



General Assembly

February Session, 2008

Raised Bill No. 5807

LCO No. 2658

02658 _____ PH_

Referred to Committee on Public Health

Introduced by:
(PH)

AN ACT INCREASING GRANTS TO MUNICIPALITIES FOR COLLEGES AND HOSPITALS THAT ARE EXEMPT FROM PROPERTY TAXES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-20a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2008*):

3 (a) On or before January first, annually, the Secretary of the Office of
4 Policy and Management shall determine the amount due to each
5 municipality in the state, in accordance with this section, as a state
6 grant in lieu of taxes with respect to real property owned by any
7 private nonprofit institution of higher learning or any nonprofit
8 general hospital facility or free standing chronic disease hospital or an
9 urgent care facility that operates for at least twelve hours a day and
10 that had been the location of a nonprofit general hospital for at least a
11 portion of calendar year 1996 to receive payments in lieu of taxes for
12 such property, exclusive of any such facility operated by the federal
13 government, except a campus of the United States Department of
14 Veterans Affairs Connecticut Healthcare Systems, or the state of
15 Connecticut or any subdivision thereof. As used in this section "private

16 nonprofit institution of higher learning" means any such institution, as
17 defined in subsection (a) of section 10a-34 of the 2008 supplement to
18 the general statutes, or any independent college or university, as
19 defined in section 10a-37, that is engaged primarily in education
20 beyond the high school level, and offers courses of instruction for
21 which college or university-level credit may be given or may be
22 received by transfer, the property of which is exempt from property
23 tax under any of the subdivisions of section 12-81 of the 2008
24 supplement to the general statutes; "nonprofit general hospital facility"
25 means any such facility which is used primarily for the purpose of
26 general medical care and treatment, exclusive of any hospital facility
27 used primarily for the care and treatment of special types of disease or
28 physical or mental conditions; and "free standing chronic disease
29 hospital" means a facility which provides for the care and treatment of
30 chronic diseases, excluding any such facility having an ownership
31 affiliation with and operated in the same location as a chronic and
32 convalescent nursing home.

33 (b) The grant payable to any municipality under the provisions of
34 this section in the state fiscal year commencing July 1, 1999, and in
35 each fiscal year thereafter, shall be equal to seventy-seven per cent of
36 the property taxes which, except for any exemption applicable to any
37 such institution of higher education or general hospital facility under
38 the provisions of section 12-81 of the 2008 supplement to the general
39 statutes, would have been paid with respect to such exempt real
40 property on the assessment list in such municipality for the assessment
41 date two years prior to the commencement of the state fiscal year in
42 which such grant is payable. [The amount of the grant payable to each
43 municipality in any year in accordance with this section shall be
44 reduced proportionately in the event that the total of such grants in
45 such year exceeds the amount appropriated for the purposes of this
46 section with respect to such year.]

47 (c) Notwithstanding the provisions of subsection (b) of this section,
48 the amount of the grant payable to any municipality under the

49 provisions of this section with respect to a campus of the United States
50 Department of Veterans Affairs Connecticut Healthcare Systems shall
51 be as follows: (1) For the fiscal year ending June 30, 2007, twenty per
52 cent of the amount payable in accordance with said subsection (b); (2)
53 for the fiscal year ending June 30, 2008, forty per cent of such amount;
54 (3) for the fiscal year ending June 30, 2009, sixty per cent of such
55 amount; (4) for the fiscal year ending June 30, 2010, eighty per cent of
56 such amount; (5) for the fiscal year ending June 30, 2011, and each
57 fiscal year thereafter, one hundred per cent of such amount.

58 (d) As used in this section and section 12-20b, the word
59 "municipality" means any town, consolidated town and city,
60 consolidated town and borough, borough, district, as defined in
61 section 7-324, and any city not consolidated with a town.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2008</i>	12-20a

Statement of Purpose:

To ensure that municipalities receive full payment of state grants in lieu of taxes for private nonprofit institutions of higher learning and nonprofit hospitals located in such municipalities by removing the provision that permits the state to proportionately reduce grants in the event that total amount of grants exceeds amounts appropriated to effectuate the provisions of this section.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]