



General Assembly

**Amendment**

January Session, 2015

LCO No. 9412



Offered by:  
SEN. FRANTZ, 36<sup>th</sup> Dist.

To: House Bill No. 7061

File No. 0

Cal. No. 0

**"AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2017, AND MAKING APPROPRIATIONS THEREFOR, AND OTHER PROVISIONS RELATED TO REVENUE, DEFICIENCY APPROPRIATIONS AND TAX FAIRNESS AND ECONOMIC DEVELOPMENT."**

1 In line T701, strike "99,024,913" and substitute in lieu thereof  
2 "49,024,913" in lieu thereof

3 In line T713, strike "-7,110,616" and substitute in lieu thereof "-  
4 31,310,616" and strike "-12,816,745" and substitute in lieu thereof "-  
5 14,316,745"

6 In line T718, strike "-10,500,000" in both columns and substitute "-  
7 60,500,000" in lieu thereof

8 Strike section 89 in its entirety, substitute the following in lieu  
9 thereof and renumber sections and internal references accordingly:

10 "Sec. 89. Section 12-263b of the general statutes is repealed and the  
11 following is substituted in lieu thereof (*Effective July 1, 2015*):

12 (a) For each calendar quarter commencing on or after July 1, 2011,  
13 there is hereby imposed a tax on the net patient revenue of each  
14 hospital in this state to be paid each calendar quarter. The rate of such  
15 tax shall be up to the maximum rate allowed under federal law, but  
16 shall not exceed a rate of six per cent of such net patient revenue. The  
17 Commissioner of Social Services shall determine the base year on  
18 which such tax shall be assessed. The Commissioner of Social Services  
19 may, in consultation with the Secretary of the Office of Policy and  
20 Management and in accordance with federal law, exempt a hospital  
21 from the tax on payment earned for the provision of outpatient  
22 services based on financial hardship. Effective July 1, 2012, and for the  
23 succeeding fifteen months, the rates of such tax, the base year on which  
24 such tax shall be assessed, and the hospitals exempt from the  
25 outpatient portion of the tax based on financial hardship shall be the  
26 same tax rates, base year and outpatient exemption for hardship in  
27 effect on January 1, 2012.

28 (b) Each hospital shall, on or before the last day of January, April,  
29 July and October of each year, render to the Commissioner of Revenue  
30 Services a return, on forms prescribed or furnished by the  
31 Commissioner of Revenue Services and signed by one of its principal  
32 officers, stating specifically the name and location of such hospital, and  
33 the amount of its net patient revenue as determined by the  
34 Commissioner of Social Services. Payment shall be made with such  
35 return. Each hospital shall file such return electronically with the  
36 department and make such payment by electronic funds transfer in the  
37 manner provided by chapter 228g, irrespective of whether the hospital  
38 would otherwise have been required to file such return electronically  
39 or to make such payment by electronic funds transfer under the  
40 provisions of chapter 228g.

41 Sec. 90. (NEW) (*Effective July 1, 2015*) For the fiscal year ending June  
42 30, 2016, and annually thereafter, the Commissioner of Social Services  
43 shall refund to hospitals in this state that are subject to the tax on net  
44 patient revenue pursuant to chapter 211a of the general statutes the

45 amount of revenue collected pursuant to the tax during the applicable  
46 fiscal year. The amount of such refunds shall be calculated in  
47 accordance with federal law."

48 Strike section 172 in its entirety and renumber remaining sections  
49 and internal references accordingly

50 After the last section, add the following and renumber sections and  
51 internal references accordingly:

52 "Sec. 501. (*Effective from passage*) Notwithstanding the provisions of  
53 section 1 of this act, any sums appropriated to executive branch  
54 agencies, for Personal Services, in each of the fiscal years ending June  
55 30, 2016, and June 30, 2017, for salary increases approved in December,  
56 2014, shall not be expended for such purpose.

57 Sec. 502. (*Effective from passage*) Notwithstanding any provision of  
58 the general statutes, not later than July 1, 2015, the Governor shall  
59 enter into good faith negotiations with the State Employees'  
60 Bargaining Agent Coalition with respect to the coalition's collective  
61 bargaining agreement with the state to develop a plan to identify and  
62 collect the amount of two hundred fifty-three million dollars in savings  
63 in state expenditures. The amount of such savings shall be credited to  
64 or transferred to the General Fund."

This act shall take effect as follows and shall amend the following sections:		
Sec. 89	<i>July 1, 2015</i>	12-263b
Sec. 90	<i>July 1, 2015</i>	New section
Sec. 501	<i>from passage</i>	New section
Sec. 502	<i>from passage</i>	New section