

Senate File 2236 - Introduced

SENATE FILE 2236
BY BISIGNANO

A BILL FOR

- 1 An Act prohibiting certain changes of ownership of a previously
- 2 licensed nursing facility.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 135C.7A, Code 2026, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 6A. The department shall not approve the
4 change of ownership of a previously licensed nursing facility if
5 the person seeking to obtain ownership of the nursing facility is
6 any of the following:

7 a. A private equity fund as defined in 12 U.S.C. §1851(h)(2),
8 as amended.

9 b. Majority owned by a private equity fund.

10 c. An affiliate of a private equity fund.

11 d. A real estate investment trust as defined in 26 U.S.C.
12 §856(a), as amended.

13 e. Majority owned by a real estate investment trust.

14 f. An affiliate of a real estate investment trust.

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EXPLANATION

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The inclusion of this explanation does not constitute agreement with

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the explanation's substance by the members of the general assembly.

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Under current law, any change in ownership of a previously
19 licensed nursing facility is subject to approval by the
20 department of inspections, appeals, and licensing (DIAL). This
21 bill prohibits DIAL from approving any change of ownership of a
22 nursing facility if the person seeking to obtain ownership is,
23 is owned in majority by, or is an affiliate of, a private equity
24 fund or a real estate investment trust.