

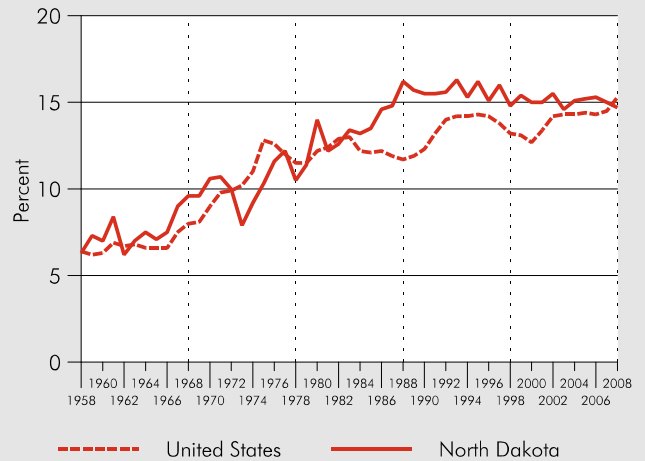
Personal Transfer Receipts in North Dakota: 2008

North Dakota residents received \$3.720 billion in personal transfer receipts in 2008, a 7.2 percent increase from \$3.472 billion in 2007. Transfer receipts accounted for 14.7 percent of all personal income received by North Dakota residents in 2008. For the first time since the early 1980s, this proportion has dropped below the national average (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.

The largest category of transfer receipts for North Dakota residents in 2008 consisted of retirement and disability insurance benefits (\$1.544 billion), followed by medical benefits (\$1.506 billion) and income maintenance benefits (\$254 million). The remaining \$445 million of transfer payments to North Dakotans included such payments as unemployment insurance compensation, veterans' benefits, 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. Nationally, personal transfer receipts were 15.3 percent of total personal income in 2008 (Figure 2). Five states showed personal transfer receipts accounting for at least one-fifth of all personal income received by residents - West Virginia, Mississippi, Arkansas, Kentucky, and Maine (25.1 percent, 23.1 percent, 21.3 percent, 21.1 percent, and 20.3 percent, respectively). Colorado had the smallest proportion at 10.4 percent.

Figure 1. Personal Transfer Receipts as a Percent of Total Personal Income in North Dakota and the U.S.: 1958 to 2008



Source: U.S. Bureau of Economic Analysis, Regional Economic Information System, <http://www.bea.gov/regional/>, Table SA04

Figure 2. Personal Transfer Receipts as a Percent of Total Personal Income by State: 2008

Source: U.S. Bureau of Economic Analysis, Regional Economic Information System, <http://www.bea.gov/regional/>, Table SA35

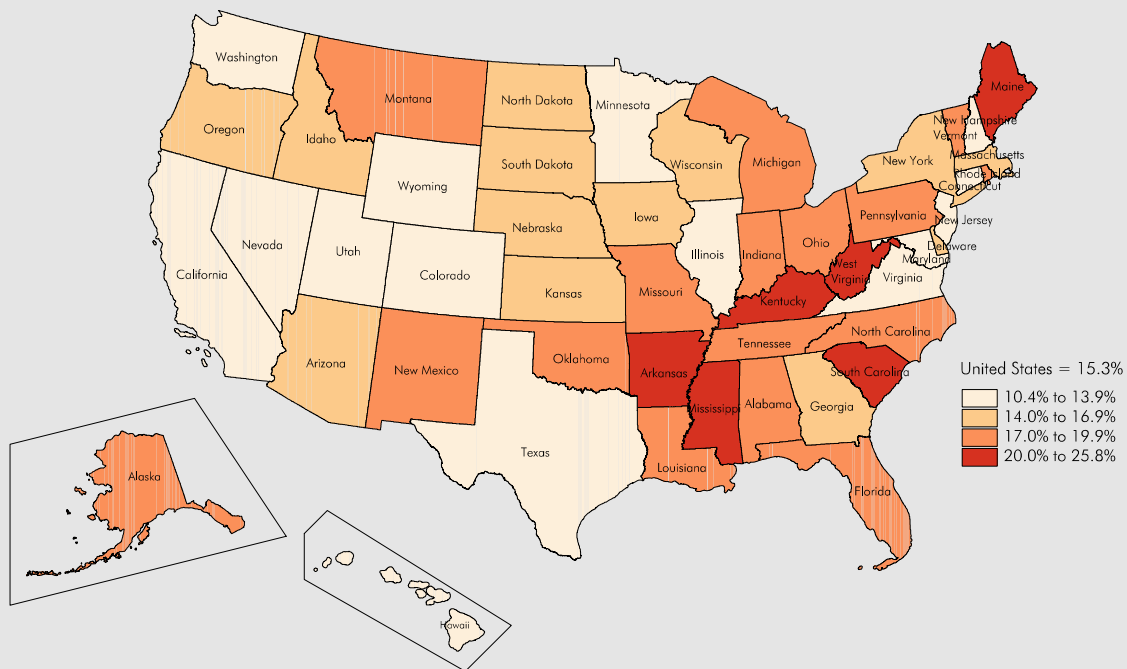


Table 1. Personal Transfer Receipts in North Dakota by Type, 2001-2008 (Thousands of Current Dollars, \$000)

Source: U.S. Bureau of Economic Analysis, Regional Economic Information System, <http://www.bea.gov/regional/>, Table SA35

Type of Personal Transfer Receipt	Thousands of Dollars (\$000)							
	2001	2002	2003	2004	2005	2006	2007	2008
Personal transfer receipts (\$000)	2,553,161	2,684,268	2,752,399	2,913,209	3,127,037	3,277,209	3,521,591	3,749,382
Transfer receipts for individuals from governments	2,417,200	2,574,899	2,660,171	2,838,997	3,034,582	3,194,366	3,420,631	3,642,197
Retirement and disability insurance benefits	1,165,400	1,163,366	1,194,293	1,284,969	1,383,064	1,372,107	1,487,009	1,543,829
Old-age, survivors, and disability insurance (OASDI) benefits	1,021,614	1,056,482	1,082,353	1,126,019	1,175,391	1,232,026	1,297,004	1,347,188
Railroad retirement and disability benefits	50,932	52,340	52,659	53,677	54,960	56,798	58,097	59,426
Workers' compensation	92,715	54,334	58,973	104,935	152,364	82,952	131,540	136,830
Other government retirement and disability insurance benefits 1/	139	210	308	338	349	331	368	385
Medical benefits	910,085	1,019,387	1,037,196	1,129,259	1,199,586	1,358,509	1,435,416	1,506,055
Medicare benefits	473,301	516,106	545,500	605,466	652,900	831,723	879,117	939,390
Public assistance medical care benefits 2/	421,604	478,200	471,105	499,881	523,321	503,800	532,599	539,883
Military medical insurance benefits 3/	15,180	25,081	20,591	23,912	23,365	22,986	23,700	26,782
Income maintenance benefits	155,635	171,503	198,755	204,356	218,293	225,962	238,858	254,028
Supplemental security income (SSI) benefits	33,080	33,756	33,813	35,132	35,461	37,034	39,106	41,082
Family assistance 4/	19,574	22,587	30,004	24,072	23,520	22,680	22,968	23,487
Supplemental Nutrition Assistance Program (SNAP)	27,796	32,173	37,747	41,665	45,315	46,900	52,959	60,694
Other income maintenance benefits 5/	75,185	82,987	97,191	103,487	113,997	119,348	123,825	128,765
Unemployment insurance compensation	36,449	59,537	59,155	44,919	44,468	44,808	47,939	58,029
State unemployment insurance compensation	34,015	57,031	56,353	41,533	41,942	42,703	45,874	55,705
Unemployment compensation for federal civilian employees (UCFE)	972	1,164	1,102	1,276	762	867	782	927
Unemployment compensation for railroad employees	950	941	952	826	661	621	669	677
Unemployment compensation for veterans (UCX)	240	382	613	638	567	505	370	426
Other unemployment compensation 6/	272	(L)	135	646	536	112	244	294
Veterans' benefits	65,079	72,918	80,113	87,509	93,170	100,558	108,599	116,691
Veterans' pension and disability benefits	55,451	63,765	70,155	76,955	82,818	90,485	98,167	105,396
Veterans' readjustment benefits 7/	5,252	4,662	5,526	6,233	6,256	6,460	7,201	7,768
Veterans' life insurance benefits	4,358	4,468	4,410	4,306	4,080	3,597	3,215	3,507
Other assistance to veterans 8/	(L)	(L)	(L)	(L)	(L)	(L)	(L)	(L)
Education and training assistance 9/	62,757	70,070	67,608	71,254	73,283	76,170	82,518	96,308
Other transfer receipts for individuals from governments 10/	21,795	18,118	23,051	16,731	22,718	16,252	20,292	67,257
Transfer receipts for individuals from businesses 11/	78,314	52,137	32,153	11,505	19,713	13,933	34,054	41,367
Transfer receipts for nonprofit institutions serving individuals	57,647	57,232	60,075	62,707	72,742	68,910	66,906	65,818
Receipts from the federal government	18,520	20,169	22,462	23,727	23,473	23,197	22,944	23,904
Receipts from state and local governments 12/	13,835	14,488	14,231	14,017	13,875	14,438	14,557	14,950
Receipts from businesses	25,292	22,575	23,382	24,963	35,394	31,275	29,405	26,964

Notes:

- 1/ Consists largely of temporary disability 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; expenditures for food under the supplemental program for Women, Infants, and Children; other needs assistance; refugee assistance; foster home care and adoption assistance; earned income tax credits; child 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 paraplegics, 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 largely 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 totals.

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North Dakota Personal Transfer Receipts Increase, but Represent Smaller Proportion of Total Income

Personal transfer receipts accounted for 14.7 percent of all personal income received by North Dakota residents in 2008. For the first time since the early 1980s, this proportion has dropped below the national average, which was 15.5 percent in 2008. Even so, North Dakotans received \$3.720 billion in personal transfer receipts in 2008, a 7.2 percent increase from \$3.472 billion in 2007.

The significant shift in the relationship of transfer payments to total personal income between North Dakota and the United States largely reflects changing economic circumstances. From 2007 to 2008, total personal income in North Dakota grew by 9.3 percent, compared to 2.9 percent for the nation. In contrast, total transfer payments in North Dakota grew by 6.5 percent relative to 9.2 percent for the U.S. "This combination of greater growth in personal income and a smaller increase in transfer payments in North Dakota relative to the nation results in the smaller proportion that transfer payments represent of total personal income," said Richard Rathge, director of the State Data Center.

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. These are payments by government and businesses for individuals and nonprofit institutions serving individuals.

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