

**BOROUGH OF RED BANK
COUNTY OF MONMOUTH**

RESOLUTION NO. 17-142

A RESOLUTION OPPOSING PENDING STATE LEGISLATION, COMMONLY REFERRED TO AS BILLS S3243 & A-4946, RESPECTIVELY INTRODUCED IN THE STATE SENATE AND THE STATE ASSEMBLY TO RESTORE TAX-EXEMPT STATUS TO NON-PROFIT HOSPITALS WITH FOR-PROFIT MEDICAL PROVIDERS ON-SITE

Councilwoman Horgan offered the following resolution and moved its adoption:

WHEREAS, in 2015, the New Jersey Tax Court issued a decision in the matter of AHS Hospital v. Morristown, holding that nonprofit Morristown Memorial Hospital was properly denied tax-exempt status by the Morristown Tax Assessor because of the existence of numerous profit centers within the facilities; and

WHEREAS, the Tax Court's aforementioned 2015 decision had particular ramifications for the Borough of Red Bank given its position as a host municipality to such facilities; and

WHEREAS, the Borough is presently engaged in litigation before the Tax Court, the subject matter of which is substantially similar to the fact pattern presented in the Tax Court's aforementioned 2015 decision; and

WHEREAS, Senate Bill No. 3243 was introduced in the State Senate on May 25, 2017, which bill would restore tax-exempt status to non-profit hospitals with for-profit medical providers on-site and require such facilities to pay only community service contributions to host municipalities; and

WHEREAS, identical Assembly Bill No. 4946 was introduced in the State Assembly on June 5, 2017; and

WHEREAS, Senate Bill No. 3243 and Assembly Bill No. 4946 would essentially nullify the Tax Court's aforementioned 2015 decision, and thereby undermine the Borough's position in its pending litigation before the Tax Court; and

WHEREAS, the Borough is committed to fighting for its resident-taxpayers and achieving the most favorable result possible in its pending Tax Court litigation on their behalf;

NOW, THEREFORE, BE IT RESOLVED that the Governing Body of the Borough of Red Bank does hereby express its displeasure with Senate Bill No. 3243 and Assembly Bill No. 4946 and strongly urges the State Legislature to reject said bills in their current form; and

BE IT FURTHER RESOLVED that a copy of this duly adopted resolution be forwarded to Governor Chris Christie, Senate President, Senator Jennifer Beck, Assembly Speaker, Assemblywoman Joann Downey, Assemblyman Eric Houghtaling, the legislators of the Eleventh State Legislative District and the New Jersey State League of Municipalities.

Seconded by Councilman Taylor and adopted on roll call by the following vote:

	Yes	No	Abstain	Absent
Councilman Yngstrom	(x)	()	()	()
Councilman Zipprich	(x)	()	()	()
Councilwoman Horgan	(x)	()	()	()
Councilwoman Schwabenbauer	(x)	()	()	()
Councilman Taylor	(x)	()	()	()
Councilman Whelan	(x)	()	()	()

Dated: June 14, 2017