

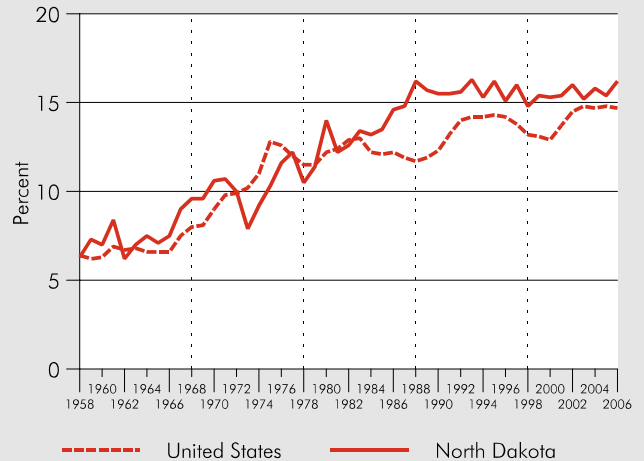
Personal Transfer Receipts in North Dakota: 2006

Transfer receipts accounted for 16.2 percent of all personal income received by North Dakota residents in 2006, a proportion relatively unchanged over the past several years (Figure 1). Transfer receipts consist of income received by individuals for which they did not render services. They are payments by government and businesses to individuals and nonprofit institutions serving individuals. North Dakota residents received \$3.411 billion in personal transfer receipts in 2006, an 8.7 percent increase from \$3.139 billion in 2005.

The largest category of transfer receipts for North Dakota residents in 2006 consisted of retirement and disability insurance benefits (\$1.457 billion), followed by medical benefits (\$1.381 billion) and income maintenance (\$227 million). The remaining \$346 million of transfer payments to North Dakotans included such payments as unemployment insurance compensation, veterans' benefits, federal education and training assistance, Bureau of Indian Affairs payments, disaster relief, personal injury payments, and educational assistance payments (Table 1).

Personal transfer receipts as a proportion of total personal income vary from state to state within the nation. Nationally, personal transfer receipts comprised 14.7 percent of total personal income in 2006 (Figure 2). Eight states showed personal transfer receipts accounting for at least 18.0 percent of all personal income received by residents; West Virginia, Mississippi, and Arkansas showed the largest proportions (25.3 percent, 22.5 percent, and 20.8 percent, respectively). Colorado had the smallest proportion at 10.0 percent.

Figure 1. Personal Transfer Receipts as a Percent of Total Personal Income in North Dakota and the U.S.: 1958 to 2006



Source: U.S. Bureau of Economic Analysis, Regional Economic Information System, www.bea.gov/beat/regional

Figure 2. Personal Transfer Receipts as a Percent of Total Personal Income by State: 2006

Source: U.S. Bureau of Economic Analysis, Regional Economic Information System, www.bea.gov/beat/regional

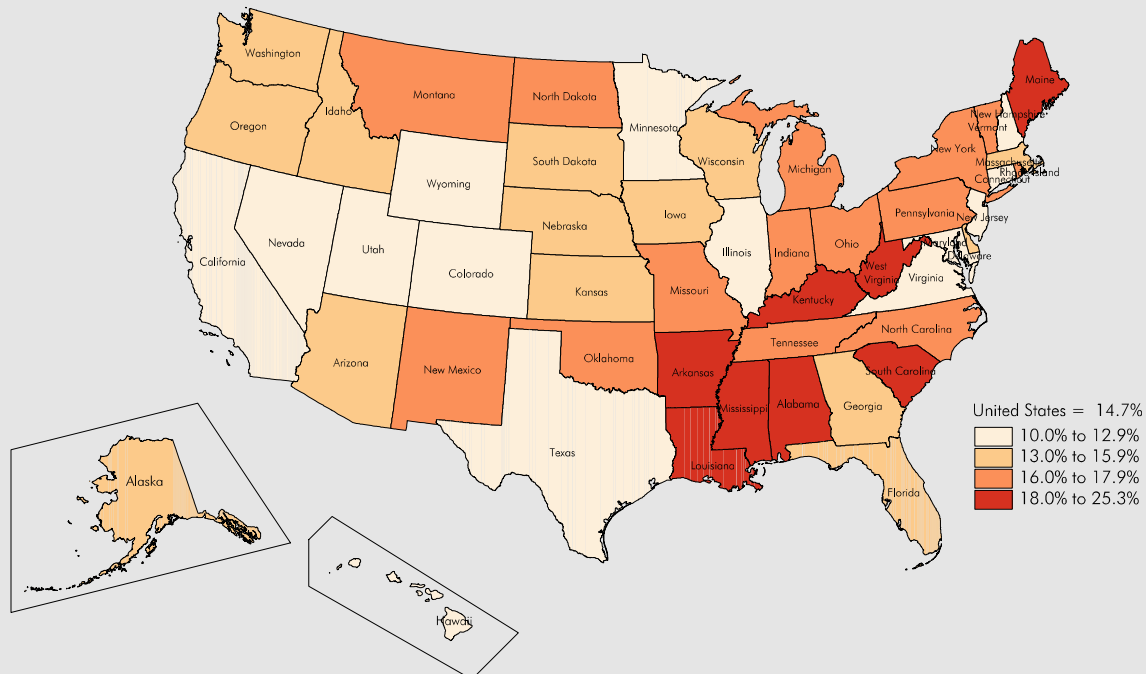


Table 1. Personal Transfer Receipts in North Dakota by Type, 1999-2006 (Thousands of Dollars, \$000)

Source: U.S. Bureau of Economic Analysis, Regional Economic Information System, www.bea.gov/beat/regional

Type of Personal Transfer Receipt	Thousands of Dollars (\$000)							
	1999	2000	2001	2002	2003	2004	2005	2006
Personal transfer receipts (\$000)	2,293,008	2,461,983	2,531,458	2,675,198	2,766,225	2,941,335	3,138,726	3,410,655
Transfer receipts for individuals from governments	2,174,044	2,322,194	2,377,895	2,540,034	2,630,778	2,820,481	3,008,195	3,273,677
Retirement and disability insurance benefits	1,112,218	1,142,192	1,141,833	1,164,801	1,188,373	1,305,945	1,386,595	1,456,629
Old-age, survivors, and disability insurance (OASDI) benefits	937,820	972,559	1,021,606	1,055,965	1,082,062	1,125,399	1,174,986	1,234,952
Railroad retirement and disability benefits	49,701	50,177	50,926	52,340	52,665	53,627	54,730	56,657
Workers' compensation	124,380	119,191	69,027	56,167	53,274	126,582	156,441	164,589
Other government retirement and disability insurance benefits 1/	317	265	274	329	372	337	438	431
Medical benefits	762,671	879,923	912,704	1,004,838	1,039,549	1,115,563	1,191,740	1,381,011
Medicare benefits	412,193	429,028	472,131	501,490	547,853	591,661	643,459	850,721
Public assistance medical care benefits 2/	339,386	437,315	421,604	478,201	471,105	499,990	523,831	503,476
Military medical insurance benefits 3/	11,092	13,580	18,969	25,147	20,591	23,912	24,450	26,814
Income maintenance benefits	150,467	152,840	155,692	171,503	198,758	204,063	222,287	227,354
Supplemental security income (SSI) benefits	31,772	32,081	33,080	33,756	33,813	35,344	35,961	37,624
Family assistance 4/	24,962	23,971	19,574	22,587	30,004	24,072	23,635	23,407
Food stamps	25,642	25,652	27,853	32,173	37,750	41,159	45,370	46,915
Other income maintenance benefits 5/	68,091	71,136	75,185	82,987	97,191	103,488	117,321	119,408
Unemployment insurance compensation	34,394	33,015	36,342	59,539	59,166	44,917	44,480	44,918
State unemployment insurance compensation	32,182	29,701	34,066	57,038	56,362	41,530	41,954	42,722
Unemployment compensation for federal civilian employees (UCFE)	661	790	813	1,160	1,102	1,276	762	867
Unemployment compensation for railroad employees	886	1,827	950	941	952	826	661	716
Unemployment compensation for veterans (UCX)	383	261	241	381	615	639	567	503
Other unemployment compensation 6/	282	436	272	(L)	135	646	536	110
Veterans' benefits	58,809	60,871	64,845	72,401	79,554	87,578	93,451	100,853
Veterans' pension and disability benefits	47,769	50,590	55,216	63,256	69,602	77,031	83,106	90,657
Veterans' readjustment benefits 7/	6,328	5,845	5,255	4,662	5,529	6,230	6,256	6,213
Veterans' life insurance benefits	4,695	4,419	4,358	4,463	4,404	4,306	4,080	3,973
Other assistance to veterans 8/	(L)	(L)	(L)	(L)	(L)	(L)	(L)	(L)
Federal education and training assistance 9/	37,355	32,131	44,268	48,572	42,060	45,360	46,678	46,378
Other transfer receipts of individuals from governments 10/	18,130	21,222	22,211	18,380	23,318	17,055	22,964	16,534
Transfer receipts for individuals from businesses 11/	53,189	71,636	78,841	58,988	50,776	23,722	22,126	30,501
Transfer receipts for nonprofit institutions serving individuals	65,775	68,153	74,722	76,176	84,671	97,132	108,405	106,477
Receipts from the federal government	15,463	16,381	18,415	20,097	22,373	23,606	23,292	23,257
Receipts from state and local governments 12/	25,716	27,717	31,016	33,468	38,884	48,566	51,923	56,350
Receipts from businesses	24,596	24,055	25,291	22,611	23,414	24,960	33,190	26,870

Notes:

- 1/ Consists largely of temporary disability payments, pension benefit guaranty payments, and black lung payments.
- 2/ Consists of medicaid and other medical vendor payments.
- 3/ Consists of payments made under the TriCare Management Program (formerly called CHAMPUS) for the medical care of dependents of active duty military personnel and of retired military personnel and their dependents at nonmilitary medical facilities.
- 4/ Through 1995, consists of emergency assistance and aid to families with dependent children. Beginning with 1998, consists of benefits-- generally known as temporary assistance for needy families-- provided under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. For 1996-97, consists of payments under all three of these programs.
- 5/ Consists largely of general assistance, refugee assistance, foster home care and adoption assistance, earned income tax credits, and energy assistance.
- 6/ Consists of trade readjustment allowance payments, Redwood Park benefit payments, public service employment benefit payments, and transitional benefit payments.
- 7/ Consists largely of veterans' readjustment benefit payments, educational assistance to spouses and children of disabled or deceased veterans, payments to paraplegic veterans, and payments for autos and conveyances for disabled veterans.
- 8/ Consists largely of state and local government payments to veterans.
- 9/ Consists largely of federal fellowship payments (National Science Foundation, fellowships and traineeships, subsistence payments to state maritime academy cadets, and other federal fellowships), interest subsidy on higher education loans, basic educational opportunity grants, and Job Corps payments.
- 10/ Consists largely of Bureau of Indian Affairs payments, education exchange payments, Alaska Permanent Fund dividend payments, compensation of survivors of public safety officers, compensation of victims of crime, disaster relief payments, compensation for Japanese internment, and other special payments to individuals.
- 11/ Consists of personal injury payments to individuals other than employees and other business transfer payments.
- 12/ Consists of state and local government educational assistance payments to nonprofit institutions and other state and local government payments to nonprofit institutions.
- (L) Less than \$50,000. The estimates for this item are included in the total.

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Personal Transfer Receipts Continue to Represent Significant Segment of North Dakota's Economy

Personal transfer receipts accounted for 16.2 percent of all personal income received by North Dakota residents in 2006, a proportion relatively unchanged since the late 1980s.

This month's "Economic Brief," a monthly publication from the North Dakota State Data Center at North Dakota State University, focuses on current personal transfer receipts, which represent income received by individuals for which they did not render services. They are payments by government and businesses to individuals and nonprofit institutions serving individuals.

North Dakota residents received \$3.411 billion in personal transfer receipts in 2006, an 8.7 percent increase from \$3.139 billion in 2005. "Much of the increase in transfer payments during this period was due to rising health care costs. Medical benefits increased by 16 percent compared to social security payments which rose by only 5 percent. Nonetheless, as the leading edge of the baby boom turns 65 in 2010, we will see dramatic increases in both social security and medicare," said Richard Rathge, Director of the State Data Center.

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