



General Assembly

February Session, 2026

Raised Bill No. 5316

LCO No. 2050



Referred to Committee on BANKING

Introduced by:

(BA)

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 TRANSACTIONS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective October 1, 2026*) (a) As used in this section:
- 2 (1) "Health system" means: (A) A parent corporation of one or more
- 3 hospitals and any entity affiliated with such parent corporation through
- 4 ownership, governance, membership or other means; or (B) a hospital
- 5 or any entity affiliated with such hospital through ownership,
- 6 governance, membership or other means;
- 7 (2) "Hospital" has the same meaning as provided in section 19a-646
- 8 of the general statutes;
- 9 (3) "Main campus of a hospital" means the licensed premises within
- 10 which the majority of inpatient beds are located;
- 11 (4) "Operational control" means to: (A) Influence or direct the actions

12 or policies of any part of a hospital or health system; or (B) choose,
13 appoint or terminate a member of the board, manager, managing
14 member, senior employee, consultant or other individual or entity that
15 participates in the operational oversight of a hospital or health system;

16 (5) "Person" has the same meaning as provided in section 1-79 of the
17 general statutes;

18 (6) "Real estate investment trust" has the same meaning as provided
19 in 26 USC 856, as amended from time to time; and

20 (7) "Sale-leaseback transaction" means a transaction in which a
21 hospital or health system enters into an agreement with another person
22 to sell and lease back hospital or health system-owned real property that
23 constitutes the main campus of a hospital.

24 (b) On and after October 1, 2026, no real estate investment trust shall
25 (1) acquire any operational control over a hospital or health system; or
26 (2) increase any operational control that the real estate investment trust
27 has over a hospital or health care system.

28 (c) On and after October 1, 2026, no hospital or health system shall
29 enter into a sale-leaseback transaction.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2026	New section

Statement of Purpose:

To prohibit (1) a real estate investment trust from acquiring or increasing operational control over a hospital or health system, and (2) a hospital or health system from entering into a sale-leaseback transaction involving hospital or health system-owned real property that constitutes the main campus of a hospital.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]