

2026 -- H 7930

LC005254

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO HEALTH AND SAFETY -- LICENSING OF HEALTHCARE FACILITIES

Introduced By: Representatives Speakman, Boylan, and Donovan

Date Introduced: February 27, 2026

Referred To: House Health & Human Services

(Dept. of Health)

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 23-17-65 of the General Laws in Chapter 23-17 entitled "Licensing
2 of Healthcare Facilities" is hereby amended to read as follows:

3 **23-17-65. Transparency of ownership in healthcare facilities.**

4 (a) Any operator or operators of a nursing facility shall file with the department of health
5 information of ownership including, but not limited to, the following:

6 (1) The name, address, and a description of the interest held by each of the following
7 persons:

8 (i) Any person who, directly or indirectly, beneficially owns any interest in the land on
9 which the facility is located;

10 (ii) Any person who, directly or indirectly, beneficially owns any interest in the building
11 in which the facility is located;

12 (iii) Any person who, directly or indirectly, beneficially owns any interest in any mortgage,
13 note, deed of trust, or other obligation secured, in whole or in part, by the land on which or building
14 in which the facility is located;

15 (iv) Any person who, directly or indirectly, has any interest as lessor or lessee in any lease
16 or sub-lease of the land on which or the building in which the facility is located;

17 (v) Any person who is the ultimate and actual owner of the land, building, mortgages, and
18 leases of the nursing facility and any lessee of the land or building; and

19 (vi) The operator or operators of the nursing facility.

1 (2) If any person named in subsection (a)(1) of this section is a partnership or limited
2 liability company, then the name and address of each partner or member.

3 (3) If any person named in subsection (a)(1) of this section is a corporation, other than a
4 corporation whose shares are traded on a national securities exchange or are regularly quoted in an
5 over-the-counter market or which is a commercial bank, savings bank, or savings and loan
6 association, then the name and address of each officer, director, stockholder and, if known, each
7 principal stockholder and controlling person of such corporation.

8 (4) If any corporation named in subsection (a)(1) of this section is a corporation whose
9 shares are traded on a national securities exchange or are regularly quoted in an over-the-counter
10 market or which is a commercial bank, savings bank, or savings and loan association, then the name
11 and address of the principal executive officers and each director and, if known, each principal
12 stockholder of such corporation.

13 (b) In order to promote greater transparency, the department of health shall, upon request,
14 furnish to the public all documents and information received pursuant to this section.

15 (c) As used in this section, the term "operator" means the licensee and also includes the
16 complete ownership entity above the actual entity holding the license.

17 (d) Any operator that fails to file, in whole or in part, the ownership information required
18 in accordance with subsection (a) of this section or willingly or knowingly files false or incorrect
19 ownership information, may, after notice and opportunity for a hearing, be subject to the penalties
20 set forth in §§ 23-17-8 and 23-17-8.1. The director, in his or her discretion, may require that a
21 financial audit be conducted of the nursing facility at the operator's expense and may impose a fine
22 of the greater of one million dollars (\$1,000,000) or the amount of facility assets diverted to
23 undisclosed interest holders.

24 SECTION 2. Chapter 23-17 of the General Laws entitled "Licensing of Healthcare
25 Facilities" is hereby amended by adding thereto the following section:

26 **23-17-12.12. Withdrawal of equity or assets.**

27 (a) On or after July 1, 2026, no nursing facility licensed under this chapter may withdraw
28 equity or transfer assets which, in the aggregate, exceed three percent (3%) of such facility's total
29 reported annual revenue for patient care services, without prior written approval of the director.
30 Notification shall be made in a form acceptable to the licensing agency by certified mail. Total
31 reported annual revenue shall be based on the facility's most recently filed annual BM-64 with the
32 department of human services, or alternative form prescribed by the director.

33 (b) The director shall make a determination to approve or disapprove a request for
34 withdrawal of equity or assets under this section within sixty (60) days of the date of receipt of the

1 [written request from the facility.](#)

2 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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- 1 This act would require the disclosure of the transfer of certain assets of healthcare facilities
- 2 and would provide penalties for failing to file healthcare facility ownership information.
- 3 This act would take effect upon passage.

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