



# House of Representatives

General Assembly

**File No. 713**

February Session, 2026

Substitute House Bill No. 5510

*House of Representatives, April 22, 2026*

The Committee on Judiciary reported through REP. STAFSTROM of the 129th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

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

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

1 Section 1. Section 19a-502 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2026*):

3 (a) Any person establishing, conducting, managing or operating any  
4 institution without the license required under the provisions of [sections  
5 19a-490 to 19a-503, inclusive, or owning real property or improvements  
6 upon or within which such an institution is established, conducted,  
7 managed or operated,] this chapter or without the certificate required  
8 under the provisions of section [19a-491, shall be fined not more than  
9 one hundred dollars for each offense, and each day of a continuing  
10 violation after conviction shall be considered a separate offense] 19a-561  
11 shall be guilty of a class C misdemeanor and fined not more than two  
12 thousand dollars for each day of continuing action in violation of this  
13 chapter or section 19a-561.

14     (b) Any person owning real property or improvements upon or  
15     within which an institution is established, conducted, managed or  
16     operated without the license required under this chapter or without the  
17     certificate required under section 19a-561 shall be fined not more than  
18     one hundred dollars for each offense and each day of a continuing  
19     violation after conviction shall be considered a separate offense.

20     (c) The penalty provisions of this [subsection] section shall not apply  
21     to (1) any financial institution regulated by any state or federal agency  
22     or body, which financial institution has succeeded to the title of the  
23     premises by mortgage foreclosure and the operator, if any, continues to  
24     occupy such property, or (2) a person's failure to apply for a renewal of  
25     a license.

26     [(b)] (d) If any person conducting, managing or operating any  
27     nursing home facility, as defined in section 19a-521, or residential care  
28     home, as defined in section 19a-521, fails to maintain or make available  
29     the financial information, data or records required under subsection (d)  
30     of section 19a-498, such person's license as a nursing home facility or  
31     residential care home administrator may be revoked or suspended in  
32     accordance with section 19a-517 or the license of such nursing home  
33     facility or residential care home may be revoked or suspended in the  
34     manner provided in section 19a-494, or both.

35     Sec. 2. Section 19a-503 of the general statutes is repealed and the  
36     following is substituted in lieu thereof (*Effective October 1, 2026*):

37     (a) Notwithstanding the existence or pursuit of any other remedy, the  
38     Department of Public Health may, in the manner provided by law and  
39     upon the advice of the Attorney General, conduct an investigation and  
40     maintain an action in the name of the state for injunction or other  
41     process against any person or governmental unit to restrain or prevent  
42     the establishment, conduct, management or operation of an institution  
43     or nursing facility management services, without a license or certificate  
44     under this chapter.

45     (b) The commissioner may, after a hearing held in accordance with

46 chapter 54, impose a civil penalty on any person establishing,  
47 conducting, managing or operating any institution without the license  
48 required under this chapter or without the certificate required under  
49 section 19a-561. The amount of any such civil penalty shall not exceed  
50 five thousand dollars for each day such person is in violation of this  
51 chapter or section 19a-561.

52 Sec. 3. Section 19a-11 of the general statutes is repealed and the  
53 following is substituted in lieu thereof (*Effective October 1, 2026*):

54 Any board or commission listed in subsection (b) of section 19a-14 or  
55 the Department of Public Health, with respect to professions under its  
56 jurisdiction that have no board or commission, may, in its discretion,  
57 issue [an appropriate] a summary order to any person found to be  
58 violating an applicable statute or regulation, providing for the  
59 immediate discontinuance of the violation that poses an imminent risk  
60 to public health, safety or welfare, pending proceedings to determine  
61 whether to issue a cease and desist order. Such board or commission or  
62 the department, with respect to professions under its jurisdiction that  
63 have no board or commission, may, after a hearing held in accordance  
64 with chapter 54, impose a civil penalty not to exceed twenty-five  
65 thousand dollars on a person who provides professional services under  
66 the department's jurisdiction without a license or certificate issued by  
67 the department. For the purposes of this section, each day of the  
68 provision of any such services shall be grounds for such a penalty. The  
69 board or commission may, through the Attorney General, petition the  
70 superior court for the judicial district wherein the violation occurred, or  
71 wherein the person committing the violation resides or transacts  
72 business, for the enforcement of any order issued by it and for  
73 appropriate temporary relief or a restraining order. Such board or  
74 commission shall certify and file in such court a transcript of the entire  
75 record of the hearing or hearings, including all testimony upon which  
76 such order was made and the findings and orders made by such board  
77 or commission. The court may grant such relief by injunction or  
78 otherwise, including temporary relief, as it deems equitable and may  
79 make and enter a decree enforcing, modifying and enforcing as so

80 modified, or setting aside, in whole or in part, any order of the board or  
81 commission.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2026</i>	19a-502
Sec. 2	<i>October 1, 2026</i>	19a-503
Sec. 3	<i>October 1, 2026</i>	19a-11

**JUD**      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Public Health, Dept.	GF - Potential Revenue Gain	See Below	See Below
Resources of the General Fund	GF - Potential Revenue Gain	See Below	See Below
Correction, Dept.; Judicial Dept. (Probation)	GF - Potential Cost	Minimal	Minimal

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill creates new criminal and civil penalties regarding unlicensed health care institutions and certain practices, resulting in a General Fund potential revenue gain and a minimal potential cost to the Department of Correction and the Judicial Department beginning in FY 27 as described below.

**Section 1** makes it a class C misdemeanor to open, manage, or operate a health care facility without the required Department of Public Health (DPH) license or certificate for certain violations, and imposes a maximum \$2,000 daily fine. This results in a potential cost to the Department of Correction and the Judicial Department for incarceration or probation and potential revenue gain to the General Fund beginning in FY 27. The exact cost will depend on the number of violations and value of fines imposed. On average, the marginal cost to the state for

incarcerating an offender for the year is \$3,300,<sup>1</sup> while the average marginal cost for supervision in the community is less than \$600<sup>2</sup> each year for adults.

**Sections 2 and 3** allow DPH (or its licensing boards and commissions) to impose a maximum civil penalty of: (1) \$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); and (2) \$25,000 against an individual who provides professional services without a required DPH license or certificate. This results in a potential revenue gain to the General Fund beginning in FY 27, dependent on the number of violations and DPH's discretion regarding civil penalties.

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of violations, fines imposed, and value of fines imposed.

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<sup>1</sup> Inmate marginal cost is based on increased consumables (e.g., food, clothing, water, sewage, living supplies, etc.) This does not include a change in staffing costs or utility expenses because these expenses would only be realized if a unit or facility opened.

<sup>2</sup> Probation marginal cost is based on services provided by private providers and only includes costs that increase with each additional participant. This does not include a cost for additional supervision by a probation officer unless a new offense is anticipated to result in enough additional offenders to require additional probation officers.

**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)