
OLR Bill Analysis

sHB 5510

AN ACT CONCERNING THE DEPARTMENT OF PUBLIC HEALTH'S RECOMMENDATIONS REGARDING UNLICENSED INSTITUTIONS AND PRACTICES.

SUMMARY

This bill allows the Department of Public Health (DPH), after a hearing, to impose a civil penalty of up to (1) \$25,000 per day against an individual who provides professional services without a required DPH license or certificate or (2) \$5,000 per day against anyone who opens, manages, or operates a health care facility without a required DPH license (or certificate for nursing facility management services). For people providing services without the required credential, this action may be taken, as applicable, by DPH or its licensing boards or commissions.

The bill also imposes criminal penalties for opening, managing, or operating a health care facility without the required DPH license or certificate. It generally makes this a class C misdemeanor, punishable by up to three months in prison, and the bill sets a maximum \$2,000 daily fine for this offense. But the bill's criminal penalty does not apply to (1) a licensee who fails to apply for renewal or (2) a financial institution taking ownership of a facility after a foreclosure when the operator continues to occupy it.

Under current law, the penalty to open, manage, or operate a health care facility without a required license or certificate is generally \$100 per day. There is currently no overarching penalty for practicing a DPH-regulated profession without a license or certificate, but there are existing criminal penalties for certain professions.

Lastly, the bill specifies that DPH, as well as its licensing boards or commissions as under existing law, can issue a summary order that someone immediately stop an illegal activity under its jurisdiction. The

bill specifies that this authority applies if the person poses an imminent public health or safety risk, pending proceedings on a possible cease and desist order. Existing law also gives DPH specific authority to pursue injunctive relief against facilities operating without the required license (or certificate for nursing facility management services).

The bill also makes minor, technical, and conforming changes.

EFFECTIVE DATE: October 1, 2026

BACKGROUND

Legislative History

The House referred the bill (File 537) to the Judiciary Committee, which reported a substitute that lowered the bill's penalties for opening, managing, or operating unlicensed facilities, including lowering the (1) criminal penalty from a class D felony to a class C misdemeanor and the associated maximum daily fine from \$5,000 to \$2,000 and (2) DPH maximum daily civil penalty from \$25,000 to \$5,000.

COMMITTEE ACTION

Public Health Committee

Joint Favorable Substitute

Yea 30 Nay 2 (03/23/2026)

Judiciary Committee

Joint Favorable Substitute

Yea 27 Nay 12 (04/17/2026)