

Fifty-fifth  
Legislative Assembly  
of North Dakota

ENGROSSED SENATE BILL NO. 2042

Introduced by

Legislative Council

(Insurance and Health Care Committee)

(Senators Mathern, Thane)

(Representatives Glassheim, Wald, Price, Svedjan)

1 A BILL for an Act to create and enact a new section to chapter 26.1-45, a new section to  
2 chapter 57-38, and a new subsection to section 57-38-30.3 of the North Dakota Century Code,  
3 relating to qualifications of qualified care providers, a short-form income tax credit for premiums  
4 paid for long-term care insurance coverage, and an employer tax credit for premiums paid for  
5 long-term care insurance coverage; to amend and reenact section 57-38-29.2 of the North  
6 Dakota Century Code, relating to an income tax credit for premiums paid for long-term care  
7 insurance coverage; and to provide an effective date.

8 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

9 **SECTION 1.** A new section to chapter 26.1-45 of the North Dakota Century Code is  
10 created and enacted as follows:

11 **Qualified service providers.** Any insurance company providing long-term care  
12 coverage for home and community-based services shall pay a provider meeting qualified  
13 service provider standards a daily payment allowance as defined in the policy or certificate.  
14 "Home and community-based services" include homemaker services, nonmedical  
15 transportation, chore services, respite care, home health aide services, case management,  
16 family home care, personal attendant care, and any other services essential and appropriate to  
17 sustain individuals in their homes and their communities and to delay or prevent institutional  
18 care. "Qualified service provider" means a county agency or independent contractor that  
19 agrees to meet standards for service and operations established by the department of human  
20 services.

21 **SECTION 2. AMENDMENT.** Section 57-38-29.2 of the North Dakota Century Code is  
22 amended and reenacted as follows:

23 **57-38-29.2. Credit for premiums for long-term care insurance coverage.** A credit  
24 against an individual's tax liability under this chapter is hereby provided to each taxpayer in the

1 amount of twenty-five percent of any premiums paid by the taxpayer for long-term care  
2 insurance coverage for the taxpayer or the taxpayer's spouse, child, parent, or stepparent. The  
3 credit under this section for each ~~policy purchased under this chapter~~ insured individual may  
4 not exceed one hundred dollars in any taxable year.

5 **SECTION 3.** A new subsection to section 57-38-30.3 of the North Dakota Century  
6 Code is created and enacted as follows:

7 An individual is entitled to credit against the tax due under this section in the  
8 amount of twenty-five percent of any premiums paid by the taxpayer for long-term  
9 care insurance coverage for the taxpayer or the taxpayer's spouse, child, parent,  
10 or stepparent. The credit under this section for each insured individual may not  
11 exceed one hundred dollars in any taxable year.

12 **SECTION 4.** A new section to chapter 57-38 of the North Dakota Century Code is  
13 created and enacted as follows:

14 **Employer credit for long-term care premiums.** An employer who provides long-term  
15 care insurance to its employees may claim a credit in the amount of twenty-five percent of any  
16 premiums paid by the employer. The credit under this section may not exceed one hundred  
17 dollars per employee.

18 **SECTION 5. EFFECTIVE DATE.** Sections 2, 3, and 4 of this Act are effective for  
19 taxable years beginning after December 31, 1997.