

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6959
BILL NUMBER: SB 411

DATE PREPARED: Feb 1, 2000
BILL AMENDED: Jan 31, 2000

SUBJECT: Poor Relief.

FISCAL ANALYST: Alan Gossard
PHONE NUMBER: 233-3546

**FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL**

IMPACT: Local

Summary of Legislation: (Amended) This bill requires a township trustee (trustee) to determine whether an applicant for Poor Relief has been denied assistance under a rule or regulation of the federal Food Stamp program. The bill requires a trustee to process only completed applications for Poor Relief. The bill also requires a trustee to assist an applicant in completing a Poor Relief application if the applicant has a mental or physical disability, has dyslexia, or cannot read or write the English language.

This bill also provides circumstances under which a trustee may authorize the payment of delinquent bills for certain utility services with exceptions. The bill provides that a trustee is not obligated to pay Poor Relief funds for shelter payments or damage deposits on behalf of a Poor Relief recipient to certain entities whose publicized programs include shelter assistance. This bill also allows a trustee to require individuals needing insulin to make a regular application for Poor Relief assistance before receiving free insulin a second time.

This bill also provides options to a court when the court finds an individual in contempt for violating a child support order. It also requires certain individuals to contribute financial support for a parent's burial if a trustee paid for the parent's burial.

Effective Date: July 1, 2000.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) This bill contains several provisions that potentially can reduce costs or increase reimbursements within a township's Poor Relief program. The aggregate savings that may occur in Indiana's 1,008 township Poor Relief programs can not be projected and will depend largely on individual trustee actions. The following are provisions of the bill that could impact costs or

reimbursements in a township's Poor Relief program:

Denial of Poor Relief Benefits - This provision allows a township to deny Poor Relief benefits to a person convicted of a drug offense or to a person who has been denied assistance for violation of a rule or regulation of the federal Food Stamp program.

Denial of Assistance - Current law provides that a township may not provide assistance to a person for a period for which the person was ineligible. This bill extends this provision such that another member of the person's household cannot request assistance for the period for which the original applicant was denied assistance.

Completed Application Definition - Current law requires a trustee to act on an application for Poor Relief within 72 hours of submission. This bill starts the 72 hours upon submission of a "completed" application, with "completed" being defined as an application signed by all members of the household. Since a trustee cannot begin an investigation without the signed consent of all members of a household, this will permit the investigation to begin immediately.

Work Training - This provision permits the trustee to require Poor Relief recipients to participate in work training offered by a non-profit agency as well as already permitted governmental entities.

Delinquent Utilities - This provision provides that a township is not required to pay delinquent utility bills that are more than 12 months old and that the township is only responsible for delinquent utility bills if the applicant was eligible for Poor Relief at the time the delinquencies were incurred. The bill further limits payment for delinquent utility bills to applicants who actually received the services and were legally responsible for payment. This bill also prevents a utility company from requiring townships to pay deposits.

Shelter in Government or Quasi-Government Housing - This bill would permit, but not require, a township to refuse to spend Poor Relief funds for rent or damage deposits for shelters established by government, quasi-government, or non-profit agencies.

Payment for Insulin - This bill provides that after a trustee is presented a second claim for insulin, the trustee may require the person to complete a Poor Relief application and may conduct an investigation to determine the financial need for the insulin. The township shall continue to furnish insulin until the trustee completes an investigation and determines the individual's ability to pay. (Current law provides that, if a doctor certifies that the Poor Relief applicant is unable to pay for the insulin, the trustee must provide payment.)

Child Support - This provision allows a court to order that a township may receive child support payments if the custodial parent has received Poor Relief for the children. The bill also provides that, if a custodial parent recovers child support pursuant to a contempt order, a township could recover Poor Relief provided or could order the person paying support to perform workfare.

Burial Liability - Current law provides that a person who was financially supported by their parents until age 16 becomes responsible for the support of their parents if they are financially able to pay those costs. This bill adds to that requirement the financial duty to provide for the parents' burial, in lieu of township assistance.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Townships

Information Sources: Steve Buschmann, (Buschmann, Carr, and Shanks) (317) 636-5511.