 53-2-1104 to implement the provisions of Title II-A of the Job Training Partnership Act.

(5) "Program year" means the fiscal year beginning on July 1 of the year for which an appropriation is made for the program established under this part, as provided in section 161 of the Job Training Partnership Act (29 U.S.C. 1571).

(6) "Public assistance program" means the state program of general relief assistance or aid to families with dependent children.

(7) "Service delivery area" means an area designated as provided in section 101 of the Job Training Partnership Act (29 U.S.C. 1511)."

Section 27. Section 53-2-1109, MCA, is amended to read:

"53-2-1109. Coordination of services. The state job training coordinating council shall identify, in coordination with the appropriate state and local agencies, the employment, training, and vocational education needs throughout the state and assess the extent to which employment and training, vocational education,

rehabilitation services, public assistance, economic development, and other federal, state, and local programs and services represent a consistent, integrated, and coordinated approach to meeting such needs. In carrying out this coordinating function, the council shall consider state policy set forth in 2-15-101 to eliminate overlapping and duplication of services within state government and in accordance with the provisions of section 121 of the Job Training Partnership Act (29 U.S.C. 1531) and other employment and training programs, including:

(1) programs operated under the federal Family Support Act of 1988; and

(2) programs and services of public assistance agencies, including the programs established in 53-3-304."

Section 29. Section 53-3-112, MCA, is amended to read:

"53-3-112. Fraud and recovery of overpayments. (1) The county department of public welfare shall deny general relief for a reasonable period of time to any household determined to have received any assistance by means of fraud.

(2) The county department of public welfare or its agent may recover or offset any amounts of general relief made available to a household which, because of fraud or mistake, are above the amounts that should have been provided."

Section 30. Section 53-3-207, MEA, is amended to read:

"53-3-207. Application for other state and federal programs-----interim relief-----subrogation of department to receipt of federal payments:--(1) General relief is available to a recipient to the extent such the relief is not duplicative of resources or benefits reasonably available to the recipient;

(2) If other federal or state programs of assistance are reasonably available to meet the needs of a household, an applicant must apply for those programs before general relief may be provided. A household may be provided general relief after initial application for other programs of assistance. If denied such the other assistance, the applicant must pursue available administrative appeals for those programs to the final administrative appeal level. If the applicant becomes eligible for other assistance covering the same period of time that interim general relief is provided, such the interim relief must be repaid to the county department or offset from lump sums or retroactive payments from other programs of assistance.

(3) To the extent necessary for repayment of interim general relief provided to an applicant, the county department is subrogated to the right of an attorney to recover from the federal government the costs of providing the applicant legal assistance in obtaining eligibility for

supplemental security income under Title XVI of the Social Security Act."

Section 31. Section 53-3-303, MEA, is amended to read:

"53-3-303. Conditions of eligibility:--(1) As a condition of eligibility for general relief, an employable or temporarily unemployable recipient must:

(a) register for employment with the department of labor and industry;

(b) maintain an active job registration file; and

(c) comply with and actively participate in any job search, training, workfare, or self-sufficiency program required by the department; and

(d) actively pursue and accept available employment within his or her the recipient's capability.

(2) Refusal without good cause to comply with the requirements of subsection (1) will render the individual recipient, but not the rest of that recipient's household, ineligible for general relief for 3 months following the first refusal and for 6 months following any subsequent refusal. The period of ineligibility begins on the first day of the next month in which the person would otherwise be eligible for general relief. A county may require participation in job search, training, and work programs or in a program of drug or alcohol rehabilitation as a condition of the receipt of assistance. General relief may

~~be withheld until participation in a program is completed. A county may deny assistance for a reasonable period of time for any person refusing to participate in a required program."~~

Section 32. ~~Section 53-3-309, MCA, is amended to read:--~~

~~"53-3-309. Form of relief. The choice as to the form or forms of relief provided is at the discretion of the county welfare department in counties without state assumed welfare services or the department if the state has assumed responsibility for the welfare services in a county. The form of relief may include but is not limited to cash, checks, vouchers, lines of credit, in-kind goods and services, and food commodities."~~

SECTION 28. SECTION 53-3-205, MCA, IS AMENDED TO READ:

"53-3-205. Eligibility for general relief. (1) Except as otherwise provided under this chapter, a person may receive general relief if the household is determined to be eligible under the provisions of this section.

(2) A person is eligible for general relief if his ~~the~~ person's total household income, including presumptive income but exclusive of the earned income disregard provided in subsection (4), does not exceed the amount established by the department by rule. The department shall establish eligibility and the amount of benefits to be granted, taking into account the size of the household and the estimated

number of eligible households. Eligibility and the amount of benefits to be granted must be based on a percentage set at ~~32%~~ of the federal poverty index. ~~The percentage is established in the state general appropriations act.~~

(3) The maximum benefit amount to be granted to a person new to Montana must be reduced by \$50 per month for each of the first 2 months of the person's residency.

(4) For 4 consecutive months, the first \$30 plus one-third of the remainder of the total income earned each month by each household member who is a current recipient must be disregarded in determining a household's eligibility for general relief. If the total household income, exclusive of this amount, exceeds the amount established by the department under subsection (2), the household is not eligible for general relief. A current recipient is one who has been receiving general relief for at least 1 complete calendar month.

(5) (a) If a person's household income exceeds the monthly income standard provided in subsection (2) because of receipt of lump-sum income, he the person ~~he~~ is ineligible for general relief for the full number of months, beginning with the month of receipt, derived by dividing the total of the lump-sum income and other income by the monthly income standard. Any income remaining from this calculation ~~will be~~ is considered as income in the first month following the

1 period of ineligibility.

2 (b) The period of ineligibility may be recalculated if
3 the household size changes or if a portion of the lump-sum
4 income was used to pay medical bills for a serious medical
5 condition.

6 (6) All applicants for and recipients of general relief
7 who reside in the same residence are considered as one
8 household.

9 (7) Eligibility for general relief must be determined
10 prospectively, based on household income and other relevant
11 circumstances reasonably certain to exist in the month in
12 which assistance is to be provided. Once eligibility is
13 determined, general relief ~~will~~ must be provided in
14 accordance with 53-3-310 and 53-3-311.

15 (8) (a) Except as provided in subsection (8)(b), the
16 equity value of all household resources must be considered
17 available to meet the needs of the individual applying for
18 general relief.

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

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

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

1 (iii) 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 (iv) tools of a trade that are essential to the current
6 or future employment of a household member.

7 (9) 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 (10) 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 (11) 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 (12) A household is ineligible to receive general relief
20 if the household is ineligible for either of the public
21 assistance programs commonly referred to as medicaid and aid
22 to families with dependent children because of overpayment,
23 fraud, or failure or refusal to comply with requirements for
24 continued participation in either program. The period of
25 ineligibility for the household or individual household

1 members is the same as the period of ineligibility for
 2 medicaid or the aid to families with dependent children
 3 program or, if ineligible for both programs, whichever
 4 period of ineligibility is longer.

5 (13) Whenever practical, an eligibility determination
 6 must be made within 30 days of the date of application and
 7 the applicant must be notified in writing of the eligibility
 8 determination and the reasons for the determination."

9 **Section 29.** Section 53-3-310, MCA, is amended to read:

10 "53-3-310. **Scope of general relief medical assistance**
 11 -- **limitations.** (1) General relief medical assistance is
 12 limited to ~~inpatient--and--outpatient--hospital--services,~~
 13 physician services, laboratory services, x-ray services, and
 14 prescription drugs. Assistance may not exceed the scope or
 15 duration of similar services provided under the Montana
 16 medicaid program pursuant to Title 53, chapter 6, part 1,
 17 and rules adopted by the department to administer the
 18 program.

19 (2) General relief medical assistance in a county
 20 without state-assumed welfare services must, within the
 21 limitations of subsection (1), be provided in amounts
 22 determined by the county welfare board.

23 (3) General relief medical assistance in counties with
 24 state-assumed welfare services must, within the limitations
 25 of subsection (1), be provided in amounts not to exceed

1 payments under the medicaid program. Services must be
 2 limited to the least costly method of alleviating the
 3 serious medical condition.

4 (4) General relief medical assistance is limited to
 5 covered medical needs not met by other services or benefits
 6 available to the person. Available services or benefits
 7 include but are not limited to health and accident
 8 insurance, veterans' benefits, industrial accident benefits,
 9 medicare and medicaid benefits, and other liable third
 10 parties.

11 (5) A person who is chronically ill may receive general
 12 relief medical assistance for services limited to treatment
 13 of a serious medical condition related to chronic illness.

14 (6) A person who has an acute medical need but who is
 15 not chronically ill may receive general relief medical
 16 assistance but only for services necessary to treat a
 17 serious medical condition that requires immediate medical
 18 attention to alleviate a serious health risk.

19 (7) A child less than 18 years of age may receive the
 20 same scope and duration of services as provided under the
 21 Montana medicaid program provided for in Title 53, chapter
 22 6.

23 (8) A person who requires medical services in order to
 24 obtain or retain employment may receive services similar to
 25 those provided under the Montana medicaid program but only

for the duration of need.

(9) Except as provided in subsection (7), nothing in this chapter may be construed to require the same scope of medical services as provided under the Montana medicaid program."

Section 29. ~~Section 53-3-325, MCA, is amended to read:~~

~~"53-3-325. Transition to work allowance. (1) As an alternative to the programs and services provided in 53-3-304, the county department of public welfare may pay recipients a transition to work allowance. This allowance may be used only for relocation expenses for recipients who have obtained employment in another county or state.~~

~~(2) Notwithstanding any other provision of this chapter, a person who elects to receive the allowance provided in subsection (1) is ineligible for general relief for a period of 16 months."~~

Section 30. ~~Section 53-3-326, MCA, is amended to read:~~

~~"53-3-326. Transportation assistance. The county department of public welfare may provide necessary transportation or reimbursement of transportation costs for persons enrolled in job search, training, workfare, or self-sufficiency programs provided in 53-3-304."~~

NEW SECTION. Section 30. Repealer. Sections 53-2-321, 53-2-323, 53-2-821, 53-2-822, 53-3-109, 53-3-110, 53-3-112, 53-3-113, 53-3-114, 53-3-121, 53-3-122, 53-3-201, 53-3-205,

53-3-207, 53-3-208, 53-3-209, 53-3-210, 53-3-211, 53-3-212, 53-3-215, 53-3-303, 53-3-304, 53-3-305, 53-3-307, 53-3-308, 53-3-309, 53-3-310, 53-3-311, 53-3-313, 53-3-314, 53-3-318, 53-3-321, 53-3-322, 53-3-323, 53-3-324, 53-3-325, 53-3-326, 53-3-327, and 53-3-328, AND 90-4-211, MCA, are repealed.

NEW SECTION. Section 31. Codification instruction. [Sections 1 and ~~21~~ 24] are intended to be codified as an integral part of Title 53, and the provisions of Title 53 apply to [sections 1 and ~~21~~ 24].

NEW SECTION. Section 32. Effective dates. (1) [Sections ~~187-197-287~~, ~~and~~ ~~32~~ 28, 29, AND 31 and this section] are effective on passage and approval.

(2) [Sections 1 through ~~177-20~~ ~~through~~ ~~277~~ ~~and~~ ~~29~~ through ~~31~~ 27 AND 30] are effective ~~January 1, 1994~~ JULY 1, 1993.

-End-

1 HOUSE BILL NO. 427

2 INTRODUCED BY COBB, KEATING, RYE, BARNETT,
3 MILLS, DEVLIN, GAGE, BOHLINGER, KASTEN,
4 SIMON, R. JOHNSON

5
6 A BILL FOR AN ACT ENTITLED: "AN ACT ~~ELIMINATING~~ GENERALLY
7 REVISING THE LAWS RELATING TO PUBLIC ASSISTANCE; REVISING
8 THE STATE ASSUMPTION OF COUNTY WELFARE ASSISTANCE; REVISING
9 THE MILL LEVY LIMIT FOR A COUNTY; REVISING ELIMINATING
10 EMERGENCY GRANTS; ELIMINATING GENERAL RELIEF; AMENDING
11 SECTIONS 7-6-2512, 7-6-2523, 15-10-412, 15-10-412,
12 15-16-117, 33-32-103, 39-71-118, 40-4-215, 41-3-1122,
13 52-1-110, 53-2-201, 53-2-203, 53-2-207, 53-2-301, 53-2-302,
14 53-2-304, 53-2-306, 53-2-322, 53-2-601, 53-2-606, 53-2-608,
15 53-2-610, 53-2-801, 53-2-802, 53-2-803, 53-2-811, 53-2-812,
16 53-2-813, 53-2-1101, 53-2-1103, 53-2-1109, 53-3-110,
17 53-3-112, 53-3-113, 53-3-209, 53-3-304, 53-3-308, 53-3-207,
18 53-3-303, 53-3-309, 53-3-205, AND 53-3-310, 53-3-311,
19 53-3-321, 53-3-322, 53-3-323, 53-3-325, AND 53-3-326, MCA;
20 REPEALING SECTIONS 53-2-321, 53-2-323, 53-2-801, 53-2-802,
21 53-2-803, 53-2-811, 53-2-812, 53-2-813, 53-2-821, 53-2-822,
22 53-3-109, 53-3-110, 53-3-112, 53-3-113, 53-3-114, 53-3-121,
23 53-3-122, 53-3-201, 53-3-205, 53-3-207, 53-3-208, 53-3-209,
24 53-3-210, 53-3-211, 53-3-212, 53-3-215, 53-3-303, 53-3-304,
25 53-3-305, 53-3-307, 53-3-308, 53-3-309, 53-3-310, 53-3-311,

1 53-3-313, 53-3-314, 53-3-318, 53-3-321, 53-3-322, 53-3-323,
2 53-3-324, 53-3-325, 53-3-326, 53-3-327, AND 53-3-328, AND
3 90-4-211, MCA; AND PROVIDING AN EFFECTIVE DATE DATES."
4

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

6 (Refer to Introduced Bill)

7 Strike everything after the enacting clause and insert:

8 NEW SECTION. Section 1. Legislative findings. (1) The
9 legislature finds that in order to use the limited resources
10 of the state for the purposes of providing public assistance
11 to persons whom it has determined are in need, certain
12 programs must be eliminated and the provision of public
13 assistance programs must be reorganized for more efficient
14 delivery of services.

15 (2) The legislature finds that county governments are
16 in the best position to efficiently and effectively deliver
17 the general relief program provided for in Title 53, chapter
18 3 SERVICES FOR THOSE IN NEED WHO ARE NOT OTHERWISE ELIGIBLE
19 FOR SIMILAR SERVICES PROVIDED BY THE DEPARTMENT OF SOCIAL
20 AND REHABILITATION SERVICES.

21 (3) (a) The legislature finds that the needs of persons
22 who are aged, infirm, or misfortunate are adequately and
23 appropriately provided for through the following programs:

24 (i) medicaid;

25 (ii) aid for dependent children;

(iii) food stamps;

(iv) commodities; and

(v) low-income energy assistance.

(b) The legislature further finds that the counties may in their discretion provide other programs of public assistance that they determine are appropriate and that may be funded with money derived from the county poor fund mill levy.

Section 2. Section 7-6-2512, MCA, is amended to read:

"7-6-2512. County tax levy for nursing homes and hospital facilities. The board of county commissioners may, annually at the time of levying county taxes, fix and levy a tax, not to exceed 10 mills on each dollar of taxable valuation of property, upon all property within the county for the erection, maintenance, and operation of county-owned or county-operated hospitals and nursing homes or other hospital facilities created under 7-8-2102, 7-34-2201, 7-34-2301, and 7-34-2502. "Hospital facilities" as used in this section means a hospital or hospital-related facility, including outpatient facilities, public health centers, rehabilitation facilities, long-term care facilities, and infirmaries. The combined total number of mills levied under this section and for the county poor fund under ~~53-2-321~~ 53-2-322 may not exceed 18 mills. A higher levy may be made upon compliance with 7-6-2531 through 7-6-2537 OR 53-2-322.

If a hospital district is created under Title 7, chapter 34, part 21, the mill levy authorized by this section may not be imposed on property within that hospital district."

Section 3. Section 7-6-2523, MCA, is amended to read:

"7-6-2523. Special service levies replaced by all-purpose levy. A county using the all-purpose levy may not impose any of the following levies:

(1) general fund levy, as provided in 7-6-2501;

(2) bridge levy, as provided in 7-14-2502;

(3) recreation levy, as provided in 7-16-101;

(4) county fair levy, as provided in 7-21-3410;

(5) weed levy, as provided in 7-22-2142;

(6) insect pest levy, as provided in 7-22-2306;

(7) poor fund levy, as provided in ~~53-2-321~~ 53-2-322;

or

(8) developmental disabilities facility levy, as provided in 53-20-208."

~~Section 4. Section 15-10-412, MCA, is amended to read:--~~

~~"15-10-412. Property tax limited to 1986 levels-- clarification---extension to all property classes--Section 15-10-402 is interpreted and clarified as follows:~~

~~(1)--The limitation to 1986 levels is extended to apply to all classes of property described in Title 15, chapter 6, part 1-~~

~~(2)--The limitation on the amount of taxes levied is~~

1 interpreted--to--mean--that--except--as--otherwise--provided--in
 2 this--section--the--actual--tax--liability--for--an--individual
 3 property--is--capped--at--the--dollar--amount--due--in--each--taxing
 4 unit--for--the--1986--tax--year--in--tax--years--thereafter--the
 5 property--must--be--taxed--in--each--taxing--unit--at--the--1986--cap
 6 or--the--product--of--the--taxable--value--and--mills--levied,
 7 whichever--is--less--for--each--taxing--unit--except--in--a--taxing
 8 unit--that--levied--a--tax--in--tax--years--1983--through--1985--but
 9 did--not--levy--a--tax--in--1986--in--which--case--the--actual--tax
 10 liability--for--an--individual--property--is--capped--at--the--dollar
 11 amount--due--in--that--taxing--unit--for--the--1985--tax--year.
 12 (3)--The--limitation--on--the--amount--of--taxes--levied--does
 13 not--mean--that--no--further--increase--may--be--made--in--the--total
 14 taxable--valuation--of--a--taxing--unit--as--a--result--of--
 15 (a)--annexation--of--real--property--and--improvements--into--a
 16 taxing--unit;
 17 (b)--construction--expansion--or--remodeling--of
 18 improvements;
 19 (c)--transfer--of--property--into--a--taxing--unit;
 20 (d)--subdivision--of--real--property;
 21 (e)--reclassification--of--property;
 22 (f)--increases--in--the--amount--of--production--or--the--value
 23 of--production--for--property--described--in--15-6-131--or
 24 15-6-132;
 25 (g)--transfer--of--property--from--tax-exempt--to--taxable

1 status--or
 2 (h)--revaluations--caused--by;
 3 (i)--cyclical--reappraisal--or
 4 (ii)--expansion--addition--replacement--or--remodeling--of
 5 improvements;
 6 (4)--The--limitation--on--the--amount--of--taxes--levied--does
 7 not--mean--that--no--further--increase--may--be--made--in--the--taxable
 8 valuation--or--in--the--actual--tax--liability--on--individual
 9 property--in--each--class--as--a--result--of--
 10 (a)--a--revaluation--caused--by;
 11 (i)--construction--expansion--replacement--or--remodeling
 12 of--improvements--that--adds--value--to--the--property--or
 13 (ii)--cyclical--reappraisal;
 14 (b)--transfer--of--property--into--a--taxing--unit;
 15 (c)--reclassification--of--property;
 16 (d)--increases--in--the--amount--of--production--or--the--value
 17 of--production--for--property--described--in--15-6-131--or
 18 15-6-132;
 19 (e)--annexation--of--the--individual--property--into--a--new
 20 taxing--unit--or
 21 (f)--conversion--of--the--individual--property--from
 22 tax-exempt--to--taxable--status;
 23 (5)--Property--in--classes--four--and--eleven--is--valued
 24 according--to--the--procedures--used--in--1986--including--the
 25 designation--of--1982--as--the--base--year--until--the--reappraisal

1 cycle beginning January 1, 1986, is completed and new
2 valuations are placed on the tax rolls and a new base year
3 designated if the property is:

4 (a) new construction;
5 (b) expanded, deleted, replaced, or remodeled
6 improvements;
7 (c) annexed property; or
8 (d) property converted from tax exempt to taxable
9 status.

10 (6) Property described in subsections (5)(a) through
11 (5)(d) that is not class four or class eleven property is
12 valued according to the procedures used in 1986 but is also
13 subject to the dollar cap in each taxing unit based on 1986
14 mills levied.

15 (7) The limitation on the amount of taxes as clarified
16 in this section is intended to leave the property appraisal
17 and valuation methodology of the department of revenue
18 intact. Determinations of county classifications, salaries
19 of local government officers, and all other matters in which
20 total taxable valuation is an integral component are not
21 affected by 15-10-401 and 15-10-402 except for the use of
22 taxable valuation in fixing tax levies. In fixing tax
23 levies, the taxing units of local government may anticipate
24 the deficiency in revenues resulting from the tax
25 limitations in 15-10-401 and 15-10-402, while understanding

1 that regardless of the amount of mills levied, a taxpayer's
2 liability may not exceed the dollar amount due in each
3 taxing unit for the 1986 tax year unless:

4 (a) the taxing unit's taxable valuation decreases by 5%
5 or more from the 1986 tax year. If a taxing unit's taxable
6 valuation decreases by 5% or more from the 1986 tax year, it
7 may levy additional mills to compensate for the decreased
8 taxable valuation, but in no case may the mills levied
9 exceed a number calculated to equal the revenue from
10 property taxes for the 1986 tax year in that taxing unit.

11 (b) a levy authorized under Title 20 raised less
12 revenue in 1986 than was raised in either 1984 or 1985, in
13 which case the taxing unit may, after approval by the voters
14 in the taxing unit, raise each year thereafter an additional
15 number of mills but may not levy more revenue than the
16 3-year average of revenue raised for that purpose during
17 1984, 1985, and 1986.

18 (c) a levy authorized in 50-2-111 that was made in 1986
19 was for less than the number of mills levied in either 1984
20 or 1985, in which case the taxing unit may, after approval
21 by the voters in the taxing unit, levy each year thereafter
22 an additional number of mills but may not levy more than the
23 3-year average number of mills levied for that purpose
24 during 1984, 1985, and 1986.

25 (8) The limitation on the amount of taxes levied does

1 not--apply--to--the--following--levy--or--special--assessment
 2 categories, whether or not they are based on commitments
 3 made before or after approval of 15-10-401 and 15-10-402:
 4 (a)--rural-improvement-districts;
 5 (b)--special-improvement-districts;
 6 (c)--levies---pledged---for---the--repayment--of--bonded
 7 indebtedness, including tax-increment bonds;
 8 (d)--city-street-maintenance-districts;
 9 (e)--tax-increment-financing-districts;
 10 (f)--satisfaction-of-judgments-against-a-taxing-unit;
 11 (g)--street-lighting-assessments;
 12 (h)--revolving-funds-to-support-any-categories-specified
 13 in this subsection (8);
 14 (i)--levies-for-economic-development-authorized-pursuant
 15 to 90-5-112(4);
 16 (j)--levies--authorized--under--7-6-582---for---juvenile
 17 detention-programs; and
 18 (k)--elementary-and-high-school-districts; and
 19 (l)--poor-fund-levies-authorized-under-53-2-322;
 20 (9)--The--limitation--on-the-amount-of-taxes-levied--does
 21 not-apply-in-a-taxing-unit-if-the-voters-in-the-taxing--unit
 22 approve--an-increase-in-tax-liability-following-a-resolution
 23 of-the-governing-body-of-the-taxing-unit-containing:
 24 (a)--a-finding-that--there--are--insufficient--funds--to
 25 adequately--operate-the-taxing-unit-as-a-result-of-15-10-401

1 and-15-10-402;
 2 (b)--an-explanation--of--the--nature--of--the--financial
 3 emergency;
 4 (c)--an-estimate--of--the--amount--of-funding-shortfall
 5 expected-by-the-taxing-unit;
 6 (d)--a-statement-that-applicable-fund-balances-are-or-by
 7 the-end-of-the-fiscal-year-will-be-depleted;
 8 (e)--a-finding-that-there-are-no-alternative-sources--of
 9 revenue;
 10 (f)--a--summary--of--the-alternatives-that-the-governing
 11 body-of-the-taxing-unit-has-considered; and
 12 (g)--a-statement-of-the-need-for-the--increased--revenue
 13 and-how-it-will-be-used;
 14 (10)-(a)-The--limitation--on--the-amount-of-taxes-levied
 15 does-not-apply-to-levies-required-to-address-the-funding--of
 16 relief---of--suffering--of--inhabitants--caused--by--famine,
 17 conflagration, or other public calamity;
 18 (b)--The--limitation-set-forth-in--this--chapter--on--the
 19 amount-of-taxes-levied--does-not-apply-to-levies-to-support;
 20 (i)--a--city-county-board-of-health-as-provided-in-Title
 21 50, chapter 2, if the governing bodies of the--taxing--units
 22 served--by--the--board--of--health-determine, after-a-public
 23 hearing, that public health programs require funds to ensure
 24 the-public-health; A levy for the support of a--local--board
 25 of--health--may--not--exceed-the-5-mill-limit-established-in

1 50-2-111:

2 {ii}-county, city, or town ambulance services authorized
3 by a vote of the electorate under 7-34-102(2):

4 {ii}-The limitation on the amount of taxes levied by a
5 taxing jurisdiction subject to a statutory maximum mill levy
6 does not prevent a taxing jurisdiction from increasing its
7 number of mills beyond the statutory maximum mill levy to
8 produce revenue equal to its 1986 revenue:

9 {i2}-The limitation on the amount of taxes levied does
10 not apply to a levy increase to repay taxes paid under
11 protest in accordance with 15-1-402."

12 Section 4. Section 15-16-117, MCA, is amended to read:

13 "15-16-117. Personal property -- treasurer's duty to
14 collect certain taxes. (1) The county treasurer shall demand
15 payment of poor fund taxes, authorized by 53-2-321 53-2-322,
16 and road taxes, authorized by 7-14-2206 or 7-14-2501 through
17 7-14-2504, of every person liable therefor for the taxes
18 whose name does not appear on the assessment lists. On the
19 neglect or refusal of any such a person to pay the same
20 taxes, the treasurer shall collect the taxes by seizure and
21 sale of any property owned by the person.

22 (2) These taxes must be added upon the assessment lists
23 to other property taxes of persons paying taxes upon real
24 and personal property and paid to the county treasurer at
25 the time of payment of other taxes.

1 (3) The procedure for the sale of such property by the
2 county treasurer for such the taxes must be regulated by
3 15-16-113 and 15-17-911.

4 (4) The provisions of this section do not apply to
5 property for which delinquent property taxes have been
6 suspended or canceled under the provisions of Title 15,
7 chapter 24, part 17."

8 **SECTION 5. SECTION 33-32-103, MCA, IS AMENDED TO READ:**

9 "33-32-103. Utilization review plan. A person may not
10 conduct a utilization review of health care services
11 provided or to be provided to a patient covered under a
12 contract or plan for health care services issued in this
13 state unless that person, at all times, maintains with the
14 commissioner a current utilization review plan that
15 includes:

16 (1) a description of review criteria, standards, and
17 procedures to be used in evaluating proposed or delivered
18 health care services that, to the extent possible, must:

19 (a) be based on nationally recognized criteria,
20 standards, and procedures;

21 (b) reflect community standards of care, except that a
22 utilization review plan for health care services under the
23 general relief medical assistance or medicaid programs
24 program provided for in Title 53 need not reflect community
25 standards of care;

- 1 (c) ensure quality of care; and
 2 (d) ensure access to needed health care services;
 3 (2) the provisions by which patients or providers may
 4 seek reconsideration or appeal of adverse decisions by the
 5 person conducting the utilization review;
 6 (3) the type and qualifications of the personnel either
 7 employed or under contract to perform the utilization
 8 review;
 9 (4) policies and procedures to ensure that a
 10 representative of the person conducting the utilization
 11 review is reasonably accessible to patients and health care
 12 providers at all times;
 13 (5) policies and procedures to ensure compliance with
 14 all applicable state and federal laws to protect the
 15 confidentiality of individual medical records;
 16 (6) a copy of the materials designed to inform
 17 applicable patients and health care providers of the
 18 requirements of the utilization review plan; and
 19 (7) any other information as may be required by the
 20 commissioner that is necessary to implement this chapter."

21 **Section 6.** Section 39-71-118, MCA, is amended to read:

22 "39-71-118. Employee, worker, workman, and volunteer
 23 firefighter defined. (1) The terms "employee", "workman", or
 24 "worker" mean:

- 25 (a) each person in this state, including a contractor

1 other than an independent contractor, who is in the service
 2 of an employer, as defined by 39-71-117, under any
 3 appointment or contract of hire, expressed or implied, oral
 4 or written. The terms include aliens and minors, whether
 5 lawfully or unlawfully employed, and all of the elected and
 6 appointed paid public officers and officers and members of
 7 boards of directors of quasi-public or private corporations
 8 while rendering actual service for such the corporations for
 9 pay. Casual employees as defined by 39-71-116 are included
 10 as employees if they are not otherwise covered by workers'
 11 compensation and if an employer has elected to be bound by
 12 the provisions of the compensation law for these casual
 13 employments, as provided in 39-71-401(2). Household or
 14 domestic service is excluded.

15 (b) ~~a recipient of general relief who is performing~~
 16 ~~work for a county of this state under the provisions of~~
 17 ~~53-3-303 through 53-3-305 and any juvenile performing work~~
 18 ~~under authorization of a district court judge in a~~
 19 ~~delinquency prevention or rehabilitation program;~~

20 (c) a person receiving on-the-job vocational
 21 rehabilitation training or other on-the-job training under a
 22 state or federal vocational training program, whether or not
 23 under an appointment or contract of hire with an employer as
 24 defined in this chapter and whether or not receiving payment
 25 from a third party. However, this subsection does not apply

1 to students enrolled in vocational training programs as
2 outlined above while they are on the premises of a public
3 school or community college.

4 (d) students enrolled and in attendance in programs of
5 vocational-technical education at designated
6 vocational-technical centers;

7 (e) an airman or other person employed as a volunteer
8 under 67-2-105; or

9 (f) a person, other than a juvenile as defined in
10 subsection (1)(b), performing community service for a
11 nonprofit organization or association or for a federal,
12 state, or local government entity under a court order, or an
13 order from a hearings officer as a result of a probation or
14 parole violation, whether or not under appointment or
15 contract of hire with an employer as defined in this chapter
16 and whether or not receiving payment from a third party. For
17 a person covered by the definition in this subsection (f):

18 (i) compensation benefits must be limited to medical
19 expenses pursuant to 39-71-704 and an impairment award
20 pursuant to 39-71-703 that is based upon the minimum wage
21 established under Title 39, chapter 3, part 4, for a
22 full-time employee at the time of the injury; and

23 (ii) premiums must be paid by the employer, as defined
24 in 39-71-117(3), and must be based upon the minimum wage
25 established under Title 39, chapter 3, part 4, for the

1 number of hours of community service required under the
2 order from the court or hearings officer.

3 (2) The term "volunteer firefighter" means a
4 firefighter who is an enrolled and active member of a fire
5 company organized and funded by a county, a rural fire
6 district, or a fire service area.

7 (3) (a) If the employer is a partnership or sole
8 proprietorship, such the employer may elect to include as an
9 employee within the provisions of this chapter any member of
10 such the partnership or the owner of the sole proprietorship
11 devoting full time to the partnership or proprietorship
12 business.

13 (b) In the event of such an election, the employer must
14 serve upon the employer's insurer written notice naming the
15 partners or sole proprietor to be covered and stating the
16 level of compensation coverage desired by electing the
17 amount of wages to be reported, subject to the limitations
18 in subsection (3)(d). A partner or sole proprietor is not
19 considered an employee within this chapter until such notice
20 has been given.

21 (c) A change in elected wages must be in writing and is
22 effective at the start of the next quarter following
23 notification.

24 (d) All weekly compensation benefits must be based on
25 the amount of elected wages, subject to the minimum and

maximum limitations of this subsection. For premium ratemaking and for the determination of weekly wage for weekly compensation benefits, the electing employer may elect not less than \$900 a month and not more than 1 1/2 times the average weekly wage as defined in this chapter.

(4) The trustees of a rural fire district, a county governing body providing rural fire protection, or the county commissioners or trustees for a fire service area may elect to include as an employee within the provisions of this chapter any volunteer firefighter. A volunteer firefighter who receives workers' compensation coverage under this section may not receive disability benefits under Title 19, chapter 12.

(5) An employee-workman or worker in this state whose services are furnished by a person, association, contractor, firm, or corporation, other than a temporary service contractor, to an employer as defined in 39-71-117 is presumed to be under the control and employment of the employer. This presumption may be rebutted as provided in 39-71-117(3).

(6) For purposes of this section, an "employee-workman or worker in this state" means:

(a) a resident of Montana who is employed by an employer and whose employment duties are primarily carried out or controlled within this state; or

(b) a nonresident of Montana whose principal employment duties are conducted within this state on a regular basis for an employer."

SECTION 7. SECTION 40-4-215, MCA, IS AMENDED TO READ:

"40-4-215. Investigations and reports. (1) In contested custody proceedings and in other custody proceedings if a parent or the child's custodian so requests, the court may order an investigation and report concerning custodial arrangements for the child. If the court orders the department of family services to conduct the investigation, the department may charge a reasonable fee. The department shall waive the fee for conducting the investigation if the parent or the child's custodian requesting the investigation is a recipient of aid to families with dependent children or food stamps, or general relief benefits. The cost of the investigation and report shall must be paid according to the final order.

(2) In preparing his the report concerning a child, the investigator may consult any person who may have information about the child and his potential custodial arrangements. Upon order of the court, the investigator may refer the child to professional personnel for diagnosis. The investigator may consult with and obtain information from medical, psychiatric, or other expert persons who have served the child in the past without obtaining the consent

of the parent or the child's custodian; but the child's consent must be obtained if he the child has reached the age of 16 unless the court finds that he the child lacks mental capacity to consent. If the requirements of subsection (3) are fulfilled, the investigator's report may be received in evidence at the hearing.

(3) The court shall mail the investigator's report to counsel and to any party not represented by counsel at least 10 days prior to the hearing. The investigator shall make available to counsel and to any party not represented by counsel the investigator's file of underlying data and reports, complete texts of diagnostic reports made to the investigator pursuant to the provisions of subsection (2), and the names and addresses of all persons whom the investigator has consulted. Any party to the proceeding may call the investigator and any person whom he the investigator has consulted for cross-examination. A party may not waive his the right of cross-examination prior to the hearing."

Section 8. Section 41-3-1122, MCA, is amended to read:

"41-3-1122. Payment for support of youth in need of care, youth in need of supervision, or delinquent youth -- reimbursement by county. (1) Whenever a youth who is a youth in need of care, a youth in need of supervision, or a delinquent youth is placed by the department of family

services in a youth care facility, the department shall pay, within the limits of the appropriation for that purpose, a foster care payment to the youth care facility at a rate established by the department for board, clothing, personal needs, treatment, and room of the youth.

(2) On or before the 20th of each month the department shall present a claim to the county of residence of the youth for no more than one-half of the nonfederal share of the payments so made during the month. The county must make reimbursement to the department within 20 days after the claim is presented.

(3) Except as provided in subsection (4), when a county's level of expenditure for any year reaches the level of reimbursement for foster care in fiscal year 1987, the county has no further obligation for foster care expenditures.

(4) If a county's level of expenditure for foster care in fiscal year 1987 is \$10,000 or less, the county's level of expenditure for purposes of determining the county's reimbursement specified in subsection (3) is the level of expenditures for fiscal year 1987 or the average of expenditures for fiscal years 1984 through 1987, whichever is less.

(5) A county that was state-assumed prior to 1987, BUT AT A LATER DATE REASSUMES RESPONSIBILITY PURSUANT TO

53-2-811, is responsible for reimbursement of foster care expenditures up to the county's calculated level of expenditures for fiscal year 1987 as if the county had not been state-assumed.

(5)(6) The department shall conduct or arrange for the review required under 41-3-1115 of a youth placed in a youth care facility if the youth is placed by the department."

Section 9. Section 52-1-110, MCA, is amended to read:

"52-1-110. County contribution for salaries and travel of protective services employees. (1) Upon transfer of certain functions of the county welfare department to the department of family services as provided in section 12, Chapter 609, Laws of 1987, the salaries and travel expenses, as provided in 2-18-501 through 2-18-503, of protective services employees must be paid by the department of family services. The board of county commissioners shall reimburse the department of family services from county poor funds in an amount equal to that county's expenditures for salaries, travel expenses, and indirect costs of protective services employees in fiscal year 1987, adjusted for annual inflation.

(2) A county that was state-assumed prior to 1987, BUT AT A LATER DATE REASSUMES RESPONSIBILITY PURSUANT TO 53-2-811, is responsible for reimbursement of salaries, travel expenses, and indirect costs up to the county's

calculated level of expenditures for fiscal year 1987 as if the county had not been state-assumed.

(2)(3) On or before the 20th day of the month following the month for which payments were made for protective services employees' salaries, travel, and indirect costs, the department of family services shall present to the board of county commissioners a claim for the required reimbursement. The board of county commissioners shall make such the reimbursement within 20 days after the presentation of the claim."

SECTION 10. SECTION 53-2-201, MCA, IS AMENDED TO READ:

"53-2-201. Powers and duties of department. (1) The department shall:

(a) administer or and supervise public assistance, including the provision of food stamps, food commodities, aid to families with dependent children, energy assistance, weatherization, vocational rehabilitation, services for persons with severe disabilities, developmental disability services, and medical care payments in behalf of recipients of public assistance;

(b) give consultant service to private institutions providing care for the needy, indigent, handicapped, or dependent adults;

(c) cooperate with other state agencies and develop provisions for services to the blind, including the

1 prevention of blindness, the location of blind persons,
2 medical services for eye conditions, and vocational guidance
3 and training of the blind;

4 (d) provide services in respect to organization and
5 supervise county departments of public welfare and county
6 boards of public welfare in the administration of public
7 assistance functions and for efficiency and economy;

8 (e) assist and cooperate with other state and federal
9 departments, bureaus, agencies, and institutions, when so
10 requested, by performing services in conformity with public
11 assistance purposes;

12 (f) administer all state and federal funds allocated to
13 the department for public assistance and do all things
14 necessary, in conformity with federal and state law, for the
15 proper fulfillment of public assistance purposes; and

16 (g) make rules governing payment for services and
17 supplies provided to recipients of public assistance.

18 (2) The department may:

19 (a) purchase, exchange, condemn, or receive by gift
20 either real or personal property which is necessary to carry
21 out its public assistance functions. Title to property
22 obtained under this subsection ~~shall~~ must be taken in the
23 name of the state of Montana for the use and benefit of the
24 department.

25 (b) contract with the federal government to carry out

1 its public assistance functions. The department may do all
2 things necessary in order to avail itself of federal aid and
3 assistance.

4 (c) make rules, consistent with state and federal law,
5 establishing the amount, scope, and duration of services to
6 be provided to recipients of public assistance."

7 **SECTION 11. SECTION 53-2-203, MCA, IS AMENDED TO READ:**

8 "53-2-203. Department to maintain merit system and
9 supervise public assistance personnel. ~~(1)~~ The department
10 shall:

11 ~~(a)~~ (1) maintain a merit system pertaining to
12 qualifications for appointment, terms of office, annual
13 merit rating, releases, promotions, and salary schedules for
14 all public assistance personnel; personnel standards ~~shall~~
15 must conform as far as possible with general standards
16 established or required by the federal government;

17 ~~(b)~~ (2) have examinations held from time to time
18 throughout the state to establish and furnish to county
19 departments lists, in order of merit, of persons eligible
20 for appointment;

21 ~~(c)~~ (3) develop policies relating to educational leave
22 of employees and to staff development needs;

23 ~~(d)~~ (4) supervise the appointment, dismissal, and entire
24 status of the public assistance personnel attached to county
25 boards in accordance with the merit system.

~~(2) All public assistance personnel shall be residents of this state unless it is impossible to find residents of this state possessing qualifications required by the merit system. If possible, county assistance personnel shall be residents of the county in which they work.~~

Section 12. Section 53-2-207, MCA, is amended to read:

"53-2-207. Power of department in administering state grants-in-aid and federal funds. In administering or supervising any state or federal funds appropriated or made available to the department for public assistance purposes, the department ~~shall have~~ has the authority to:

(1) require ~~as a condition for receiving grants-in-aid~~ that the county ~~shall to~~ to bear the proportion of the total of local public assistance as is fixed by law relating to such the assistance;

(2) make use of all legal processes to enforce the minimum standards prescribed for public assistance purposes by the department ~~under laws providing for grants-in-aid~~, provided that such standards shall not exceed in cost the amount derived from levies established by state law; and

(3) require that each part of the public assistance laws ~~shall be~~ is in effect in all counties of the state."

Section 10. Section 53-2-301, MCA, is amended to read:

"53-2-301. County departments to be established. There ~~shall must~~ shall be established in each county of the state,

~~except in a county that has transferred its public assistance and protective services responsibilities to the state under the provisions of part 8 of this chapter, a county department of public welfare, which shall consist of a county board of public welfare and such staff personnel as may be necessary for the efficient performance of the public assistance activities of the county. If conditions warrant and if two or more county boards enter into an agreement, two or more counties may combine into one administrative unit and use the same staff personnel throughout the administrative unit.~~

Section 11. Section 53-2-302, MCA, is amended to read:

"53-2-302. County commissioners ex-officio county welfare board. Except in a county that has transferred its public assistance and protective services responsibilities to the state under part 8 of this chapter, the ~~The~~ board of county commissioners shall be is the ex-officio county welfare board and is hereby authorized to devote such additional time for public assistance matters as may be found necessary. The members of the county welfare board shall receive the same compensation for their services and the same mileage when acting as the county board of public welfare as they receive when acting as the board of county commissioners, and shall be The board is limited as to meetings as now provided by law, and the compensation and

1 mileage-of-the-members-of-the-board-shall must-be-paid--from
 2 county--funds--They--may--transact--business--as-a-board-of
 3 county-commissioners-and-as-a-county-welfare-board-on-the
 4 same-day--and-in-such-cases-they-shall must-be-paid-as-a
 5 board-of-county-commissioners---but---may---not---receive
 6 compensation--for--more--than--1-day's-work-for-all-services
 7 performed-on-the-same-calendar-day."

8 Section 12, Section 53-2-304, MCA, is amended to read:--

9 "53-2-304--Staff-personnel-of-county-department: (1)
 10 Each-county-board-shall-select-and-appoint-from-a-list-of
 11 qualified-persons-furnished-by-the-department-of-social-and
 12 rehabilitation-services--such--staff-personnel-as-are the
 13 board-determines necessary--The-staff-personnel-in-each
 14 county--shall-consist-of-at-least-one-qualified-staff-worker
 15 (or-investigator)-and-such-clerks-and-stenographers-as-may
 16 be-decided the-board-determines necessary--If-conditions
 17 warrant--the-county-board--with--the-approval-of--the
 18 department---of--social--and--rehabilitation--services--may
 19 appoint--some a-fully-qualified-person-listed-by--the
 20 department--as-supervisor-of-its-staff-personnel--The-staff
 21 personnel-of-each-county-department-are-directly-responsible
 22 to-the-county-board--but--the-department-of--social--and
 23 rehabilitation---services--may-supervise--such the-county
 24 employees-in-respect-to-the-efficient-and-proper-performance
 25 of-their-duties--The-county-board-of-public-welfare-may-not

1 dismiss-any-member-of-the-staff-personnel-without-the
 2 approval-of-the-department-of--social--and--rehabilitation
 3 services--The-department-may-request-the-county-board-to
 4 dismiss-any-member-of-the-staff-personnel-for-inefficiency,
 5 incompetence--or-similar-cause--The-final-authority-for
 6 dismissal-is-the-county-board--In-counties-where-the
 7 department-has-assumed-the-administration-of-welfare-duties,
 8 the-final-authority-for-dismissal-is-the-director-of-the
 9 department--

10 (2)--Public-assistance-staff-personnel-attached-to-the
 11 county-board-shall must-be-paid-from-state-public-assistance
 12 funds-both-their-salaries-and-their-travel-expenses--as
 13 provided-for-in-2-10-501-through-2-10-503-when-away-from-the
 14 county--seat--in-the-performance-of-their-duties--but-the
 15 county-board-of-public-welfare---shall---reimburse---the
 16 department-of-social-and-rehabilitation-services from-county
 17 poor-funds--the-full-amount--of--the-salaries-and-travel
 18 expenses-not-reimbursed-to-the-department-by-the-federal
 19 government---and---the---full-amount--of--the-department's
 20 administrative-costs-which that-are-allocated-by--the
 21 department--to--the-county-for-the-administration-of-county
 22 welfare-programs-and-not-reimbursed-to-the-department-by-the
 23 federal-government--Under-circumstances-prescribed-by-the
 24 department---of--social--and--rehabilitation--services--the
 25 reimbursement-by-the-county-board-of-public-welfare-may-be

1 less--than--the--county--share--as--prescribed--above in this
 2 subsection. All other administrative--costs--of--the--county
 3 department shall also must be paid from county poor funds.

4 (3)--On--or--before--the--20th--day--of--the--month--following
 5 the month for which the payments to--the--public--assistance
 6 staff--personnel--of--the--county--were--made, the department of
 7 social and rehabilitation--services--shall--present--to--the
 8 county department of public welfare a claim for the required
 9 reimbursements. The--county--board--shall--make--such the
 10 reimbursements within 20 days after the presentation of--the
 11 claim, and--the--department--of--social--and--rehabilitation
 12 services shall credit--(add)--all--such the--reimbursements--to
 13 its account for administrative costs.

14 (4)--If--a--county--has--transferred--its--public--assistance
 15 and protective services responsibilities to the state--under
 16 part--8--of--this--chapter, the appropriate department shall
 17 select,--appoint,--and--supervise--all--necessary--public
 18 assistance--and--protective--services--personnel, including if
 19 necessary--a--supervisor--of--staff--personnel. All--such
 20 personnel are directly responsible to that department."

21 **Section 13.** Section 53-2-306, MCA, is amended to read:--

22 "53-2-306. County--department--charged--with--local
 23 administration of public assistance. Except in a county that
 24 has--transferred--its--public--assistance--and--protective
 25 services responsibilities to the state under part 8 of--this

1 chapter,--the The county department of public welfare shall
 2 be is charged with the local administration of all forms--of
 3 public--assistance--operations in the county. All such local
 4 administration of public assistance must conform to--federal
 5 and state law and the rules as established by the department
 6 of social and rehabilitation services."

7 **Section 13.** Section 53-2-322, MCA, is amended to read:

8 "53-2-322. County to levy taxes, budget, and make
 9 expenditures for public assistance activities. (1) The board
 10 of county commissioners in each county shall levy 13.5 mills
 11 for the county poor fund as provided by law or so much
 12 thereof of that amount as may be necessary. The--board--may
 13 levy an additional 12 mills if approved by the voters in the
 14 county--for fiscal year 1993. A county shall levy sufficient
 15 mills to reimburse--the--state--for--any--administrative--or
 16 operational--costs--in--excess--of--the--administrative--and
 17 operational costs for fiscal year 1993. The department shall
 18 notify--the--counties--of the number of mills required to be
 19 levied. Counties--transferring--public--assistance--and
 20 protective services responsibilities to the state under part
 21 8--of--this--chapter--may--not--levy more than the difference
 22 between 13.5 mills and the state levy pursuant to--53-2-813.
 23 COUNTIES--TRANSFERRING--FINANCIAL--RESPONSIBILITY FOR PUBLIC
 24 ASSISTANCE AND PROTECTIVE SERVICES RESPONSIBILITIES TO--THE
 25 STATE--UNDER--PART--8 OF THIS CHAPTER MAY NOT LEVY MORE THAN

~~THE--DIFFERENCE--BETWEEN--13.5--MILLS--AND--THE--STATE--LEVY~~
~~PURSUANT--TO--53-2-813-~~ THE BOARD MAY LEVY UP TO AN ADDITIONAL
 12 MILLS IF APPROVED BY THE VOTERS IN THE COUNTY. A COUNTY
 SHALL LEVY SUFFICIENT MILLS TO REIMBURSE THE STATE FOR ANY
 ADMINISTRATIVE OR OPERATIONAL COSTS IN EXCESS OF THE
 ADMINISTRATIVE AND OPERATIONAL COSTS FOR THE PREVIOUS FISCAL
 YEAR. THE DEPARTMENT SHALL NOTIFY THE COUNTIES OF THE NUMBER
 OF MILLS REQUIRED TO BE LEVIED. ONCE AN ADDITIONAL LEVY HAS
 BEEN APPROVED, THE AMOUNT OF THE APPROVED LEVY MAY CONTINUE
 TO BE LEVIED WITHOUT VOTER APPROVAL.

(2) The board shall budget and expend so much of the
 funds in the county poor fund for public assistance and
 protective services purposes as ~~will--enable--the-county~~
~~welfare-department-to-pay-the-general-relief--activities--of~~
~~the--county--and~~ NECESSARY to reimburse the department of
~~social-and-rehabilitation-services~~ and the department of
 family services for the county's proportionate share of the
 administrative costs ~~of-the-county-welfare-department~~ and of
 all public assistance and protective services and its
 proportionate share of any other public assistance activity
 that may be carried on jointly by the state and the county.

(3) The amounts set up in the budget for the
 reimbursements to the department ~~of---social---and~~
~~rehabilitation---services~~ and the department of family
 services shall must be sufficient to make all of these

reimbursements in full. The budget shall must make separate
 provision for each one of these public assistance and
 protective services activities, and proper accounts shall
must be established for the funds for all such the
 activities.

(4) The department ~~of---social--and--rehabilitation~~
 services shall submit to the counties, no later than May 10,
 the most current county participation percentages that are
 necessary to establish preliminary county budgets. As soon
 as the county proposed budget provided for in 7-6-2315 has
 been agreed upon, a copy thereof ~~shall-without-delay~~ must be
 mailed to the department ~~of--social--and--rehabilitation~~
 services, and at any time before the final adoption of the
 budget, the department shall make such recommendations with
 regard to changes in any part of the budget relating to the
 county poor fund as considered necessary in order to enable
 the county to discharge its obligations under the public
 assistance laws.

(5) The department ~~of---social---and---rehabilitation~~
 services shall promptly examine the county proposed budget
 in order to ascertain if the amounts provided for
 reimbursements to the department are likely to be sufficient
 and shall notify the county clerk of its findings. The board
 shall make such changes in the amounts provided for
 reimbursements, if any are required, in order that the

1 county will be able to make the reimbursements in full.

2 (6) The board of county commissioners may not make any
3 transfer from the amounts budgeted for reimbursing the
4 department of--social--and--rehabilitation-services without
5 having first obtained a statement in writing from the
6 department to the effect that the amount to be transferred
7 will not be required during the fiscal year for the purposes
8 for which the amounts were provided in the budget.

9 (7) ~~No-part-of-the~~ The county poor fund, irrespective
10 of the source of any part thereof of the fund, may not be
11 used directly or indirectly for the erection or improvement
12 of any county building so long as the fund is needed for
13 ~~general-relief-expenditures-by-the-county-or-is--needed--for~~
14 paying the county's proportionate share of public assistance
15 and protective services or its proportionate share of any
16 other public assistance activity that may be carried on
17 jointly by the state and the county. Expenditures for
18 improvement of any county buildings used directly for care
19 of the poor, except a county hospital or county nursing
20 home, may be made out of any-moneys money in the county poor
21 fund, whether ~~such-moneys-are~~ the money was produced by the
22 ~~13.5-mill~~ mill levy provided for in subsection (1) of this
23 section or from any additional levy authorized ~~or--to--be~~
24 authorized by law. ~~Such~~ The expenditure shall may be
25 authorized only when any county building used for the care

1 of the poor must be improved in order to meet legal
2 standards required for ~~such-buildings~~ the building by the
3 department of health and environmental sciences and when
4 such the expenditure has been approved by the department of
5 social and rehabilitation services and the department of
6 family services.

7 (8) Money in the county poor fund may be used as
8 matching funds for the receipt of federal money."

9 **SECTION 14. SECTION 53-2-601, MCA, IS AMENDED TO READ:**

10 "53-2-601. Disqualification from public assistance when
11 property transferred for purpose of qualifying for public
12 assistance. The department may deny public assistance to any
13 person who has divested-himself directly or indirectly of
14 transferred any property for the purpose of qualifying for
15 public assistance. The department shall-make may adopt rules
16 that raise a rebuttable presumption that any transfer of
17 property within 30 months of the date of application for
18 ~~general--relief~~ was for the purpose of qualifying for such
19 assistance. ~~The-department-may-also--make--rules--consistent~~
20 ~~with--federal--law--raising-a-similar-rebuttable-presumption~~
21 ~~for-purposes-of-state-administered-federal-public-assistance~~
22 ~~programs-authorized-under-Title-53."~~

23 **SECTION 15. SECTION 53-2-606, MCA, IS AMENDED TO READ:**

24 "53-2-606. Right of appeal. (1) If an application for
25 assistance under-this-title for food stamps, aid to families

1 with dependent children, or medicaid is not acted upon
 2 promptly or if a decision is made with which the applicant
 3 or recipient is not satisfied, he the applicant or recipient
 4 may appeal to the board of social and rehabilitation appeals
 5 for a fair hearing by addressing a request for a hearing to
 6 the department. The board of social and rehabilitation
 7 appeals shall, upon receipt of a request for a hearing, give
 8 the applicant or recipient prompt notice and opportunity for
 9 a fair hearing. ~~A county welfare board which is involved in~~
 10 ~~a grievance shall be represented at such a hearing.~~

11 (2) The department may upon its own motion review any
 12 decision of a county welfare board and may consider any
 13 application upon which a decision has not been made by the
 14 county board within a reasonable time from the filing
 15 thereof of the decision. The department may have an
 16 additional investigation made and shall make a decision as
 17 to the granting of assistance and the amount of assistance
 18 to be granted the applicant as in its opinion is justified
 19 and in conformity with the provisions of this title.

20 (3) If the department reviews a county decision on its
 21 own motion, applicants or recipients affected by the
 22 decisions of the department shall upon request be given
 23 reasonable notice and an opportunity for a fair hearing by
 24 the board of social and rehabilitation appeals.

25 (4) All decisions of the department or the board of

1 social and rehabilitation appeals are final and are binding
 2 and ~~shall~~ must be complied with by the county department."

3 **SECTION 16. SECTION 53-2-608, MCA, IS AMENDED TO READ:**

4 "53-2-608. Method of issuing assistance grants. (1)
 5 Checks in payment of public assistance, ~~with the exception~~
 6 ~~of general relief, shall~~ must be issued by the department of
 7 social and rehabilitation services upon approved
 8 certificates of award and reports of changes of such
 9 eligible grantees as are forwarded by the county department
 10 to the state department, and all such checks ~~will~~ must be
 11 mailed to the individual recipient or the appropriate
 12 vendor. The checks in payment of public assistance ~~shall~~
 13 must be issued in the full approved amount for each eligible
 14 approved grantee, and the original monthly payment ~~shall~~
 15 must be from the state public assistance accounts. All
 16 public assistance checks ~~shall~~ represent cash on demand at
 17 full par value to the recipient and vendor.

18 (2) Whenever the department of social and
 19 rehabilitation services, acting pursuant to standards
 20 established by the department, determines that any otherwise
 21 eligible recipient of public assistance has, by reason of
 22 any physical or mental condition, such inability to manage
 23 funds that making payments to him the recipient would be
 24 contrary to his the recipient's welfare, the department may,
 25 under standards established under the state plan, make the

1 public assistance payment on behalf of such the recipient to
 2 another person found by the department to be interested in
 3 or concerned with the welfare of such-needy--individual the
 4 recipient."

5 **SECTION 17. SECTION 53-2-610, MCA, IS AMENDED TO READ:**

6 "53-2-610. County to reimburse department. (1) On or
 7 before the 20th of each month, the department of social and
 8 rehabilitation services shall present a claim for
 9 reimbursement to each county department for its
 10 proportionate share of public assistance granted in the
 11 county to recipients during the month and for vendor medical
 12 payments made on behalf of recipients in the previous month.
 13 The county department shall make the reimbursement to the
 14 department of social and rehabilitation services within 20
 15 days after the claim is presented.

16 (2) The counties may not be required to reimburse the
 17 department of social and rehabilitation services for:

18 (a) any portion of public assistance paid to a
 19 household eligible for aid to families with dependent
 20 children if the household includes an enrolled Indian who is
 21 the caretaker relative of a needy dependent child; or

22 (b) any payment on behalf of any person in a
 23 state-operated medical institution.

24 ~~(3)--The--federal--government--may--reimburse--the--state--of~~
 25 ~~Montana--on--behalf--of--counties--providing--general--relief--to~~

1 ~~enrolled--Indians--a--sum--in--lieu--of--taxes--which--the--counties~~
 2 ~~would--collect--if--the--lands--of--such--Indians--were--not--in--trust~~
 3 ~~status.~~

4 ~~(4)(3)~~ (a) From the original date of entrustment or the
 5 original date of state residency, whichever is earlier,
 6 recipients of public assistance who become wards or patients
 7 in a licensed nursing home or hospital, foster home, or
 8 private charitable institution shall-be are the financial
 9 responsibility of the appropriate county as provided in
 10 subsections ~~(4)(b)~~ (3)(b) through ~~(4)(d)~~ (3)(d).

11 (b) The county in which commitment of an adult is
 12 initiated is considered the county of financial
 13 responsibility except where court decree declares the
 14 residency to be otherwise. When an adult is transferred from
 15 a facility or institution to one of the above-enumerated
 16 facilities listed in subsection (3)(a), the county which
 17 that initiated the original commitment is considered the
 18 county of financial responsibility except in the case of an
 19 adult transfer from an out-of-state institution, in which
 20 case the county in which the facility is located is
 21 considered the county of financial responsibility.

22 (c) In all cases where in which a minor patient or ward
 23 is involved, the county of financial responsibility is the
 24 county in which the parent or guardian resides. If the
 25 custody of a minor is entrusted to a state agency, the

1 agency may make a reasonable declaration of the county
2 residency of its ward using applicable guidelines enumerated
3 in this section.

4 (d) If a person is or becomes an adult while in an
5 institution, he the person may determine his-own the county
6 of residence when he the person is restored to competency
7 and released. The person becomes the financial
8 responsibility of the new county of residence."

9 **Section 18.** Section 53-2-801, MCA, is amended to read:

10 "53-2-801. Purpose. The purpose of this part is to
11 provide for the department of social and rehabilitation
12 services to assume all responsibilities for public
13 assistance programs, ~~except for general relief as provided~~
14 ~~in chapter 3,~~ and for the department of family services to
15 assume all responsibilities for protective services for
16 children and adults that, as of July 1, 1983, are provided
17 by the counties pursuant to Titles 41 and 53. The assumption
18 may become effective only at the option and with the express
19 consent of each individual county requesting state
20 assumption. STATE ASSUMPTION ALLOWS COUNTIES TO PAY THE
21 STATE THE PROCEEDS FROM THE 9-MILL LEVY PROVIDED FOR IN
22 53-2-813 RATHER THAN AN AMOUNT BASED ON THE ACTUAL COST OF
23 PROVIDING PUBLIC ASSISTANCE AND PROTECTIVE SERVICES IN THE
24 COUNTY. COUNTIES THAT OPT FOR STATE ASSUMPTION MAY PROVIDE
25 OTHER OPTIONAL SERVICES FOR INDIGENTS WITH MONEY AVAILABLE

1 FROM FUNDS DERIVED FROM THE DIFFERENCE BETWEEN THE 9-MILL
2 LEVY AND THE MAXIMUM AMOUNT OF 13.5 MILLS PERMITTED BY
3 53-2-322."

4 **Section 19.** Section 53-2-802, MCA, is amended to read:

5 "53-2-802. Definitions. Unless the context requires
6 otherwise, in this part the following definitions apply:

7 (1) "County department" means the county department of
8 public welfare provided for in part 3 of this chapter.

9 (2) "Mill levy equivalent" means the prior year's
10 expenditure divided by the value of 1 mill.

11 (3) "Needy person" is one who is eligible for public
12 assistance under the laws of this state.

13 (4) "Protective services" means services to children
14 and adults to be provided by the department of family
15 services as permitted by Titles 41 and 53.

16 (5) "Public assistance" or "assistance" means any type
17 of monetary or other assistance furnished under this title
18 to a person by a state or county department, regardless of
19 the original source of assistance, ~~except general relief as~~
20 ~~provided in chapter 3.~~

21 (6) "State assumption" means the transfer to the
22 department of social and rehabilitation services and the
23 department of family services ~~for the county~~ by the board of
24 county commissioners of all powers and duties, including
25 staff personnel as provided in 53-2-301 through 53-2-306 and

FOR public assistance and protective services, respectively, provided by the county department pursuant to Titles 41 and 53, except as otherwise specifically provided in this part.

A COUNTY MAY CONTINUE TO PROVIDE OPTIONAL INDIGENT ASSISTANCE AS PROVIDED IN [SECTION 24] AND NURSING HOME AND HOSPITAL SERVICES AS PROVIDED IN 7-6-2512."

Section 20. Section 53-2-803, MCA, is amended to read:

"53-2-803. Authority to adopt rules. (1) The department of social and rehabilitation services and the department of family services may adopt rules necessary to carry out the purposes of this part, including implementing transfer of the county programs to each department, respectively.

~~(2) The department of social and rehabilitation services may adopt rules:~~

~~(a) to determine the amount, scope, and duration of general relief which may not exceed those services and amounts payable under the department of social and rehabilitation services' programs of medicaid and aid to families with dependent children as necessary to carry out the purposes of this part; and~~

~~(b) establishing a system of penalties and sanctions applicable to providers of health-related services to state-assumed counties in accordance with 53-6-111(2) through (5)."~~

Section 21. Section 53-2-811, MCA, is amended to read:

"53-2-811. Transfer of county public assistance and protective services to state departments -- reassumption of responsibility. (1) All ~~authority granted to the board of county commissioners to establish and operate~~ a RESPONSIBILITY OF A COUNTY FOR public assistance program and provide protective services for children and adults pursuant to Titles 41 and 53 may be transferred to the department of social and rehabilitation services and the department of family services, respectively, except that the county attorney shall continue to provide legal assistance and representation for the purposes of adult and child protective services without charge and all debts and obligations incurred prior to the effective date of state assumption continue as the responsibility of the county.

(2) The board of county commissioners, after public hearing, may by resolution or ordinance transfer to the department of social and rehabilitation services and the department of family services all powers and duties for public assistance and protective services for children and adults, respectively, including the selection, supervision, and termination of staff personnel associated with the performance of these activities. Upon the effective date of such the transfer, the department of social and rehabilitation services and the department of family services shall assume all powers and duties related to

public assistance and protective services, respectively, and accorded by law to the county welfare department. If the notice required in subsection (3) is given, the transfer is effective at the start of the next state fiscal year.

(3) Counties opting for state assumption ~~or-reasssuming responsibility~~ shall notify the department of social and rehabilitation services and the department of family services ~~at-least-90-days-prior-to-the-start-of--the--state fiscal--year-unless-the-time-period-is-waived-in-whole-or-in part-by-the-director-of-each-department within-30-days-after {the-effective-date-of-this-section}~~. ~~A-county-shall--notify the-department-of-social-and-rehabilitation-services-and-the department--of--family--services~~ by October 1 if the county wishes to change its status on the following July 1. A COUNTY THAT HAS OPTED FOR STATE ASSUMPTION PRIOR TO JULY 1, 1995, MAY REASSUME RESPONSIBILITY FOR PUBLIC ASSISTANCE AND PROTECTIVE SERVICES ON JULY 1, 1996, IF THE COUNTY NOTIFIES THE DEPARTMENT PRIOR TO SEPTEMBER 30, 1995.

(4) Counties opting for state assumption shall permit the department of social and rehabilitation services and the department of family services to use the same facilities currently occupied by the county department or substantially equal facilities, with fair rental value for such the facilities to be paid by each department. Counties opting for state assumption shall transfer to the appropriate

department all materials, equipment, and supplies used in the operation of the county department and which were paid for in whole or in part with federal or state funds."

Section 22. Section 53-2-812, MCA, is amended to read:

"53-2-812. State assumption -- permanent transfer to state -- exceptions. ~~{i}~~ A EXCEPT AS PROVIDED IN THIS SECTION, A county opting for state assumption does so on a complete and permanent basis, unless the county requests to retain or reassume responsibility for medical assistance or monetary payments to needy persons as provided in Title 53, chapter 37. State assumption OR REASSUMPTION must be made pursuant to the adoption of a resolution or ordinance as provided in 53-2-811(2) and notice to the department of social and rehabilitation services and the department of family services as provided in 53-2-811(3). A county that has opted for state assumption prior to {the-effective--date of--this--section} JULY 1, 1995, may reassume responsibility for public assistance and protective services if notice is provided pursuant to 53-2-811(2) and (3). A county shall notify the department of social and rehabilitation services and the department of family services by October 1 if the county wishes to change its status on the following July 1. Under--such--a--retention--or--reassumption, staff personnel continue under the supervision and control of the department of social and rehabilitation services but the The department

1 may contract with the counties for the operation of programs
 2 provided in Title 53, chapter 3. UNDER A RETENTION OR
 3 REASSUMPTION, STAFF PERSONNEL CONTINUE UNDER THE SUPERVISION
 4 AND CONTROL OF THE DEPARTMENT. ALL DEBTS AND OBLIGATIONS OF
 5 THE DEPARTMENT AND THE DEPARTMENT OF FAMILY SERVICES
 6 PERTAINING TO PUBLIC ASSISTANCE AND PROTECTIVE SERVICES AT
 7 THE TIME OF REASSUMPTION MUST BE TRANSFERRED TO THE COUNTY
 8 OPTING FOR REASSUMPTION. A COUNTY MAY NOT RETAIN OR REASSUME
 9 ASSISTANCE PROGRAMS PARTIALLY FUNDED BY THE FEDERAL
 10 GOVERNMENT. A county may not retain or reassume assistance
 11 programs partially funded by the federal government.

12 {2}--A county transferring all duties and
 13 responsibilities to the state may reassume limited
 14 responsibility for medical assistance or monetary payments
 15 to needy persons as provided in subsection (1) but may not
 16 thereafter request full state assumption. A county initially
 17 requesting limited state assumption may not thereafter
 18 request full state assumption. A county opting for limited
 19 or full state assumption does so on a permanent basis,
 20 except as provided in this section."

21 **Section 23.** Section 53-2-813, MCA, is amended to read:

22 "53-2-813. Mill levy for counties transferring public
 23 assistance and protective services. (1) For the purpose of
 24 this part, 12 9 mills must be levied annually in those
 25 counties opting for state assumption.

1 (2) For a county electing state assumption before July
 2 17, 1986, the proceeds of the mill levy established in
 3 subsection (1) must be deposited in the state special
 4 revenue fund in the state treasury for the purpose of paying
 5 the expenses of the department of social and rehabilitation
 6 services. The mill levy may not exceed 12 mills,
 7 notwithstanding actual expenditures made by the department.

8 {3} For a county electing state assumption on or after
 9 July 17, 1986, the proceeds of the mill levy established in
 10 subsection (1) must be deposited in the state special
 11 revenue fund in the state treasury to the credit of the
 12 department of social and rehabilitation services. The
 13 general fund authority of the department of social and
 14 rehabilitation services shall must be reduced and the
 15 general fund authority of the department of family services
 16 shall must be increased by an amount equal to the county's
 17 expenditures for child and adult protective services in the
 18 fiscal year immediately preceding state assumption. The mill
 19 levy may not exceed 12 mills, notwithstanding actual
 20 expenditures made by the department of social and
 21 rehabilitation services and the department of family
 22 services.

23 {4} For a county retaining or reassuming operational
 24 responsibility for medical assistance or monetary payments
 25 to needy persons as provided in 53-2-812, the levy provided

in---subsection--(1)--must--be--reduced--by--the--mill--levy
equivalent--expended--by--that--county--or--the--department--for
such--purposes--in--the--fiscal--year--immediately--preceding--the
option--to--retain--or--reassume--such--responsibility."

NEW SECTION. Section 24. General Relief INDIGENT ASSISTANCE -- optional county program. (1) A county may provide a program of general relief INDIGENT ASSISTANCE that it determines necessary. The program may include assistance for food, clothing, shelter, transportation, and medical assistance for individuals not eligible for state or federal programs providing similar assistance. A county may provide for the burial of indigents. The general--relief--activities INDIGENT ASSISTANCE PROGRAM of the county include INCLUDES:

(a) JOB SEARCH, job training, WORK-FOR-ASSISTANCE, and employment programs authorized under Title 53, chapter 2, part 1; AND

(b) general--relief--assistance--benefits--as--provided--in Title 53, chapter 3, part 2; and

(c) health care, preventive care, and wellness programs as determined by the county commissioners.

(2) A county may establish the criteria for determining eligibility for assistance, including but not limited to residency requirements, limits on income and resources, and the amount, scope, and duration of assistance.

(3) A county may deny assistance for a reasonable

period if a person has voluntarily left employment without good cause or is discharged due to misconduct.

(4) The program may be funded with money derived from the county poor fund mill levy established in 53-2-322.

Section 25. Section 53-2-1101, MCA, is amended to read:

"53-2-1101. Legislative findings. The legislature finds and declares that:

(1) many economically disadvantaged persons are unable to take their place in the economic mainstream of society because they lack the skills and training needed to obtain productive employment or to avoid long-term dependency on public assistance programs;

(2) existing state and federal employment and training programs, including the work incentive program,--the--work programs--provided--for--in--53-3-304, and the programs administered under Title II-A of the Job Training Partnership Act, have proved to be a multiple, uncoordinated response to the needs of the economically disadvantaged; and

(3) a successful job training program will require a comprehensive, integrated range of nonduplicative employment and training services for economically disadvantaged persons that will result in economic self-sufficiency through placement of economically disadvantaged persons in long-term, sustainable employment."

SECTION 26. SECTION 53-2-1103, MCA, IS AMENDED TO READ:

1 "53-2-1103. Definitions. For the purposes of this part,
2 unless the context requires otherwise, the following
3 definitions apply:

4 (1) "Economically disadvantaged person" has the same
5 meaning as provided in section 4 of the Job Training
6 Partnership Act (29 U.S.C. 1503).

7 (2) "Job Training Partnership Act" means the federal
8 Job Training Partnership Act of 1982, Public Law 97-300 (29
9 U.S.C. 1501, et seq.), as amended.

10 (3) "Job training plan" means the plan for providing
11 services and training in a service delivery area, as
12 required in 53-2-1107.

13 (4) "Program" means the program created by 53-2-1104 to
14 implement the provisions of Title II-A of the Job Training
15 Partnership Act.

16 (5) "Program year" means the fiscal year beginning on
17 July 1 of the year for which an appropriation is made for
18 the program established under this part, as provided in
19 section 161 of the Job Training Partnership Act (29 U.S.C.
20 1571).

21 (6) "Public assistance program" means the state program
22 of general--relief--assistance--or aid to families with
23 dependent children.

24 (7) "Service delivery area" means an area designated as
25 provided in section 101 of the Job Training Partnership Act

1 (29 U.S.C. 1511)."

2 **Section 27.** Section 53-2-1109, MCA, is amended to read:

3 "53-2-1109. Coordination of services. The state job
4 training coordinating council shall identify, in
5 coordination with the appropriate state and local agencies,
6 the employment, training, and vocational education needs
7 throughout the state and assess the extent to which
8 employment and training, vocational education,
9 rehabilitation services, public assistance, economic
10 development, and other federal, state, and local programs
11 and services represent a consistent, integrated, and
12 coordinated approach to meeting such needs. In carrying out
13 this coordinating function, the council shall consider state
14 policy set forth in 2-15-101 to eliminate overlapping and
15 duplication of services within state government and in
16 accordance with the provisions of section 121 of the Job
17 Training Partnership Act (29 U.S.C. 1531) and other
18 employment and training programs, including:

19 (1) programs operated under the federal Family Support
20 Act of 1988; and

21 (2) programs and services of public assistance
22 agencies, including the programs established in 53-3-304."

23 ~~Section 29. Section 53-3-112, MCA, is amended to read:~~

24 ~~"53-3-112. Fraud and recovery of overpayments. (1) The~~
25 ~~county--department--of--public--welfare--shall--deny--general~~

1 relief-for-a-reasonable-period--of--time--to--any--household
2 determined--to--have--received--any--assistance--by--means-of
3 fraud;

4 {2}--The--county department--of--public--welfare--or--its
5 agent--may--recover--or--offset--any--amounts--of--general--relief
6 made--available--to--a--household--which that--because--of--fraud
7 or--mistake,--are--above--the--amounts--that--should--have--been
8 provided;."

9 **Section 30:**--Section 53-3-207, MCA, is amended to read:--

10 "53-3-207. Application--for--other--state--and--federal
11 programs----interim-relief----subrogation-of--department--to
12 receipt-of-federal-payments--(1) General-relief-is-available
13 to--a--recipient--to--the--extent--such the--relief--is--not
14 duplicative-of-resources-or-benefits-reasonably-available-to
15 the-recipient;

16 {2}--If-other-federal-or-state--programs--of--assistance
17 are--reasonably--available-to-meet-the-needs-of-a-household,
18 an-applicant-must-apply-for-those--programs--before--general
19 relief--may-be-provided. A-household-may-be-provided-general
20 relief-after--initial-application--for--other--programs--of
21 assistance----if--denied--such the--other--assistance,--the
22 applicant-must-pursue-available-administrative--appeals--for
23 those--programs-to-the-final-administrative-appeal-level. If
24 the-applicant-becomes-eligible-for-other-assistance-covering
25 the-same-period-of--time--that--interim-general-relief--is

1 provided,--such the--interim--relief--must-be-repaid-to-the
2 county department--or--offset--from--lump--sums--or--retroactive
3 payments--from--other--programs--of--assistance;

4 {3}--To--the--extent--necessary-for-repayment-of-interim
5 general--relief--provided--to--an--applicant,--the--county
6 department--is--subrogated--to--the--right-of-an-attorney-to
7 recover--from--the--federal-government--the--costs--of--providing
8 the--applicant-legal-assistance-in-obtaining-eligibility-for
9 supplemental-security-income-under--Title-XVI--of--the--Social
10 Security-Act."

11 **Section 31:**--Section 53-3-303, MCA, is amended to read:--

12 "53-3-303. Conditions--of--eligibility:--(1)---As--a
13 condition-of-eligibility-for-general-relief,--an--employable
14 or-temporarily-unemployable-recipient-must:

15 (a)--register--for--employment--with--the--department-of
16 labor-and-industry;

17 (b)--maintain-an-active-job-registration-file, and

18 (c)--comply-with-and-actively-participate--in--any--job
19 search,--training,--workfare,--or--self-sufficiency--program
20 required-by-the-department; and

21 (d)--actively--pursue--and--accept--available-employment
22 within-his-or-her the-recipient's--capability;

23 {2}--Refusal-without--good--cause--to--comply--with--the
24 requirements--of--subsection--(1)--will-render-the-individual
25 recipient, but-not-the-rest-of-that--recipient's--household,

1 ineligible--for--general--relief--for-3-months-following-the
 2 first-refusal-and-for--6--months--following--any--subsequent
 3 refusal--The-period-of-ineligibility-begins-on-the-first-day
 4 of--the--next--month--in-which-the-person-would-otherwise-be
 5 eligible--for--general--relief. A--county--may--require
 6 participation--in-job-search, training, and work programs or
 7 in-a-program-of-drug-or-alcohol-rehabilitation-as-a
 8 condition-of-the-receipt-of-assistance. General relief may
 9 be-withheld-until-participation-in-a-program-is-completed. A
 10 county may deny assistance for a reasonable period of time
 11 for any person refusing to participate in a required
 12 program."

13 **Section 32.** Section 53-3-309, MCA, is amended to read:--

14 "53-3-309. Form of relief. The choice as to the form or
 15 forms of relief provided is at the discretion of the county
 16 welfare department in counties without state-assumed welfare
 17 services--or--the--department--if--the--state--has--assumed
 18 responsibility for the welfare services--in--a--county. The
 19 form of relief may include but is not limited to cashy
 20 checks, vouchers, lines of credit, in-kind goods--and
 21 services, and food commodities."

22 **SECTION 28.** SECTION 53-3-205, MCA, IS AMENDED TO READ:

23 "53-3-205. Eligibility for general relief. (1) Except
 24 as otherwise provided under this chapter, a person may
 25 receive general relief if the household is determined to be

1 eligible under the provisions of this section.

2 (2) A person is eligible for general relief if his the
 3 person's total household income, including presumptive
 4 income but exclusive of the earned income disregard provided
 5 in subsection (4), does not exceed the amount established by
 6 the department by rule. The department shall establish
 7 eligibility and the amount of benefits to be granted, taking
 8 into account the size of the household and the estimated
 9 number of eligible households. Eligibility and the amount of
 10 benefits to be granted must be based on a percentage set at
 11 32% of the federal poverty index. The percentage is
 12 established in the state general appropriations act.

13 (3) The maximum benefit amount to be granted to a
 14 person new to Montana must be reduced by \$50 per month for
 15 each of the first 2 months of the person's residency.

16 (4) For 4 consecutive months, the first \$30 plus
 17 one-third of the remainder of the total income earned each
 18 month by each household member who is a current recipient
 19 must be disregarded in determining a household's eligibility
 20 for general relief. If the total household income, exclusive
 21 of this amount, exceeds the amount established by the
 22 department under subsection (2), the household is not
 23 eligible for general relief. A current recipient is one who
 24 has been receiving general relief for at least 1 complete
 25 calendar month.

(5) (a) If a person's household income exceeds the monthly income standard provided in subsection (2) because of receipt of lump-sum income, he the person is ineligible for general relief for the full number of months, beginning with the month of receipt, derived by dividing the total of the lump-sum income and other income by the monthly income standard. Any income remaining from this calculation ~~will be~~ is considered as income in the first month following the period of ineligibility.

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

(6) All applicants for and recipients of general relief who reside in the same residence are considered as one household.

(7) Eligibility for general relief must be determined prospectively, based on household income and other relevant circumstances reasonably certain to exist in the month in which assistance is to be provided. Once eligibility is determined, general relief ~~will~~ must be provided in accordance with 53-3-310 and 53-3-311.

(8) (a) Except as provided in subsection (8)(b), the equity value of all household resources must be considered available to meet the needs of the individual applying for

general relief.

(b) The following resources of a household must be excluded from consideration of resources for eligibility purposes:

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

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

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

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

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

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

(11) For the purposes of an eligibility determination, an applicant for or recipient of general relief may be requested to produce all financial and other information

concerning the household.

(12) A household is ineligible to receive general relief if the household is ineligible for either of the public assistance programs commonly referred to as medicaid and aid to families with dependent children because of overpayment, fraud, or failure or refusal to comply with requirements for continued participation in either program. The period of ineligibility for the household or individual household members is the same as the period of ineligibility for medicaid or the aid to families with dependent children program or, if ineligible for both programs, whichever period of ineligibility is longer.

(13) Whenever practical, an eligibility determination must be made within 30 days of the date of application and the applicant must be notified in writing of the eligibility determination and the reasons for the determination."

Section 29. Section 53-3-310, MCA, is amended to read:

"53-3-310. Scope of general relief medical assistance -- limitations. (1) General relief medical assistance is limited to ~~inpatient--and--outpatient--hospital--services,~~ physician services, laboratory services, x-ray services, and prescription drugs. Assistance may not exceed the scope or duration of similar services provided under the Montana medicaid program pursuant to Title 53, chapter 6, part 1, and rules adopted by the department to administer the

program.

(2) General relief medical assistance in a county without state-assumed welfare services must, within the limitations of subsection (1), be provided in amounts determined by the county welfare board.

(3) General relief medical assistance in counties with state-assumed welfare services must, within the limitations of subsection (1), be provided in amounts not to exceed payments under the medicaid program. Services must be limited to the least costly method of alleviating the serious medical condition.

(4) General relief medical assistance is limited to covered medical needs not met by other services or benefits available to the person. Available services or benefits include but are not limited to health and accident insurance, veterans' benefits, industrial accident benefits, medicare and medicaid benefits, and other liable third parties.

(5) A person who is chronically ill may receive general relief medical assistance for services limited to treatment of a serious medical condition related to chronic illness.

(6) A person who has an acute medical need but who is not chronically ill may receive general relief medical assistance but only for services necessary to treat a serious medical condition that requires immediate medical

attention to alleviate a serious health risk.

(7) A child less than 18 years of age may receive the same scope and duration of services as provided under the Montana medicaid program provided for in Title 53, chapter 6.

(8) A person who requires medical services in order to obtain or retain employment may receive services similar to those provided under the Montana medicaid program but only for the duration of need.

(9) Except as provided in subsection (7), nothing in this chapter may be construed to require the same scope of medical services as provided under the Montana medicaid program."

~~Section 29. Section 53-3-325, MCA, is amended to read:--~~

~~"53-3-325. Transition-to-work--allowance--(1)--As--an alternative--to--the--programs--and--services--provided--in 53-3-304--the--county--department-of-public-welfare-may-pay recipients-a-transition-to-work--allowance--This--allowance may--be-used-only-for-relocation-expenses-for-recipients-who have-obtained-employment-in-another-county-or-state--~~

~~(2)--Notwithstanding-any-other--provision--of--this chapter--a-person-who-elects-to-receive-the-allowance provided-in-subsection-(1)-is-ineligible-for-general-relief for-a-period-of-16-months."~~

~~Section 30. Section 53-3-326, MCA, is amended to read:--~~

~~"53-3-326. Transportation--assistance--The--county department--of--public--welfare--may--provide--necessary transportation--or-reimbursement-of-transportation-costs-for persons-enrolled--in--job--search--training--workfare--or self-sufficiency-programs-provided-in-53-3-304."~~

SECTION 30. SECTION 15-10-412, MCA, IS AMENDED TO READ:

"15-10-412. Property tax limited to 1986 levels -- clarification -- extension to all property classes. Section 15-10-402 is interpreted and clarified as follows:

(1) The limitation to 1986 levels is extended to apply to all classes of property described in Title 15, chapter 6, part 1.

(2) The limitation on the amount of taxes levied is interpreted to mean that, except as otherwise provided in this section, the actual tax liability for an individual property is capped at the dollar amount due in each taxing unit for the 1986 tax year. In tax years thereafter, the property must be taxed in each taxing unit at the 1986 cap or the product of the taxable value and mills levied, whichever is less for each taxing unit, except in a taxing unit that levied a tax in tax years 1983 through 1985 but did not levy a tax in 1986, in which case the actual tax liability for an individual property is capped at the dollar amount due in that taxing unit for the 1985 tax year.

(3) The limitation on the amount of taxes levied does

1 not mean that no further increase may be made in the total
2 taxable valuation of a taxing unit as a result of:

3 (a) annexation of real property and improvements into a
4 taxing unit;

5 (b) construction, expansion, or remodeling of
6 improvements;

7 (c) transfer of property into a taxing unit;

8 (d) subdivision of real property;

9 (e) reclassification of property;

10 (f) increases in the amount of production or the value
11 of production for property described in 15-6-131 or
12 15-6-132;

13 (g) transfer of property from tax-exempt to taxable
14 status; or

15 (h) revaluations caused by:

16 (i) cyclical reappraisal; or

17 (ii) expansion, addition, replacement, or remodeling of
18 improvements.

19 (4) The limitation on the amount of taxes levied does
20 not mean that no further increase may be made in the taxable
21 valuation or in the actual tax liability on individual
22 property in each class as a result of:

23 (a) a revaluation caused by:

24 (i) construction, expansion, replacement, or remodeling
25 of improvements that adds value to the property; or

1 (ii) cyclical reappraisal;

2 (b) transfer of property into a taxing unit;

3 (c) reclassification of property;

4 (d) increases in the amount of production or the value
5 of production for property described in 15-6-131 or
6 15-6-132;

7 (e) annexation of the individual property into a new
8 taxing unit; or

9 (f) conversion of the individual property from
10 tax-exempt to taxable status.

11 (5) Property in classes four and eleven is valued
12 according to the procedures used in 1986, including the
13 designation of 1982 as the base year, until the reappraisal
14 cycle beginning January 1, 1986, is completed and new
15 valuations are placed on the tax rolls and a new base year
16 designated, if the property is:

17 (a) new construction;

18 (b) expanded, deleted, replaced, or remodeled
19 improvements;

20 (c) annexed property; or

21 (d) property converted from tax-exempt to taxable
22 status.

23 (6) Property described in subsections (5)(a) through
24 (5)(d) that is not class four or class eleven property is
25 valued according to the procedures used in 1986 but is also

subject to the dollar cap in each taxing unit based on 1986 mills levied.

(7) The limitation on the amount of taxes, as clarified in this section, is intended to leave the property appraisal and valuation methodology of the department of revenue intact. Determinations of county classifications, salaries of local government officers, and all other matters in which total taxable valuation is an integral component are not affected by 15-10-401 and 15-10-402 except for the use of taxable valuation in fixing tax levies. In fixing tax levies, the taxing units of local government may anticipate the deficiency in revenues resulting from the tax limitations in 15-10-401 and 15-10-402, while understanding that regardless of the amount of mills levied, a taxpayer's liability may not exceed the dollar amount due in each taxing unit for the 1986 tax year unless:

(a) the taxing unit's taxable valuation decreases by 5% or more from the 1986 tax year. If a taxing unit's taxable valuation decreases by 5% or more from the 1986 tax year, it may levy additional mills to compensate for the decreased taxable valuation, but in no case may the mills levied exceed a number calculated to equal the revenue from property taxes for the 1986 tax year in that taxing unit.

(b) a levy authorized under Title 20 raised less revenue in 1986 than was raised in either 1984 or 1985, in

which case the taxing unit may, after approval by the voters in the taxing unit, raise each year thereafter an additional number of mills but may not levy more revenue than the 3-year average of revenue raised for that purpose during 1984, 1985, and 1986;

(c) a levy authorized in 50-2-111 that was made in 1986 was for less than the number of mills levied in either 1984 or 1985, in which case the taxing unit may, after approval by the voters in the taxing unit, levy each year thereafter an additional number of mills but may not levy more than the 3-year average number of mills levied for that purpose during 1984, 1985, and 1986.

(8) The limitation on the amount of taxes levied does not apply to the following levy or special assessment categories, whether or not they are based on commitments made before or after approval of 15-10-401 and 15-10-402:

- (a) rural improvement districts;
- (b) special improvement districts;
- (c) levies pledged for the repayment of bonded indebtedness, including tax increment bonds;
- (d) city street maintenance districts;
- (e) tax increment financing districts;
- (f) satisfaction of judgments against a taxing unit;
- (g) street lighting assessments;
- (h) revolving funds to support any categories specified

1 in this subsection (8);

2 (i) levies for economic development authorized pursuant
3 to 90-5-112(4);

4 (j) levies authorized under 7-6-502 for juvenile
5 detention programs; and

6 (k) elementary and high school districts; and

7 (l) voted poor fund levies authorized under 53-2-322.

8 (9) The limitation on the amount of taxes levied does
9 not apply in a taxing unit if the voters in the taxing unit
10 approve an increase in tax liability following a resolution
11 of the governing body of the taxing unit containing:

12 (a) a finding that there are insufficient funds to
13 adequately operate the taxing unit as a result of 15-10-401
14 and 15-10-402;

15 (b) an explanation of the nature of the financial
16 emergency;

17 (c) an estimate of the amount of funding shortfall
18 expected by the taxing unit;

19 (d) a statement that applicable fund balances are or by
20 the end of the fiscal year will be depleted;

21 (e) a finding that there are no alternative sources of
22 revenue;

23 (f) a summary of the alternatives that the governing
24 body of the taxing unit has considered; and

25 (g) a statement of the need for the increased revenue

1 and how it will be used.

2 (10) (a) The limitation on the amount of taxes levied
3 does not apply to levies required to address the funding of
4 relief of suffering of inhabitants caused by famine,
5 conflagration, or other public calamity.

6 (b) The limitation set forth in this chapter on the
7 amount of taxes levied does not apply to levies to support:

8 (i) a city-county board of health as provided in Title
9 50, chapter 2, if the governing bodies of the taxing units
10 served by the board of health determine, after a public
11 hearing, that public health programs require funds to ensure
12 the public health. A levy for the support of a local board
13 of health may not exceed the 5-mill limit established in
14 50-2-111.

15 (ii) county, city, or town ambulance services authorized
16 by a vote of the electorate under 7-34-102(2).

17 (11) The limitation on the amount of taxes levied by a
18 taxing jurisdiction subject to a statutory maximum mill levy
19 does not prevent a taxing jurisdiction from increasing its
20 number of mills beyond the statutory maximum mill levy to
21 produce revenue equal to its 1986 revenue.

22 (12) The limitation on the amount of taxes levied does
23 not apply to a levy increase to repay taxes paid under
24 protest in accordance with 15-1-402."

25 NEW SECTION. Section 31. Repealer. Sections 53-2-321,

1 53-2-323, 53-2-821, 53-2-822, 53-3-109, 53-3-110, 53-3-112,
 2 53-3-113, 53-3-114, 53-3-121, 53-3-122, 53-3-201, 53-3-205,
 3 53-3-207, 53-3-208, 53-3-209, 53-3-210, 53-3-211, 53-3-212,
 4 53-3-215, 53-3-303, 53-3-304, 53-3-305, 53-3-307, 53-3-308,
 5 53-3-309, 53-3-310, 53-3-311, 53-3-313, 53-3-314, 53-3-318,
 6 53-3-321, 53-3-322, 53-3-323, 53-3-324, 53-3-325, 53-3-326,
 7 53-3-327, and 53-3-328, AND 90-4-211, MCA, are repealed.

8 NEW SECTION. Section 32. Codification instruction.
 9 [Sections 1 and ~~21~~ 24] are intended to be codified as an
 10 integral part of Title 53, and the provisions of Title 53
 11 apply to [sections 1 and ~~21~~ 24].

12 NEW SECTION. Section 33. Effective dates. (1)
 13 [Sections ~~18, 19, 20, and 32~~ 28, 29, AND 31 32 and this
 14 section] are effective on passage and approval.

15 (2) [Sections 1 through ~~17, 20 through 27, and 29~~
 16 ~~through 31~~ 27, 30, AND 30 31] are effective January ~~17~~ 1994
 17 JULY 1, 1993.

-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 13, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 427 (third reading copy -- blue), respectfully report that House Bill No. 427 be amended as follows and as so amended be concurred in.

Signed: Judy H. Jacobson
Senator Judy H. Jacobson, Chair

That such amendments read:

1. Page 47, line 12.

Following: "burial"

Insert: ", entombment, or cremation"

2. Page 48, line 5.

Following: line 4

Insert: "(5) A person is indigent for purposes of this subsection if the value of all income and resources available to pay for that person's burial, entombment, or cremation at the time of death is less than the negotiated amount due the funeral home or mortician for an indigent burial. Available income and resources may be determined by the county.

(6) A county may seek reimbursement under 40-6-303, if applicable, for costs paid under this section.

(7) A county may not deduct amounts that may be recovered from an adult child of a deceased indigent or recovered from resources of a deceased indigent from a contract amount due a funeral home or mortician for burial services provided under 7-4-2915 or this section. A funeral home or a mortician that recovers an amount in excess of a contract amount paid under this subsection shall reimburse the county for the amount recovered up to the amount of the contract."

-END-

AM Amd. Coord.
Sec. of Senate

Keating
Senator Carrying Bill

SENATE
HB 427
811501SC.San

SENATE COMMITTEE OF THE WHOLE AMENDMENT

April 14, 1993 12:55 pm

April 14, 1993

Page 2 of 2

Mr. Chairman: I move to amend House Bill No. 427 (third reading copy -- blue).

ADOPT

REJECT

Signed: B. F. Christiaens
Senator B. F. Christiaens

That such amendments read:

1. Title, line 10.

Following: "RELIEF;"

Insert: "REQUIRING THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO PRESENT ALTERNATIVE PLANS FOR THE ADMINISTRATION OF PUBLIC ASSISTANCE PROGRAMS TO THE 54TH LEGISLATURE;"

2. Page 3, line 9.

Following: line 8

Insert: "(4) The legislature finds that the effects of eliminating the state program of general relief are not known and that the administration and financing of public assistance programs by each county may not provide uniform assistance throughout the state."

3. Page 66, line 25.

Following: line 24

Insert: "

NEW SECTION. Section 31. Alternative plans. (1) The department of social and rehabilitation services shall develop alternative structures for the administration of public assistance programs. At least three alternative plans must be prepared for presentation to the 54th legislature. One alternative must be administered primarily by each county, one alternative must be administered primarily by the state, and one alternative must provide for multicounty administration. Each plan must include an analysis of alternative financing methods, including a statewide mill levy.

(2) The department director shall appoint and consult with an advisory committee of not more than 12 persons in developing the plans. The committee should include representatives of the legislature, the low-income coalition, the human resource development councils, the Montana united Indian alliance, other state departments, county commissioners, and county welfare directors. The committee shall serve without pay.

(3) In preparing the recommendations, the department shall analyze the effect on persons previously receiving general assistance and on persons who would have received general

assistance prior to the approval of [this act]. The department shall analyze methods of providing assistance to persons who do not qualify for federal assistance programs. The department shall analyze the effectiveness of different general relief programs in the various counties."

Renumber: subsequent sections

4. Page 67, line 13.

Following: "29,"

Insert: "31,"

Strike: "32"

Insert: "33"

5. Page 67, line 16.

Strike: "31"

Insert: "32"

-END-

HOUSE BILL NO. 427

INTRODUCED BY COBB, KEATING, RYE, BARNETT,

MILLS, DEVLIN, GAGE, BOHLINGER, KASTEN,

SIMON, R. JOHNSON

A BILL FOR AN ACT ENTITLED: "AN ACT ~~ELIMINATING~~ GENERALLY
REVISING THE LAWS RELATING TO PUBLIC ASSISTANCE; REVISING
THE STATE ASSUMPTION OF COUNTY WELFARE ASSISTANCE; REVISING
THE MILL LEVY LIMIT FOR A COUNTY; REVISING ELIMINATING
EMERGENCY GRANTS; ELIMINATING GENERAL RELIEF; REQUIRING THE
DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO PRESENT
ALTERNATIVE PLANS FOR THE ADMINISTRATION OF PUBLIC
ASSISTANCE PROGRAMS TO THE 54TH LEGISLATURE; AMENDING
SECTIONS 7-6-2512, 7-6-2523, 15-10-412, 15-10-412,
15-16-117, 33-32-103, 39-71-118, 40-4-215, 41-3-1122,
52-1-110, 53-2-201, 53-2-203, 53-2-207, 53-2-301, 53-2-302,
53-2-304, 53-2-306, 53-2-322, 53-2-601, 53-2-606, 53-2-608,
53-2-610, 53-2-801, 53-2-802, 53-2-803, 53-2-811, 53-2-812,
53-2-813, 53-2-1101, 53-2-1103, 53-2-1109, 53-3-110,
53-3-112, 53-3-113, 53-3-209, 53-3-304, 53-3-308, 53-3-207,
53-3-303, 53-3-309, 53-3-205, AND 53-3-310, 53-3-311,
53-3-321, 53-3-322, 53-3-323, 53-3-325, AND 53-3-326, MCA;
 REPEALING SECTIONS 53-2-321, 53-2-323, 53-2-801, 53-2-802,
53-2-803, 53-2-811, 53-2-812, 53-2-813, 53-2-1101, 53-2-1103,
53-2-1109, 53-3-110, 53-3-112, 53-3-113, 53-3-114, 53-3-121,

53-3-122, 53-3-201, 53-3-205, 53-3-207, 53-3-208, 53-3-209,
53-3-210, 53-3-211, 53-3-212, 53-3-215, 53-3-303, 53-3-304,
53-3-305, 53-3-307, 53-3-308, 53-3-309, 53-3-310, 53-3-311,
53-3-313, 53-3-314, 53-3-318, 53-3-321, 53-3-322, 53-3-323,
53-3-324, 53-3-325, 53-3-326, 53-3-327, AND 53-3-328, AND
90-4-211, MCA; AND PROVIDING AN EFFECTIVE DATE DATES."

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

(Refer to Introduced Bill)

Strike everything after the enacting clause and insert:

NEW SECTION. Section 1. Legislative findings. (1) The
legislature finds that in order to use the limited resources
of the state for the purposes of providing public assistance
to persons whom it has determined are in need, certain
programs must be eliminated and the provision of public
assistance programs must be reorganized for more efficient
delivery of services.

(2) The legislature finds that county governments are
in the best position to efficiently and effectively deliver
the general relief program provided for in Title 53, chapter
3 SERVICES FOR THOSE IN NEED WHO ARE NOT OTHERWISE ELIGIBLE
FOR SIMILAR SERVICES PROVIDED BY THE DEPARTMENT OF SOCIAL
AND REHABILITATION SERVICES.

(3) (a) The legislature finds that the needs of persons
who are aged, infirm, or misfortunate are adequately and

appropriately provided for through the following programs:

- (i) medicaid;
- (ii) aid for dependent children;
- (iii) food stamps;
- (iv) commodities; and
- (v) low-income energy assistance.

(b) The legislature further finds that the counties may in their discretion provide other programs of public assistance that they determine are appropriate and that may be funded with money derived from the county poor fund mill levy.

(4) THE LEGISLATURE FINDS THAT THE EFFECTS OF ELIMINATING THE STATE PROGRAM OF GENERAL RELIEF ARE NOT KNOWN AND THAT THE ADMINISTRATION AND FINANCING OF PUBLIC ASSISTANCE PROGRAMS BY EACH COUNTY MAY NOT PROVIDE UNIFORM ASSISTANCE THROUGHOUT THE STATE.

Section 2. Section 7-6-2512, MCA, is amended to read:

"7-6-2512. County tax levy for nursing homes and hospital facilities. The board of county commissioners may, annually at the time of levying county taxes, fix and levy a tax, not to exceed 10 mills on each dollar of taxable valuation of property, upon all property within the county for the erection, maintenance, and operation of county-owned or county-operated hospitals and nursing homes or other

hospital facilities created under 7-8-2102, 7-34-2201, 7-34-2301, and 7-34-2502. "Hospital facilities" as used in this section means a hospital or hospital-related facility, including outpatient facilities, public health centers, rehabilitation facilities, long-term care facilities, and infirmaries. The combined total number of mills levied under this section and for the county poor fund under ~~53-2-321~~ 53-2-322 may not exceed 18 mills. A higher levy may be made upon compliance with 7-6-2531 through 7-6-2537 OR 53-2-322. If a hospital district is created under Title 7, chapter 34, part 21, the mill levy authorized by this section may not be imposed on property within that hospital district."

Section 3. Section 7-6-2523, MCA, is amended to read:

"7-6-2523. Special service levies replaced by all-purpose levy. A county using the all-purpose levy may not impose any of the following levies:

- (1) general fund levy, as provided in 7-6-2501;
 - (2) bridge levy, as provided in 7-14-2502;
 - (3) recreation levy, as provided in 7-16-101;
 - (4) county fair levy, as provided in 7-21-3410;
 - (5) weed levy, as provided in 7-22-2142;
 - (6) insect pest levy, as provided in 7-22-2306;
 - (7) poor fund levy, as provided in ~~53-2-321~~ 53-2-322;
- or
- (8) developmental disabilities facility levy, as

1 provided in 53-20-208."

2 **Section 4.--Section 15-10-412, MCA, is amended to read:--**

3 **"15-10-412.--Property tax--limited--to--1986--levels----**
4 **clarification-----extension-to-all-property-classes.--Section**
5 **15-10-402 is interpreted and clarified as follows:**

6 {1}--The limitation to 1986 levels is extended to apply
7 to all classes of property described in Title 15, chapter 6,
8 part 1:

9 {2}--The limitation on the amount of taxes levied is
10 interpreted to mean that, except as otherwise provided in
11 this section, the actual tax liability for an individual
12 property is capped at the dollar amount due in each taxing
13 unit for the 1986 tax year. In tax years thereafter, the
14 property must be taxed in each taxing unit at the 1986 cap
15 or the product of the taxable value and mills levied,
16 whichever is less for each taxing unit, except in a taxing
17 unit that levied a tax in tax years 1983 through 1985 but
18 did not levy a tax in 1986, in which case the actual tax
19 liability for an individual property is capped at the dollar
20 amount due in that taxing unit for the 1985 tax year:

21 {3}--The limitation on the amount of taxes levied does
22 not mean that no further increase may be made in the total
23 taxable valuation of a taxing unit as a result of:

24 {a}--annexation of real property and improvements into a
25 taxing unit;

1 {b}--construction, expansion, or remodeling of
2 improvements;

3 {c}--transfer of property into a taxing unit;

4 {d}--subdivision of real property;

5 {e}--reclassification of property;

6 {f}--increases in the amount of production or the value
7 of production for property described in 15-6-131 or
8 15-6-132;

9 {g}--transfer of property from tax-exempt to taxable
10 status; or

11 {h}--revaluations caused by:

12 {i}--cyclical reappraisal; or

13 {ii}--expansion, addition, replacement, or remodeling of
14 improvements;

15 {4}--The limitation on the amount of taxes levied does
16 not mean that no further increase may be made in the taxable
17 valuation or in the actual tax liability on individual
18 property in each class as a result of:

19 {a}--a revaluation caused by:

20 {i}--construction, expansion, replacement, or remodeling
21 of improvements that adds value to the property; or

22 {ii}--cyclical reappraisal;

23 {b}--transfer of property into a taxing unit;

24 {c}--reclassification of property;

25 {d}--increases in the amount of production or the value

1 of---production---for---property---described---in---15-6-111---or
 2 15-6-132;
 3 {e}---annexation-of-the-individual-property---into---a---new
 4 taxing-unit;---or
 5 {f}---conversion---of---the---individual---property---from
 6 tax-exempt-to-taxable-status;
 7 {5}---Property-in-classes-four-and-eleven-is-valued
 8 according-to-the-procedures-used-in-1986, including the
 9 designation-of-1982-as-the-base-year, until the reappraisal
 10 cycle--beginning--January--17--1986,--is--completed--and--new
 11 valuations-are-placed-on-the-tax-rolls-and-a-new-base--year
 12 designated, if the property is:
 13 {a}---new-construction;
 14 {b}---expanded,---deleted,---replaced,---or---remodeled
 15 improvements;
 16 {c}---annexed-property;---or
 17 {d}---property--converted--from--tax-exempt--to---taxable
 18 status;
 19 {6}---Property--described--in--subsections--(5){a}--through
 20 {5}{d}--that-is-not-class-four-or-class-eleven--property--is
 21 valued--according-to-the-procedures-used-in-1986-but-is-also
 22 subject-to-the-dollar-cap-in-each-taxing-unit-based-on--1986
 23 mills-levied;
 24 {7}---The-imitation-on-the-amount-of-taxes, as clarified
 25 in this section, is intended to leave the property appraisal

1 and--valuation--methodology--of--the--department--of--revenue
 2 intact; Determinations-of-county--classifications,--salaries
 3 of-local-government-officers,--and--all--other--matters--in--which
 4 total--taxable--valuation--is--an--integral--component--are--not
 5 affected-by-15-10-401-and-15-10-402-except-for--the--use--of
 6 taxable--valuation--in--fixing--tax--levies,--in--fixing--tax
 7 levies, the taxing-units-of-local-government-may--anticipate
 8 the---deficiency---in---revenues---resulting--from--the--tax
 9 limitations-in-15-10-401-and-15-10-402, while--understanding
 10 that--regardless-of-the-amount-of-mills-levied, a taxpayer's
 11 liability-may-not-exceed--the--dollar--amount--due--in--each
 12 taxing-unit-for-the-1986-tax-year-unless;
 13 {a}---the-taxing-unit's-taxable-valuation-decreases-by-5%
 14 or--more--from-the-1986-tax-year,--if-a-taxing-unit's-taxable
 15 valuation-decreases-by-5%--or--more--from-the-1986-tax-year, it
 16 may-levy-additional-mills-to-compensate--for--the--decreased
 17 taxable--valuation,--but--in--no--case--may-the-mills-levied
 18 exceed--a--number--calculated--to--equal--the--revenue--from
 19 property-taxes-for-the-1986-tax-year-in-that-taxing-unit;
 20 {b}---a--levy--authorized--under--Title--20--raised--less
 21 revenue-in-1986--than--was--raised--in--either--1984--or--1985,--in
 22 which-case-the-taxing-unit-may, after-approval-by-the-voters
 23 in-the-taxing-unit, raise-each-year-thereafter-an-additional
 24 number--of--mills--but--may--not--levy-more-revenue--than--the
 25 3-year-average-of-revenue-raised--for--that--purpose--during

1 1984, 1985, and 1986;

2 {c}--a levy authorized in 50-2-111 that was made in 1986
3 was--for less than the number of mills levied in either 1984
4 or 1985, in which case the taxing unit may, after approval
5 by the voters in the taxing unit, levy each year thereafter
6 an additional number of mills but may not levy more than the
7 3-year average number of mills levied for that purpose
8 during 1984, 1985, and 1986.

9 {d}--The limitation on the amount of taxes levied does
10 not apply to the following levy or special assessment
11 categories, whether or not they are based on commitments
12 made before or after approval of 15-10-401 and 15-10-402:

- 13 {a}--rural improvement districts;
- 14 {b}--special improvement districts;
- 15 {c}--levies pledged for the repayment of bonded
16 indebtedness, including tax increment bonds;
- 17 {d}--city street maintenance districts;
- 18 {e}--tax increment financing districts;
- 19 {f}--satisfaction of judgments against a taxing unit;
- 20 {g}--street lighting assessments;
- 21 {h}--revolving funds to support any categories specified
22 in this subsection (d);
- 23 {i}--levies for economic development authorized pursuant
24 to 90-5-112(4);
- 25 {j}--levies authorized under 7-6-502 for juvenile

1 detention programs; and

2 {k}--elementary and high school districts; and
3 {l}--poor fund levies authorized under 53-2-322.

4 {9}--The limitation on the amount of taxes levied does
5 not apply in a taxing unit if the voters in the taxing unit
6 approve an increase in tax liability following a resolution
7 of the governing body of the taxing unit containing:

8 {a}--a finding that there are insufficient funds to
9 adequately operate the taxing unit as a result of 15-10-401
10 and 15-10-402;

11 {b}--an explanation of the nature of the financial
12 emergency;

13 {c}--an estimate of the amount of funding shortfall
14 expected by the taxing unit;

15 {d}--a statement that applicable fund balances are or by
16 the end of the fiscal year will be depleted;

17 {e}--a finding that there are no alternative sources of
18 revenue;

19 {f}--a summary of the alternatives that the governing
20 body of the taxing unit has considered; and

21 {g}--a statement of the need for the increased revenue
22 and how it will be used;

23 {10}--{a}--The limitation on the amount of taxes levied
24 does not apply to levies required to address the funding of
25 relief of suffering of inhabitants caused by famine;

1 conflagration, or other public calamity;
 2 {b}--The--limitation--set--forth--in--this--chapter--on--the
 3 amount--of--taxes--levied--does--not--apply--to--levies--to--support--
 4 {i}--a--city--county--board--of--health--as--provided--in--Title
 5 50,--chapter--27--if--the--governing--bodies--of--the--taxing--units
 6 served--by--the--board--of--health--determine,--after--a--public
 7 hearing,--that--public--health--programs--require--funds--to--ensure
 8 the--public--health--A--levy--for--the--support--of--a--local--board
 9 of--health--may--not--exceed--the--5--mill--limit--established--in
 10 50-2-111;
 11 {ii}--county,--city,--or--town--ambulance--services--authorized
 12 by--a--vote--of--the--electorate--under--7-34-102{2};
 13 {iii}--The--limitation--on--the--amount--of--taxes--levied--by--a
 14 taxing--jurisdiction--subject--to--a--statutory--maximum--mill--levy
 15 does--not--prevent--a--taxing--jurisdiction--from--increasing--its
 16 number--of--mills--beyond--the--statutory--maximum--mill--levy--to
 17 produce--revenue--equal--to--its--1986--revenue;
 18 {i2}--The--limitation--on--the--amount--of--taxes--levied--does
 19 not--apply--to--a--levy--increase--to--repay--taxes--paid--under
 20 protest--in--accordance--with--15-1-402;"

21 **Section 4.** Section 15-16-117, MCA, is amended to read:
 22 "15-16-117. Personal property -- treasurer's duty to
 23 collect certain taxes. (1) The county treasurer shall demand
 24 payment of poor fund taxes, authorized by 53-2-321 53-2-322,
 25 and road taxes, authorized by 7-14-2206 or 7-14-2501 through

1 7-14-2504, of every person liable therefor for the taxes
 2 whose name does not appear on the assessment lists. On the
 3 neglect or refusal of any--such a person to pay the same
 4 taxes, the treasurer shall collect the taxes by seizure and
 5 sale of any property owned by the person.

6 (2) These taxes must be added upon the assessment lists
 7 to other property taxes of persons paying taxes upon real
 8 and personal property and paid to the county treasurer at
 9 the time of payment of other taxes.

10 (3) The procedure for the sale of such property by the
 11 county treasurer for such the taxes must be regulated by
 12 15-16-113 and 15-17-911.

13 (4) The provisions of this section do not apply to
 14 property for which delinquent property taxes have been
 15 suspended or canceled under the provisions of Title 15,
 16 chapter 24, part 17."

17 **SECTION 5. SECTION 33-32-103, MCA, IS AMENDED TO READ:**

18 "33-32-103. Utilization review plan. A person may not
 19 conduct a utilization review of health care services
 20 provided or to be provided to a patient covered under a
 21 contract or plan for health care services issued in this
 22 state unless that person, at all times, maintains with the
 23 commissioner a current utilization review plan that
 24 includes:

25 (1) a description of review criteria, standards, and

procedures to be used in evaluating proposed or delivered health care services that, to the extent possible, must:

(a) be based on nationally recognized criteria, standards, and procedures;

(b) reflect community standards of care, except that a utilization review plan for health care services under the ~~general--relief--medical--assistance--or~~ medicaid programs program provided for in Title 53 need not reflect community standards of care;

(c) ensure quality of care; and

(d) ensure access to needed health care services;

(2) the provisions by which patients or providers may seek reconsideration or appeal of adverse decisions by the person conducting the utilization review;

(3) the type and qualifications of the personnel either employed or under contract to perform the utilization review;

(4) policies and procedures to ensure that a representative of the person conducting the utilization review is reasonably accessible to patients and health care providers at all times;

(5) policies and procedures to ensure compliance with all applicable state and federal laws to protect the confidentiality of individual medical records;

(6) a copy of the materials designed to inform

applicable patients and health care providers of the requirements of the utilization review plan; and

(7) any other information as may be required by the commissioner that is necessary to implement this chapter."

Section 6. Section 39-71-118, MCA, is amended to read:

"39-71-118. ~~Employee, worker, workman,~~ and volunteer firefighter defined. (1) The terms "employee", ~~"workman",~~ or "worker" mean:

(a) each person in this state, including a contractor other than an independent contractor, who is in the service of an employer, as defined by 39-71-117, under any appointment or contract of hire, expressed or implied, oral or written. The terms include aliens and minors, whether lawfully or unlawfully employed, and all of the elected and appointed paid public officers and officers and members of boards of directors of quasi-public or private corporations while rendering actual service for such ~~the~~ corporations for pay. Casual employees as defined by 39-71-116 are included as employees if they are not otherwise covered by workers' compensation and if an employer has elected to be bound by the provisions of the compensation law for these casual employments, as provided in 39-71-401(2). Household or domestic service is excluded.

(b) ~~a recipient of general relief who is performing work for a county of this state under the provisions of~~

59-3-303 through 59-3-305 and any juvenile performing work under authorization of a district court judge in a delinquency prevention or rehabilitation program;

(c) a person receiving on-the-job vocational rehabilitation training or other on-the-job training under a state or federal vocational training program, whether or not under an appointment or contract of hire with an employer as defined in this chapter and whether or not receiving payment from a third party. However, this subsection does not apply to students enrolled in vocational training programs as outlined above while they are on the premises of a public school or community college.

(d) students enrolled and in attendance in programs of vocational-technical education at designated vocational-technical centers;

(e) an airman or other person employed as a volunteer under 67-2-105; or

(f) a person, other than a juvenile as defined in subsection (1)(b), performing community service for a nonprofit organization or association or for a federal, state, or local government entity under a court order, or an order from a hearings officer as a result of a probation or parole violation, whether or not under appointment or contract of hire with an employer as defined in this chapter and whether or not receiving payment from a third party. For

a person covered by the definition in this subsection (f):

(i) compensation benefits must be limited to medical expenses pursuant to 39-71-704 and an impairment award pursuant to 39-71-703 that is based upon the minimum wage established under Title 39, chapter 3, part 4, for a full-time employee at the time of the injury; and

(ii) premiums must be paid by the employer, as defined in 39-71-117(3), and must be based upon the minimum wage established under Title 39, chapter 3, part 4, for the number of hours of community service required under the order from the court or hearings officer.

(2) The term "volunteer firefighter" means a firefighter who is an enrolled and active member of a fire company organized and funded by a county, a rural fire district, or a fire service area.

(3) (a) If the employer is a partnership or sole proprietorship, such the employer may elect to include as an employee within the provisions of this chapter any member of such the partnership or the owner of the sole proprietorship devoting full time to the partnership or proprietorship business.

(b) In the event of such an election, the employer must serve upon the employer's insurer written notice naming the partners or sole proprietor to be covered and stating the level of compensation coverage desired by electing the

amount of wages to be reported, subject to the limitations in subsection (3)(d). A partner or sole proprietor is not considered an employee within this chapter until such notice has been given.

(c) A change in elected wages must be in writing and is effective at the start of the next quarter following notification.

(d) All weekly compensation benefits must be based on the amount of elected wages, subject to the minimum and maximum limitations of this subsection. For premium ratemaking and for the determination of weekly wage for weekly compensation benefits, the electing employer may elect not less than \$900 a month and not more than 1 1/2 times the average weekly wage as defined in this chapter.

(4) The trustees of a rural fire district, a county governing body providing rural fire protection, or the county commissioners or trustees for a fire service area may elect to include as an employee within the provisions of this chapter any volunteer firefighter. A volunteer firefighter who receives workers' compensation coverage under this section may not receive disability benefits under Title 19, chapter 12.

(5) An employee-workman or worker in this state whose services are furnished by a person, association, contractor, firm, or corporation, other than a temporary service

contractor, to an employer as defined in 39-71-117 is presumed to be under the control and employment of the employer. This presumption may be rebutted as provided in 39-71-117(3).

(6) For purposes of this section, an "employee-workman or worker in this state" means:

(a) a resident of Montana who is employed by an employer and whose employment duties are primarily carried out or controlled within this state; or

(b) a nonresident of Montana whose principal employment duties are conducted within this state on a regular basis for an employer."

SECTION 7. SECTION 40-4-215, MCA, IS AMENDED TO READ:

"40-4-215. Investigations and reports. (1) In contested custody proceedings and in other custody proceedings if a parent or the child's custodian so requests, the court may order an investigation and report concerning custodial arrangements for the child. If the court orders the department of family services to conduct the investigation, the department may charge a reasonable fee. The department shall waive the fee for conducting the investigation if the parent or the child's custodian requesting the investigation is a recipient of aid to families with dependent children, or food stamps, or general relief benefits. The cost of the investigation and report shall must be paid according to the

1 final order.

2 (2) In preparing ~~his~~ the report concerning a child, the
3 investigator may consult any person who may have information
4 about the child and ~~his~~ potential custodial arrangements.
5 Upon order of the court, the investigator may refer the
6 child to professional personnel for diagnosis. The
7 investigator may consult with and obtain information from
8 medical, psychiatric, or other expert persons who have
9 served the child in the past without obtaining the consent
10 of the parent or the child's custodian; but the child's
11 consent must be obtained if he the child has reached the age
12 of 16 unless the court finds that he the child lacks mental
13 capacity to consent. If the requirements of subsection (3)
14 are fulfilled, the investigator's report may be received in
15 evidence at the hearing.

16 (3) The court shall mail the investigator's report to
17 counsel and to any party not represented by counsel at least
18 10 days prior to the hearing. The investigator shall make
19 available to counsel and to any party not represented by
20 counsel the investigator's file of underlying data and
21 reports, complete texts of diagnostic reports made to the
22 investigator pursuant to the provisions of subsection (2),
23 and the names and addresses of all persons whom the
24 investigator has consulted. Any party to the proceeding may
25 call the investigator and any person whom he the

1 investigator has consulted for cross-examination. A party
2 may not waive ~~his~~ the right of cross-examination prior to
3 the hearing."

4 **Section 8.** Section 41-3-1122, MCA, is amended to read:

5 "41-3-1122. Payment for support of youth in need of
6 care, youth in need of supervision, or delinquent youth --
7 reimbursement by county. (1) Whenever a youth who is a youth
8 in need of care, a youth in need of supervision, or a
9 delinquent youth is placed by the department of family
10 services in a youth care facility, the department shall pay,
11 within the limits of the appropriation for that purpose, a
12 foster care payment to the youth care facility at a rate
13 established by the department for board, clothing, personal
14 needs, treatment, and room of the youth.

15 (2) On or before the 20th of each month the department
16 shall present a claim to the county of residence of the
17 youth for no more than one-half of the nonfederal share of
18 the payments so made during the month. The county must make
19 reimbursement to the department within 20 days after the
20 claim is presented.

21 (3) Except as provided in subsection (4), when a
22 county's level of expenditure for any year reaches the level
23 of reimbursement for foster care in fiscal year 1987, the
24 county has no further obligation for foster care
25 expenditures.

(4) If a county's level of expenditure for foster care in fiscal year 1987 is \$10,000 or less, the county's level of expenditure for purposes of determining the county's reimbursement specified in subsection (3) is the level of expenditures for fiscal year 1987 or the average of expenditures for fiscal years 1984 through 1987, whichever is less.

(5) A county that was state-assumed prior to 1987, BUT AT A LATER DATE REASSUMES RESPONSIBILITY PURSUANT TO 53-2-811, is responsible for reimbursement of foster care expenditures up to the county's calculated level of expenditures for fiscal year 1987 as if the county had not been state-assumed.

~~(5)~~(6) The department shall conduct or arrange for the review required under 41-3-1115 of a youth placed in a youth care facility if the youth is placed by the department."

Section 9. Section 52-1-110, MCA, is amended to read:

"52-1-110. County contribution for salaries and travel of protective services employees. (1) Upon transfer of certain functions of the county welfare department to the department of family services as provided in section 12, Chapter 609, Laws of 1987, the salaries and travel expenses, as provided in 2-18-501 through 2-18-503, of protective services employees must be paid by the department of family services. The board of county commissioners shall reimburse

the department of family services from county poor funds in an amount equal to that county's expenditures for salaries, travel expenses, and indirect costs of protective services employees in fiscal year 1987, adjusted for annual inflation.

(2) A county that was state-assumed prior to 1987, BUT AT A LATER DATE REASSUMES RESPONSIBILITY PURSUANT TO 53-2-811, is responsible for reimbursement of salaries, travel expenses, and indirect costs up to the county's calculated level of expenditures for fiscal year 1987 as if the county had not been state-assumed.

~~(2)~~(3) On or before the 20th day of the month following the month for which payments were made for protective services employees' salaries, travel, and indirect costs, the department of family services shall present to the board of county commissioners a claim for the required reimbursement. The board of county commissioners shall make such the reimbursement within 20 days after the presentation of the claim."

SECTION 10. SECTION 53-2-201, MCA, IS AMENDED TO READ:

"53-2-201. Powers and duties of department. (1) The department shall:

(a) administer ~~or~~ and supervise public assistance, including the provision of food stamps, food commodities, aid to families with dependent children, energy assistance,

1 weatherization, vocational rehabilitation, services for
 2 persons with severe disabilities, developmental disability
 3 services, and medical care payments in behalf of recipients
 4 of public assistance;

5 (b) give consultant service to private institutions
 6 providing care for the needy, indigent, handicapped, or
 7 dependent adults;

8 (c) cooperate with other state agencies and develop
 9 provisions for services to the blind, including the
 10 prevention of blindness, the location of blind persons,
 11 medical services for eye conditions, and vocational guidance
 12 and training of the blind;

13 (d) provide services in respect to organization and
 14 supervise county departments of public welfare and county
 15 boards of public welfare in the administration of public
 16 assistance functions and for efficiency and economy;

17 (e) assist and cooperate with other state and federal
 18 departments, bureaus, agencies, and institutions, when so
 19 requested, by performing services in conformity with public
 20 assistance purposes;

21 (f) administer all state and federal funds allocated to
 22 the department for public assistance and do all things
 23 necessary, in conformity with federal and state law, for the
 24 proper fulfillment of public assistance purposes; and

25 (g) make rules governing payment for services and

1 supplies provided to recipients of public assistance.

2 (2) The department may:

3 (a) purchase, exchange, condemn, or receive by gift
 4 either real or personal property which is necessary to carry
 5 out its public assistance functions. Title to property
 6 obtained under this subsection ~~shall~~ must be taken in the
 7 name of the state of Montana for the use and benefit of the
 8 department.

9 (b) contract with the federal government to carry out
 10 its public assistance functions. The department may do all
 11 things necessary in order to avail itself of federal aid and
 12 assistance.

13 (c) make rules, consistent with state and federal law,
 14 establishing the amount, scope, and duration of services to
 15 be provided to recipients of public assistance."

16 **SECTION 11. SECTION 53-2-203, MCA, IS AMENDED TO READ:**

17 "53-2-203. Department to maintain merit system and
 18 supervise public assistance personnel. {1} The department
 19 shall:

20 {a}{1} maintain a merit system pertaining to
 21 qualifications for appointment, terms of office, annual
 22 merit rating, releases, promotions, and salary schedules for
 23 all public assistance personnel; personnel standards ~~shall~~
 24 must conform as far as possible with general standards
 25 established or required by the federal government;

(b)(2) have examinations held from time to time throughout the state to establish and furnish to county departments lists, in order of merit, of persons eligible for appointment;

(c)(3) develop policies relating to educational leave of employees and to staff development needs;

(d)(4) supervise the appointment, dismissal, and entire status of the public assistance personnel attached to county boards in accordance with the merit system.

(2) All public assistance personnel shall be residents of this state unless it is impossible to find residents of this state possessing qualifications required by the merit system. If possible, county assistance personnel shall be residents of the county in which they work.

Section 12. Section 53-2-207, MCA, is amended to read:

"53-2-207. Power of department in administering state grants-in-aid and federal funds. In administering or supervising any state or federal funds appropriated or made available to the department for public assistance purposes, the department shall have has the authority to:

(1) require as a condition for receiving grants-in-aid that the county shall to bear the proportion of the total of local public assistance as is fixed by law relating to such the assistance;

(2) make use of all legal processes to enforce the

minimum standards prescribed for public assistance purposes by the department under laws providing for grants-in-aid, provided that such standards shall not exceed in cost the amount derived from levies established by state law; and

(3) require that each part of the public assistance laws shall be in effect in all counties of the state."

Section 10. Section 53-2-301, MCA, is amended to read:

"53-2-301. County departments to be established. There shall must be established in each county of the state, except in a county that has transferred its public assistance and protective services responsibilities to the state under the provisions of part 8 of this chapter, a county department of public welfare, which shall consist of a county board of public welfare and such staff personnel as may be necessary for the efficient performance of the public assistance activities of the county. If conditions warrant and if two or more county boards enter into an agreement, two or more counties may combine into one administrative unit and use the same staff personnel throughout the administrative unit."

Section 11. Section 53-2-302, MCA, is amended to read:

"53-2-302. County commissioners ex officio county welfare board. Except in a county that has transferred its public assistance and protective services responsibilities to the state under part 8 of this chapter, the The board of

county commissioners shall be is the ex-officio county welfare board and is hereby authorized to devote such additional time for public assistance matters as may be found necessary. The members of the county welfare board shall receive the same compensation for their services and the same mileage when acting as the county board of public welfare as they receive when acting as the board of county commissioners and shall be The board is limited as to meetings as now provided by law and the compensation and mileage of the members of the board shall must be paid from county funds. They may transact business as a board of county commissioners and as a county welfare board on the same day and in such cases they shall must be paid as a board of county commissioners but may not receive compensation for more than 1 day's work for all services performed on the same calendar day."

Section 12. Section 53-2-304, MCA, is amended to read:

"53-2-304. Staff personnel of county department. (1) Each county board shall select and appoint from a list of qualified persons furnished by the department of social and rehabilitation services such staff personnel as are the board determines necessary. The staff personnel in each county shall consist of at least one qualified staff worker (or investigator) and such clerks and stenographers as may be decided the board determines necessary if conditions

warrant; the county board, with the approval of the department of social and rehabilitation services, may appoint some a fully qualified person listed by the department as supervisor of its staff personnel. The staff personnel of each county department are directly responsible to the county board, but the department of social and rehabilitation services may supervise such the county employees in respect to the efficient and proper performance of their duties. The county board of public welfare may not dismiss any member of the staff personnel without the approval of the department of social and rehabilitation services. The department may request the county board to dismiss any member of the staff personnel for inefficiency, incompetency or similar cause. The final authority for dismissal is the county board. In counties where the department has assumed the administration of welfare duties, the final authority for dismissal is the director of the department.

(2) Public assistance staff personnel attached to the county board shall must be paid from state public assistance funds both their salaries and their travel expenses as provided for in 2-18-501 through 2-18-503 when away from the county seat in the performance of their duties, but the county board of public welfare shall reimburse the department of social and rehabilitation services from county

1 poor-funds-the--full--amount--of--the--salaries--and--travel
 2 expenses--not--reimbursed--to--the-department-by-the-federal
 3 government--and--the--full--amount--of--the--department's
 4 administrative--costs--which ~~that~~ are--allocated--by--the
 5 department-to-the-county-for-the--administration--of--county
 6 welfare-programs-and-not-reimbursed-to-the-department-by-the
 7 federal-government--Under--circumstances-prescribed-by-the
 8 department--of--social--and--rehabilitation--services--the
 9 reimbursement--by--the-county-board-of-public-welfare-may-be
 10 less-than-the-county--share--as--prescribed--above in--this
 11 subsection--All--other--administrative--costs-of-the-county
 12 department-shall-also must-be-paid-from-county-poor-funds:

13 {3}--On-or-before-the-20th-day-of--the--month--following
 14 the--month--for--which-the-payments-to-the-public-assistance
 15 staff-personnel-of-the-county-were-made--the--department--of
 16 social--and--rehabilitation--services--shall--present-to-the
 17 county-department-of-public-welfare-a-claim-for-the-required
 18 reimbursements--The-county--board--shall--make--such the
 19 reimbursements--within-20-days-after-the-presentation-of-the
 20 claim--and--the--department--of--social--and--rehabilitation
 21 services--shall--credit--(add)--all-such the reimbursements-to
 22 its-account-for-administrative-costs:

23 {4}--If-a-county-has-transferred-its--public--assistance
 24 and--protective-services-responsibilities-to-the-state-under
 25 part-8-of-this-chapter--the--appropriate--department--shall

1 select--appoint--and--supervise--all--necessary--public
 2 assistance-and-protective-services-personnel--including--if
 3 necessary--a--supervisor--of--staff--personnel--All--such
 4 personnel-are-directly-responsible-to-that-department."

5 ~~Section 13.~~ Section 53-2-386, MCA, is amended to read:

6 "53-2-386. County department charged with local
 7 administration of public assistance. Except in a county that
 8 has transferred its public assistance and protective
 9 services responsibilities to the state under part 8 of this
 10 chapter, the ~~The~~ county department of public welfare shall
 11 be is charged with the local administration of all forms of
 12 public assistance operations in the county. All such local
 13 administration of public assistance must conform to federal
 14 and state law and the rules as established by the department
 15 of social and rehabilitation services."

16 Section 13. Section 53-2-322, MCA, is amended to read:

17 "53-2-322. County to levy taxes, budget, and make
 18 expenditures for public assistance activities. (1) The board
 19 of county commissioners in each county shall levy 13.5 mills
 20 for the county poor fund as provided by law or so much
 21 thereof of that amount as may be necessary. The board may
 22 levy an additional 12 mills if approved by the voters in the
 23 county for fiscal year 1993. A county shall levy sufficient
 24 mills to reimburse the state for any administrative or
 25 operational costs in excess of the administrative and

1 ~~operational costs for fiscal year 1993. The department shall~~
 2 ~~notify the counties of the number of mills required to be~~
 3 ~~levied. Counties transferring public assistance and~~
 4 ~~protective services responsibilities to the state under part~~
 5 ~~8 of this chapter may not levy more than the difference~~
 6 ~~between 13.5 mills and the state levy pursuant to 53-2-813.~~
 7 ~~COUNTIES TRANSFERRING FINANCIAL RESPONSIBILITY FOR PUBLIC~~
 8 ~~ASSISTANCE AND PROTECTIVE SERVICES RESPONSIBILITIES TO THE~~
 9 ~~STATE UNDER PART 8 OF THIS CHAPTER MAY NOT LEVY MORE THAN~~
 10 ~~THE DIFFERENCE BETWEEN 13.5 MILLS AND THE STATE LEVY~~
 11 ~~PURSUANT TO 53-2-813. THE BOARD MAY LEVY UP TO AN ADDITIONAL~~
 12 ~~12 MILLS IF APPROVED BY THE VOTERS IN THE COUNTY. A COUNTY~~
 13 ~~SHALL LEVY SUFFICIENT MILLS TO REIMBURSE THE STATE FOR ANY~~
 14 ~~ADMINISTRATIVE OR OPERATIONAL COSTS IN EXCESS OF THE~~
 15 ~~ADMINISTRATIVE AND OPERATIONAL COSTS FOR THE PREVIOUS FISCAL~~
 16 ~~YEAR. THE DEPARTMENT SHALL NOTIFY THE COUNTIES OF THE NUMBER~~
 17 ~~OF MILLS REQUIRED TO BE LEVIED. ONCE AN ADDITIONAL LEVY HAS~~
 18 ~~BEEN APPROVED, THE AMOUNT OF THE APPROVED LEVY MAY CONTINUE~~
 19 ~~TO BE LEVIED WITHOUT VOTER APPROVAL.~~

20 (2) The board shall budget and expend so much of the
 21 funds in the county poor fund for public assistance and
 22 protective services purposes as will enable the county
 23 welfare department to pay the general relief activities of
 24 the county and NECESSARY to reimburse the department of
 25 social and rehabilitation services and the department of

1 family services for the county's proportionate share of the
 2 administrative costs of the county welfare department and of
 3 all public assistance and protective services and its
 4 proportionate share of any other public assistance activity
 5 that may be carried on jointly by the state and the county.

6 (3) The amounts set up in the budget for the
 7 reimbursements to the department of social and
 8 rehabilitation services and the department of family
 9 services shall must be sufficient to make all of these
 10 reimbursements in full. The budget shall must make separate
 11 provision for each one of these public assistance and
 12 protective services activities, and proper accounts shall
 13 must be established for the funds for all such the
 14 activities.

15 (4) The department of social and rehabilitation
 16 services shall submit to the counties, no later than May 10,
 17 the most current county participation percentages that are
 18 necessary to establish preliminary county budgets. As soon
 19 as the county proposed budget provided for in 7-6-2315 has
 20 been agreed upon, a copy thereof shall without delay must be
 21 mailed to the department of social and rehabilitation
 22 services, and at any time before the final adoption of the
 23 budget, the department shall make such recommendations with
 24 regard to changes in any part of the budget relating to the
 25 county poor fund as considered necessary in order to enable

1 the county to discharge its obligations under the public
2 assistance laws.

3 (5) The department ~~of---social---and---rehabilitation~~
4 ~~services~~ shall promptly examine the county proposed budget
5 in order to ascertain if the amounts provided for
6 reimbursements to the department are likely to be sufficient
7 and shall notify the county clerk of its findings. The board
8 shall make ~~such~~ changes in the amounts provided for
9 reimbursements, if any are required, in order that the
10 county will be able to make the reimbursements in full.

11 (6) The board of county commissioners may not make any
12 transfer from the amounts budgeted for reimbursing the
13 ~~department of-social---and---rehabilitation--services~~ without
14 having first obtained a statement in writing from the
15 department to the effect that the amount to be transferred
16 will not be required during the fiscal year for the purposes
17 for which the amounts were provided in the budget.

18 (7) ~~No--part--of-the~~ The county poor fund, irrespective
19 of the source of any part thereof of the fund, may not be
20 used directly or indirectly for the erection or improvement
21 of any county building so long as the fund is needed for
22 ~~general---relief---expenditures-by-the-county-or-is-needed-for~~
23 paying the county's proportionate share of public assistance
24 and protective services or its proportionate share of any
25 other public assistance activity that may be carried on

1 jointly by the state and the county. Expenditures for
2 improvement of any county buildings used directly for care
3 of the poor, except a county hospital or county nursing
4 home, may be made out of ~~any-moneys~~ money in the county poor
5 fund, whether ~~such-moneys-are~~ the money was produced by the
6 ~~13.5-mill~~ mill levy provided for in subsection (1) ~~of--this~~
7 ~~section~~ or from any additional levy authorized ~~or-to-be~~
8 authorized by law. ~~Such~~ The expenditure ~~shall~~ may be
9 authorized only when any county building used for the care
10 of the poor must be improved in order to meet legal
11 standards required for ~~such-buildings~~ the building by the
12 department of health and environmental sciences and when
13 ~~such~~ the expenditure has been approved by the department of
14 social and rehabilitation services and the department of
15 family services.

16 (8) Money in the county poor fund may be used as
17 matching funds for the receipt of federal money."

18 **SECTION 14. SECTION 53-2-601, MCA, IS AMENDED TO READ:**

19 "53-2-601. Disqualification from public assistance when
20 property transferred for purpose of qualifying for public
21 assistance. The department may deny public assistance to any
22 person who has divested-himself directly or indirectly of
23 transferred any property for the purpose of qualifying for
24 public assistance. The department ~~shall-make~~ may adopt rules
25 that raise a rebuttable presumption that any transfer of

property within 30 months of the date of application for general-relief was for the purpose of qualifying for such assistance. ~~The--department--may--also--make--rules--consistent--with--federal--law--raising--a--similar--rebuttable--presumption--for--purposes--of--state--administered--federal--public--assistance--programs--authorized--under--Title--53--~~

SECTION 15. SECTION 53-2-606, MCA, IS AMENDED TO READ:

"53-2-606. Right of appeal. (1) If an application for assistance under this title for food stamps, aid to families with dependent children, or medicaid is not acted upon promptly or if a decision is made with which the applicant or recipient is not satisfied, he the applicant or recipient may appeal to the board of social and rehabilitation appeals for a fair hearing by addressing a request for a hearing to the department. The board of social and rehabilitation appeals shall, upon receipt of a request for a hearing, give the applicant or recipient prompt notice and opportunity for a fair hearing. ~~A county welfare board which is involved in a grievance shall be represented at such a hearing.~~

(2) The department may upon its own motion review any decision of a county welfare board and may consider any application upon which a decision has not been made by the county board within a reasonable time from the filing thereof of the decision. The department may have an additional investigation made and shall make a decision as

to the granting of assistance and the amount of assistance to be granted the applicant as in its opinion is justified and in conformity with the provisions of this title.

(3) If the department reviews a county decision on its own motion, applicants or recipients affected by the decisions of the department shall upon request be given reasonable notice and an opportunity for a fair hearing by the board of social and rehabilitation appeals.

(4) All decisions of the department or the board of social and rehabilitation appeals are final and are binding and ~~shall~~ must be complied with by the county department."

SECTION 16. SECTION 53-2-608, MCA, IS AMENDED TO READ:

"53-2-608. Method of issuing assistance grants. (1) Checks in payment of public assistance ~~with--the--exception--of--general--relief--shall~~ must be issued by the department of social and rehabilitation services upon approved certificates of award and reports of changes of such eligible grantees as are forwarded by the county department to the state department, and all such checks ~~will~~ must be mailed to the individual recipient or the appropriate vendor. The checks in payment of public assistance ~~shall~~ must be issued in the full approved amount for each eligible approved grantee, and the original monthly payment ~~shall~~ must be from the state public assistance accounts. All public assistance checks ~~shall~~ represent cash on demand at

1 full par value to the recipient and vendor.

2 (2) Whenever the department of social and
3 rehabilitation services, acting pursuant to standards
4 established by the department, determines that any otherwise
5 eligible recipient of public assistance has, by reason of
6 any physical or mental condition, such inability to manage
7 funds that making payments to him the recipient would be
8 contrary to his the recipient's welfare, the department may,
9 under standards established under the state plan, make the
10 public assistance payment on behalf of such the recipient to
11 another person found by the department to be interested in
12 or concerned with the welfare of such ~~needy individual~~ the
13 recipient."

14 **SECTION 17. SECTION 53-2-610, MCA, IS AMENDED TO READ:**

15 "53-2-610. County to reimburse department. (1) On or
16 before the 20th of each month, the department of social and
17 rehabilitation services shall present a claim for
18 reimbursement to each county department for its
19 proportionate share of public assistance granted in the
20 county to recipients during the month and for vendor medical
21 payments made on behalf of recipients in the previous month.
22 The county department shall make the reimbursement to the
23 department of social and rehabilitation services within 20
24 days after the claim is presented.

25 (2) The counties may not be required to reimburse the

1 department of social and rehabilitation services for:

2 (a) any portion of public assistance paid to a
3 household eligible for aid to families with dependent
4 children if the household includes an enrolled Indian who is
5 the caretaker relative of a needy dependent child; or

6 (b) any payment on behalf of any person in a
7 state-operated medical institution.

8 ~~{3}--The federal government may reimburse the--state--of~~
9 ~~Montana--on--behalf--of counties providing general relief to~~
10 ~~enrolled Indians a sum in lieu of taxes which--the--counties~~
11 ~~would collect if the lands of such Indians were not in trust~~
12 ~~status.~~

13 ~~{4}{3}~~ (a) From the original date of entrustment or the
14 original date of state residency, whichever is earlier,
15 recipients of public assistance who become wards or patients
16 in a licensed nursing home or hospital, foster home, or
17 private charitable institution ~~shall be~~ are the financial
18 responsibility of the appropriate county as provided in
19 subsections ~~{4}{b}~~ {3}{b} through ~~{4}{d}~~ {3}{d}.

20 (b) The county in which commitment of an adult is
21 initiated is considered the county of financial
22 responsibility except where court decree declares the
23 residency to be otherwise. When an adult is transferred from
24 a facility or institution to one of the ~~above-enumerated~~
25 facilities listed in subsection {3}{a}, the county which

1 that initiated the original commitment is considered the
2 county of financial responsibility except in the case of an
3 adult transfer from an out-of-state institution, in which
4 case the county in which the facility is located is
5 considered the county of financial responsibility.

6 (c) In all cases where in which a minor patient or ward
7 is involved, the county of financial responsibility is the
8 county in which the parent or guardian resides. If the
9 custody of a minor is entrusted to a state agency, the
10 agency may make a reasonable declaration of the county
11 residency of its ward using applicable guidelines enumerated
12 in this section.

13 (d) If a person is or becomes an adult while in an
14 institution, he the person may determine his own the county
15 of residence when he the person is restored to competency
16 and released. The person becomes the financial
17 responsibility of the new county of residence."

18 **Section 18.** Section 53-2-801, MCA, is amended to read:

19 "53-2-801. **Purpose.** The purpose of this part is to
20 provide for the department of social and rehabilitation
21 services to assume all responsibilities for public
22 assistance programs ~~7-except-for-general-relief--as--provided~~
23 ~~in--chapter--37~~ and for the department of family services to
24 assume all responsibilities for protective services for
25 children and adults that, as of July 1, 1983, are provided

1 by the counties pursuant to Titles 41 and 53. The assumption
2 may become effective only at the option and with the express
3 consent of each individual county requesting state
4 assumption. STATE ASSUMPTION ALLOWS COUNTIES TO PAY THE
5 STATE THE PROCEEDS FROM THE 9-MILL LEVY PROVIDED FOR IN
6 53-2-813 RATHER THAN AN AMOUNT BASED ON THE ACTUAL COST OF
7 PROVIDING PUBLIC ASSISTANCE AND PROTECTIVE SERVICES IN THE
8 COUNTY. COUNTIES THAT OPT FOR STATE ASSUMPTION MAY PROVIDE
9 OTHER OPTIONAL SERVICES FOR INDIGENTS WITH MONEY AVAILABLE
10 FROM FUNDS DERIVED FROM THE DIFFERENCE BETWEEN THE 9-MILL
11 LEVY AND THE MAXIMUM AMOUNT OF 13.5 MILLS PERMITTED BY
12 53-2-322."

13 **Section 19.** Section 53-2-802, MCA, is amended to read:

14 "53-2-802. **Definitions.** Unless the context requires
15 otherwise, in this part the following definitions apply:

16 (1) "County department" means the county department of
17 public welfare provided for in part 3 of this chapter.

18 (2) "Mill levy equivalent" means the prior year's
19 expenditure divided by the value of 1 mill.

20 (3) "Needy person" is one who is eligible for public
21 assistance under the laws of this state.

22 (4) "Protective services" means services to children
23 and adults to be provided by the department of family
24 services as permitted by Titles 41 and 53.

25 (5) "Public assistance" or "assistance" means any type

of monetary or other assistance furnished under this title to a person by a state or county department, regardless of the original source of assistance, ~~except general relief as provided in chapter 3.~~

(6) "State assumption" means the transfer to the department of social and rehabilitation services and the department of family services for the county by the board of county commissioners of all powers and duties, including staff personnel as provided in 53-2-301 through 53-2-306 and FOR public assistance and protective services, respectively, provided by the county department pursuant to Titles 41 and 53, except as otherwise specifically provided in this part. A COUNTY MAY CONTINUE TO PROVIDE OPTIONAL INDIGENT ASSISTANCE AS PROVIDED IN [SECTION 24] AND NURSING HOME AND HOSPITAL SERVICES AS PROVIDED IN 7-6-2512."

Section 20. Section 53-2-803, MCA, is amended to read:

"53-2-803. Authority to adopt rules. ~~{1}~~ The department of social and rehabilitation services and the department of family services may adopt rules necessary to carry out the purposes of this part, including implementing transfer of the county programs to each department, respectively.

~~{2} The department of social and rehabilitation services may adopt rules:~~

~~{a} to determine the amount, scope, and duration of general relief, which may not exceed those services and~~

~~amounts payable under the department of social and rehabilitation services, programs of medicaid and aid to families with dependent children as necessary to carry out the purposes of this part; and~~

~~{b} establishing a system of penalties and sanctions applicable to providers of health-related services to state-assumed counties in accordance with 53-6-111{2} through {5}."~~

Section 21. Section 53-2-811, MCA, is amended to read:

"53-2-811. Transfer of county public assistance and protective services to state departments -- reassumption of responsibility. (1) All authority granted to the board of county commissioners to establish and operate a RESPONSIBILITY OF A COUNTY FOR public assistance program and provide protective services for children and adults pursuant to Titles 41 and 53 may be transferred to the department of social and rehabilitation services and the department of family services, respectively, except that the county attorney shall continue to provide legal assistance and representation for the purposes of adult and child protective services without charge and all debts and obligations incurred prior to the effective date of state assumption continue as the responsibility of the county.

(2) The board of county commissioners, after public hearing, may by resolution or ordinance transfer to the

department of social and rehabilitation services and the department of family services all powers and duties for public assistance and protective services for children and adults, respectively, including the selection, supervision, and termination of staff personnel associated with the performance of these activities. Upon the effective date of such the transfer, the department of social and rehabilitation services and the department of family services shall assume all powers and duties related to public assistance and protective services, respectively, and accorded by law to the county welfare department. If the notice required in subsection (3) is given, the transfer is effective at the start of the next state fiscal year.

(3) Counties opting for state assumption ~~or--reassuming responsibility~~ shall notify the department of social and rehabilitation services and the department of family services ~~at--least--90-days-prior-to-the-start-of-the-state fiscal-year-unless-the-time-period-is-waived-in-whole-or--in part-by-the-director-of-each-department within-30-days-after {the--effective-date-of-this-section}.~~ A county shall notify the department of social and rehabilitation services and the department of family services by October 1 if the county wishes to change its status on the following July 1. A COUNTY THAT HAS OPTED FOR STATE ASSUMPTION PRIOR TO JULY 1, 1995, MAY REASSUME RESPONSIBILITY FOR PUBLIC ASSISTANCE AND

PROTECTIVE SERVICES ON JULY 1, 1996, IF THE COUNTY NOTIFIES THE DEPARTMENT PRIOR TO SEPTEMBER 30, 1995.

(4) Counties opting for state assumption shall permit the department of social and rehabilitation services and the department of family services to use the same facilities currently occupied by the county department or substantially equal facilities, with fair rental value for such the facilities to be paid by each department. Counties opting for state assumption shall transfer to the appropriate department all materials, equipment, and supplies used in the operation of the county department and which were paid for in whole or in part with federal or state funds."

Section 22. Section 53-2-812, MCA, is amended to read:

"53-2-812. State assumption -- permanent transfer to state -- exceptions. ~~{}~~ A EXCEPT AS PROVIDED IN THIS SECTION, A county opting for state assumption does so on a complete and permanent basis, unless the county requests to retain or reassume responsibility for medical assistance or monetary payments to needy persons as provided in Title 53, chapter 37. State assumption OR REASSUMPTION must be made pursuant to the adoption of a resolution or ordinance as provided in 53-2-811(2) and notice to the department of social and rehabilitation services and the department of family services as provided in 53-2-811(3). A county that has opted for state assumption prior to {the effective date

1 ~~of this section~~ JULY 1, 1995, may reassume responsibility
 2 for public assistance and protective services if notice is
 3 provided pursuant to 53-2-811(2) and (3). A county shall
 4 notify the department of social and rehabilitation services
 5 and the department of family services by October 1 if the
 6 county wishes to change its status on the following July 1.
 7 ~~Under such a retention or reassumption, staff personnel~~
 8 ~~continue under the supervision and control of the department~~
 9 ~~of social and rehabilitation services but the~~ The department
 10 may contract with the counties for the operation of programs
 11 provided in Title 53, chapter 3: UNDER A RETENTION OR
 12 REASSUMPTION, STAFF PERSONNEL CONTINUE UNDER THE SUPERVISION
 13 AND CONTROL OF THE DEPARTMENT. ALL DEBTS AND OBLIGATIONS OF
 14 THE DEPARTMENT AND THE DEPARTMENT OF FAMILY SERVICES
 15 PERTAINING TO PUBLIC ASSISTANCE AND PROTECTIVE SERVICES AT
 16 THE TIME OF REASSUMPTION MUST BE TRANSFERRED TO THE COUNTY
 17 OPTING FOR REASSUMPTION. A COUNTY MAY NOT RETAIN OR REASSUME
 18 ASSISTANCE PROGRAMS PARTIALLY FUNDED BY THE FEDERAL
 19 GOVERNMENT. A county may not retain or reassume assistance
 20 programs partially funded by the federal government.
 21 {2} A county transferring all duties and
 22 responsibilities to the state may reassume limited
 23 responsibility for medical assistance or monetary payments
 24 to needy persons as provided in subsection (1) but may not
 25 thereafter request full state assumption. A county initially

1 requesting limited state assumption may not thereafter
 2 request full state assumption. A county opting for limited
 3 or full state assumption does so on a permanent basis,
 4 except as provided in this section."

5 **Section 23.** Section 53-2-813, MCA, is amended to read:

6 "53-2-813. Mill levy for counties transferring public
 7 assistance and protective services. (1) For the purpose of
 8 this part, 12 9 mills must be levied annually in those
 9 counties opting for state assumption.

10 (2) For a county electing state assumption before July
 11 17, 1986, the proceeds of the mill levy established in
 12 subsection (1) must be deposited in the state special
 13 revenue fund in the state treasury for the purpose of paying
 14 the expenses of the department of social and rehabilitation
 15 services. The mill levy may not exceed 12 mills,
 16 notwithstanding actual expenditures made by the department.

17 {3} For a county electing state assumption on or after
 18 July 17, 1986, the proceeds of the mill levy established in
 19 subsection (1) must be deposited in the state special
 20 revenue fund in the state treasury to the credit of the
 21 department of social and rehabilitation services. The
 22 general fund authority of the department of social and
 23 rehabilitation services shall must be reduced and the
 24 general fund authority of the department of family services
 25 shall must be increased by an amount equal to the county's

1 expenditures for child and adult protective services in the
2 fiscal year immediately preceding state assumption. The mill
3 levy may not exceed 12 mills, notwithstanding actual
4 expenditures made by the department of social and
5 rehabilitation services and the department of family
6 services.

7 (4) For a county retaining or reassuming operational
8 responsibility for medical assistance or monetary payments
9 to needy persons as provided in 53-2-812, the levy provided
10 in subsection (1) must be reduced by the mill levy
11 equivalent expended by that county or the department for
12 such purposes in the fiscal year immediately preceding the
13 option to retain or reassume such responsibility."

14 NEW SECTION. Section 24. General Relief INDIGENT
15 ASSISTANCE -- optional county program. (1) A county may
16 provide a program of general relief INDIGENT ASSISTANCE that
17 it determines necessary. The program may include assistance
18 for food, clothing, shelter, transportation, and medical
19 assistance for individuals not eligible for state or federal
20 programs providing similar assistance. A county may provide
21 for the burial, ENTOMBMENT, OR CREMATION of indigents. The
22 general relief activities INDIGENT ASSISTANCE PROGRAM of the
23 county include INCLUDES:

24 (a) JOB SEARCH, job training, WORK-FOR-ASSISTANCE, and
25 employment programs authorized under Title 53, chapter 2,

1 part 11; AND

2 (b) general relief assistance benefits as provided in
3 Title 53, chapter 3, part 2, and

4 (c) health care, preventive care, and wellness programs
5 as determined by the county commissioners.

6 (2). A county may establish the criteria for determining
7 eligibility for assistance, including but not limited to
8 residency requirements, limits on income and resources, and
9 the amount, scope, and duration of assistance.

10 (3) A county may deny assistance for a reasonable
11 period if a person has voluntarily left employment without
12 good cause or is discharged due to misconduct.

13 (4) The program may be funded with money derived from
14 the county poor fund mill levy established in 53-2-322.

15 (5) A PERSON IS INDIGENT FOR PURPOSES OF THIS
16 SUBSECTION IF THE VALUE OF ALL INCOME AND RESOURCES
17 AVAILABLE TO PAY FOR THAT PERSON'S BURIAL, ENTOMBMENT, OR
18 CREMATION AT THE TIME OF DEATH IS LESS THAN THE NEGOTIATED
19 AMOUNT DUE THE FUNERAL HOME OR MORTICIAN FOR AN INDIGENT
20 BURIAL. AVAILABLE INCOME AND RESOURCES MAY BE DETERMINED BY
21 THE COUNTY.

22 (6) A COUNTY MAY SEEK REIMBURSEMENT UNDER 40-6-303, IF
23 APPLICABLE, FOR COSTS PAID UNDER THIS SECTION.

24 (7) A COUNTY MAY NOT DEDUCT AMOUNTS THAT MAY BE
25 RECOVERED FROM AN ADULT CHILD OF A DECEASED INDIGENT OR

RECOVERED FROM RESOURCES OF A DECEASED INDIGENT FROM A CONTRACT AMOUNT DUE A FUNERAL HOME OR MORTICIAN FOR BURIAL SERVICES PROVIDED UNDER 7-4-2915 OR THIS SECTION. A FUNERAL HOME OR A MORTICIAN THAT RECOVERS AN AMOUNT IN EXCESS OF A CONTRACT AMOUNT PAID UNDER THIS SUBSECTION SHALL REIMBURSE THE COUNTY FOR THE AMOUNT RECOVERED UP TO THE AMOUNT OF THE CONTRACT.

Section 25. Section 53-2-1101, MCA, is amended to read:

"53-2-1101. Legislative findings. The legislature finds and declares that:

(1) many economically disadvantaged persons are unable to take their place in the economic mainstream of society because they lack the skills and training needed to obtain productive employment or to avoid long-term dependency on public assistance programs;

(2) existing state and federal employment and training programs, including the work incentive program~~7-the-work programs--provided--for--in--53-3-3047~~ and the programs administered under Title II-A of the Job Training Partnership Act, have proved to be a multiple, uncoordinated response to the needs of the economically disadvantaged; and

(3) a successful job training program will require a comprehensive, integrated range of nonduplicative employment and training services for economically disadvantaged persons that will result in economic self-sufficiency through

placement of economically disadvantaged persons in long-term, sustainable employment."

SECTION 26. SECTION 53-2-1103, MCA, IS AMENDED TO READ:

"53-2-1103. Definitions. For the purposes of this part, unless the context requires otherwise, the following definitions apply:

(1) "Economically disadvantaged person" has the same meaning as provided in section 4 of the Job Training Partnership Act (29 U.S.C. 1503).

(2) "Job Training Partnership Act" means the federal Job Training Partnership Act of 1982, Public Law 97-300 (29 U.S.C. 1501, et seq.), as amended.

(3) "Job training plan" means the plan for providing services and training in a service delivery area, as required in 53-2-1107.

(4) "Program" means the program created by 53-2-1104 to implement the provisions of Title II-A of the Job Training Partnership Act.

(5) "Program year" means the fiscal year beginning on July 1 of the year for which an appropriation is made for the program established under this part, as provided in section 161 of the Job Training Partnership Act (29 U.S.C. 1571).

(6) "Public assistance program" means the state program of ~~general--relief--assistance--or~~ aid to families with

dependent children.

(7) "Service delivery area" means an area designated as provided in section 101 of the Job Training Partnership Act (29 U.S.C. 1511)."

Section 27. Section 53-2-1109, MCA, is amended to read:

"53-2-1109. Coordination of services. The state job training coordinating council shall identify, in coordination with the appropriate state and local agencies, the employment, training, and vocational education needs throughout the state and assess the extent to which employment and training, vocational education, rehabilitation services, public assistance, economic development, and other federal, state, and local programs and services represent a consistent, integrated, and coordinated approach to meeting such needs. In carrying out this coordinating function, the council shall consider state policy set forth in 2-15-101 to eliminate overlapping and duplication of services within state government and in accordance with the provisions of section 121 of the Job Training Partnership Act (29 U.S.C. 1531) and other employment and training programs, including:

(1) programs operated under the federal Family Support Act of 1988; and

(2) programs and services of public assistance agencies, including the programs established in 53-3-304."

Section 29. Section 53-3-112, MCA, is amended to read:--

"53-3-112. Fraud and recovery of overpayments. (1) The county department of public welfare shall deny general relief for a reasonable period of time to any household determined to have received any assistance by means of fraud.

(2) The county department of public welfare or its agent may recover or offset any amounts of general relief made available to a household which that, because of fraud or mistake, are above the amounts that should have been provided."

Section 30. Section 53-3-207, MCA, is amended to read:--

"53-3-207. Application for other state and federal programs. (1) Interim relief. Subrogation of department to receipt of federal payments. (1) General relief is available to a recipient to the extent such the relief is not duplicative of resources or benefits reasonably available to the recipient.

(2) If other federal or state programs of assistance are reasonably available to meet the needs of a household, an applicant must apply for those programs before general relief may be provided. A household may be provided general relief after initial application for other programs of assistance. If denied such the other assistance, the applicant must pursue available administrative appeals for

those programs to the final administrative appeal level. If the applicant becomes eligible for other assistance covering the same period of time that interim general relief is provided, such the interim relief must be repaid to the county department or offset from lump sums or retroactive payments from other programs of assistance.

(3) To the extent necessary for repayment of interim general relief provided to an applicant, the county department is subrogated to the right of an attorney to recover from the federal government the costs of providing the applicant legal assistance in obtaining eligibility for supplemental security income under Title XVI of the Social Security Act.⁴

Section 31. Section 53-3-303, MCA, is amended to read:

"53-3-303. Conditions of eligibility. (1) As a condition of eligibility for general relief, an employable or temporarily unemployable recipient must:

(a) register for employment with the department of labor and industry;

(b) maintain an active job registration file; and

(c) comply with and actively participate in any job search, training, workfare, or self-sufficiency program required by the department; and

(d) actively pursue and accept available employment within his or her the recipient's capability.

(2) Refusal without good cause to comply with the requirements of subsection (1) will render the individual recipient, but not the rest of that recipient's household, ineligible for general relief for 3 months following the first refusal and for 6 months following any subsequent refusal. The period of ineligibility begins on the first day of the next month in which the person would otherwise be eligible for general relief. A county may require participation in job search, training, and work programs or in a program of drug or alcohol rehabilitation as a condition of the receipt of assistance. General relief may be withheld until participation in a program is completed. A county may deny assistance for a reasonable period of time for any person refusing to participate in a required program.⁴

Section 32. Section 53-3-309, MCA, is amended to read:

"53-3-309. Form of relief. The choice as to the form or forms of relief provided is at the discretion of the county welfare department in counties without state-assumed welfare services or the department if the state has assumed responsibility for the welfare services in a county. The form of relief may include but is not limited to cash, checks, vouchers, lines of credit, in-kind goods and services, and food commodities."⁴

SECTION 28. SECTION 53-3-205, MCA, IS AMENDED TO READ:

1 "53-3-205. Eligibility for general relief. (1) Except
2 as otherwise provided under this chapter, a person may
3 receive general relief if the household is determined to be
4 eligible under the provisions of this section.

5 (2) A person is eligible for general relief if his the
6 person's total household income, including presumptive
7 income but exclusive of the earned income disregard provided
8 in subsection (4), does not exceed the amount established by
9 the department by rule. The department shall establish
10 eligibility and the amount of benefits to be granted, taking
11 into account the size of the household and the estimated
12 number of eligible households. Eligibility and the amount of
13 benefits to be granted must be based-on-a-percentage set at
14 32% of the federal poverty index. ~~The--percentage---is~~
15 ~~established-in-the-state-general-appropriations-act-~~

16 (3) The ~~maximum~~ benefit amount to be granted to a
17 person new to Montana must be reduced by \$50 per month for
18 each of the first 2 months of the person's residency.

19 (4) For 4 consecutive months, the first \$30 plus
20 one-third of the remainder of the total income earned each
21 month by each household member who is a current recipient
22 must be disregarded in determining a household's eligibility
23 for general relief. If the total household income, exclusive
24 of this amount, exceeds the amount established by the
25 department under subsection (2), the household is not

1 eligible for general relief. A current recipient is one who
2 has been receiving general relief for at least 1 complete
3 calendar month.

4 (5) (a) If a person's household income exceeds the
5 monthly income standard provided in subsection (2) because
6 of receipt of lump-sum income, he the person is ineligible
7 for general relief for the full number of months, beginning
8 with the month of receipt, derived by dividing the total of
9 the lump-sum income and other income by the monthly income
10 standard. Any income remaining from this calculation ~~will be~~
11 is considered as income in the first month following the
12 period of ineligibility.

13 (b) The period of ineligibility may be recalculated if
14 the household size changes or if a portion of the lump-sum
15 income was used to pay medical bills for a serious medical
16 condition.

17 (6) All applicants for and recipients of general relief
18 who reside in the same residence are considered as one
19 household.

20 (7) Eligibility for general relief must be determined
21 prospectively, based on household income and other relevant
22 circumstances reasonably certain to exist in the month in
23 which assistance is to be provided. Once eligibility is
24 determined, general relief ~~will~~ must be provided in
25 accordance with 53-3-310 and 53-3-311.

(8) (a) Except as provided in subsection (8)(b), the equity value of all household resources must be considered available to meet the needs of the individual applying for general relief.

(b) The following resources of a household must be excluded from consideration of resources for eligibility purposes:

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

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

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

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

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

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

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

(12) A household is ineligible to receive general relief if the household is ineligible for either of the public assistance programs commonly referred to as medicaid and aid to families with dependent children because of overpayment, fraud, or failure or refusal to comply with requirements for continued participation in either program. The period of ineligibility for the household or individual household members is the same as the period of ineligibility for medicaid or the aid to families with dependent children program or, if ineligible for both programs, whichever period of ineligibility is longer.

(13) Whenever practical, an eligibility determination must be made within 30 days of the date of application and the applicant must be notified in writing of the eligibility determination and the reasons for the determination."

Section 29. Section 53-3-310, MCA, is amended to read:

"53-3-310. Scope of general relief medical assistance -- limitations. (1) General relief medical assistance is limited to ~~inpatient--and--outpatient--hospital--services,~~ physician services, laboratory services, x-ray services, and prescription drugs. Assistance may not exceed the scope or

1 duration of similar services provided under the Montana
2 medicaid program pursuant to Title 53, chapter 6, part 1,
3 and rules adopted by the department to administer the
4 program.

5 (2) General relief medical assistance in a county
6 without state-assumed welfare services must, within the
7 limitations of subsection (1), be provided in amounts
8 determined by the county welfare board.

9 (3) General relief medical assistance in counties with
10 state-assumed welfare services must, within the limitations
11 of subsection (1), be provided in amounts not to exceed
12 payments under the medicaid program. Services must be
13 limited to the least costly method of alleviating the
14 serious medical condition.

15 (4) General relief medical assistance is limited to
16 covered medical needs not met by other services or benefits
17 available to the person. Available services or benefits
18 include but are not limited to health and accident
19 insurance, veterans' benefits, industrial accident benefits,
20 medicare and medicaid benefits, and other liable third
21 parties.

22 (5) A person who is chronically ill may receive general
23 relief medical assistance for services limited to treatment
24 of a serious medical condition related to chronic illness.

25 (6) A person who has an acute medical need but who is

1 not chronically ill may receive general relief medical
2 assistance but only for services necessary to treat a
3 serious medical condition that requires immediate medical
4 attention to alleviate a serious health risk.

5 (7) A child less than 18 years of age may receive the
6 same scope and duration of services as provided under the
7 Montana medicaid program provided for in Title 53, chapter
8 6.

9 (8) A person who requires medical services in order to
10 obtain or retain employment may receive services similar to
11 those provided under the Montana medicaid program but only
12 for the duration of need.

13 (9) Except as provided in subsection (7), nothing in
14 this chapter may be construed to require the same scope of
15 medical services as provided under the Montana medicaid
16 program."

17 ~~Section 29. Section 53-3-325, MCA, is amended to read:~~

18 ~~"53-3-325. Transition-to-work allowance. (1) As an~~
19 ~~alternative to the programs and services provided in~~
20 ~~53-3-304, the county department of public welfare may pay~~
21 ~~recipients a transition-to-work allowance. This allowance~~
22 ~~may be used only for relocation expenses for recipients who~~
23 ~~have obtained employment in another county or state.~~

24 ~~(2) Notwithstanding any other provision of this~~
25 ~~chapter, a person who elects to receive the allowance~~

provided--in-subsection-(1)-is-ineligible-for-general-relief
for-a-period-of-16-months."

Section 30.--Section 53-3-326, MCA, is amended to read:--

"53-3-326.---Transportation---assistance.---The---county
department---of---public---welfare---may---provide---necessary
transportation-or-reimbursement-of-transportation-costs--for
persons--enrolled--in--job--search,--training,--workfare,--or
self-sufficiency-programs-provided-in-53-3-304."

SECTION 30. SECTION 15-10-412, MCA, IS AMENDED TO READ:

"15-10-412. Property tax limited to 1986 levels --
clarification -- extension to all property classes. Section
15-10-402 is interpreted and clarified as follows:

(1) The limitation to 1986 levels is extended to apply
to all classes of property described in Title 15, chapter 6,
part 1.

(2) The limitation on the amount of taxes levied is
interpreted to mean that, except as otherwise provided in
this section, the actual tax liability for an individual
property is capped at the dollar amount due in each taxing
unit for the 1986 tax year. In tax years thereafter, the
property must be taxed in each taxing unit at the 1986 cap
or the product of the taxable value and mills levied,
whichever is less for each taxing unit, except in a taxing
unit that levied a tax in tax years 1983 through 1985 but
did not levy a tax in 1986, in which case the actual tax

liability for an individual property is capped at the dollar
amount due in that taxing unit for the 1985 tax year.

(3) The limitation on the amount of taxes levied does
not mean that no further increase may be made in the total
taxable valuation of a taxing unit as a result of:

(a) annexation of real property and improvements into a
taxing unit;

(b) construction, expansion, or remodeling of
improvements;

(c) transfer of property into a taxing unit;

(d) subdivision of real property;

(e) reclassification of property;

(f) increases in the amount of production or the value
of production for property described in 15-6-131 or
15-6-132;

(g) transfer of property from tax-exempt to taxable
status; or

(h) revaluations caused by:

(i) cyclical reappraisal; or

(ii) expansion, addition, replacement, or remodeling of
improvements.

(4) The limitation on the amount of taxes levied does
not mean that no further increase may be made in the taxable
valuation or in the actual tax liability on individual
property in each class as a result of:

1 (a) a revaluation caused by:

2 (i) construction, expansion, replacement, or remodeling

3 of improvements that adds value to the property; or

4 (ii) cyclical reappraisal;

5 (b) transfer of property into a taxing unit;

6 (c) reclassification of property;

7 (d) increases in the amount of production or the value

8 of production for property described in 15-6-131 or

9 15-6-132;

10 (e) annexation of the individual property into a new

11 taxing unit; or

12 (f) conversion of the individual property from

13 tax-exempt to taxable status.

14 (5) Property in classes four and eleven is valued

15 according to the procedures used in 1986, including the

16 designation of 1982 as the base year, until the reappraisal

17 cycle beginning January 1, 1986, is completed and new

18 valuations are placed on the tax rolls and a new base year

19 designated, if the property is:

20 (a) new construction;

21 (b) expanded, deleted, replaced, or remodeled

22 improvements;

23 (c) annexed property; or

24 (d) property converted from tax-exempt to taxable

25 status.

1 (6) Property described in subsections (5)(a) through

2 (5)(d) that is not class four or class eleven property is

3 valued according to the procedures used in 1986 but is also

4 subject to the dollar cap in each taxing unit based on 1986

5 mills levied.

6 (7) The limitation on the amount of taxes, as clarified

7 in this section, is intended to leave the property appraisal

8 and valuation methodology of the department of revenue

9 intact. Determinations of county classifications, salaries

10 of local government officers, and all other matters in which

11 total taxable valuation is an integral component are not

12 affected by 15-10-401 and 15-10-402 except for the use of

13 taxable valuation in fixing tax levies. In fixing tax

14 levies, the taxing units of local government may anticipate

15 the deficiency in revenues resulting from the tax

16 limitations in 15-10-401 and 15-10-402, while understanding

17 that regardless of the amount of mills levied, a taxpayer's

18 liability may not exceed the dollar amount due in each

19 taxing unit for the 1986 tax year unless:

20 (a) the taxing unit's taxable valuation decreases by 5%

21 or more from the 1986 tax year. If a taxing unit's taxable

22 valuation decreases by 5% or more from the 1986 tax year, it

23 may levy additional mills to compensate for the decreased

24 taxable valuation, but in no case may the mills levied

25 exceed a number calculated to equal the revenue from

1 property taxes for the 1986 tax year in that taxing unit.

2 (b) a levy authorized under Title 20 raised less
3 revenue in 1986 than was raised in either 1984 or 1985, in
4 which case the taxing unit may, after approval by the voters
5 in the taxing unit, raise each year thereafter an additional
6 number of mills but may not levy more revenue than the
7 3-year average of revenue raised for that purpose during
8 1984, 1985, and 1986;

9 (c) a levy authorized in 50-2-111 that was made in 1986
10 was for less than the number of mills levied in either 1984
11 or 1985, in which case the taxing unit may, after approval
12 by the voters in the taxing unit, levy each year thereafter
13 an additional number of mills but may not levy more than the
14 3-year average number of mills levied for that purpose
15 during 1984, 1985, and 1986.

16 (8) The limitation on the amount of taxes levied does
17 not apply to the following levy or special assessment
18 categories, whether or not they are based on commitments
19 made before or after approval of 15-10-401 and 15-10-402:

- 20 (a) rural improvement districts;
- 21 (b) special improvement districts;
- 22 (c) levies pledged for the repayment of bonded
- 23 indebtedness, including tax increment bonds;
- 24 (d) city street maintenance districts;
- 25 (e) tax increment financing districts;

1 (f) satisfaction of judgments against a taxing unit;

2 (g) street lighting assessments;

3 (h) revolving funds to support any categories specified
4 in this subsection (8);

5 (i) levies for economic development authorized pursuant
6 to 90-5-112(4);

7 (j) levies authorized under 7-6-502 for juvenile
8 detention programs; and

9 (k) elementary and high school districts; and

10 (l) voted poor fund levies authorized under 53-2-322.

11 (9) The limitation on the amount of taxes levied does
12 not apply in a taxing unit if the voters in the taxing unit
13 approve an increase in tax liability following a resolution
14 of the governing body of the taxing unit containing:

15 (a) a finding that there are insufficient funds to
16 adequately operate the taxing unit as a result of 15-10-401
17 and 15-10-402;

18 (b) an explanation of the nature of the financial
19 emergency;

20 (c) an estimate of the amount of funding shortfall
21 expected by the taxing unit;

22 (d) a statement that applicable fund balances are or by
23 the end of the fiscal year will be depleted;

24 (e) a finding that there are no alternative sources of
25 revenue;

(f) a summary of the alternatives that the governing body of the taxing unit has considered; and

(g) a statement of the need for the increased revenue and how it will be used.

(10) (a) The limitation on the amount of taxes levied does not apply to levies required to address the funding of relief of suffering of inhabitants caused by famine, conflagration, or other public calamity.

(b) The limitation set forth in this chapter on the amount of taxes levied does not apply to levies to support:

(i) a city-county board of health as provided in Title 50, chapter 2, if the governing bodies of the taxing units served by the board of health determine, after a public hearing, that public health programs require funds to ensure the public health. A levy for the support of a local board of health may not exceed the 5-mill limit established in 50-2-111.

(ii) county, city, or town ambulance services authorized by a vote of the electorate under 7-34-102(2).

(11) The limitation on the amount of taxes levied by a taxing jurisdiction subject to a statutory maximum mill levy does not prevent a taxing jurisdiction from increasing its number of mills beyond the statutory maximum mill levy to produce revenue equal to its 1986 revenue.

(12) The limitation on the amount of taxes levied does

not apply to a levy increase to repay taxes paid under protest in accordance with 15-1-402."

NEW SECTION. SECTION 31. ALTERNATIVE PLANS. (1) THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES SHALL DEVELOP ALTERNATIVE STRUCTURES FOR THE ADMINISTRATION OF PUBLIC ASSISTANCE PROGRAMS. AT LEAST THREE ALTERNATIVE PLANS MUST BE PREPARED FOR PRESENTATION TO THE 54TH LEGISLATURE. ONE ALTERNATIVE MUST BE ADMINISTERED PRIMARILY BY EACH COUNTY, ONE ALTERNATIVE MUST BE ADMINISTERED PRIMARILY BY THE STATE, AND ONE ALTERNATIVE MUST PROVIDE FOR MULTICOUNTY ADMINISTRATION. EACH PLAN MUST INCLUDE AN ANALYSIS OF ALTERNATIVE FINANCING METHODS, INCLUDING A STATEWIDE MILL LEVY.

(2) THE DEPARTMENT DIRECTOR SHALL APPOINT AND CONSULT WITH AN ADVISORY COMMITTEE OF NOT MORE THAN 12 PERSONS IN DEVELOPING THE PLANS. THE COMMITTEE SHOULD INCLUDE REPRESENTATIVES OF THE LEGISLATURE, THE LOW-INCOME COALITION, THE HUMAN RESOURCE DEVELOPMENT COUNCILS, THE MONTANA UNITED INDIAN ALLIANCE, OTHER STATE DEPARTMENTS, COUNTY COMMISSIONERS, AND COUNTY WELFARE DIRECTORS. THE COMMITTEE SHALL SERVE WITHOUT PAY.

(3) IN PREPARING THE RECOMMENDATIONS, THE DEPARTMENT SHALL ANALYZE THE EFFECT ON PERSONS PREVIOUSLY RECEIVING GENERAL ASSISTANCE AND ON PERSONS WHO WOULD HAVE RECEIVED GENERAL ASSISTANCE PRIOR TO THE APPROVAL OF [THIS ACT]. THE

DEPARTMENT SHALL ANALYZE METHODS OF PROVIDING ASSISTANCE TO
PERSONS WHO DO NOT QUALIFY FOR FEDERAL ASSISTANCE PROGRAMS.
THE DEPARTMENT SHALL ANALYZE THE EFFECTIVENESS OF DIFFERENT
GENERAL RELIEF PROGRAMS IN THE VARIOUS COUNTIES.

NEW SECTION. Section 32. Repealer. Sections 53-2-321,
53-2-323, 53-2-821, 53-2-822, 53-3-109, 53-3-110, 53-3-112,
53-3-113, 53-3-114, 53-3-121, 53-3-122, 53-3-201, 53-3-205,
53-3-207, 53-3-208, 53-3-209, 53-3-210, 53-3-211, 53-3-212,
53-3-215, 53-3-303, 53-3-304, 53-3-305, 53-3-307, 53-3-308,
53-3-309, 53-3-310, 53-3-311, 53-3-313, 53-3-314, 53-3-318,
53-3-321, 53-3-322, 53-3-323, 53-3-324, 53-3-325, 53-3-326,
53-3-327, and 53-3-328, AND 90-4-211, MCA, are repealed.

NEW SECTION. Section 33. Codification instruction.
[Sections 1 and ~~21~~ 24] are intended to be codified as an
integral part of Title 53, and the provisions of Title 53
apply to [sections 1 and ~~21~~ 24].

NEW SECTION. Section 34. Effective dates. (1)
[Sections ~~187--197--207--and--32~~ 28, 29, 31, AND 31 32 33 and
this section] are effective on passage and approval.

(2) [Sections 1 through ~~17--20--through--27--and--29~~
~~through--31~~ 27, 30, AND 30 31 32] are effective ~~January-17~~
~~1994~~ JULY 1, 1993.

-End-