

1.1 **Senator Hoffman from the Committee on Human Services, to which was referred**

1.2 **S.F. No. 2972:** A bill for an act relating to health care facilities; regulating private equity
1.3 company acquisitions of nursing homes and assisted living facilities; requiring a study;
1.4 appropriating money; amending Minnesota Statutes 2024, sections 144A.01, subdivision
1.5 4; 144G.08, subdivision 15; proposing coding for new law in Minnesota Statutes, chapter
1.6 145D.

1.7 Reports the same back with the recommendation that the bill be amended as follows:

1.8 Page 4, line 19, delete "private equity company" and insert "for-profit entity" and after
1.9 "a" insert "nonprofit" and delete "an" and insert "a nonprofit"

1.10 Page 4, line 22, after "a" insert "nonprofit" and delete "an" and insert "a nonprofit"

1.11 Page 4, delete subdivision 6

1.12 Page 5, delete subdivision 7

1.13 Page 5, line 7, after the first "a" insert "nonprofit" and after the second "or" insert
1.14 "nonprofit" and delete "private equity company" and insert "for-profit entity"

1.15 Page 5, lines 10 and 11, delete "private equity company" and insert "for-profit entity"

1.16 Page 5, line 12, after the first "the" insert "nonprofit" and after the second "or" insert
1.17 "nonprofit"

1.18 Page 5, line 13, before the colon, insert ", commissioner of health, and commissioner
1.19 of human services"

1.20 Page 5, lines 14, 15, 18, and 26, delete "company" and insert "for-profit entity"

1.21 Page 5, lines 16 and 24, delete "company's" and insert "for-profit entity's"

1.22 Page 6, line 1, before the period, insert ", commissioner of health, and commissioner of
1.23 human services"

1.24 Page 6, line 3, delete "private equity company" and insert "for-profit entity" and before
1.25 "nursing" insert "nonprofit"

1.26 Page 6, line 4, before "assisted" insert "nonprofit"

1.27 Page 6, lines 6, 11, 17, 21, 24, and 31 delete "private equity company" and insert
1.28 "for-profit entity"

1.29 Page 6, line 19, delete "company" and insert "for-profit entity"

1.30 Page 7, delete section 5

- 2.1 Page 9, lines 6, delete "private equity company" and insert "for-profit entity" and before
2.2 "nursing" insert "nonprofit"
- 2.3 Page 9, line 7, before "assisted" insert "nonprofit"
- 2.4 Page 9, line 13, delete "or"
- 2.5 Page 9, line 17, delete the period and insert a semicolon
- 2.6 Page 9, after line 17 insert:
- 2.7 "(4) engaging in self-dealing;
- 2.8 (5) engaging in any acts, practices, or courses of business that result in an adverse impact
2.9 on the health, safety, and well-being and quality of care of the residents of the nursing home
2.10 or assisted living facility;
- 2.11 (6) spending less than 75 percent of the funds received by the nursing home or assisted
2.12 living facility from public programs and state appropriations on the direct care of residents;
- 2.13 (7) raising resident housing costs beyond the Consumer Price Index for all urban
2.14 consumers published by the federal Bureau of Labor Statistics for the 12 months preceding
2.15 the month in which the increase became effective unless the for-profit entity can demonstrate
2.16 that the increase was justified by legitimate business expenses;
- 2.17 (8) allowing a diminution of maintenance or a deterioration in the operations and
2.18 infrastructure of the nursing home or assisted living facility that results in unsafe conditions
2.19 or violations of building and other relevant codes, diminishes the property value of the
2.20 facility, or jeopardizes the health and well-being of the residents; or
- 2.21 (9) for a nursing home:
- 2.22 (i) failing to improve in the Centers for Medicare and Medicaid Services rating if the
2.23 nursing home's current rating is one or two stars; or
- 2.24 (ii) allowing a decline in the Centers for Medicare and Medicaid Services rating if the
2.25 nursing home's current rating is at least three stars."
- 2.26 Page 9, delete section 7
- 2.27 Page 11, delete section 8 and insert:

3.1 "Sec. 6. **ATTORNEY GENERAL ENFORCEMENT.**

3.2 A violation of Minnesota Statutes, section 145D.43, is an unfair and unconscionable
3.3 practice in violation of Minnesota Statutes, section 325F.69, subdivision 1. The attorney
3.4 general may enforce this section under Minnesota Statutes, section 8.31."

3.5 Page 12, delete section 9

3.6 Renumber the sections in sequence

3.7 Amend the title as follows:

3.8 Page 1, line 2, delete "private equity company" and insert "for-profit entity"

3.9 Page 1, line 3, delete everything after the first semicolon

3.10 Page 1, line 4, delete "money;"

3.11 And when so amended the bill do pass and be re-referred to the Committee on Commerce
3.12 and Consumer Protection. Amendments adopted. Report adopted.

3.13
3.14 (Committee Chair)

3.15 March 26, 2025.....
3.16 (Date of Committee recommendation)