



General Assembly

**Amendment**

January Session, 2025

LCO No. 9087



Offered by:

SEN. LESSER, 9<sup>th</sup> Dist.  
SEN. HOCHADEL, 13<sup>th</sup> Dist.  
REP. GILCHREST, 18<sup>th</sup> Dist.  
REP. GARIBAY, 60<sup>th</sup> Dist.

To: Subst. Senate Bill No. 1480

File No. 387

Cal. No. 238

**"AN ACT CONCERNING PRIVATE EQUITY AND REAL ESTATE  
INVESTMENT TRUST OWNERSHIP OF HOSPITALS AND NURSING  
HOMES."**

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective October 1, 2025*) (a) As used in this section,  
4 (1) "nursing home" has the same meaning as provided in section 19a-490  
5 of the general statutes, and (2) "investment entity" means a publicly  
6 traded or non-publicly traded company that collects capital investments  
7 from individuals or entities and purchases a direct or indirect  
8 ownership share of a nursing home, and includes a real estate  
9 investment trust, as defined in 26 USC 856, as amended from time to  
10 time.

11 (b) Not later than February 15, 2026, and upon biennial licensure  
12 renewal, each nursing home owned or partially owned by an

13 investment entity shall provide the following information to the  
14 Commissioner of Social Services: (1) The name and business address of  
15 all ownership entities with a beneficial ownership interest in said  
16 nursing home and a statement of whether said ownership entity is an  
17 individual, partnership, corporation or other legal entity; (2) the names  
18 of the officers, directors, trustees or managing and general partners of  
19 any such ownership entity and number of shares owned or ownership  
20 percentage of the ownership entity held by each partner; (3) if such  
21 ownership entity is a corporation that is incorporated in another state, a  
22 certificate of good standing from the Secretary of State of the state of  
23 incorporation; (4) the audited and certified financial statements of the  
24 ownership entity, if applicable, including (A) a balance sheet as of the  
25 end of the most recent fiscal year, (B) income statements for the most  
26 recent fiscal year, (C) a cash flow statement from the most recent fiscal  
27 year, and (D) an estimate of financing expenses, legal expenses, land  
28 costs, marketing costs and other similar costs that the ownership entity  
29 expects to incur or become obligated to pay within one year of  
30 acquisition of the nursing home; (5) a description of any mortgage loan  
31 or other financing used for the initial acquisition or construction of the  
32 nursing home, subsequent refinancing of any such debt and any  
33 subsequent financing of additional debt incurred, including the terms  
34 and costs of any such mortgage loan or other financing; (6) a copy of the  
35 purchase agreement for the nursing home and any agreement providing  
36 for the transfer of ownership interests in the nursing home, including,  
37 but not limited to, the real estate agreement, asset agreement, stock  
38 agreement or other similar agreement; and (7) any documentation  
39 regarding escrow or contingency accounts. Such biennial reports may  
40 be submitted to the Commissioner of Social Services in the same format  
41 as submitted to the Commissioner of Public Health for licensure  
42 renewal.

43 (c) The Commissioner of Social Services may impose a civil penalty  
44 of one thousand dollars per day on any nursing home that fails to  
45 provide any information required pursuant to subsection (b) of this  
46 section by the date that is thirty days after the date such information is

47 due. A facility may request a fair hearing on the assessment of any such  
48 civil penalty as an aggrieved person pursuant to section 17b-60 of the  
49 general statutes.

50 (d) A nursing home owned or partially owned by an investment  
51 entity with a beneficial ownership interest in said nursing home shall,  
52 at the time of application for or renewal of a nursing home license,  
53 demonstrate to the satisfaction of the Department of Social Services that  
54 it has secured a performance bond or similar form of security in favor of  
55 the State of Connecticut in an amount equal to ninety days of operating  
56 costs for the nursing home and that such bond or similar form of  
57 security shall remain in effect for the duration of the initial license term  
58 and any renewal term.

59 (e) A nursing home owned or partially owned by an investment  
60 entity with a beneficial ownership interest in said nursing home shall,  
61 at the time of application for or renewal of a nursing home license,  
62 submit to the Department of Public Health a copy of the performance  
63 bond or similar form of security required pursuant to subsection (d) of  
64 this section.

65 (f) No person or entity acquiring ownership on or after October 1,  
66 2025, of real property on which a licensed nursing home operates shall  
67 sell, transfer or otherwise convey such property within five years of  
68 acquisition without written approval from the Department of Public  
69 Health. Such approval shall only be granted upon a showing that the  
70 sale will not negatively impact resident care or operational stability.

71 (g) Not later than February 15, 2027, the Commissioner of Social  
72 Services, in consultation with the Commissioner of Public Health, shall  
73 review and evaluate the nursing home disclosures provided in  
74 accordance with this section and the quality of care at a nursing home  
75 owned or partially owned by an investment entity compared to the  
76 quality of care at nursing homes under other ownership structures. The  
77 commissioners shall report their findings, in accordance with the  
78 provisions of section 11-4a of the general statutes, to the joint standing

79 committees of the General Assembly having cognizance of matters  
80 relating to aging, appropriations and the budgets of state agencies,  
81 human services and public health."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2025</i>	New section