



NORTH CAROLINA GENERAL ASSEMBLY

2025 Session

Legislative Fiscal Note

Short Title: Protect Tax-Advantaged Accts. & Living Donors.
Bill Number: Senate Bill 101 (Second Edition)
Sponsor(s): Sen. Dana Jones, Sen. Paul Newton, and Sen. Michael V. Lee

SUMMARY TABLE

FISCAL IMPACT OF S.B. 101, V.2 (\$ in millions)

	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>	<u>FY 2028-29</u>	<u>FY 2029-30</u>
State Impact					
General Fund Revenue	-	-	-	-	-
Less Expenditures	-	-	-	-	-
General Fund Impact	No Fiscal Impact				
NET STATE IMPACT	No Fiscal Impact				

FISCAL IMPACT SUMMARY

The Fiscal Research Division (FRD) estimates Senate Bill 101 (S.B. 101) would have no measurable fiscal impact.

Section 2(a) would prohibit insurers from discriminating against an individual based on their status as a living organ or bone marrow donor. Any living organ or bone marrow donors who may have been refused insurance coverage or faced discriminatory insurance pricing because of their status as a living organ or bone marrow donor would be expected to receive access to insurance coverage without their donor status considered as a factor in their coverage. As a result of these insurance policy changes, insurers may pay slightly less or more in gross premiums tax. However, FRD does not anticipate gross premiums tax collections to be materially impacted.

Section 2(b) provides 30 days of paid leave to State and State-funded local employees for the purpose of organ donation and 7 days of paid leave for bone marrow donation. Fiscal Research estimates this section will not have a substantive cost to the State.

FISCAL ANALYSIS

Insurance Protections (Sec. 2(a))

The S.B. 101 may result in some living organ or bone marrow donors paying lower insurance premiums due to the prohibition on price discrimination for living donors. Additionally, the bill



may result in some donors receiving insurance coverage who otherwise were denied coverage outright or could not afford coverage due to their status as a living donor.

The U.S. Department of Health and Human Services reports, from 1988 to May 2025, 4,890 living organ donations were conducted in North Carolina. Additionally, using data from the Health Resources and Services Administration, FRD estimates approximately 300 bone marrow transplants occur annually in the State. Therefore, FRD assumes there are upwards of 5,000 living organ and bone marrow donors in North Carolina who may benefit from the bill.

Insurers pay tax on the amount of gross premiums received from policies derived from the State. To the extent additional policies are issued in North Carolina because of the bill, a marginal amount of gross premiums tax revenue would be generated on the new premiums paid by living organ donors to insurance companies. FRD is unable to determine how many living organ donors would receive insurance coverage under the bill who are currently otherwise unable to receive coverage due to discriminatory practices. Additionally, some living donors may already be insured but may pay lower insurance premiums under the bill.

Ultimately, due to the unique characteristics of each living donor that may impact the pricing of their insurance policies and the confidential nature of such information, FRD is unable to determine to what extent living donors will pay less in premiums or to what extent living donors would be newly eligible for insurance coverage. Therefore, while there may be some changes in insurance coverage or policy pricing because of S.B. 101, the fiscal impact is minimal.

Paid Leave for State Employees (Sec. 2(b))

State and State-funded local employees represent only around 3% of the total state population.

The fiscal impact of the additional paid leave is primarily composed of:

1. If the employee would not have used existing paid leave (sick, vacation, etc.) during the same period, the cost of hiring substitute employees or paying other employees overtime due to the employee's absence, which will not be necessary in all cases or may only be necessary for some portion of the employee's absence.
2. If the employee would have used existing paid leave but uses the additional paid leave instead and later retires from the State, the cost of additional retirement benefits due to leave conversion at retirement.

Based on the resulting small number of eligible employees and small impact per eligible employee, we estimate that the fiscal impact of this section is minimal.

TECHNICAL CONSIDERATIONS

N/A.



DATA SOURCES

U.S. Department of Health and Human Services Organ Procurement & Transplantation Network, The Health Resources and Services Administration, and the U.S. Census Bureau.

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

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June 24, 2025



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