

Banking Committee JOINT FAVORABLE REPORT

Bill No: HB-5316 / [Bill Status](#) / [Public Hearing Testimony](#)

AN ACT PROHIBITING REAL ESTATE INVESTMENT TRUSTS FROM ACQUIRING OR INCREASING OPERATIONAL CONTROL OVER HOSPITALS OR HEALTH SYSTEMS AND PROHIBITING HOSPITALS AND HEALTH SYSTEMS FROM ENTERING INTO SALE-LEASEBACK FINANCING

Title: TRANSACTIONS.

Vote Date: 3/10/2026

Vote Action: Joint Favorable

PH Date: 3/3/2026

File No.: 2050

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SPONSORS OF BILL:

Banking Committee

REASONS FOR BILL:

To prohibit a real estate investment trust from acquiring a hospital or health system and to prevent hospitals or health systems from entering a sale-leaseback transaction with the main campus of a hospital. This bill is in response to local CT hospitals selling their land to private equity and leasing it back from them leading to an extraction of resources from the hospitals, deteriorating quality of care, and bankruptcies.

RESPONSE FROM ADMINISTRATION/AGENCY:

N/A

NATURE AND SOURCES OF SUPPORT:

Bruce Adams, President, Credit Union League of Connecticut supports HB5316 as they feel Real Estate Investment Trusts should not be involved in patient care because of their priority to stakeholders.

John Brady, Executive Vice President, AFT Connecticut supports HB5316 as they argue sale-leasebacks do not help distressed hospitals any more than pay day loans help individuals and see no upsides for Connecticut residents for sale-leaseback of any hospital.

They also suggest legislation to ban sale-leasebacks at all hospital campuses, whether they are considered the “main campus” or not.

Amy Porter, Acting Commissioner, Connecticut Health Strategy comments that HB5316 can be used in combination with HB5045 to address the challenges HB5316 is trying to solve.

NATURE AND SOURCES OF OPPOSITION:

The Connecticut Hospital Association (CHA) opposes HB5316 as the bill would lead to prohibiting small but important investments that support Connecticut's healthcare system, as that requires ongoing investment which can come in many forms and instead support SB196 as it reflects language informed by public hearing testimony and developed in partnership with the Public Health Committee leadership and the CHA.

Reported by: Giovanni DeSantis

Date: March 11, 2026