

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1319

2005 HOUSE FINANCE AND TAXATION

HB 1319

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1319**

House Finance and Taxation Committee

☐ Conference Committee

Hearing Date **January 19, 2005**

Tape Number	Side A	Side B	Meter #
1	x		38.9

Committee Clerk Signature

Janice Stein

Minutes:

REP. JIM KASPER, DIST. 46, FARGO Co-Sponsor of the bill, testified in support of the bill. Shared his experience in the business world. He stated his company works in the area of financial planning, employee benefits, and retirement planning. They work with employees to develop a benefit plan, so that they can be involved in benefits that the employer offers and coordinate their benefits with the spouse, if the spouse is working. The most successful plan is the Hedahl plan. Dick Hedahl, president of Hedahl's, is here to share with you what the benefits of their plan are. He stated, in 1990, Dick was ahead of where we are in the employee benefits. He had a vision about rewarding employees for their lifestyle. In rewarding them with dollars, changed lifestyles. In changing your lifestyles, your costs will go down in the area of health insurance, etc. In this bill, an employer will receive tax credits, if the employer will do certain things for the employees. A fifty dollar per month tax credit, may not be the right number, I don't know what that number is.

REP. SALLY SANDVIG, DIST. 21, FARGO Introduced the bill as the prime sponsor.

Asked the committee members to overlook the fiscal note, as no one knows what the costs will be. Think about the long term benefits of this bill. Rep. Sandvig submitted a handout relating to obesity rates in the Midwest, and America's growing overweight problem. See attached copies. She stated it is time for North Dakota to lead in this respect.

REP. BELTER This is one of many examples which we have seen in this session and prior sessions that target a particular group. Not everyone is an employee, how do we treat the whole population in an equal way, your bill will only give a tax credit to certain employers, that participate in this, yet, the taxpayer is asked to subsidize those employers that choose to do this, how do we deal with that in equity?

REP. SANDVIG I really don't know. If there is a way to fix this bill up, so it is more equal for everyone.

REP. KELSH Do you know what the increase in obesity rates has been over the last ten years or so?

REP. SANDVIG I do have those figures, I don't have them with me right now.

REP. DROVDAL We do have a number of businesses currently that provide an incentive to employers, do we have statistics, that the employees are participating in any great number?

REP. SANDVIG I don't information on that, maybe someone else has more.

REP. DROVDAL Why shouldn't I get the same tax credit, because the benefits would be the same if every individual did it, should we not offer this to an individual taxpayer who pays his own way too?

REP. SANDVIG I think it would be great, if we can incorporate it that way.

REP. IVERSON Asked, isn't there a point of personal responsibility?

REP. SANDVIG Yes, there is, by having this, there is the hope that more people will become involved.

REP. DROVDAL These expenses, is it possible for these businesses to write off these expenses?

REP. SANDVIG I don't know if they can write this off or not.

DICK HEDAHL, BUSINESSMAN Testified in support of the bill. Related his personal experience which went back to 1991. He stated his company had to do something because of the cost of health insurance. In the past, the company paid the premium. They provided the funding through a different funding plan. They provided the base of one hundred dollars plus twenty five dollars per month per category of wellness. A non smoker got a twenty five dollar bonus, if you kept your weight below an insurance maximum, you got twenty five, if you promised never to consume more than four drinks per day, you got twenty five dollars. If you were married, the spouse received this as well. Within that pool of money, you buy your insurance, and you lead a healthier lifestyle.

He submitted a handout with plan highlights and a monthly major medical premium chart.. See attached copy.

REP. WEILER You give someone twenty five dollars if they promise they won't have more than four alcoholic drinks, is that per year?

DICK HEDAHL It is a one year committment.

REP. DROVDAL Do you get the opportunity to deduct this as an employee's expense?

DICK HEDAHL Yes, it is my whole philosophy in this.

REP. BELTER Have you ever considered the plan that you are using in your business, have you considered going out and selling it?

DICK HEDAHL I am selling it right now. The health department asked me to come here. I tell anybody who will listen to me.

MARLA WALTER, WELLNESS COORDINATOR, JAMESTOWN HOSPITAL

Testified in support of the bill. See attached written testimony.

KELLY CARLSON, WORKSITE WELLNESS COORDINATOR, NORTH DAKOTA

DEPARTMENT OF HEALTH Offered information to committee members. See attached testimony.

REP. GRANDE Related to comments about testifying neutral, the North Dakota Department of Health finds this to be a helpful bill, but your comment was that it wasn't in the governor's budget, is there an issue as to why you can't support something if you think it is a good idea?

KELLY CARLSON The concept of employee wellness is supported by the health department, the financial impact that it may have on the state, is what we cannot support, if it is not supported within the governor's budget.

REP. CONRAD In your survey of employers, did you ask employers if it would make a difference to have the tax credit?

KELLY CARLSON No, the purpose of the study was to identify interest in employee wellness programs and the activity being conducted with them.

MARY LOFTSGARD, STATE TAX DEPARTMENT testified in a neutral position. She raised one point pertaining to the bill. Their concern was how this bill would be implemented.

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House Finance and Taxation Committee

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The bill does not specify if the employee needs to be a resident of North Dakota. She also commented on the fifty dollars, would it be capped at that amount.

REP. CONRAD TO DICK HEDAHL You said you did not participate in your program.

DICK HEDAHL We just don't do health clubs. There is no tax advantage currently.

With no further testimony, the committee hearing was closed.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1319**

House Finance and Taxation Committee

☐ Conference Committee

Hearing Date **February 1, 2005**

Tape Number	Side A	Side B	Meter #
1	X		464

Committee Clerk Signature

Minutes:

COMMITTEE ACTION

REP. GRANDE Made a motion for a **do not pass**.

REP. WEILER Second the motion. **Motion carried.**

12 yes 0 no 2 absent

REP. WEILER Was given the floor assignment.

FISCAL NOTE
Requested by Legislative Council
01/12/2005

Bill/Resolution No.: HB 1319

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues					
Expenditures					
Appropriations					

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

HB 1319 creates corporate and individual income tax credits for employers who offer employees wellness programs. It is unknown how many employers currently offer, or would offer, employee wellness programs that would qualify for the tax credit. Therefore, the fiscal impact cannot be accurately determined.

There are approx. 250,000 North Dakota employees in the private sector. If 5% of them were offered a gym membership costing \$50 per month, the tax credit provisions of HB 1319 could result in a reduction in state general fund revenues of \$15.1 million for the 2005-07 biennium.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name: Kathryn L. Strombeck
Phone Number: 328-3402

Agency: Office of Tax Commissioner
Date Prepared: 01/18/2005

Date: 2-1-05
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1319

House FINANCE & TAXATION

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken

Motion Made By

Do Not Pass
Rep. Grande Seconded By Rep. Weiler

Representatives	Yes	No	Representatives	Yes	No
BELTER, WES, CHAIRMAN	✓				
DROVDAL, DAVID, V-CHAIR	✓				
BRANDENBURG, MICHAEL	✓				
CONRAD, KARI	✓				
FROELICH, ROD	✓				
GRANDE, BETTE	✓				
HEADLAND, CRAIG	✓				
IVERSON, RONALD	✓				
KELSH, SCOT	✓				
NICHOLAS, EUGENE	✓				
OWENS, MARK	✓				
SCHMIDT, ARLO	✓				
WEILER, DAVE	✓				
WRANGHAM, DWIGHT	✓				

Total (Yes)

12

No

0

Absent

Floor Assignment

2
Rep. Weiler

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 1, 2005 11:27 a.m.

Module No: HR-21-1525
Carrier: Weiler
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1319: Finance and Taxation Committee (Rep. Belter, Chairman) recommends DO NOT PASS (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1319 was placed on the Eleventh order on the calendar.

2005 TESTIMONY

HB 1319

Report urges state action on 'obesity epidemic'

Forty-one states, including all 11 in the Midwest, have obesity rates exceeding 20 percent, an alarmingly high figure that is contributing to significant health problems and rising health care costs, the Trust for America's Health reports in an October study.

Authors of the report say poor diets and a lack of exercise have led to an "obesity epidemic," which costs Americans more than \$117 billion per year. They note that if current trends continue, obesity will soon overtake tobacco use as the nation's No. 1 health problem.

The report also chronicles the prevalence of obesity-related health conditions such as hypertension and diabetes. Nearly one in four American adults has high blood pressure, while 7.1 percent have diabetes.

According to the study, state and federal policymakers can do more to reduce obesity rates. For example, most states have

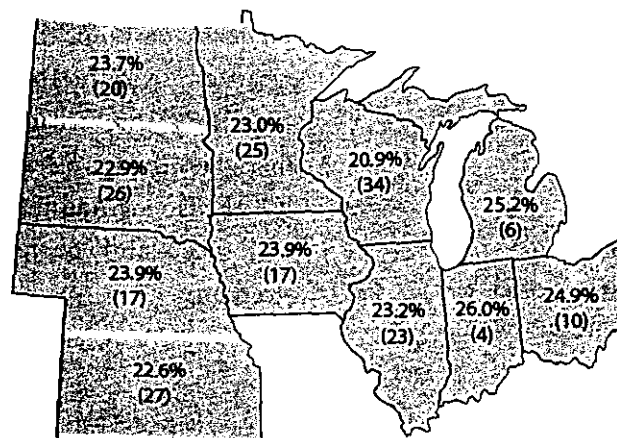
not set nutritional standards for foods sold in schools that are not part of the federally sponsored school lunch program. In addition, most states' physical education standards for schools are not enforced or are inadequate. Finally, the report's authors say only a handful of states have initiatives that foster increased physical activity, such as increasing the number of sidewalks and parks in communities.

Most Midwestern states have obesity rates above the national average of 22.8 percent. Across the country, the rates ranged from a low of 16 percent in Colorado to a high of 28.4 percent in Alabama.

The Trust for America's Health is a nonprofit, nonpartisan organization seeking to make disease prevention a greater national priority. Its report, titled "F as in Fat: How Obesity Policies

are Failing in America," can be accessed at <http://healthyamericans.org>.

Obesity rates in the Midwest *



* The state's U.S. obesity ranking is in parentheses.

Source: Trust for America's Health

November 2004

What are the financial consequences of obesity for society?

- Obesity costs society \$90 billion a year in direct medical expenses (process: compared annual medical costs for obese individuals vs. annual medical costs for normal weight individuals). About \$45 billion of those costs come out of taxpayer dollars to finance expenditures in Medicare and Medicaid. *This comes out to about \$180 per year per taxpayer.*
- For those who have insurance through an employer: if one compares normal to overweight individuals, the costs are an additional \$4,120 for men and \$450 for women. In the group where BMI is 30 to 35, the costs are \$380 for men and \$810 for women. In Grade 2 obese individuals, the numbers go up to \$1,120 for men and \$1,470 for women.

Other potential costs of obesity include absenteeism, productivity, quality of life, and costs for caregivers, ambulances and emergency response, etc.

AMERICA'S **growing** OVERWEIGHT PROBLEM

America has loosened its collective belt. Too many of us are too big for our britches—and our health.

Polls show that more than 64 percent of adults are overweight and more than 30 percent are obese. The number of overweight children is also rising.

Contributing to the trend:
We eat super-sized meals, watch too much television and drive everywhere. Our jobs shackle us to desks. We don't exercise.

And despite all the attention given to diet and physical fitness, the trend shows no signs of slowing. Experts worry about the impact on people's health and on society.

Obesity has been linked to heart disease, stroke, diabetes and cancer, and may be responsible for up to 300,000 deaths annually.

Added up, U.S. health care spending associated with obesity exceeded \$117 billion in 2000, says the Centers for Disease Control and Prevention.

If the trend continues, "the increases in the health care costs as a result of diabetes and other conditions will be dramatic," says Ed Bernstein, executive director of the North American Association for the Study of Obesity.

"We're in the midst of something that's going to hit us very hard, very soon," he says.

The government wants to reduce adult obesity to less than 15 percent by 2010.

Diabetes Key Concern

The CDC study, reported in the October 2003 issue of the *Journal of the American Medical Association*, concluded 400,000 deaths in the U.S. in 2000 were attributable to obesity and lack of exercise. Ten years earlier, obesity accounted for about 300,000 deaths. By comparison, tobacco use (mainly smoking) accounted for about 435,000 deaths in 2000, according to the study.

A chief obesity-related ailment is diabetes. American females born in 2000 have a 38.5 percent risk of developing diabetes, cutting life expectancy by 14.3 years if the disease is diagnosed by age 40, according to the study. Males born in 2000 have a 32.8 percent risk of developing diabetes, shortening life expectancy by 11.6 years if diagnosed by age 40.

Among minorities, the risks are disproportionately high. The CDC report says female Hispanics have a 52.5 percent risk of diabetes from birth; male Hispanics a 51.9 percent risk. The risk is 49 percent for black women and 41.4 percent for black males.

White females have a 31.2 percent risk and white men a 26.7 percent risk.

Dr. K.M. Venkat Narayan, a diabetes epidemiologist at the CDC, conducted the study using data from the annual National Health Interview Survey of about 360,000 people from 1984-2000, from the U.S. Census Bureau, and from a previous study of diabetes as a cause of death.

"I think the fact that the diabetes epidemic has been raging has been well known to us for several years. But looking at the risk in these terms was very shocking to us," Narayan told reporters when releasing the study.

Steve Stanek is an Illinois-based freelance writer and regular contributor to Health Care News. His email address is stanek@mc.net.

Rep. Sandvig
HB 1319

disciplinary issues. These ideas are meant to enhance the quality of health care for the state's patients

4. Control of Rising Drug Costs:

As a way to control the ever-rising prescription drug costs, the Republican committee will examine the benefits of licensing Pharmaceutical Benefits.

5. Performance Review of the Department of Health:

The GOP is looking at mandating a full performance review of the Department of Health and its services.

6. Certificates of Need for hospital expansions (SB 261, HB 2760):

The Republicans are revisiting the CON situation, as a means to help control health care costs. Possible legislation will require hospitals to file a "Certificate of Need" to justify major capital expenditures. The Commonwealth would have to approve proposed expansions, as was the case until several years ago. HB 2760 exempts Tioga County from this requirement. HAP and PMS are opposing the return of the CON.

7. Employer Health Incentives:

The committee is considering "preventative health incentives" (tax credits or rebates) to employers to offer disease management programs for workers.

8. AdultBasic Expansion and Review

The committee may propose an automatic six-month review of the AdultBasic waiting list to get people needed coverage quicker. Currently, individuals can remain on the list indefinitely while their income situation may change, making them ineligible.

9. Child Nutrition and Obesity:

The committee is also looking at creating a child nutrition and obesity aspect of the Healthy PA package, including the removal of candy bar machines in schools, revamping school nutrition guidelines, developing a nutrition education curriculum and mandating physical education.

Three pieces of this package have already been introduced:

HB 2500(PN 4225) The Chronic Disease Management Program Act. The Program would develop a disease management program to improve health care of medical assistance recipients who are at risk of or diagnosed with certain ailments or chronic diseases that require frequent medical attention. The legislation also provides for definitions, duties of the Department and reporting requirements. The Act would expire four years from its effective date. (Prior Printer's Numbers: 4165, 4169)

PA } **HB 2501 AND HB 2644 (Identical Legislation)** (PN 3962 and 3932) Amends the Tax Reform Code by adding a chapter entitled the Disease Management Insurance Policy Tax Credit Act. The chapter would establish a tax credit of \$100 per employee for employers who purchase disease management insurance policies for a two year period through 2006. If the taxpayer cannot use the entire amount of the tax credit because the amount of the tax credit exceeds the tax liability of the taxpayer, the excess may be carried over to succeeding taxable years and used as a credit against the qualified tax liability of the taxpayer for those taxable years. The legislation limits the total amount of credits approved in any fiscal year to \$19,000,000, of which 40% must go to small businesses. If the total amount of tax credits applied for exceeds the amount allocated for those credits, the tax credit would be prorated by the department among applicants who have qualified for the credit. Discussed during House GOP Policy Committee Meeting on August 4, 2004.

HB 2750 (PN 4232) Amends the Tax Reform Code by creating the Business Receipts Education Tax which would impose a tax of 4.5% upon the receipt of goods or services by a person in PA. A credit against the tax would be granted equal to the amount of any tax imposed for the same period of time. Every person liable for the tax imposed would keep records, render statements, make returns and comply with such rules and regulations prescribed by the Department of Revenue. Every taxpayer would file quarterly returns with respect to this imposed tax. The bill provides for exclusions to the tax, underpayment of tax, understatement of tax, failure to file return, fraudulent returns and prescribes penalties. After June 30, 2005, the realty transfer tax would be imposed at a rate of 3% statewide on all transactions. (The current transfer tax is 1%). Lastly, all money paid under this legislation to school districts imposing the Local Real Estate

HB 2501 BY Representatives REICHLEY, NICKOL, BAKER, THOMAS, ARMSTRONG, ALDWIN, BARRAR, CAPPELLI, CRAHALLA, DALLY, DeWEESE, FRANKEL, GOODMAN, AUCELA, JAMES, KILLION, LEH, LYNCH, MACKERETH, MARKOSEK, McCALL, LLARD, S. MILLER, MUSTIO, SAINATO, SEMMEL, STERN, E. Z. TAYLOR, TAYLOR, TIGUE, TURZAI, WATSON, YUDICHAK, FREEMAN, YOUNGBLOOD, BROWNE, PICKETT, DENLINGER, ROSS and MELIO.

Prior Printer's No. 3962.

Printer's No. 4483.

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, providing for a disease management tax credit.

Referred to FINANCE, June 7, 2004
Reported as amended, Oct. 5, 2004
First consideration, Oct. 5, 2004
Laid on the table, Oct. 5, 2004
Removed from table, Oct. 6, 2004
Second consideration, Oct. 6, 2004
Re-referred to APPROPRIATIONS, Oct. 6, 2004
Re-reported as committed, Oct. 18, 2004
Third consideration and final passage, Oct. 18, 2004 (189-0)
(Remarks see House Journal), Oct. 18, 2004
In the Senate
Referred to FINANCE, Nov. 5, 2004

2004

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2501 Session of 2004

INTRODUCED BY REICHLEY, NICKOL, BAKER, THOMAS, ARMSTRONG,
BALDWIN, BARRAR, CAPPELLI, CRAHALLA, DALLY, DeWEESE, FRANKEL,
GOODMAN, GRUCELA, JAMES, KILLION, LEH, LYNCH, MACKERETH,
MARKOSEK, McCALL, MILLARD, S. MILLER, MUSTIO, SAINATO,
SEMMELE, STERN, E. Z. TAYLOR, J. TAYLOR, TIGUE, TURZAI,
WATSON, YUDICHAK, FREEMAN, YOUNGBLOOD, BROWNE, PICKETT,
DENLINGER, ROSS AND MELIO, JUNE 7, 2004

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES,
AS AMENDED, OCTOBER 5, 2004

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities, prescribing crimes, offenses and
10 penalties," providing for a disease management tax credit
11 and making a repeal.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as
15 the Tax Reform Code of 1971, is amended by adding an article to
16 read:

ARTICLE XVII-C

DISEASE MANAGEMENT TAX CREDIT

17
18
19 Section 1701-C. Short title.

1 This article shall be known and may be cited as the Disease
2 Management Insurance Policy Tax Credit Act.
3 Section 1702-C. Definitions.

4 The following words and phrases when used in this article
5 shall have the meanings given to them in this section unless the
6 context clearly indicates otherwise:

7 "Department." The Department of Revenue of the Commonwealth.

8 "Disease management insurance policy." A group or individual
9 health insurance policy that includes a disease management
10 program.

11 "Disease management program." A set of interventions
12 designed to improve the health of individuals, especially those
13 with certain ailments or diseases. A disease management program
14 may include:

15 (1) Identifying patients and matching the intervention
16 with need.

17 (2) Support for adherence to evidence-based medical
18 practice guidelines, including providing medical treatment

19 guidelines to physicians and other providers, and providing
20 support services to assist the physician in monitoring the
21 patient.

22 (3) Services designed to enhance patient management and
23 adherence to an individualized treatment plan, including
24 patient education, monitoring and reminders, and behavior
25 modification programs aimed at encouraging lifestyle changes.

26 (4) Routine reporting and feedback loops, including
27 communication with patient, physician, health plan and
28 ancillary providers, and practice profiling.

29 (5) Collection and analysis of process and outcome
30 measures.

20040H2501B4483

- 2 -

1 "Master Settlement Agreement." As defined in section 102 of
2 the act of June 26, 2001 (P.L.755, No.77), known as the Tobacco
3 Settlement Act.

4 "Pass-through entity." Any of the following:

5 (1) A partnership, limited partnership, limited
6 liability company, business trust or other unincorporated
7 entity that for Federal income tax purposes is taxable as a
8 partnership.

9 (2) A Pennsylvania S corporation.

10 "Primary contractor." A person licensed to conduct business
11 in this Commonwealth that develops, implements or monitors
12 disease management programs.

13 "Qualified tax liability." The liability for taxes imposed
14 under Article III, IV or VI. The term includes the liability for
15 taxes imposed under Article III on a sole proprietor, partner,
16 shareholder, owner or member of a pass-through entity.

17 "Secretary." The Secretary of Revenue of the Commonwealth.

18 "Service provider." A person licensed to conduct business in
19 this Commonwealth that is selected by the primary contractor to
20 provide disease management programs.

21 "Small business." A taxpayer with fewer than 50 employees.

22 "Tax credit." The disease management insurance policy tax
23 credit authorized under this article.

24 "Taxpayer." An entity subject to tax under Article III, IV
25 or VI. The term includes:

26 (1) the partner, shareholder, owner or member of a pass-
27 through entity that receives a tax credit; or

28 (2) a sole proprietor.

29 "Tobacco Settlement Act." The act of June 26, 2001 (P.L.755,
30 No.77), known as the Tobacco Settlement Act.

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1 "Tobacco Settlement Fund." The Tobacco Settlement Fund
2 established section 303(a) of the act of June 26, 2001 (P.L.755,
3 No.77), known as the Tobacco Settlement Act.

4 Section 1703-C. Credit for disease management insurance
5 policies.

6 (a) Application.--A taxpayer who purchases and provides a
7 disease management insurance policy to employees in a taxable
8 year may apply for a tax credit as provided in this article. By
9 September 15, a taxpayer must submit an application to the
10 department for premiums paid in the taxable year that ended in
11 the prior calendar year.

12 (b) Tax credit.--A taxpayer qualified under subsection (a)
13 shall receive a tax credit for the taxable year in the amount of
14 \$100 for each employee of the taxpayer covered by a disease
15 management insurance policy.

16 (c) Notification of credit.--By December 15 of the calendar
17 year following the close of the taxable year, the department
18 shall notify the taxpayer of the amount of the taxpayer's tax
19 credit approved by the department.

20 Section 1704-C. Certification requirement.

21 (a) Application.--In order to qualify for the tax credit, a
22 taxpayer, in conjunction with the Department of Labor and
23 Industry and the Insurance Department, shall make application
24 for the certification of the disease management program

25 purchased as part of the disease management insurance policy.
26 The Insurance Department shall develop the certification
27 criteria.

(b) Reapplying.--In the subsequent tax year, a taxpayer
reapplying for the tax credit must provide verification to the
Department of Labor and Industry and the Insurance Department
20040H2501B4483 - 4 -

1 that the disease management program meets the certification
2 requirements and continues to be purchased by the taxpayer.
3 Section 1705-C. Carryover, carryback, refund and assignment of
4 credit.

5 (a) General rule.--If the taxpayer cannot use the entire
6 amount of the tax credit for the taxable year in which the tax
7 credit is first approved because the amount of the tax credit
8 exceeds the tax liability of the taxpayer for the year in which
9 the tax credit under section 1703-C is to be applied, the excess
10 may be carried over to succeeding taxable years and used as a
11 credit against the qualified tax liability of the taxpayer for
12 those taxable years. Each time the tax credit is carried over to
13 a succeeding taxable year, it shall be reduced by the amount
14 that was used as a credit during the immediately preceding
15 taxable year. The tax credit may be carried over and applied to
16 succeeding taxable years for no more than 15 taxable years
17 following the first taxable year for which the taxpayer was
18 entitled to claim the credit.

19 (b) Application of tax credit.--A tax credit approved by the
20 department for premiums incurred in a taxable year shall first
21 be applied against the taxpayer's qualified tax liability for
22 the current taxable year as of the date on which the credit was
23 approved before the tax credit may be applied against any tax
24 liability under subsection (a).

25 (c) Unused tax credit.--A taxpayer is not entitled to
26 assign, carry back or obtain a refund of an unused tax credit.
27 Section 1706-C. Time limitations.

28 A taxpayer is not entitled to a tax credit for health
29 insurance premiums providing for disease management programs
30 incurred in taxable years ending after December 31, 2006.
20040H2501B4483 - 5 -

1 Section 1707-C. Limitation on credits.

2 (a) Allocation for small businesses.--The total amount of
3 tax credits approved by the department shall not exceed
4 \$19,000,000 in any fiscal year. Of that amount, 40% of available
5 funds shall be allocated exclusively for small businesses.
6 However, if the total amounts allocated to either the group of
7 applicants exclusive of small businesses or the group of small
8 business applicants is not approved in any fiscal year, the
9 unused portion will become available for use by other qualifying
10 taxpayers.

11 (b) Proration of tax credits.--

12 (1) If the total amount of tax credits applied for by
13 all taxpayers, exclusive of small businesses, exceeds the
14 amount allocated for those credits, the tax credit to be
15 received by each applicant shall be prorated by the
16 department among all applicants, exclusive of small
17 businesses, who have qualified for the credit.

18 (2) If the total amount of tax credits applied for by
19 all small businesses exceeds the amount allocated for those
20 credits, the tax credit to be received by each small business
21 applicant shall be prorated by the department among all small
22 business applicants who have qualified for the credit.

23 Section 1708-C. Shareholder, owner or member pass-through.

24 (a) Pennsylvania S corporations.--If a Pennsylvania S
25 corporation does not have an eligible tax liability against
26 which the tax credit may be applied, a shareholder of the
27 Pennsylvania S corporation is entitled to a tax credit equal to
28 the tax credit determined for the Pennsylvania S corporation for
29 the taxable year multiplied by the percentage of the
30 Pennsylvania S corporation's distributive income to which the

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1 shareholder is entitled.

2 (b) Pass-through entities.--If a pass-through entity other
3 than a Pennsylvania S corporation does not have an eligible tax
4 liability against which the tax credit may be applied, an owner
5 or member of the pass-through entity is entitled to a tax credit
6 equal to the tax credit determined for the pass-through entity
7 for the taxable year multiplied by the percentage of the pass-
8 through entity's distributive income to which the owner or
9 member is entitled.

10 (c) Entitlement.--The credit provided under subsection (a)
11 or (b) is in addition to any tax credit to which a shareholder,
12 owner or member of a pass-through entity is otherwise entitled
13 under this article. However, a pass-through entity and a
14 shareholder, owner or member of a pass-through entity may not
15 claim a credit under this article for the same premium or
16 employee.

17 Section 1709-C. Accountability.

18 (a) Review procedures.--Any taxpayer that receives a tax
19 credit under this act shall be subject to a performance review
20 by the Department of Labor and Industry, in conjunction with the
21 Insurance Department. As appropriate, the performance review
22 shall be based upon information submitted to the department that
23 includes the following:

24 (1) The contractor's or service provider's strategic
25 goals and objectives for disease management programs.

26 (2) The contractor's or service provider's annual
27 performance plan setting forth how these strategic goals and
28 objectives are to be achieved and the specific methodology
29 for evaluating results, along with any proposed methods for
30 improvement.

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1 (3) The contractor's or service provider's annual
2 performance report setting forth the specific results in
3 achieving its strategic goals and objectives for disease
4 management, including any changes in the health of
5 participants in the disease management program.

6 (4) The progress made in achieving expected program
7 priorities and goals.

8 (5) Any other information deemed necessary by the
9 department.

10 (b) Penalty.--If a performance review indicates that a
11 primary contractor or a service provider failed to comply with
12 contract requirements or meet performance goals, taxpayers may
13 be subject to a reduction in or ineligibility for future tax
14 credit funding under this act.

15 Section 1710-C. Report to General Assembly.

16 (a) Submission of report.--The secretary shall submit an
17 annual report indicating the effectiveness of the credit
18 provided by this article no later than March 15 following the
19 year in which the credits were approved to the Governor, the
20 Chairmen and the Minority Chairmen of the Public Health and
21 Welfare Committee and the Appropriations Committee of the Senate
22 and the Chairmen and Minority Chairmen of the Health and Human
23 Services Committee and the Appropriations Committee of the House
24 of Representatives.

25 (b) Contents.--The report shall include the names of all
26 taxpayers utilizing the credit as of the date of the report and
27 the amount of credits approved and utilized by each taxpayer.

28 (c) Public information.--Notwithstanding any law providing
29 for the confidentiality of tax records, the information
30 contained in the report shall be public information.

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1 (d) Recommendations.--The report may also include any
2 recommendations for changes in the calculation or administration
3 of the credit.

4 Section 1711-C. Termination.

5 The department shall not approve a tax credit under this

6 article for taxable years ending after December 31, 2006.

7 Section 1712-C. Regulations.

8 The secretary shall promulgate regulations necessary for the
9 implementation and administration of this article.

10 Section 1713-C. Appropriation from the Tobacco Settlement Fund. <--

11 The General Assembly hereby appropriates funds in the Tobacco
12 Settlement Fund received by the Commonwealth pursuant to the
13 Master Settlement Agreement in accordance with the following
14 percentages based on actual funds received in each year or upon
15 receipt of the final annual payment:

16 (1) Seven percent for tobacco use prevention and
17 cessation programs pursuant to Chapter 7 of the Tobacco
18 Settlement Act.

19 (2) Five percent for deposit into the General Fund to
20 pay for the pilot program authorized under this article.

21 Section 2. Section 306(b)(1)(iii) of the act of June 26,
22 2001 (P.L. 755, No. 77), known as the Tobacco Settlement Act, is
23 repealed.

24 Section 3 2. This act shall take effect in 60 days. <--

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Mississippi Legislature 2004 Regular Session

House Bill 705

[Main Menu](#)

[Bill Text](#)

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[Title](#)

Description: Income tax; provide a credit for employers that incur costs to promote employee physical fitness.

Bill Text: [Introduced]

History of Actions:

- 1 01/30 (H) Referred To Ways and Means
- 2 03/31 (H) Died In Committee

didn't pass

Background Information:

<u>Effective date</u>	January 1, 2004
<u>Disposition</u>	Dead
<u>Deadline</u>	Revenue
<u>Revenue</u>	Yes
<u>Vote type required</u>	Three/Fifths

House Committee:

- Ways and Means

Principal Author: Whittington

Title: AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR EMPLOYERS THAT INCUR COSTS FOR THE PURPOSE OF PROMOTING EMPLOYEE PHYSICAL FITNESS AND WELL-BEING; TO PROVIDE THE TYPE OF COSTS THAT QUALIFY FOR THE INCOME TAX CREDIT; TO LIMIT THE AMOUNT OF THE TAX CREDIT TO THE LESSER OF 10% OF THE COSTS INCURRED BY THE EMPLOYER FOR SUCH PURPOSES OR 50% OF THE INCOME TAX IMPOSED UPON THE EMPLOYER FOR THE TAXABLE YEAR; TO PROVIDE THAT ANY UNUSED PORTION OF THE INCOME TAX CREDIT MAY BE CARRIED FORWARD FOR THE NEXT FIVE SUCCEEDING TAX YEARS; AND FOR RELATED PURPOSES.

Information pertaining to this measure was last updated on 03/31/04 at 16:06.

End Of Document

2004/pdf/History/HB/HB0705.htm

By: Representative Whittington

To: Ways and Means

HOUSE BILL NO. 705

1 AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR EMPLOYERS THAT
2 INCUR COSTS FOR THE PURPOSE OF PROMOTING EMPLOYEE PHYSICAL FITNESS
3 AND WELL-BEING; TO PROVIDE THE TYPE OF COSTS THAT QUALIFY FOR THE
4 INCOME TAX CREDIT; TO LIMIT THE AMOUNT OF THE TAX CREDIT TO THE
5 LESSER OF 10% OF THE COSTS INCURRED BY THE EMPLOYER FOR SUCH
6 PURPOSES OR 50% OF THE INCOME TAX IMPOSED UPON THE EMPLOYER FOR
7 THE TAXABLE YEAR; TO PROVIDE THAT ANY UNUSED PORTION OF THE INCOME
8 TAX CREDIT MAY BE CARRIED FORWARD FOR THE NEXT FIVE SUCCEEDING TAX
9 YEARS; AND FOR RELATED PURPOSES.

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

11 SECTION 1. (1) Subject to the provisions of this section,
12 for an employer that incurs costs for the purpose of promoting
13 employee physical fitness and well-being, a credit against the
14 taxes imposed by this chapter shall be allowed in the amount
15 provided in subsection (2) of this section. Eligible costs
16 include, but are not limited to, the net costs of constructing,
17 equipping, operating and/or maintaining a facility owned by the
18 employer such as a gymnasium, weight training room, aerobics
19 workout space, swimming pool, running track, or any indoor or
20 outdoor court, field or other site used for competitive sports
21 events or games, and which is used exclusively for the purpose of
22 promoting the physical fitness and well-being of the employer's
23 employees. Additional eligible costs include the costs of
24 employing a qualified person to conduct a class or classes on the
25 taxpayer's business premises offering (a) information and guidance
26 on subjects relating to personal and family health such as
27 nutrition, hygiene and methods of preventing, recognizing and
28 combating substance addiction or (b) instruction in and
29 opportunity for fitness enhancement activity such as dance or

30 other aerobic exercise, yoga, muscle stretching, or martial arts
31 routines.

32 (2) The income tax credit provided in subsection (1) of this
33 section shall not exceed the lesser of ten percent (10%) of the
34 costs incurred by the employer during the taxable year for
35 purposes described in subsection (1) of this section or fifty
36 percent (50%) of the income tax imposed upon the taxpayer for the
37 taxable year reduced by the sum of all other credits allowable to
38 such taxpayer under the state income tax laws, except credit for
39 tax payments made by or on behalf of the taxpayer. Any unused
40 portion of the credit may be carried forward for the next five (5)
41 succeeding tax years. The income tax credit provided under this
42 section shall be used only by the actual employer qualifying for
43 the credit.

44 (3) Amounts used by a taxpayer as a credit under this
45 section may not be used as a deduction by the taxpayer for state
46 income tax purposes.

47 **SECTION 2.** Section 1 of this act shall be codified as a
48 separate section in Chapter 7, Title 27, Mississippi Code of 1972.

49 **SECTION 3.** Nothing in this act shall affect or defeat any
50 claim, assessment, appeal, suit, right or cause of action for
51 taxes due or accrued under the income tax laws before the date on
52 which this act becomes effective, whether such claims,
53 assessments, appeals, suits or actions have been begun before the
54 date on which this act becomes effective or are begun thereafter;
55 and the provisions of the income tax laws are expressly continued
56 in full force, effect and operation for the purpose of the
57 assessment, collection and enrollment of liens for any taxes due
58 or accrued and the execution of any warrant under such laws before
59 the date on which this act becomes effective, and for the
60 imposition of any penalties, forfeitures or claims for failure to
61 comply with such laws.

limit?

carry forward?

62 SECTION 4. This act shall take effect and be in force from
63 and after January 1, 2004.

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2501 Session of 2004

as introduced

INTRODUCED BY REICHLEY, NICKOL, BAKER, THOMAS, ARMSTRONG, BALDWIN, BARRAR, CAPPELLI, CRAHALLA, DALLY, DeWEESE, FRANKEL, GOODMAN, GRUCELA, JAMES, KILLION, LEH, LYNCH, MACKERETH, MARKOSEK, McCALL, MILLARD, S. MILLER, MUSTIO, SAINATO, SEMMEL, STERN, E. Z. TAYLOR, J. TAYLOR, TIGUE, TURZAI, WATSON, YUDICHAK, FREEMAN, YOUNGBLOOD, BROWNE AND PICKETT, JUNE 7, 2004

REFERRED TO COMMITTEE ON FINANCE, JUNE 7, 2004
AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities; prescribing crimes, offenses and
10 penalties," providing for a disease management tax credit;
11 and making a repeal.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as
15 the Tax Reform Code of 1971, is amended by adding an article to
16 read:

ARTICLE XVII-C

DISEASE MANAGEMENT TAX CREDIT

17 Section 1701-C. Short title.

18 This article shall be known and may be cited as the Disease
19 Management Insurance Policy Tax Credit Act.

20 Section 1702-C. Definitions.

1 The following words and phrases when used in this article
2 shall have the meanings given to them in this section unless the
3 context clearly indicates otherwise:

4 "Department." The Department of Revenue of the Commonwealth.
5 "Disease management insurance policy." A group or individual
6 health insurance policy that includes a disease management
7 program.

8 "Disease management program." A set of interventions
9 designed to improve the health of individuals, especially those
10 with certain ailments or diseases. A disease management program
11 may include:

12 (1) Identifying patients and matching the intervention
13 with need.

14 (2) Support for adherence to evidence-based medical
15 practice guidelines, including providing medical treatment
16 guidelines to physicians and other providers, and providing
17 support services to assist the physician in monitoring the

20 patient.

21 (3) Services designed to enhance patient management and
22 adherence to an individualized treatment plan, including
23 patient education, monitoring and reminders, and behavior
24 modification programs aimed at encouraging lifestyle changes.

25 (4) Routine reporting and feedback loops, including
26 communication with patient, physician, health plan and
27 ancillary providers, and practice profiling.

28 (5) Collection and analysis of process and outcome
29 measures.

30 "Master Settlement Agreement." As defined in section 102 of

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1 the act of June 26, 2001 (P.L.755, No.77), known as the Tobacco
2 Settlement Act.

3 "Pass-through entity." Any of the following:

4 (1) A partnership, limited partnership, limited
5 liability company, business trust or other unincorporated
6 entity that for Federal income tax purposes is taxable as a
7 partnership.

8 (2) A Pennsylvania S corporation.

9 "Primary contractor." A person licensed to conduct business
10 in this Commonwealth that develops, implements or monitors
11 disease management programs.

12 "Qualified tax liability." The liability for taxes imposed
13 under Article III, IV or VI. The term includes the liability for
14 taxes imposed under Article III on a sole proprietor, partner,
15 shareholder, owner or member of a pass-through entity.

16 "Secretary." The Secretary of Revenue of the Commonwealth.

17 "Service provider." A person licensed to conduct business in
18 this Commonwealth that is selected by the primary contractor to
19 provide disease management programs.

20 "Small business." A taxpayer with fewer than 50 employees.

21 "Tax credit." The disease management insurance policy tax
22 credit authorized under this article.

23 "Taxpayer." An entity subject to tax under Article III, IV
24 or VI. The term includes:

25 (1) the partner, shareholder, owner or member of a pass-
26 through entity that receives a tax credit; or

27 (2) a sole proprietor.

28 "Tobacco Settlement Act." The act of June 26, 2001 (P.L.755,
29 No.77), known as the Tobacco Settlement Act.

30 "Tobacco Settlement Fund." The Tobacco Settlement Fund

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1 established section 303(a) of the act of June 26, 2001 (P.L.755,
2 No.77), known as the Tobacco Settlement Act.

3 Section 1703-C. Credit for disease management insurance
4 policies.

5 (a) Application.--A taxpayer who purchases and provides a
6 disease management insurance policy to employees in a taxable
7 year may apply for a tax credit as provided in this article. By
8 September 15, a taxpayer must submit an application to the
9 department for premiums paid in the taxable year that ended in
10 the prior calendar year.

11 (b) Tax credit.--A taxpayer qualified under subsection (a)
12 shall receive a tax credit for the taxable year in the amount of
13 \$100 for each employee of the taxpayer covered by a disease
14 management insurance policy.

15 (c) Notification of credit.--By December 15 of the calendar
16 year following the close of the taxable year, the department
17 shall notify the taxpayer of the amount of the taxpayer's tax
18 credit approved by the department.

19 Section 1704-C. Certification requirement.

20 (a) Application.--In order to qualify for the tax credit, a
21 taxpayer, in conjunction with the Department of Labor and
22 Industry and the Insurance Department, shall make application
23 for the certification of the disease management program
24 purchased as part of the disease management insurance policy.
25 The Insurance Department shall develop the certification

26 criteria.

27 (b) Reapplying.--In the subsequent tax year, a taxpayer
28 reapplying for the tax credit must provide verification to the
29 Department of Labor and Industry and the Insurance Department
30 that the disease management program meets the certification

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1 requirements and continues to be purchased by the taxpayer.

2 Section 1705-C. Carryover, carryback, refund and assignment of
3 credit.

4 (a) General rule.--If the taxpayer cannot use the entire
5 amount of the tax credit for the taxable year in which the tax
6 credit is first approved because the amount of the tax credit
7 exceeds the tax liability of the taxpayer for the year in which
8 the tax credit under section 1703-C is to be applied, the excess
9 may be carried over to succeeding taxable years and used as a
10 credit against the qualified tax liability of the taxpayer for
11 those taxable years. Each time the tax credit is carried over to
12 a succeeding taxable year, it shall be reduced by the amount
13 that was used as a credit during the immediately preceding
14 taxable year. The tax credit may be carried over and applied to
15 succeeding taxable years for no more than 15 taxable years
16 following the first taxable year for which the taxpayer was
17 entitled to claim the credit.

18 (b) Application of tax credit.--A tax credit approved by the
19 department for premiums incurred in a taxable year shall first
20 be applied against the taxpayer's qualified tax liability for
21 the current taxable year as of the date on which the credit was
22 approved before the tax credit may be applied against any tax
23 liability under subsection (a).

24 (c) Unused tax credit.--A taxpayer is not entitled to
25 assign, carry back or obtain a refund of an unused tax credit.
26 Section 1706-C. Time limitations.

27 A taxpayer is not entitled to a tax credit for health
28 insurance premiums providing for disease management programs
29 incurred in taxable years ending after December 31, 2006.

30 Section 1707-C. Limitation on credits.

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1 (a) Allocation for small businesses.--The total amount of
2 tax credits approved by the department shall not exceed
3 \$19,000,000 in any fiscal year. Of that amount, 40% of available
4 funds shall be allocated exclusively for small businesses.
5 However, if the total amounts allocated to either the group of
6 applicants exclusive of small businesses or the group of small
7 business applicants is not approved in any fiscal year, the
8 unused portion will become available for use by other qualifying
9 taxpayers.

10 (b) Proration of tax credits.--

11 (1) If the total amount of tax credits applied for by
12 all taxpayers, exclusive of small businesses, exceeds the
13 amount allocated for those credits, the tax credit to be
14 received by each applicant shall be prorated by the
15 department among all applicants, exclusive of small
16 businesses, who have qualified for the credit.

17 (2) If the total amount of tax credits applied for by
18 all small businesses exceeds the amount allocated for those
19 credits, the tax credit to be received by each small business
20 applicant shall be prorated by the department among all small
21 business applicants who have qualified for the credit.

22 Section 1708-C. Shareholder, owner or member pass-through.

23 (a) Pennsylvania S corporations.--If a Pennsylvania S
24 corporation does not have an eligible tax liability against
25 which the tax credit may be applied, a shareholder of the
26 Pennsylvania S corporation is entitled to a tax credit equal to
27 the tax credit determined for the Pennsylvania S corporation for
28 the taxable year multiplied by the percentage of the
29 Pennsylvania S corporation's distributive income to which the
30 shareholder is entitled.

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(c) Entitlement.--The credit provided under subsection (a) or (b) is in addition to any tax credit to which a shareholder, owner or member of a pass-through entity is otherwise entitled under this article. However, a pass-through entity and a shareholder, owner or member of a pass-through entity may not claim a credit under this article for the same premium or employee.

(a) Review procedures.--Any taxpayer that receives a tax credit under this act shall be subject to a performance review by the Department of Labor and Industry, in conjunction with the Insurance Department. As appropriate, the performance review shall be based upon information submitted to the department that includes the following:

(2) The contractor's or service provider's annual performance plan setting forth how these strategic goals and objectives are to be achieved and the specific methodology for evaluating results, along with any proposed methods for improvement.

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performance report setting forth the specific results in achieving its strategic goals and objectives for disease management, including any changes in the health of participants in the disease management program.

(5) Any other information deemed necessary by the department.

(b) **Penalty.**--If a performance review indicates that a primary contractor or a service provider failed to comply with contract requirements or meet performance goals, taxpayers may be subject to a reduction in or ineligibility for future tax credit funding under this act.

(a) Submission of report.--The secretary shall submit an annual report indicating the effectiveness of the credit provided by this article no later than March 15 following the year in which the credits were approved to the Governor, the Chairmen and the Minority Chairmen of the Public Health and Welfare Committee and the Appropriations Committee of the Senate and the Chairmen and Minority Chairmen of the Health and Human Services Committee and the Appropriations Committee of the House of Representatives.

(b) Contents.--The report shall include the names of all taxpayers utilizing the credit as of the date of the report and the amount of credits approved and utilized by each taxpayer.

(c) Public information.--Notwithstanding any law providing for the confidentiality of tax records, the information contained in the report shall be public information.

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recommendations for changes in the calculation or administration
of the credit.

The department shall not approve a tax credit under this article for taxable years ending after December 31, 2006.

Section 1712-C. Regulations.

7 The secretary shall promulgate regulations necessary for the
8 implementation and administration of this article.

9 Section 1713-C. Appropriation from the Tobacco Settlement Fund.

10 The General Assembly hereby appropriates funds in the Tobacco
11 Settlement Fund received by the Commonwealth pursuant to the
12 Master Settlement Agreement in accordance with the following
13 percentages based on actual funds received in each year or upon
14 receipt of the final annual payment:

15 (1) Seven percent for tobacco use prevention and
16 cessation programs pursuant to Chapter 7 of the Tobacco
17 Settlement Act.

18 (2) Five percent for deposit into the General Fund to
19 pay for the pilot program authorized under this article.

20 Section 2. Section 306(b)(1)(iii) of the act of June 26,
21 2001 (P.L.755, No.77), known as the Tobacco Settlement Act, is
22 repealed.

23 Section 3. This act shall take effect in 60 days.

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SENATE, No. 484
STATE OF NEW JERSEY
211th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2004 SESSION

Sponsored by:

Senator BARBARA BUONO

District 18 (Middlesex)

Senator JOHN H. ADLER

District 6 (Camden)

*didn't
pass*

SYNOPSIS

Allows corporation business tax credit and gross income tax credit for employer expenditures to provide certain physical fitness benefits to employees.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

AN ACT providing a credit against the corporation business tax and the New Jersey gross income tax for certain taxpayer expenditures to promote employee fitness, supplementing P.L.1945, c.162 (C.54:10A-1 et seq.) and Title 54A of the New Jersey Statutes.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. a. Subject to the provisions of subsection b. of this section, a taxpayer shall be allowed a credit against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10-5), in an amount equal to 10% of the taxpayer's expenses for the privilege period to pay for:

(1) The costs of equipping, operating and maintaining a facility owned by the taxpayer

and used exclusively for the purpose of promoting the physical fitness of the taxpayer's employees, including but not limited to a gymnasium, weight training room, aerobics workout space, swimming pool, running track, or any indoor or outdoor court, field, or other site used for competitive sports events or games;

(2) The costs, to the extent not covered under paragraph (1) of this subsection, of equipping and providing any related financial support for an athletic team under the sponsorship of the taxpayer, either alone or jointly with one or more other employers, provided that the membership of the team consists entirely of employees of the taxpayer or the taxpayer and such other employer or employers, as appropriate;

(3) All or part of the cost of individual memberships or a group membership for the taxpayer's employees at a health club, as defined by subsection b. of section 1 of P.L.1987, c.238 (C.56:8-39);

(4) The cost of employing a qualified person to conduct, on the taxpayer's business premises, a class or classes offering (a) information and guidance on subjects relating to personal and family health, such as nutrition, hygiene, and methods of preventing, recognizing and combating substance addiction, or (b) instruction in and opportunity for fitness enhancement activity, including but not limited to dance or other aerobic exercise, yoga, muscle stretching, or martial arts routines; and

(5) Incentive awards to employees for their regular engagement in physical activity in such forms as bicycling between home and work.

No expenditure by a taxpayer to provide any of the employee fitness benefits described in paragraphs (1) through (5) of this subsection shall qualify the taxpayer for a credit under this subsection if the benefit is extended on terms that discriminate, among full-time employees of the taxpayer, in favor of highly compensated employees.

The amounts allowed as a credit under this subsection shall not, for any privilege period, exceed \$50 multiplied by the average of the number of persons employed as full-time employees of the taxpayer as of the last day of the third, sixth, ninth and twelfth months of that privilege period.

b. The priority in which credits allowed pursuant to this section and any other credits shall be taken against the tax imposed pursuant to section 5 of P.L.1945, c.162 shall be determined by the director. Credits allowable pursuant to this section shall be applied in the order of the credits' privilege periods. The amount of the credits applied under this section against the tax imposed pursuant to section 5 of P.L.1945, c.162, for a privilege period shall not, in combination with any other credits applied, exceed 50% of the tax liability otherwise due and shall not reduce the tax liability to an amount less than the statutory minimum provided in subsection (e) of section 5 of P.L.1945, c.162.

c. The amount of any credit otherwise allowable under this section that cannot be applied for the privilege period due to the limitations of subsection b. of this section may be carried over, if necessary, to the five privilege periods following the period for which

the amount was allowed.

2. a. Subject to the provisions of subsection b. of this section, a taxpayer shall be allowed a credit against the tax imposed pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., in an amount equal to 10% of the taxpayer's expenses for the taxable year to pay for:

(1) The costs of equipping, operating and maintaining a facility owned by the taxpayer and used exclusively for the purpose of promoting the physical fitness of the taxpayer's employees, including but not limited to a gymnasium, weight training room, aerobics workout space, swimming pool, running track, or any indoor or outdoor court, field, or other site used for competitive sports events or games;

(2) The costs, to the extent not covered under paragraph (1) of this subsection, of equipping and providing any related financial support for an athletic team under the sponsorship of the taxpayer, either alone or jointly with one or more other employers, provided that the membership of the team consists entirely of employees of the taxpayer or the taxpayer and such other employer or employers, as appropriate;

(3) All or part of the cost of individual memberships or a group membership for the taxpayer's employees at a health club, as defined by subsection b. of section 1 of P.L.1987, c.238 (C.56:8-39);

(4) The cost of employing a qualified person to conduct, on the taxpayer's business premises, a class or classes offering (a) information and guidance on subjects relating to personal and family health, such as nutrition, hygiene, and methods of preventing, recognizing and combating substance addiction, or (b) instruction in and opportunity for fitness enhancement activity, including but not limited to dance or other aerobic exercise, yoga, muscle stretching, or martial arts routines; and

(5) Incentive awards to employees for their regular engagement in physical activity in such forms as bicycling between home and work.

No expenditure by a taxpayer to provide any of the employee fitness benefits described in paragraphs (1) through (5) of this subsection shall qualify the taxpayer for a credit under this subsection if the benefit is extended on terms that discriminate, among full-time employees of the taxpayer, in favor of highly compensated employees.

b. The amounts allowed as a credit under this subsection shall not, for any taxable year, exceed \$50 multiplied by the average of the number of persons employed as full-time employees of the taxpayer as of the last day of the third, sixth, ninth and twelfth months of that taxable year. The priority in which credits allowed pursuant to this section and any other credits shall be taken against the tax imposed pursuant to N.J.S.54A:1-1 et seq. shall be determined by the director. The amount of the credits applied under this section against the tax otherwise due for a taxable year shall not, in combination with any other credits applied, exceed 50% of the tax liability otherwise

due under N.J.S.54A:1-1 et seq.

c. A partnership shall not be allowed a credit under this section directly, but the amount of credit of a taxpayer in respect of a distributive share of partnership income under the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., shall be determined by allocating to the taxpayer that proportion of the credit acquired by the partnership that is equal to the taxpayer's share, whether or not distributed, of the total distributive income or gain of the partnership for its taxable year ending within or with the taxpayer's taxable year. For the purposes of subsection b. of this section, the amount of tax liability which would be otherwise due of a taxpayer is that proportion of the total liability of the taxpayer that the taxpayer's share of the partnership income or gain included in gross income bears to the total gross income of the taxpayer.

d. The amount of any credit otherwise allowable under this section that cannot be applied for the taxable year due to the limitations of subsection b. of this section may be carried over, if necessary, to the five taxable years following the taxable year for which the amount was allowed.

3. This act shall take effect immediately; section 1 shall apply with respect to privilege periods ending on or after the July 1 next following enactment, and section 2 shall apply with respect to taxable years beginning on or after January 1 next following enactment.

STATEMENT

This bill extends a credit against the corporation business tax and the New Jersey gross income tax equal to 10% of a taxpayer's expenditures to provide its employees with any of various benefits that promote their physical fitness and well-being. Expenditures qualifying for the credit would include those for the cost of (1) equipping, operating and maintaining a facility owned by the taxpayer and used exclusively for the purpose of promoting the employees' physical fitness, (2) sponsoring, alone or jointly with another employer or employers, an athletic team made up exclusively of the employees of the taxpayer or the taxpayer and other employer or employers, (3) purchasing or subsidizing individual memberships or a group membership for the employees at a health club, (4) employing a qualified person to provide personal health instruction or to conduct exercise classes for the employees, or (5) incentive awards to employees for their regular engagement in physical activity.

The bill provides that a taxpayer's expenditures for employee fitness benefits would qualify the taxpayer for a credit under the legislation only if the benefits are extended on terms that do not discriminate in favor of highly compensated employees. It limits the amount allowable as a credit with respect to fitness benefit expenditures in any particular tax year to \$50 times the average number of persons employed that year as full-time

employees of the taxpayer.



Hedahls, Inc. Benefit Plan

(Modified for Distribution)

Major Medical

BLUE CROSS/BLUE SHIELD Major Medical Provider

Hedahls' group health insurance plan is issued by Blue Cross/Blue Shield of North Dakota. Hedahls has a modified self-insurance plan, where Hedahls pays the first \$10,000 of each claim, after you pay your deductible and co-insurance payments.

Once the \$10,000 ceiling is reached on a claim, Blue Cross/Blue Shield pays all costs above the \$10,000 claim. Hedahls payments for claims are subject to the claims of our general creditors and our financial ability to pay. We have been involved with this kind of plan since 1986, and over the years, we have saved money due to the nature of a modified self-funded plan.

Because we are self-funded, if our claims stay low, we as a company and all of our employees will benefit, because we do not have to pay for claims that do not occur. That is the nature of self-funding. Fewer claims means we keep the dollars that would normally be paid in premiums. Because of this fact, it is in all of our interests to make every attempt possible to keep our claims low. By emphasizing positive life styles, such as non-tobacco usage, reduced alcohol consumption, weight control and screening for cholesterol, cancer, high blood pressure and blood sugar, we hope to discover illnesses before they become serious. Additionally, through life style changes, it is our goal that our employees and families will have less illness, due to lifestyle decisions. If you wish to enroll in the Hedahls Plan, you need to complete the enrollment form promptly, since we have a definite deadline required by Blue Cross, in order to enroll without evidence of insurability. Please refer to your employee manual from Blue Cross/Blue Shield for complete details about our health plan.

Because of the above items, our insurance premiums have remained low for many years. Our Wellness Program is still working. Below you will find the monthly premium schedules for the past ten years.

PLAN HIGHLIGHTS

• Inpatient Hospital, Medical and Surgical Services

The plan pays 80% of the covered charges and you pay 20%, subject to the maximum costs to each employee, for covered Inpatient Hospital, Medical and Surgical services. Please consult the Blue Cross/Blue Shield plan description for complete details.

• Outpatient Hospital and Medical Services

After the deductible is paid, the plan pays various benefits. Some procedures have a \$10 or \$25 co-payment and then benefits are covered 100%. Other procedures are paid at 80%. Please consult the Blue Cross/Blue Shield plan description for complete details.

• Psychiatric and Substance Abuse

After the deductible, the plan pays 80% of allowed charges for 60 days for Inpatient services and 80% of allowed charges to 46 days for Partial hospitalization. Please consult the Blue Cross/Blue Shield plan description for complete details.

• Additional Coverages

There are various additional coverages and benefits. Please consult the Blue Cross/Blue Shield plan description for complete details.

• Questions

For all questions pertaining to your Blue Cross/Blue Shield health plan, please contact the Blue Cross/Blue Shield representative who services our plan:

Terry Koehler, Bismarck Phone: 701-223-6348 or 800-342-4718.

Full time Employees

Overview

Major Medical

Base Life

Optional Life

Dental

Vision

Supplemental Benefits

IRA and DCA

401(k) Plan

Enrollment Procedure

Hedahls, Inc.
100 E Broadway
Bismarck, ND

800-433-8451

Plan Consultant
Asset Management
Group, Inc.
1128 Westrac Dr.
Fargo, ND 58103

701-232-6250
800-370-8877

Jim Kasper
Andy Kasper
Carla Purdy

Monthly Major Medical Premiums History

	2003/04	2002/03	2001/02	2000/01	1999/00	1998/99	1997/98	1996/97	1995/96	1994/95
Family	\$385	\$385	\$377	\$343	\$328	\$329	\$335	\$345	\$354	\$360
S + Dep	\$262	\$262	\$257	\$234	\$223	\$224	\$227	\$233	\$239	\$244
Single	\$149	\$149	\$146	\$133	\$127	\$128	\$129	\$134	\$137	\$139



Hedahls, Inc. Flexible Benefits and Cafeteria Plan (Modified for Distribution)

Overview of Benefits

Key Components:

The 5 parts of our Benefits Plan are:

- Flexible Benefits Plan
- Wellness EarnBack Plan
- Supplemental Benefits
- 401(k) Plan
- ESOP

Eligibility: All full-time employees who regularly work 35 hours or more per week and have 90 days of employment, are eligible to participate in:

- Flexible Benefits Plan
- Base Cafeteria Dollars
- Wellness EarnBack Dollars
- Those employees who work between 20 and 34 hours per week, may participate in the Flexible Benefits Plan by utilizing their own dollars, but are not eligible to participate in the company's major medical plan, group life plan, or Base Cafeteria Dollars and Wellness EarnBack Plan.

The Flexible Benefits Plan:

- In order to qualify for these Benefits, you, your children and your spouse must all be covered by major medical health insurance either through Hedahls', your spouse's plan or a state sponsored plan. We will require that you verify your health insurance coverage and sign a Waiver of Participation if you choose not to participate in Hedahls' Health Insurance Plan.
- Each eligible employee who chooses one of the Hedahls Insurance Health Plans or who has all of their Health Insurance coverage from a spouses employer's or state's Plan will receive a Base amount of \$100 to purchase benefits.

Family: \$385 /month

S + D: \$262 /month

Single: \$149 /month

The Wellness EarnBack Plan: Each eligible employee and spouse, if applicable, may participate in the Wellness EarnBack Plan to earn additional Benefit Dollars in three categories:

1. Height & Weight

\$25 for each employee (and spouse) if their height and weight falls within the standard guidelines.

2. Alcohol Usage

\$25 for each employee (and spouse) who pledge to not consume more than four alcoholic beverages in any calendar day.

3. Tobacco Usage

\$25 for each employee (and spouse) who certify that they have not used tobacco products for 3 months, and will refrain from usage through June 30 of next year. Also, anyone who has completed a smoking cessation program during the plan year and has been tobacco free for 120 days.

• Early Detection Screening (Optional): Statistics prove that if we can detect potential health damaging conditions early enough, lives can be saved and health care costs can be reduced. In order to attempt to identify potential health damaging conditions early, our benefit plan will pay **Wellness Earnback Dollars** to each employee and spouse who will have the following tests completed:

A. Cancer Screening	\$25
B. Cholesterol Check	\$25
C. Blood Pressure Check	\$25
D. Blood Sugar Check	\$25

- Upon proof of completion of any of these above tests, the employee will receive **\$25.00** in **Wellness EarnBack Dollars** for each test completed by the employee or spouse. The tests must be completed before June 30th and the **Wellness EarnBack Dollars** will be paid in the next plan year, as long as the employee is employed by the company on July 1st of the next plan year. It will be up to each individual to take appropriate medical action if the test results so recommend.

all time Employees

Overview

Major Medical

Base Life

Optional Life

Dental

Vision

Supplemental Benefits

and DCA

401(k) Plan

Enrollment Procedure

Hedahls, Inc.
100 E Broadway
Bismarck, ND

800-433-8451

Plan Consultant
Asset Management
Group, Inc.
1128 Westrac Dr.
Fargo, ND 58103

701-232-6250
800-370-8877

Kasper
Sandy Kasper
Carla Purdy



Testimony

House Bill 1319

Wednesday, January 19, 2005; 9:15 a.m.

**Marla Walter, M.S.
Wellness Coordinator, Jamestown Hospital**

Good morning, Chairman Belter and members of the House Finance and Taxation Committee. My name is Marla Walter, and I am the Wellness Coordinator at Jamestown Hospital and I have been on the Healthy North Dakota Worksite Wellness committee since its inception. I am here to encourage a "do pass" recommendation with amendments for House Bill 1319 providing tax credits to employers with the worksite wellness programs.

Studies have shown that providing a comprehensive Wellness program at the worksite can lower health care costs, improve employee morale and productivity and most importantly improve the health of employees.

The number one killer in North Dakota is heart disease, followed by cancer (2), stroke (3) and diabetes (7). All of these causes of death are associated with lifestyle risk factors, including diet, physical activity and tobacco use. Improving lifestyles of employees could have a significant impact on medical costs, disability, and death associated with each of these chronic diseases.

Over 60% of North Dakotans are overweight or obese and the rate of diabetes in North Dakota has risen from less than 4 % in 1994 to over 6.2 % in 2003. Lack of regular physical activity is also a major health concern – with 24 % of North Dakotans reporting no leisure time activity, 51% reporting meeting moderate activity guidelines and only 27% report achieving the recommended amount of vigorous physical activity needed to impact health.

We know that through modifying lifestyle behaviors, North Dakotans could reduce their risk of developing diabetes, heart disease, high blood pressure, stroke, some forms of cancer and Metabolic Syndrome. Metabolic Syndrome, a pre-cursor to diabetes, is a grouping of symptoms that includes excess abdominal fat, high blood pressure, elevated triglycerides and/or blood glucose levels, and low levels of HDL "good" cholesterol. Dietary changes and regular exercise can lower high blood pressure, lower cholesterol levels and help those with diabetes better manage their disease. With the rates of overweight, obesity and diabetes rising and the participation in physical activity dropping, we can expect to see the rate of heart disease rising for the first time in

decades. Comprehensive and targeted Worksite Wellness programs can help to identify employees at risk and guide them to appropriate lifestyle modification programs.

The cost of obesity, diabetes and heart disease in our state is phenomenal today. Can you imagine the impact if could prevent 50 % of diabetes? Studies show that with moderate changes in diet, weight loss and improved fitness, 50 % of type II diabetes and metabolic syndrome could be prevented. Implementing Worksite Wellness Programs that provide education and motivational programs to assist employees in making lifestyle changes is a great step in the right direction.

In order to provide a sound Worksite Wellness program, the Worksite Wellness Committee has been involved in the development of a state-level infrastructure to provide technical assistance and resources to businesses that wish to implement a worksite wellness program. UND's Office of Workforce Development will maintain a worksite wellness resource center and coordinate the training and certification of worksite wellness consultants. In fact, the Office of Workforce Development in conjunction with Healthy North Dakota has offered the initial consultant training program conducted by The Cooper Institute. As a worksite wellness consultant and committee member, I feel we are heading in the right direction to offer proven strategies for Worksite Wellness. There are resources and wellness services now available to employers in our state for a fee. Many business would like to offer a worksite wellness program, but feel they do not have the financial resources to do so. By offering a tax credit, such as the one provided for in this bill, many more employers would be able to offer worksite wellness programs to their employees.

The proposed tax credit will provide employers an incentive to implement employee wellness programs, which will help to reduce health-care costs, and more importantly help create healthier, more productive employees.

I recommend approval of House Bill 1319 with the following amendments:

1. Include supervision by a registered dietitian under Diet and nutritional programs (line 14 – 15)
2. Include reimbursement for a yearly health risk appraisal or survey for each employee (line 17 – 18).

This concludes my testimony, I will be happy to answer any questions.

Testimony

House Bill 1319

Wednesday, January 19, 2005; 9:15 a.m.

North Dakota Department of Health

Good morning, Chairman Belter and members of the House Finance and Taxation Committee. My name is Kelly Carlson, and I am the worksite wellness coordinator for the North Dakota Department of Health. I am here to provide information about employee wellness programs.

The leading high-risk behaviors that cause disease in North Dakota are tobacco use, poor diet, inactivity and alcohol use. More than 60 percent of adults in North Dakota are overweight or obese and 21 percent smoke. Individuals, employers and the state bear the costs of high-risk behaviors through lost productivity and higher health insurance costs. In fact, obesity and tobacco-related medical expenditures alone exceed \$365 million every year in North Dakota.

Nationwide, health insurance premiums for families in employer-sponsored plans soared 13.9 percent in 2003, the third year of double-digit growth and the biggest increase since 1990. That same year, small businesses saw a 16.6 percent increase in their health insurance premiums.

More than 63 percent of North Dakotans older than 16 are in the workforce, and 76 percent of North Dakota adults younger than 65 have employer-based group health insurance. Because the majority of adults can be reached through the workplace, it is the most viable venue in which to implement health programs that address behavior change and help control health-care costs.

In 2001, the North Dakota Department of Health conducted a benchmark worksite wellness survey. A total of 1,110 North Dakota employers completed the survey, with an equal response rate from small, medium and large businesses. The survey indicated that more than 80 percent of the employers who responded believe in the benefits of employee wellness programs. However, the majority of employers indicated they do not have the budget needed to develop and implement such programs. A financial incentive may help employers to offer wellness programs to their employees.

Dr. Kenneth Cooper, founder of the Cooper Institute, and Larry Chapman, chairman and senior consultant with Summex Corporation, both renowned worksite wellness experts, stress that it is essential to conduct a health risk survey in order for employee wellness programs to be successful. A health risk survey is a needs assessment that provides

information related to an individual's medical and family history and lifestyle behaviors. The survey will identify at-risk individuals and identify screening priorities and prevention options, such as increased physical activity, nutrition consultations or smoking cessation programs.

Studies have shown that comprehensive employee wellness programs can lower health-care costs and insurance premiums, decrease absenteeism, and improve performance and productivity. In other words, lowering risks can help control the high price of health care. A 1998 analysis of eight rigorously evaluated health promotion programs determined an average reduction in health-care expenses of \$3.35 for every dollar spent on health promotion. (The Art of Health Promotion 1998: 2[1]) In addition, employee wellness programs can improve a business's ability to attract and retain key personnel, can result in greater employee allegiance, and can improve the public image of the company.

This concludes my testimony. I am happy to answer any questions you may have.

HEALTH AND WELLNESS IN THE WORKSITES OF NORTH DAKOTA

Benchmark Worksite Wellness Survey Summary Report October 2002



North Dakota Department of Health, Division of Health Promotion

PURPOSE

The study's purpose is to establish a benchmark of health promotion activities offered by North Dakota employers to their employees. Additionally, the study set out to:

- Provide information for tracking the attainment of U.S. Department of Health and Human Services *Healthy People 2010* objectives:
 - (7-5) *Increase the proportion of worksites that offer comprehensive health promotion programs to their employees*
 - (7-6) *Increase the proportion of employees who participate in employer-sponsored health promotion activities*
- Help target information disseminated from the North Dakota Department of Health to help employers design, implement and maintain comprehensive employee health promotion programs.

SURVEY PROCESS

The survey was designed and administered in the fall of 2001 by Winkelman Consulting, Fargo, N.D. The questionnaires were designed with assistance from Melissa J. Olson (Division of Health Promotion, North Dakota Department of Health), Karen Ehrens (Ehrens Consulting), and several other stakeholders within the North Dakota Department of Health. Many of the questions come from *Heart Check: Assessing Worksite Support for a Heart Healthy Lifestyle*, Version 4.1, New York State Department of Health, Healthy Heart Program.

From a sample of 2,447 surveys mailed to North Dakota employers, 1,110 questionnaires were completed, a rate of 45.4 percent. Data was collected through the use of Internet surveys, mail surveys and telephone interviews. The data was weighted by both human service region and organization size (based on employees) to ensure that final results are representative of all North Dakota organizations with five or more employees.

For more information about worksite wellness programs in North Dakota, contact Kelly Carlson, LRD, public health liaison, North Dakota Department of Health, Jamestown, N.D., 701.252.8130, kcarlson@state.nd.us

MAJOR FINDINGS ABOUT HEALTH AND WELLNESS IN NORTH DAKOTA WORKSITES

Attitudes toward worksite wellness: Establishing policies or programs in the workplace can improve the health of employees. Healthy employees have lower health insurance costs, better morale and fewer sick days and are more productive.

- More than 80 percent of employers responding to the survey expressed belief in the benefits of worksite wellness.

Access to wellness programs and facilities: North Dakota's citizens have access to wellness or fitness facilities such as health clubs or community centers.

- Nearly three of every four respondents indicated that there is a wellness or fitness facility in their community.
- Almost 30 percent of respondents indicated that their worksite provides an environment that promotes physical fitness by promoting stair use, allowing flexible work schedules, or encouraging other physical activities for employees.

Health insurance issues: Nearly 80 percent of respondents reported that their worksite provides health insurance to at least some of their employees.

- Forty-four percent of respondents indicated that only management and full-time employees receive health insurance benefits.
- Most respondents report that their health plan covers "medical" services but not "preventive" services, such as nutrition and cooking classes, weight control services, health screenings or smoking cessation programs.

Nutrition practices: North Dakota worksites offer foods to employees through vending machines, cafeterias, snack bars or outside vendors who come into the worksite to provide food.

- A minority of respondents indicated that "healthy" foods, such as fruits, vegetables, yogurt or milk, are available to employees at their worksite.
- Employees with access to a cafeteria or snack bar have access to healthier food choices than those who have access only to vending machines.

Policies related to employees with infants or young children: Family-friendly policies that employers offer to employees include flexible scheduling, "job-sharing" and private areas for breastfeeding or expressing milk.

- Fewer than one of every 10 respondents recognize that their worksite has practices or policies regarding women who choose to breastfeed their babies.

Smoking policies: Posting the smoking policy is the only health or wellness-related service that some employers offer employees and customers.

- Sixty-two percent of respondents post the smoking policy.
- More than seven of every 10 respondents indicated that smoking is either prohibited inside the building and on surrounding grounds or prohibited inside the building but allowed on surrounding grounds.

Habits and intentions related to worksite wellness: Fewer than one of every four respondents at least agreed that their worksite has the budget needed to develop and implement worksite wellness programs.

- While fewer than one in 10 of the respondents has conducted a worksite needs assessment or prepared a worksite wellness plan, four out of 10 respondents indicated a desire for additional information from the North Dakota Department of Health.