



General Assembly

Amendment

February Session, 2026

LCO No. 5470



Offered by:
SEN. HWANG, 28th Dist.

To: Subst. Senate Bill No. 125

File No. 69

Cal. No. 69

(As Amended)

"AN ACT RESTRICTING PRIVATE EQUITY OWNERSHIP OF NURSING HOMES."

1 Strike subdivision (2) of subsection (d) of section 3 in its entirety and
2 substitute the following in lieu thereof:

3 "(2) On and after July 1, 2028, each nursing home subject to a
4 beneficial ownership interest of an investment entity of five per cent or
5 more shall, at the time of application for or renewal of a nursing home
6 license, demonstrate to the satisfaction of the Commissioner of Social
7 Services that the nursing home has secured a surety bond or similar
8 form of security in favor of the state in an amount equal to ninety days
9 of operating costs for the nursing home and that such bond or similar
10 form of security shall remain in effect for the duration of the initial
11 license term and any renewal term. The commissioner shall reimburse
12 each such nursing home that secures a surety bond or similar form of
13 security pursuant to the provisions of this subdivision for the cost of
14 such surety bond or similar form of security and increase the Medicaid

15 rate to each such nursing home within a reasonable period of time,
16 retroactive to the date of enforcement."