
OLR Bill Analysis

SB 1332

AN ACT CONCERNING NURSING HOME FINANCIAL ACCOUNTABILITY AND NURSING HOME OWNERSHIP BY PRIVATE EQUITY COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.

SUMMARY

This bill prohibits private equity companies (PEC) and real estate investments trusts (REIT) from acquiring or increasing their ownership interest, operational control, or financial control in a nursing home beginning October 1, 2025.

Specifically, the bill prohibits PECs and REITs from increasing their:

1. ownership interest directly or via an (a) entity that has an ownership interest in a nursing home or (b) indirect owner of a nursing home,
2. ability to affect operations of a nursing home, and
3. control over the nursing home's finances.

Under the bill, an ownership interest is capital, stock, profits, or ownership of real estate on which a nursing home operates. Actions affecting a nursing home's operations are (1) those that influence or direct actions or policies or (2) choosing or terminating board members, managers or managing members, senior employees, consultants, or other individuals or entities that are part of the nursing home's oversight.

The bill also requires a person seeking a license to establish, conduct, operate, or maintain a nursing home owned in full or in part by a PEC or REIT to provide the Department of Public Health with evidence demonstrating compliance with these provisions.

Under the bill, a PEC is a publicly or privately owned entity that collects capital investments, and an REIT generally is a company that owns or finances income-producing commercial real estate.

EFFECTIVE DATE: October 1, 2025

COMMITTEE ACTION

Aging Committee

Joint Favorable

Yea 11 Nay 2 (03/04/2025)