EXHIBIT 3
DATE 2-8-05
HB 327

House Bill 327 - Representative George Grossbeck
January 26, 2005

The Silicosis Act, passed in 1937, pays benefits to people who are disabled and unable to return to work because of work-related Silicosis. "Silicosis" is defined as a fibrotic condition of the lungs due to the inhalation of silica dust.

The 1937 silicosis laws were managed by the Department of Public Welfare until June 1961, when the Legislature transferred administration to the Division of Workers' Compensation. The program has been administered by the Employment Relations Division, Department of Labor and Industry since 1990.

If a claimant is receiving payments under the Occupational Disease Act of Montana, which are less in the aggregate than $200, then the claimant is entitled to payment under this chapter of the difference between the amount received under The Occupational Disease Act of Montana, and $200 per month. (1981 amendment increased the amount from $175 to $200.)

To be eligible for silicosis benefits, the disease must result in total disability, rendering it impossible for the applicant to follow continuously any substantially gainful occupation. The term "gainful occupation" shall not be construed to mean occasional or intermittent light employment but shall mean any person having an income from any source exceeding $150 per month.

The second eligibility requirement is that the applicant must have resided in the State of Montana for ten years immediately preceding the date of application.

Another requirement is that the applicant will not be eligible for silicosis benefits if he is receiving, with respect to any month, compensation under the Occupational Disease Act of Montana which equals the sum of $200.

The 1975 Legislature made provisions for the surviving spouses of deceased silicotics who died prior to March 14, 1974. The benefit amount was set at one-half of the benefits paid to the silicotic. Prior to that time, surviving spouses received no benefits. Payments to surviving spouses of deceased silicotic who died after March 14, 1974 was set at the same benefit level as the silicotic was receiving.

Benefit Levels

	Silicotics & surviving spouses	Eligible spouses*
1974-1983	$175	$ 87.50
1984-1990	$200	$100
1991-2000	$225	$125
2001- current	$250	$150

*Recipients deceased prior to March 14, 1974

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History of Silicosis Payments:

1941: Any person who has silicosis and is entitled to payment is granted $30 per month subject to appropriation. Total payments shall not exceed thirty dollars per month, exclusive of any grants made by Congress.

1945: If the person receiving payment is in a public institution then the payment of $30 per month goes to the wife and children. If the person receiving payment is also receiving worker's compensation, then the amount of the $30 payment is reduced by the amount of worker's compensation received.

1947: The payment amount is increased to $40 per month.

1949: Gainful employment is defined and the payment amount is increased to $50 per month.

1953: Further defines "public institution" by including the term "public medical institution", and excludes institutions for mental diseases.

1955: Adds a limitation on income from other sources to $150 per month. Further defines mental diseases. The payment amount is increased to $65 per month.

1961: The payment amount is increased to $75 per month. Administration of the program is transferred to the Industrial Accident Board.

1965: The payment amount is increased to $90 per month.

1967: Allows for larger payment and worker's compensation offset – increased combined payment limit to $125 per month from silicosis fund and worker's compensation.

1969: Allows for larger payment and worker's compensation offset – increased combined payment limit to $140 per month from silicosis fund and worker's compensation.

1971: Allows for larger payment and worker's compensation offset – increased combined payment limit to $158.50 per month from silicosis fund and worker's compensation. Redefines "gainful occupation" and changes wife and children to "beneficiary".

1973: Allows for larger payment and worker's compensation offset – increased combined payment limit to $175 per month from silicosis fund and worker's compensation.

1974: Upon the death of a person receiving silicosis benefits the surviving spouse, as long as the spouse remains unmarried, is entitled to receive the payments.

1975: If the person receiving silicosis benefits died prior to March 14, 1974 the spouse is eligible to begin receiving half of the payments; but is not eligible to receive payments if the beneficiary's taxable income is $6,800 or more per year.

1981: Changes references to worker's compensation to Occupational Disease Act of Montana and allows for larger payment and compensation offset – increased combined payment limit to $200 per month from silicosis fund and other funds.

1989: Changes references to the Department of Labor and Industry. The department may appoint a representative payee to apply for and receive payment of silicosis benefits on behalf of an eligible person or beneficiary.

2001: Allows for larger payment and compensation offset – increased combined payment limit to $250 per month from silicosis fund and other funds.

DEPARTMENT OF LABOR AND INDUSTRY
EMPLOYMENT RELATIONS DIVISION
STATE OF MONTANA
P.O. BOX 8011
HELENA, MT 59604-8011

01/13/2005

Silicosis Claimants By County

COUNTY	COUNT
Beaverhead	1
Cascade	2
Granite	1
Jefferson	1
Lewis and Clark	3
Madison	1
Missoula	1
Out of State	9
Silver Bow	22
Yellowstone	3
TOTAL:	**44**

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Silicosis Claimants By State

STATE	COUNT
AZ	1
CA	3
CO	2
ID	1
MT	35
NM	1
WA	1
TOTAL:	44

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Silicosis Claimant Percentages

Review Year 2003

Handles Own Affairs	81.82%
Living In Montana	79.55%
Living In Nursing Home	20.45%
Over Age 70	93.18%
Living In Silver Bow	50.00%

State of Montana

Department of Labor & Industry

Judy Martz, Governor

Employment Relations Division

WC Regulation Bureau
Administration

September 16, 2004

SILICOSIS STATISTICS AND MONTHLY PAYMENTS

Total Recipients = 44
- Actual Claimants = 7
- Widows = 37

Monthly Expenditure = $10,600
- $250 Beneficiaries = 40 @ $10,000
- $150 Beneficiaries = 4 @ $600

Montana Residents = 81.82%
Butte Residents = 52.27%
Out of State = 8 Recipients

Ages
51-60 = 1
61-70 = 2
71-80 = 8
81-90 = 22
91-99 = 9
100 and Over = 2

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