

Sixtieth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2069

Introduced by

Human Services Committee

(At the request of the Department of Human Services)

1 A BILL for an Act to amend and reenact subsection 1 of section 59-29-02 of the North Dakota
2 Century Code, relating to determination of self-employment income for eligibility for the
3 children's health insurance program.

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

5 **SECTION 1. AMENDMENT.** Subsection 1 of section 50-29-02 of the North Dakota
6 Century Code is amended and reenacted as follows:

7 1. Prepare, submit, and implement the plan that includes eligibility determinations for
8 self-employed applicants, where adjusted gross income or loss means the adjusted
9 gross income or loss as computed for an individual for federal income tax purposes
10 under the Internal Revenue Code, based on the lower of either:

11 a. The previous one year of adjusted gross income or loss from the business, or
12 if the previous year's federal income tax return has not been filed, from the
13 year prior to that year, less any earned or unearned income on the tax return,
14 plus any current earned or unearned income; or

15 b. The average of the previous three years of adjusted gross income or loss
16 from the business, or if the previous year's federal income tax return has not
17 been filed or the business has been in existence for fewer than three years,
18 from the federal income tax returns from the previous three years that have
19 been filed for the business, less the average of earned or unearned income
20 for each of the ~~previous three~~ years for which federal income tax returns have
21 been filed, plus any current earned or unearned income;.

22 If the most recently available federal income tax return does not accurately predict
23 income because the business has been recently established, has been terminated,
24 has been subjected to a severe change such as an uninsured loss or a decrease

- 1 or increase in the size of the operation, income statements or any other reliable
- 2 information may be used to compute self-employment income;