

HOUSE RESEARCH

Bill Summary

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Overview

This bill requires the commissioner of finance to project the balance of the health care access fund every two years, and to reduce the MinnesotaCare taxes if a surplus is projected at the end of the current biennium.

Section

- 1 Contingent reduction in tax rate.** Amends § 295.52, by adding subd. 8. Requires the commissioner of finance, on September 1 of each odd-numbered year beginning September 1, 2007, to determine the projected balance of the health care access fund as of the end of the current biennium based on the most recent February forecast adjusted for any session changes. If the commissioner of finance projects a surplus, requires that commissioner, in consultation with the commissioner of revenue, to reduce the MinnesotaCare taxes on hospitals, surgical centers, health care providers, wholesale drug distributors, and the MinnesotaCare use tax on prescription drugs, in one-tenth of one percent increments. Requires the commissioner to make the largest reduction in tax rates consistent with ensuring that the health care access fund retains a surplus as of the end of the current biennium. Specifies that the reduced tax rates take effect January 1 and remain in effect for two years. Requires the commissioner of finance to publish in the State Register by October 1 of each odd-numbered year the amount of the tax to be imposed for the next two calendar years.