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Christie Wants Moratorium on Towns Seeking Hospital Payments.

New Jersey Governor Chris Christie called for a two-year ban on lawsuits by towns seeking tax payments from hospitals to cover the cost of municipal services.

Christie, a second-term Republican, asked lawmakers to control suits that have been filed by municipalities since a judge ruled in June that Morristown Medical Center owed local property taxes. The decision opened the door for other municipalities that host nonprofit businesses, including hospitals and universities, to challenge their tax-exempt status.

"It gives us time to come up not just with a solution, but the right solution," he told reporters at Trinitas Regional Medical Center in Elizabeth, New Jersey's fourth-largest city. The Roman Catholic teaching hospital is fighting the city's efforts to tax its properties.

The governor said there has been a "patchwork" solution, and that the state's 62 nonprofit hospitals "need to know with certainty what their costs are going to be." He proposed a commission to examine the issue while the moratorium is in effect.

For the necessary legislation, he said, he has support from the New Jersey Hospital Association and Senate President Steve Sweeney, a Democrat from West Deptford, though not yet from Assembly Speaker Vincent Prieto, a Democrat from Secaucus. Prieto, in a statement, said a moratorium "is not a solution."

He and Sweeney both said Christie should have signed the bill approved in January by the legislature — and supported by the hospitals — that would have had those with for-profit businesses make payments to their hometowns in exchange for tax-exempt status. Christie didn't sign the measure by the end of the legislative session, effectively killing it.

"We need to resolve this issue now, not in two years," Prieto said. "The Assembly will continue working with all parties on an immediate solution."

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