

HB 449 Training

Value of Employer-Furnished Housing

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EMPLOYMENT RELATIONS DIVISION



Montana Department of
LABOR & INDUSTRY

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Value of Employer Furnished Housing

Lodging, Rent or Housing Set by Administrative Rule

In 2017 The Montana Legislature changed the definition of wages for the purposes of Workers Compensation related to lodging, rent, or housing if it constitutes part of the employee's remuneration. The legislature's intent is to provide certainty for employees, employers, and insurers and reduce the previous confusion that occurred. The definition now includes lodging, rent, or housing, if it constitutes a part of the employee's remuneration and is based on a value as set by administrative rule.

39-71-123 Wages Defined

(1) "Wages" means all remuneration paid for services performed by an employee for an employer, or income provided for in subsection (1)(d). Wages include the cash value of all remuneration paid in any medium other than cash. The term includes but is not limited to:

(g) lodging, rent, or housing if it constitutes part of the employee's remuneration and is based on a value as set by administrative rule. The values set by administrative rule must address the general geographic proximity to available housing and may consider other reasonable factors that affect value.

The Department of Labor and Industry has adopted a new rule to implement the legislature's intent.

24.29.721 Value of Employer-Furnished Housing

(1) For the purposes of this rule, the following definitions apply:

Related Links

[House Bill 449](#)

[Wages Defined](#)

[Value of Employer Furnished](#)

[Comments & Department Responses](#)

[WC Housing, Rent or Lodging Rates](#)

[Employer Furnished Housing Training](#)



MONTANA STATUTE

39-71-123. Wages defined.

~~(e) board, lodging, rent, or housing if it constitutes a part of the employee's remuneration and is based on its actual value; and~~

- ~~(f) (e) payments made to an employee on any basis other than time worked, including but not limited to piecework, an incentive plan, or profit-sharing arrangement;~~
- (f) board if it constitutes a part of the employee's remuneration and is based on its actual value; and
- (g) lodging, rent, or housing if it constitutes part of the employee's remuneration and is based on a value as set by administrative rule. The values set by administrative rule must address the general geographic proximity to available housing and may consider other reasonable factors that affect value.



Rule Development Process

May 2017 - House Bill 449 Signed into law

June/July 2017 - Department & Bill Sponsor Communications

July 2017 - Department & Stakeholder Communications

July/August 2017 - Initial Rule Idea Development

August 2017 - Present Initial Rule Idea to LMAC

Sept. 2017 - Rule Idea Modifications & Additional Research

Oct. 2017 - Present Modified Rule Idea to LMAC

Nov 2017 - Informal Feedback Requested of Stakeholders

Dec. 2017 – Proposed Rule Filed with Secretary of State

Jan. 2018 – Rule Hearing & Comment period

March 2018 – Notice of Adoption

April 1, 2018 – Rule Effective

Administrative Rule

24.29.721. ARM Value of Employer Furnished Housing

(1) For the purposes of this rule, the following definitions apply:

(a) "Agricultural employer" means an employer whose operations are assigned to an agricultural classification code for workers' compensation purposes. The term is intended to be consistent with the definition of agriculture provided by 15-1-101, MCA.

(b) "Bedroom" means a room in a dwelling that is **primarily used for sleeping**.

(c) "Dwelling" means a building equipped for human habitation.

(d) "Zero bedrooms" means a dwelling that is an **efficiency, dormitory, or a bunkhouse**.

24.29.721. ARM Value of Employer Furnished Housing, Continued

(2) For the purposes of calculating wages pursuant to 39-71-123, MCA, the monthly fair rental value, in U.S. dollars, for housing is established for each county in Montana as specified in the publication entitled "**Montana Workers Compensation Housing, Rent or Lodging Monthly Rates.**"

(a) The publication is available online via the department's website, <http://erd.dli.mt.gov>.

(b) A printed copy of the publication is available to the public at no cost, upon request to the department's employment relations division

24.29.721. ARM Value of Employer Furnished Housing, Continued

(3) In recognition of Montana's rural nature and expansive landscape, and the fact that housing supplied by an agricultural employer is likely to be remotely situated and distant from communities with an established rental housing market, **housing furnished by an agricultural employer is discounted by 50%** of the fair rental value for housing established in (2) of this rule, for the county in which the dwelling is located.

(4) If an individual is not currently using the room for sleeping, it is not considered a bedroom for the purpose of this rule.

(5) The provisions of this rule apply to housing furnished any worker.

Agricultural Employer

MCA 15-1-101. Definitions. (1) Except as otherwise specifically provided, when terms mentioned in this section are used in connection with taxation, they are defined in the following manner:

(a) The term "agricultural" refers to:

- (i) the production of food, feed, and fiber commodities, livestock and poultry, bees, biological control insects, fruits and vegetables, and sod, ornamental, nursery, and horticultural crops that are raised, grown, or produced for commercial purposes; and
- (ii) the raising of domestic animals and wildlife in domestication or a captive environment.

Bedroom, Primary Use

A bedroom is a room primarily used for sleeping.

Zero Bedroom

Efficiency, Dormitory or a Bunkhouse

Includes:

- Efficiency, a single room that provides a living area, also referred to as a studio apartment
- Dormitory, a single room with shared common areas such as kitchen, bathroom, sitting areas
- Bunkhouse, a single room that provides an area for sleeping that is shared by multiple persons



Montana Workers' Compensation Housing, Rent, or Lodging Rates
 For the purposes of calculating wages pursuant to 39-71-123 (1)(g) MCA,
 Source: HUD 2018

Locality Name	Zero-Bedroom	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Beaverhead County	\$493	\$567	\$697	\$935	\$1,228
Big Horn County	\$530	\$564	\$750	\$949	\$1,128
Blaine County	\$493	\$607	\$697	\$889	\$949
Broadwater County	\$568	\$605	\$804	\$1,008	\$1,333
Carbon County	\$597	\$708	\$936	\$1,308	\$1,594
Carter County	\$493	\$550	\$697	\$976	\$1,155
Cascade County	\$564	\$568	\$755	\$1,058	\$1,304
Chouteau County	\$493	\$586	\$697	\$943	\$949
Custer County	\$493	\$548	\$697	\$997	\$1,000
Daniels County	\$496	\$553	\$701	\$1,020	\$1,162
Dawson County	\$493	\$607	\$697	\$874	\$1,054
Deer Lodge County	\$493	\$607	\$697	\$947	\$1,228
Fallon County	\$493	\$607	\$697	\$954	\$1,155
Fergus County	\$545	\$594	\$771	\$967	\$1,278
Flathead County	\$564	\$668	\$835	\$1,215	\$1,401
Gallatin County	\$651	\$715	\$928	\$1,347	\$1,634
Garfield County	\$493	\$550	\$697	\$925	\$1,155
Glacier County	\$535	\$545	\$697	\$874	\$1,024
Golden Valley County	\$596	\$707	\$935	\$1,306	\$1,591
Granite County	\$534	\$568	\$756	\$948	\$1,253
Hill County	\$544	\$548	\$697	\$905	\$1,130
Jefferson County	\$638	\$679	\$903	\$1,132	\$1,497
Judith Basin County	\$493	\$607	\$697	\$945	\$1,155
Lake County	\$489	\$650	\$752	\$1,048	\$1,153
Lewis and Clark County	\$594	\$700	\$889	\$1,293	\$1,531
Liberty County	\$546	\$550	\$697	\$976	\$1,155
Lincoln County	\$493	\$566	\$697	\$920	\$1,228
Madison County	\$690	\$710	\$815	\$1,029	\$1,110
McCone County	\$493	\$550	\$697	\$874	\$1,155
Meagher County	\$507	\$566	\$717	\$1,024	\$1,189
Mineral County	\$493	\$550	\$697	\$1,014	\$1,155
Missoula County	\$662	\$735	\$925	\$1,346	\$1,629
Musselshell County	\$540	\$620	\$824	\$1,033	\$1,366
Park County	\$575	\$677	\$901	\$1,133	\$1,494
Petroleum County	\$568	\$634	\$804	\$1,126	\$1,333
Phillips County	\$493	\$550	\$697	\$976	\$1,228
Pondera County	\$493	\$607	\$697	\$1,014	\$1,228
Powder River County	\$497	\$529	\$703	\$881	\$1,165
Powell County	\$493	\$607	\$697	\$1,014	\$1,155
Prairie County	\$493	\$550	\$697	\$976	\$1,155
Ravalli County	\$552	\$587	\$781	\$1,123	\$1,357
Richland County	\$585	\$652	\$827	\$1,037	\$1,457
Roosevelt County	\$493	\$534	\$697	\$963	\$1,007
Rosebud County	\$493	\$607	\$697	\$885	\$1,083
Sanders County	\$526	\$574	\$697	\$901	\$1,089
Sheridan County	\$493	\$607	\$697	\$904	\$1,086
Silver Bow County	\$581	\$629	\$783	\$982	\$1,066
Stillwater County	\$517	\$569	\$732	\$1,057	\$1,286
Sweet Grass County	\$553	\$617	\$782	\$1,101	\$1,296
Teton County	\$485	\$572	\$761	\$954	\$1,340
Toole County	\$493	\$607	\$697	\$952	\$1,228
Treasure County	\$568	\$634	\$803	\$1,125	\$1,331
Valley County	\$493	\$561	\$697	\$874	\$949
Wheatland County	\$493	\$550	\$697	\$976	\$1,155
Wibaux County	\$568	\$634	\$804	\$1,126	\$1,333
Yellowstone County	\$597	\$708	\$936	\$1,308	\$1,594

Rate

Rate identified by County and Number of Bedrooms



HOUSING, RENT, OR LODGING RATES

The Department adopted housing rates based on the U.S Department of Housing and Urban Development's Fair Market Rent standards.



Agricultural Discount

Housing supplied by an agricultural employer is likely to be remotely situated and distant from communities with an established rental housing market.

Housing furnished by an agricultural employer is discounted by fifty percent.

Rooms Not Used For Sleeping

If an individual is not currently using the room for sleeping, it is not considered a bedroom.

Applicability

The values set by administrative rule apply to all employees.

Examples:

Beaverhead County

Housing is a 2-bedroom house provided in Lima, MT by an employer in agriculture. The value adopted for Beaverhead County for a 2-bedroom house is \$697 monthly. Because the employer is in agriculture the administrative value of that housing is discounted by 50% for a value of \$349 monthly.

If only 1-bedroom is primarily used for sleeping, the HUD FMRs for the house is based on one-bedroom, \$567 monthly. The administrative value of this house becomes \$284 monthly.

Montana Workers' Compensation Housing, Rent, or Lodging Rates
For the purposes of calculating wages pursuant to 39-71-123 (1)(g) MCA,
Source: HUD 2018

Locality Name	Zero- Bedroom	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Beaverhead County	\$493	\$567	\$697	\$935	\$1,228
Big Horn County	\$530	\$564	\$750	\$949	\$1,128
Blaine County	\$493	\$607	\$697	\$889	\$949
Broadwater County	\$568	\$605	\$804	\$1,008	\$1,333
Carbon County	\$597	\$708	\$936	\$1,308	\$1,594
Carter County	\$493	\$550	\$697	\$976	\$1,155
Cascade County	\$564	\$568	\$755	\$1,058	\$1,304
Chouteau County	\$493	\$586	\$697	\$943	\$949
Custer County	\$493	\$548	\$697	\$997	\$1,000
Daniels County	\$496	\$553	\$701	\$1,020	\$1,162
Dawson County	\$493	\$607	\$697	\$874	\$1,054
Deer Lodge County	\$493	\$607	\$697	\$947	\$1,228
Fallon County	\$493	\$607	\$697	\$954	\$1,155
Fergus County	\$545	\$594	\$771	\$967	\$1,278
Flathead County	\$564	\$668	\$835	\$1,215	\$1,401
Gallatin County	\$651	\$715	\$928	\$1,347	\$1,634
Garfield County	\$493	\$550	\$697	\$925	\$1,155

Gallatin County

Housing is a 4-bedroom house shared by four employees provided in Big Sky, MT during the ski season by an employer in the travel/tourism industry. This house is used like a dormitory or bunk house. The administrative value for this housing is \$651 monthly.

Yellowstone County

Housing is a 3-bedroom house provided in Billings MT by an employer in the healthcare industry. The administrative value of that housing is set at \$1,308 monthly.

**Montana Workers' Compensation Housing, Rent, or Lodging Rates
For the purposes of calculating wages pursuant to 39-71-123 (1)(g) MCA,
Source: HUD 2018**

Locality Name	Zero- Bedroom	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Beaverhead County	\$493	\$567	\$697	\$935	\$1,228
Big Horn County	\$530	\$564	\$750	\$949	\$1,128
Blaine County	\$493	\$607	\$697	\$889	\$949
Broadwater County	\$568	\$605	\$804	\$1,008	\$1,333
Carbon County	\$597	\$708	\$936	\$1,308	\$1,594
Carter County	\$493	\$550	\$697	\$976	\$1,155
Cascade County	\$564	\$568	\$755	\$1,058	\$1,304
Chouteau County	\$493	\$586	\$697	\$943	\$949
Custer County	\$493	\$548	\$697	\$997	\$1,000
Daniels County	\$496	\$553	\$701	\$1,020	\$1,162
Dawson County	\$493	\$607	\$697	\$874	\$1,054
Deer Lodge County	\$493	\$607	\$697	\$947	\$1,228
Fallon County	\$493	\$607	\$697	\$954	\$1,155
Fergus County	\$545	\$594	\$771	\$967	\$1,278
Flathead County	\$564	\$668	\$835	\$1,215	\$1,401
Gallatin County	\$651	\$715	\$928	\$1,347	\$1,634
Garfield County	\$493	\$550	\$697	\$925	\$1,155
Glacier County	\$535	\$545	\$697	\$874	\$1,024
Golden Valley County	\$596	\$707	\$935	\$1,306	\$1,591
Granite County	\$534	\$568	\$756	\$948	\$1,253



Phillips County	\$493	\$550	\$697	\$976	\$1,228
Pondera County	\$493	\$607	\$697	\$1,014	\$1,228
Powder River County	\$497	\$529	\$703	\$881	\$1,165
Powell County	\$493	\$607	\$697	\$1,014	\$1,155
Prairie County	\$493	\$550	\$697	\$976	\$1,155
Ravalli County	\$552	\$587	\$781	\$1,123	\$1,357
Richland County	\$585	\$652	\$827	\$1,037	\$1,457
Roosevelt County	\$493	\$534	\$697	\$963	\$1,007
Rosebud County	\$493	\$607	\$697	\$885	\$1,083
Sanders County	\$526	\$574	\$697	\$901	\$1,089
Sheridan County	\$493	\$607	\$697	\$904	\$1,086
Silver Bow County	\$581	\$629	\$783	\$982	\$1,066
Stillwater County	\$517	\$569	\$732	\$1,057	\$1,286
Sweet Grass County	\$553	\$617	\$782	\$1,101	\$1,296
Teton County	\$485	\$572	\$761	\$954	\$1,340
Toole County	\$493	\$607	\$697	\$952	\$1,228
Treasure County	\$568	\$634	\$803	\$1,125	\$1,331
Valley County	\$493	\$561	\$697	\$874	\$949
Wheatland County	\$493	\$550	\$697	\$976	\$1,155
Wibaux County	\$568	\$634	\$804	\$1,126	\$1,333
Yellowstone County	\$597	\$708	\$936	\$1,308	\$1,594



Rosebud County

Housing is a 4-bedroom house provided near Forsyth MT by an employer in agriculture. The administrative value for this housing is \$1,083 monthly. The agricultural discount reduces the administrative value to \$542 monthly.

If However, only two of the four bedrooms are primarily used for sleeping. The administrative value of that house is \$697 monthly. The agricultural discount reduces the administrative value to \$349 monthly.

Lincoln County	\$493	\$566	\$697	\$920	\$1,228
Madison County	\$690	\$710	\$815	\$1,029	\$1,110
McCone County	\$493	\$550	\$697	\$874	\$1,155
Meagher County	\$507	\$566	\$717	\$1,024	\$1,189
Mineral County	\$493	\$550	\$697	\$1,014	\$1,155
Missoula County	\$662	\$735	\$925	\$1,346	\$1,629
Musselshell County	\$540	\$620	\$824	\$1,033	\$1,366
Park County	\$575	\$677	\$901	\$1,133	\$1,494
Petroleum County	\$568	\$634	\$804	\$1,126	\$1,333
Phillips County	\$493	\$550	\$697	\$976	\$1,228
Pondera County	\$493	\$607	\$697	\$1,014	\$1,228
Powder River County	\$497	\$529	\$703	\$881	\$1,165
Powell County	\$493	\$607	\$697	\$1,014	\$1,155
Prairie County	\$493	\$550	\$697	\$976	\$1,155
Ravalli County	\$552	\$587	\$781	\$1,123	\$1,357
Richland County	\$585	\$652	\$827	\$1,037	\$1,457
Roosevelt County	\$493	\$534	\$697	\$963	\$1,007
Rosebud County	\$493	\$607	\$697	\$885	\$1,083
Sanders County	\$526	\$574	\$697	\$901	\$1,089
Sheridan County	\$493	\$607	\$697	\$904	\$1,086
Silver Bow County	\$581	\$629	\$783	\$982	\$1,066
Stillwater County	\$517	\$569	\$732	\$1,057	\$1,286



Discussion

FOR MORE INFORMATION:

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