

SENATE, No. 582

STATE OF NEW JERSEY

INTRODUCED JANUARY 29, 1996

By Senators RICE, CODEY, O'Connor, Girgenti, Kenny,
Adler, Lynch, Sacco, Lipman and Bryant

1 AN ACT dedicating a portion of the sales and use tax for the cost of
2 uncompensated care in hospitals in the State, supplementing
3 P.L.1992, c.160 (C.26:2H-18.51 et seq.), and making an
4 appropriation therefor.

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

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9 1. Notwithstanding any other provision of law to the contrary,
10 there shall be deposited annually in the Health Care Subsidy Fund
11 established pursuant to section 8 of P.L.1992, c.160 (C.26:2H-18.58),
12 the amount equivalent to 9.2% of the revenue collected by the State
13 for State purposes in the prior fiscal year from the "Sales and Use Tax
14 Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

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16 2. There is appropriated from the General Fund, from the revenues
17 collected for State purposes by the State from the sales and use tax,
18 the amount of \$200,000,000 for deposit in the Health Care Subsidy
19 Fund established pursuant to section 8 of P.L.1992, c.160
20 (C.26:2H-18.58).

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22 3. Sections 2 and 3 of this act shall take effect immediately and
23 section 1 shall take effect July 1, 1996.

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STATEMENT

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28 This bill dedicates sales and use tax collections equal to 55/100 of
29 one cent of the six cent sales and use tax for deposit in the Health Care
30 Subsidy Fund. The deposit of this share of the State sales and use tax
31 will provide a stable source of annual funding for the Health Care
32 Subsidy Fund. That fund provides moneys to hospitals for
33 uncompensated care costs. The bill appropriates \$200,000,000 to the
34 Health Care Subsidy Fund from sales and use tax collections to pay for
35 uncompensated care costs of hospitals during the second half of State
36 fiscal year 1996. The current source of funds for the Health Care

1 Subsidy Fund expired on December 31, 1995. The \$200,000,000
2 appropriation amount is approximately one-half of the amount that
3 may be anticipated for annual deposit in the Health Care Subsidy Fund
4 commencing with fiscal year 1997.

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9 Dedicates 55/100 of one cent of the State sales and use tax for the
10 Health Care Subsidy Fund, appropriates \$200,000,000 to the fund.