



General Assembly

**Substitute Bill No. 481**

February Session, 2026



**AN ACT REQUIRING NURSING HOME OWNERSHIP  
TRANSPARENCY, FINANCIAL SAFEGUARDS PROTECTING  
NURSING HOME OPERATIONS AND PROPERTY AND PROHIBITING  
REQUIRED ARBITRATION AGREEMENTS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective October 1, 2026*) (a) As used in this section, (1)  
2 "nursing home" has the same meaning as provided in section 19a-490 of  
3 the general statutes, and (2) "ownership entity" means an individual or  
4 publicly traded or non-publicly traded company that collects capital  
5 investments from individuals or entities and purchases a direct or  
6 indirect ownership share of a nursing home, and includes a real estate  
7 investment trust, as defined in 26 USC 856, as amended from time to  
8 time.

9 (b) Not later than February 15, 2027, and annually thereafter, each  
10 nursing home shall provide the Commissioner of Social Services with  
11 the following information: (1) The name and business address of all  
12 ownership entities with a beneficial ownership interest in the nursing  
13 home and a statement of whether the ownership entity is an individual,  
14 partnership, corporation or other legal entity; (2) the names of the  
15 officers, directors, trustees or managing and general partners of any  
16 such ownership entity and the number of shares owned or ownership  
17 percentage of the ownership entity held by each partner; (3) if such  
18 ownership entity is a corporation that is incorporated in another state, a

19 certificate of good standing from the Secretary of the State of the state of  
20 incorporation; (4) the audited and certified financial statements of the  
21 ownership entity, if applicable, including, but not limited to, (A) a  
22 balance sheet as of the end of the most recent fiscal year, (B) income  
23 statements for the most recent fiscal year, (C) a cash flow statement from  
24 the most recent fiscal year, and (D) an estimate of financing expenses,  
25 legal expenses, land costs, marketing costs and other similar costs that  
26 the ownership entity expects to incur or become obligated to pay within  
27 one year of acquisition of the nursing home; (5) a description of any  
28 mortgage loan or other financing used for the initial acquisition or  
29 construction of the nursing home, subsequent refinancing of any debt,  
30 and any subsequent financing of additional debt incurred, including,  
31 but not limited to, the terms and costs of any such mortgage loan or  
32 other financing; (6) a copy of the purchase agreement for the nursing  
33 home and any agreement providing for the transfer of ownership  
34 interests in the nursing home, including, but not limited to, the real  
35 estate agreement, asset agreement, stock agreement or other similar  
36 agreement; and (7) any documentation regarding escrow or contingency  
37 accounts.

38 (c) A nursing home owned or partially owned by an ownership entity  
39 with a beneficial ownership interest in the nursing home shall, at the  
40 time of application for or renewal of a nursing home license,  
41 demonstrate to the satisfaction of the Commissioner of Social Services  
42 that the nursing home has secured a performance bond or similar form  
43 of security in favor of the state in an amount equal to ninety days of  
44 operating costs for the nursing home and that such bond or similar form  
45 of security shall remain in effect for the duration of the initial license  
46 term and any renewal term.

47 (d) A nursing home owned or partially owned by an ownership  
48 entity with a beneficial ownership interest in the nursing home shall, at  
49 the time of application for or renewal of a nursing home license, submit  
50 to the Department of Public Health a copy of the performance bond or  
51 similar form of security required under subsection (c) of this section.

52 (e) No person or entity acquiring ownership of real property on and  
53 after October 1, 2026, on which a licensed nursing home operates, shall  
54 sell, transfer or otherwise convey such property within five years of the  
55 date of acquisition without written approval from the Commissioner of  
56 Public Health. Such approval shall be granted only upon a showing that  
57 the sale will benefit resident care or improve operational stability.

58 Sec. 2. (NEW) (*Effective from passage*) No nursing home, as defined in  
59 section 19a-490 of the general statutes, shall require a resident or  
60 prospective resident to sign an arbitration agreement or contract  
61 containing an arbitration agreement as a condition of admission or  
62 continued care. Any such required arbitration agreement or contract  
63 containing such arbitration agreement entered into, amended or  
64 renewed after the effective date of this section is against public policy  
65 and shall be void.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2026</i>	New section
Sec. 2	<i>from passage</i>	New section

**JUD**      *Joint Favorable Subst.*