

The Saeima has adopted and the President of State hereby promulgates the Law

## **On Social Assistance**

### **Section I**

#### **General Provisions**

##### ***Article 1. Terms used for the purposes of the Law***

The following terms are used in the Law:

- 1) supporter - a person whose duty it is to take care of his/her spouse, children, grandchildren, parents or grandparents in accordance with the Civil Law;
- 2) homeless person - a person who has no place of residence;
- 3) material aid - cash payments and benefits in kind;
- 4) claimant- a person who personally or through the mediation of an authorised person has submitted a written claim to the respective state or municipal institution to receive a state social benefit or a municipal social benefit;
- 5) beneficiary - a person who has been granted a state social benefit or a municipal social benefit;
- 6) persons of pension age - persons who according to legislation have reached the qualifying age which entitles them to receive an old age pension;
- 7) social care - the provision of care services to persons who have objective difficulties in taking care of themselves;
- 8) social rehabilitation - a set of measures aimed at the restoration and improvement of person's ability of social functioning, the restoration of his/her social status and integration into society, it involves restoration of his/her physical, intellectual, psychological and professional capabilities.

##### ***Article 2. The objective of the Law***

The objective of the Law is to establish the types of state social benefits and social assistance, the scope of persons to be entitled to receive social benefits and social assistance, as well as the responsibilities of the state and the local authorities in the field of the provision of social assistance.

##### ***Article 3. Social assistance***

- (1) A person who is not capable of taking care of himself/herself or overcoming special hardships of life and who does not receive sufficient assistance from anybody else shall have the right to a personal and material aid which corresponds to the needs of the respective person, provides possibilities of self-assistance and facilitates his/her integration into society.

(2) The main types of social assistance are social care, material aid and social rehabilitation.

#### ***Article 4. The objective of social assistance***

The objective of social assistance is to assesses the financial and other resources of to each individual applicant and, if it proves to be necessary, to improve the economic and social status of the respective person and guarantee the minimum income level approved by the Cabinet of Ministers.

#### ***Article 5. Persons entitled to receive social assistance***

(1) Entitled to social assistance shall be the citizens of Latvia, non-citizens and foreigners who have received their personal identification code, except for persons who have received temporary residence permits.

(2) Persons specified in Paragraph 1 hereof who have resided in the Republic of Latvia for the last 12 consecutive months, but no less than for a total period of 60 months shall be entitled to receive a state social security benefit.

(3) All persons specified in Paragraph 1 hereof shall be entitled to receive a child-birth grant, a child-care benefit and a state family benefit, provided their children have received their personal identification code.

(4) All persons specified in Paragraph 1 hereof shall be entitled to receive a local authority social assistance benefit irrespective of the period of residence in the Republic of Latvia.

#### ***Article 6. Duties of the State in Provision of Social Assistance.***

The State shall have the following responsibilities:

- 1) to ensure state social benefits and national programmes;
- 2) to ensure the share of state funding in local authority social benefits;
- 3) to support children whose parents are unknown;
- 4) to establish and maintain state centres for vocational training and professional rehabilitation of persons with disabilities;
- 5) to establish and maintain the following state social care institutions:
  - a) homes for mentally handicapped children;
  - b) homes for mentally handicapped persons;
  - c) homes and centres for visionally impaired adults;
  - d) care centres for orphans;
  - e) other specialised centres;

6) to ensure social assistance to homeless persons if there is no evidence of their last place of residence.

7) *Deleted in accordance with the Law of 25.11.99.*

8) To provide a possibility to receive social rehabilitation services for children who have suffered from violence.

*(Amendments to the Law as of 14.10.98 and 25 11.99, effective as of 29.12.99)*

#### ***Article 7. Responsibilities of the local authorities in providing social assistance***

(1) It shall be the responsibility of rural district and regional town municipalities to ensure the following:

- 1) assessment of family income and property;
- 2) payment of municipal social assistance benefits;
- 3) municipal social assistance to orphans and abandoned children;
- 4) home care for the persons in pension age, as well as mentally and physically handicapped persons;
- 5) establishment and maintenance of day care centres for the persons in pension age;
- 6) social rehabilitation for persons discharged from confinement whose last place of residence prior to the confinement has been the administrative territory of the respective municipality;
- 7) social rehabilitation of persons suffering from alcohol-addiction or drug-addiction.

(2) It shall be the responsibility of the regional local authorities to ensure the establishment and maintenance of the following institutions:

- 1) care institutions for children-orphans and abandoned children;
- 2) asylums for the homeless;
- 3) residential homes for the elderly;
- 4) social rehabilitation day centres for disabled children by providing integrated services as much as possible;
- 5) regional day care centres for mentally handicapped persons;
- 6) rehabilitation day centres for physically handicapped persons;

- 7) specialised workshops for mentally handicapped persons and visionally impaired persons;
  - 8) service flats for persons who are in need of special care.
- (3) It shall be the responsibility of the city local authorities to carry out all functions set by Paragraphs 1 and 2 hereof.
- (4) It shall be the responsibility of local authorities to expand the provision of social assistance services to the inhabitants within the limits of their possibilities.
- (5) In accordance with the law "On Local Authorities" the local authorities may assume social assistance functions of another local authority on the basis of a mutual agreement.

## **Section II**

### **Procedure for the provision of social assistance services**

#### ***Article 8. Local authority social assistance office***

- (1) Each local authority shall establish a social assistance office with the purpose of the provision of social assistance. The local authority which establishes the social assistance office shall determine its organisational structure.
- (2) The social assistance office shall have the right to receive the necessary data on the applicant and the beneficiary of social assistance from state and local authority institutions free of charge.

#### ***Article 9. Social assistance services and their provision***

- (1) Social assistance services are services, as well as cash payments and benefits in kind which are provided to the inhabitants by institutions established by the state and local authorities and other physical persons and legal entities.
- (2) Social assistance services are provided at social assistance institutions or at home.

#### ***Article 10. Social assistance institutions***

- (1) The main direction of the activities of social assistance institutions shall be the provision of social assistance services.
- (2) The responsibilities of the state and local authorities with respect to the establishment and maintenance of social assistance institutions are stipulated in Articles 6 and 7 hereof.
- (3) The activities of social assistance institutions which are maintained by the state shall be supervised and monitored by the Ministry of Welfare. The activities of social assistance institutions which are maintained by local authorities shall be supervised and monitored by the local authority which has established the respective institutions in accordance with the standards set by the Ministry of Welfare.
- (4) The local authorities shall have the right to conclude contracts with physical persons and legal entities on the establishment of social assistance institutions. The Ministry of Welfare shall issue licences for the establishment and operation of such institutions.

### ***Article 11. Home care***

(1) The local authority shall provide home care to the persons who have objective difficulties in taking care of themselves:

- 1) persons of pension age;
- 2) mentally or physically handicapped persons.

2) The local authority shall have the right to conclude contracts with physical persons and legal entities on the provision of home care to the persons specified in Paragraph 1 hereof.

### ***Article 12. The local authority which provides social assistance to the individual***

(1) Social assistance to the person shall be provided by the local authority of the respective administrative territory where is the place of residence of this person.

(2) If the person has changed his/her place of residence during the last 12 months, social assistance shall be provided by the local authority where the person has lived for the longest period during the last 12 months. The period which the person has spent in compulsory military service, health-care institutions, educational establishments or in confinement shall be regarded as spent in the preceding place of residence.

(3) Person who in accordance with Paragraph 1 or 2 hereof is entitled to receive social care from the respective local authority shall be regarded as falling in the competence of the particular local authority.

(4) In cases of emergency the local authority shall also provide social assistance to persons if another local authority is the competent local authority.

### ***Article 13. Reimbursement of costs for the provision of social assistance***

(1) The local authority which in compliance with the Law has provided social assistance to a person falling in the competence of another local authority at its own expense, shall be entitled to receive reimbursement from the respective local authority for the rendered social assistance.

(2) The local authority which is entitled to reimbursement shall immediately inform the other local authority to which is the competent one about the rendered social assistance. If the reimbursement is not claimed within the three months following the day when the provision of assistance has commenced, the respective local authority shall lose its right to reimbursement.

### ***Article 14. Procedure for the financing of social assistance services***

(1) It shall be the obligation of the person or his/her supporter to pay for the received social assistance services. The person's or his/her supporters ability to cover the costs shall be assessed in accordance with the procedure approved by the Cabinet of the Ministers.

(2) In the event the individual or his/her supporter is unable to pay for the received social assistance services, the payment shall be made from the state or local authority funds in accordance with the procedure approved by the Cabinet of Ministers.

***Article 15. Procedure in accordance with which the decisions on provision of social assistance and granting and disbursement of the state social benefits are to be appealed.***

- (1) A complaint about provision of social assistance by the decision of municipality if it is financed from the state funds may be submitted to the Social Assistance Fund.
- (2) A complaint about the decision of the branch of the State Social Insurance Agency on granting and disbursement of the state social benefit may be submitted to the State Social Insurance Agency.
- (3) Disputes about implementation of rights anticipated by this law are to be reviewed in the court in accordance with the law.

*(Amendments to the Law as of 14.10.98, effective as of 17.11.98)*

### **Section III**

#### **State social benefits**

***Article 16. Types of the State Social Benefits***

- (1) The state social benefits paid on a regular basis shall be as follows:

- 1) state social security benefit;
- 2) child care benefit;
- 3) family state benefit;
- 4) compensation to the guardian for taking care of a child;
- 5) allowance for the execution of the guardian's duties;
- 6) allowance for the compensation of transportation expenses for disabled with mobility.
- 7) remuneration for fulfilling the function of a foster family.

- 8) *(Deleted in accordance with the Law of 17.12.98 entering in force starting with 01.01.99)*

- (2) Single state social benefits shall be as follows:

- 1) child-birth grant;
- 2) funeral benefit;

- (3) In accordance with article 31 of this law the state is to provide individual assistance by providing money and material (money or in-kind) benefit for a concrete purpose.

*(Amendments to the Law as of 20.11.97 and 14.10.98, effective as of 17.11.98)*

***Article 17. The Amount of the State Social Benefit***

(1) The Cabinet of Ministers shall determine the amount of the state social benefit unless set otherwise by the law and the procedure for granting the state social benefit.

(2) The Cabinet of Ministers shall establish the amount of child care benefit for a child under 18 months and for a child from 18 months to 3 years of age.

(3) *(Deleted in accordance with the Law of 17.12.98 entering in force starting with 01.01.99)*

(4) *(Deleted in accordance with the Law of 17.12.98 entering in force starting with 01.01.99)*

(5) The Cabinet of Ministers shall determine the family state benefit for children who were born till January 1 1999 for the families with one child. This benefit for the second child in the family shall be 1.2 times bigger, for the third child – 1.6 times bigger but for the fourth child and the next children – 1.8 times bigger.

(6) The family state benefit for children who were born as of January 1 1999 and later shall be 20 percent of the state social security benefit for families with one child. This benefit for the second child in the family shall be 1.2 times bigger for the third child – 1.6 times bigger but for the fourth and next children – 1.8 times bigger.

(7) *(Deleted in accordance with the Law of 30.11.2000 entering in force starting with 01.01.2001)*

*(Amendments to the Law as of 14.10.98, Law as of 17.12.98, Law as of 25.11.99 and 30.11.2000, effective as of 01.01.2001)*

### ***Article 18. The State Social Security Benefit***

(1) The state social security benefit shall be granted to the persons who shall not be entitled to receive the state pension if a person:

1) shall not be in legal employment or service relations and for five years shall exceed the age upon which the old age pension is to be granted. The state social security benefit for these persons shall be granted for a life time.

2) has been recognised as disabled and is over 16 years of age. These persons shall be granted the state social security benefit for the whole period of disability.

3) has not come of age, has lost one or both supporters and is not married. These persons shall be granted the state social security benefit until they come of age.

(2) For a person receiving a pension from another country, if the pension amount is below the amount of the state social security benefit, the state social security benefit shall be reduced for the pension amount granted by the other country.

(3) A person receiving a pension from another country equal to or exceeding the state social security benefit amount, shall not be entitled to the state social security benefit.

(4) In the event the beneficiary leaves the Republic of Latvia for permanent residence abroad, the payment of the state social security benefit shall be terminated. Prior to departure the benefit shall be paid for the subsequent two months.

*(Amendments to the Law as of 23.05.96, Law as of 20.11.97, Law as of 14.10.98, Law as of 17.12.98 and 25.11.99, effective as of 29.12.99)*

#### ***Article 19. Child-care benefit***

(1) The child-care benefit shall be granted to persons who take care of a child under three years of age, provided these individuals do not receive the maternity benefit from the state social insurance system and are not employed fulltime or are employed part-time.

(2) The amount of child-care benefit shall not be related to the number of children.

*(Amendments to the Law as of 14.10.98, effective as of 17.11.98)*

#### ***Article 20. State family benefit***

(1) The state family benefit shall be granted to persons who are bringing up a child.

(2) The state family benefit shall be granted for each child who:

1) is under 15 years of age;

2) shall be older than 15 years, shall attend the general educational school and shall not be married. In this case the benefit is to be granted for the period while a child shall attend school but no longer than till the day a child shall be 20 years old;

(3) If the state family benefit is granted to a disabled child under 16 years of age, a supplement shall be added to the benefit in the amount established by the Cabinet of Ministers.

*(Amendments to the Law as of 25.11.99, effective as of 29.12.99)*

#### ***Article 21. Compensation to the guardian***

(1) An allowance to the guardian for supporting a child shall be granted to the person who has been appointed as the guardian in accordance with the procedure set by legislation. This compensation shall be granted for each child who lives in the guardian's family. To a guardian, who is a direct line relative brother or sister to a child, their compensation shall be paid within an extra amount set by the Cabinet of Ministries

2) The person shall be entitled to receive this benefit starting with the day when he/she is appointed as guardian.

(3) If the guardianship is revoked, the payment of the allowance shall be withdrawn.

#### ***Article 22. Allowance for the performance of a guardian's duties***

(1) The allowance for the performance of a guardian's duties shall be granted to the person who in accordance with the procedure set by legislation has been appointed a guardian to a child who is not his/her direct line relative, if the ward lives in the family of the guardian.

(2) The individual shall have the right to receive the benefit from the day when the person has been appointed as a guardian.



(3) If the guardianship is revoked, the payment of the allowance shall be withdrawn.

### ***23.1. Allowance for fulfilling the functions of a foster family***

(1) Allowance for fulfilling the functions of a foster family shall be granted to a family or to a person who has obtained the status of a foster family in compliance with the procedure established by the Cabinet of Ministers, and who, according to the Custody Court (local parish court) verdict and contract signed between the municipality and the foster family, has accepted a child for upbringing for a time period exceeding one month.

(2) A member of a foster family (person) who has signed the contract with the municipality is entitled to the allowance with the day when the child is transferred to the foster family.

(3) the payment of this allowance shall be withdrawn when the contract terminates, as well as if the stay of the child with the family is terminated before the agreed term expires.

### ***Article 23. Allowance for the compensation transportation expenses for disabled persons with restricted mobility***

(1) The allowance for the compensation of transportation expenses shall be granted to the person who himself/herself or whose child is recognised as disabled in accordance with the procedure set by laws and other regulatory acts and who has been issued the certificate of the medical experts commission or, in case of a disabled child - the conclusion of the general practitioner - to the effect that the particular person needs a specialised vehicle.

2) The person shall become entitled to the allowance from the day when the medical experts commission or, in case of a disabled child - the general practitioner, has issued the conclusion that the particular person needs a specialised vehicle.

(3) The allowance shall be paid twice a year for every full period of six months. The period of six months shall be calculated, counting from 1 January until 30 June of the current year or from 1 July until 31 December, following the day when the conclusion specified in Paragraph 2 hereof has been issued.

(4) The payment of the allowance shall be withdrawn when the established disability period has expired.

(5) The payment of the allowance shall be terminated if the beneficiary is placed in a public, local authority or private social care institution and is in full care.

### ***Article 24. Child-birth grant***

(1) The child-birth grant shall be granted in the event of the birth of a child. This benefit shall be granted:

1) to one of the parents;

2) to a person who has adopted or taken under guardianship a child under the age of one year.

(2) The child-birth grant shall not be granted if the child has lived for less than seven days.

(3) The entitlement to receive the child-birth grant shall be granted from the day of the birth of the child or the day when guardianship has been established.

(4) The child-birth grant shall be paid for each child to the amount established on the day of the birth of the child.

*(Amendments to the Law as of 14.10.98, effective as of 17.11.98)*

### ***Article 25. Funeral benefit***

In the event of death of the individuals specified in Article 18 (1) hereof, the person who has assumed the task to organise the funeral shall be granted the funeral benefit to the amount in two state social security benefits.

### ***Article 26. Special provisions concerning the granting of state social benefits***

(1) The child benefits set by Articles 18 (3), 20, 23, 24 and 31 hereof shall be granted to the mother.

(2) These benefits shall be granted to the father or the guardian of the child in the following cases:

1) if the child's mother has died or is recognised as missing;

2) if the child's mother is recognised as incapable of action;

3) if the child's mother is in confinement;

4) if parental authority of the mother of the child has been terminated or suspended;

5) if by ruling of the Court the place of residence of the father or the guardian has been established to be the child's place of residence;

6) if the mother of the child is under age;

7) if the payment of the benefit to the child's mother has been terminated on the basis of the decision of the guardianship or custody institution in respect of the fact that the mother does not take care of the child and does not educate him/her;

8) if the child's mother is not entitled to receive a state social benefit in accordance with Article 5 (1) hereof.

(3) By a special decision of the orphan or parish court the state family benefit may be granted to any person, mentioned in the first part of article 5 of this law, who is actually bringing up a child.

(4) The benefit set in item 3 of the first part of article 18 of this law is to be granted to a person under age who has lost a supporter and is to be disbursed to the person's mother, father, guardian or other person who in accordance with the decision of the orphan or parish court is actually bringing up the child.

*(Amendments to the Law as of 25.11.99, effective as of 29.12.99)*

### ***Article 27. Procedure for granting and receiving of state social benefits***

(1) The State Social Insurance Agency or other institution set by the Cabinet of Ministers shall grant the state social benefits.

(2) In order to receive a state social benefit, the claimant himself/herself or through the mediation of an authorised person shall submit a written claim and the required documentation to the institution or authority specified in Paragraph 1 hereof.

(3) The State Social Insurance Agency, its authorised persons or social assistance institutions in accordance with the procedure set by the Cabinet of Ministers shall disburse the state social benefits.

(4) State social benefits shall be free of charge transferred into the beneficiary's account or paid out at the pace of payment determined by the provider of social services, except of the state social security benefit which, upon the request of the beneficiary, may be delivered to the place of residence of the beneficiary free of charge.

(5) Benefits to be paid on a regular basis shall be paid once a month. The allowance for the compensation of transportation expenses for disabled with restricted mobility shall be paid twice a year.

(6) Spouses or the first or the second degree relatives of the benefit recipient shall be entitled to receive the amounts calculated for disbursement of the state social benefits which shall not be paid till death of the benefit recipient if they shall request the set amounts within a year after death of the benefit recipient. If several persons shall request the undisbursed benefit amount, it shall be paid in equal parts to all persons requesting the benefit and who shall be entitled to receive it

*(Amendments to the Law as of 23.05.96, Law as of 14.10.98 and 25.11.99, effective as of 29.12.99)*

#### ***Article 28. Termination of the payment of regular state social benefits***

(1) The termination of the payment of regular state social benefits shall be applied :

1) for the period when the beneficiary or the child for whom the benefit is paid is in full state care;

2) if the beneficiary or the child for whom the benefit is paid leaves the Republic of Latvia to live abroad permanently;

(2) The payment of benefits set by Articles 9 to 22 hereof shall be terminated in the following cases:

1) if parental authority is terminated or suspended;

2) if the child is placed in a public, local authority or private educational establishment and is in full care, or has been transferred for bringing up in a foster family;

3) if the guardianship or custody institution has taken the decision that the child is not taken care of and is not educated.

#### ***Article 29. Responsibility of the applicant for the state social benefit***

The applicant for a benefit shall submit all the required documentation to the institution granting the state social benefit. Following the granting of the benefit it shall be the duty of the applicant to inform the institution or authority about circumstances which might serve as a reason for the

termination of payment or a change in the benefit amount.

### ***Article 30. Terms for Requesting the State Social Benefit***

- (1) The state social benefit is to be requested within 12 months after the day of arising of the rights. If this term shall be delayed, the benefit shall be disbursed for the former 12 months, counting from the day of requesting the state social benefit.
  - (2) The granted state social benefit which the receiver shall not receive duly shall be paid for the former period but no longer than for 12 months.
- (Amendments to the Law as of 14.10.98, effective as of 17.11.98)*

### ***Article 31. Single payments for special purposes***

- (1) The state shall make single payments for special purposes in order to provide individual assistance and services for the restoration of work ability and health (reimbursement of prosthetic and orthopaedic expenses, purchase of vehicles and rehabilitation measures for persons with disabilities, purchase of surdo-equipment, typhlo-equipment and other services).
- (2) The Ministry of Welfare shall establish the principles for the selection of services and the procedure for the provision of services.

## **Section IV**

### **Local authority social benefits**

#### ***Article 32. Types of local authority social benefits***

- (1) Types of local authority social benefits are as follows:
  - 1) social assistance benefit to needy families;
  - 2) housing benefit;
  - 3) care benefit;
  - 4) funeral benefit.
- (2) The local authority shall also have the right to pay other benefits within the possibilities of its budget.

#### ***Article 33. Social assistance benefit to needy families***

- (1) The social assistance benefit to needy families shall stabilise the income for families which fail to gain sufficient income due to objective reasons at the minimum level established by the Cabinet of Ministers.
- (2) The local authority Social Issues Committee or the social assistance office shall assess the financial situation and other resources of the family in compliance with the procedure set by the

Cabinet of Ministers.

(3) The benefit shall be paid to persons set by Article 5 (4) hereof who have reached the age of 15 and are not in full state care. In the event of an equal financial situation of families, the benefit shall be paid according to the priority order established by the Cabinet of Ministers.

(4) In the case set by Article 36, Paragraph 2, Subparagraph 1 hereof the benefit shall be transferred to the beneficiary's account free of charge or paid at the place of payment established by the provider of social services.

***Article 34. Responsibilities of an applicant for a social assistance benefit for needy families***

(1) It shall be the obligation of an applicant for a social assistance benefit for needy families to allow the employees of the local authority social assistance office to inspect the financial situation of his/her family.

(2) Any individual who is capable of work and who wants to receive a social assistance benefit for needy families, shall be registered at the State Employment Service prior to applying for a benefit, except in cases set by Paragraph 3 hereof.

(3) The individual shall not have to register at the State Employment Service in the following cases:

- 1) if the person has reached the pension age;
- 2) if the person is disabled and in accordance with the procedure set by the Cabinet of Ministers has received a conclusion on his/her incapacity to earn a living in the labour market;
- 3) if the person is a pregnant woman or a woman within the child-care period;
- 4) if the person is one of the parents of a disabled child and takes care of the child who needs permanent care and supervision according to the conclusion of a specialist physician;
- 5) if the person is a child under 15 or a child over 15 who attends a general secondary school;
- 6) if the person is employed.

***Article 35. Restrictions with respect to the social assistance benefit for needy families***

(1) The social assistance benefit for needy families shall not be granted to a person who:

- 1) is dismissed from work according to his/her own free will or because of his/her own fault. In such a case the person may request the benefit starting with the day after six months have elapsed since the day of his/her dismissal;
- 2) has refused the job offer or refused to perform voluntary work, except in cases when the offered job or voluntary work prevents the person from taking care of a disabled child or a child of the pre-school age;
- 3) has refused to participate in vocational training and other activities facilitating employment, except in cases when participation in these activities prevents the person from taking care of a disabled child or a child of the pre-school age;

4) has refused medical and social rehabilitation.

(2) The amount of the benefit to the family shall be reduced by the amount assigned to the child in the following cases:

1) if parental authority is terminated;

2) if the guardianship or custody institution has passed a decision that the family does not provide adequate care to the child and does not educate him/her;

3) if the child is placed in a state, local authority or private educational institution and is in full care.

### ***Article 36. Procedure for granting of a social assistance benefit for needy families***

(1) The claimant for the social assistance benefit for needy families shall in person or through the mediation of an authorised individual submit to the local authority at his/her place of residence a written claim, a declaration of recourses of the prescribed form and documents evidencing his/her right to receive the benefit.

(2) The local authority shall determine the amount of the benefit and the optimum way to provide it:

1) to pay the benefit in cash;

2) to provide coupons for the purchase of food, to supply food, to organise free catering, to transfer the financing to the providers of social services to cover the costs of meals for children and the costs of care services, to pay rent for housing, to purchase fuel for heating or to pay for public utilities.

### ***Article 37. The period of a social assistance benefit for needy families***

(1) The social assistance benefit for needy families shall be granted starting with the day of the claim is submitted.

(2) The benefit shall be granted for the period of three months, if there is a person in the family who is capable of work.

(3) The benefit shall be granted for a period of six months, if the family members are not capable of work or if the provisions of Article 34, Paragraph 2, Subparagraphs 2 to 4 hereof are applicable.

(4) The payment of the benefit shall be suspended for the period when the beneficiary is outside the territory of the Republic of Latvia.

### ***Article 38. Amount of the social assistance benefit for needy families***

(1) The local authority shall determine the amount of the social assistance benefit for needy families in accordance with the regulations of the Cabinet of Ministers.

(2) The amount of the benefit shall be changed or the payment terminated, if there are changes in the

composition of the family, the amount of income or property or if false information have been provided in his/her declaration.

(3) The previous amount of the benefit shall be maintained if the family increases its expenditures on its own initiative, without approval of the local authority.

(4) If the family moves outside the administrative territory of the respective local authority, the payment of the local authority benefit shall be terminated and the family shall receive the guarantee of the social issues committee of the local authority of the future place of residence about the granting of the necessary benefit prior to the change of residence.

***Article 39. The procedure of covering funeral expenses in the event of the death of the beneficiary of the social assistance benefit for needy families***

(1) In the event of the death of the beneficiary of the social assistance benefit for needy families or his/her dependant, if there is no right to another type of a funeral benefit, the local authority institution shall decide on granting of a funeral benefit to the person who has assumed the task to organise the funeral, and on the amount of this benefit. The amount of the benefit shall correspond to the minimum funeral costs.

(2) The Ministry of Welfare shall determine the procedure of the calculation of the benefit.

***Article 40. Housing benefit***

(1) A family shall be entitled to a housing benefit in accordance with the procedure established by the Cabinet of Ministers.

(2) The housing benefit shall be provided on the basis of a tax return.

(3) The benefit shall be granted starting with the month of application.

(4) The benefit may be transferred to the account of the lessor or the provider of public utilities.

(5) The local authority may provide additional assistance to its inhabitants to cover the costs of rent and public utilities within the possibilities of its budget.

***Article 41. Benefit for care***

(1) The local authority within the framework of its budget shall provide a benefit for care to elderly person, person with disabilities, a family with a disabled child, if according to the conclusion of a specialist physician such care is required

(2) The benefit shall be granted starting with the month it was claimed.

(3) The benefit may be transferred to the recipient's or to the service provider's account free of charge, as well as may be paid out at the location designated by the social service provider.

## **Section V**

### **The procedure of the financing of social assistance and the Social**

## **Assistance Fund**

### ***Article 42. Sources of financing***

(1) Social assistance shall be financed from:

- 1) the state budget;
- 2) local authority budgets;
- 3) payments made by other legal or natural entities;
- 4) other sources.

(2) The responsibilities of the state stipulated by the Law shall be financed from the state budget.

(3) The responsibilities of local authorities stipulated by the Law shall be financed from local authority budgets.

(4) If social assistance services are provided by the state with the participation of local authorities, the amount of funding from the state budget shall be established by the annual law on the state budget.

### ***Article 43. Financing of social benefits***

(1) Expenses of the payment of state social benefits shall be financed from the Social Assistance Fund in accordance with appropriations of the annual state budget.

(2) Local authority social assistance benefits for needy families and housing benefits shall be paid from local authority budgets and the Social Assistance Fund.

### ***Article 44. Taxation***

State social benefits and local authority social benefits shall not be taxable, unless the tax laws provide otherwise.

### ***Article 45. Social Assistance Fund***

(1) The Social Assistance Fund is an independent state institution under the supervision of the Ministry of Welfare and it shall operate in accordance with the Satversme (Constitution), the laws and the regulations approved by the Cabinet of Ministers.

(2) The Social Assistance Fund shall have a legal personality.

(3) The Social Assistance Fund shall be subject to tax exemptions stipulated by law.

(4) The Social Assistance Fund shall manage the resources which are provided in the budget for social security and social benefits and which shall be transferred to the Fund by the Ministry of Finance in accordance with the annual law on the state budget, as well as resources gained from business activities and other revenues;

(5) The Social Assistance Fund shall not use financial resources allocated from the state budget for



business activities.

#### ***Article 46. Functions of the Social Assistance Fund***

(1) The Social Assistance Fund shall perform the following functions:

- 1) ensure the payments stipulated by this Law;
- 2) draft proposals for the improvement of the social assistance system in accordance with the procedure set by law;
- 3) monitor the legality of the utilisation of the resources of the Fund, follow up the payments and their validity;
- 4) organise activities to increase the efficiency of the Fund;
- 5) request data from local authorities, state institutions and other natural and legal entities, which are necessary to perform the functions of the Fund;
- 6) decide on the termination of payments from the Fund in case of dispute;
- 7) initiate recovery of paid in breach of regulations paid resources;
- 8) review complaints about services of the Fund;
- 9) ensure the protection of personal data.

(2) The Social Assistance Fund shall have the right to invest the temporarily free resources in profitable investments in accordance with the procedure set by law. The Fund shall have no right to invest the resources which have been transferred from the state budget.

#### ***Article 47. Management of the Social Assistance Fund***

(1) The Social Assistance Fund shall be managed by a director appointed by the Cabinet of Ministers.

(2) The activities of the Social Assistance Fund shall be financed from the basic state budget.

#### ***Article 48. Council of the Social Assistance Fund***

(1) To ensure participation of the interested parties in the work of the Social Assistance Fund, the Council of the Social Assistance Fund shall be established and approved for a term of three years.

(2) Following the proposals of the respective ministries and non-governmental organisations the Cabinet of Ministers shall approve the composition of the Council of the Fund, as well as the Regulations of the Council.

(3) The Council of the Fund shall include representatives nominated by the interested parties:

- 1) two representatives from the Ministry of Welfare;
- 2) one representative from the Ministry of Finance;

3) three representatives from non-governmental organisations;

4) one representative from the local authorities.

(4) The Council of the Fund shall pass its decisions by a simple majority vote and the decisions shall be of advisory nature.

(5) The expenses of the members of the Council of the Fund, incurred in relation to their work on the Council, shall be compensated from the resources of the Fund. The members of the Council shall not receive remuneration for the work on the Council.

#### ***Article 49. Application of international treaties***

If international treaty ratified by the Saeima (Parliament) provides otherwise than the Law, the provisions of the international treaty shall be applicable.

### **Transitional Provisions**

1. The new amendment of Article 17.3 of the Law 'On Social Assistance' shall enter into force on July 1, 1998

2. The new amendment of Article 17.4 of the Law 'On Social Assistance' shall enter into force on January 1, 1999

3. Article 4 hereof shall enter into force on January 1, 1999.

9. The Cabinet of Ministers in order to improve the system of the state family benefits shall submit to the Parliament till May 31 2001 the draft laws anticipating amendments to this and other laws.  
(*Amendments to the Law as of 30.11.2000, effective as of 01.01.2001*)

The Law shall come of effect of January 1, 1998.

The Law was adopted at the Saeima on November 20, 1997.

The President of State

Guntis Ulmanis

December 5, 1997, Riga.