

1.1 ..... moves to amend H.F. No. 2771 as follows:

1.2 Pages 1 to 5, delete sections 1 to 3

1.3 Page 5, delete section 4 and insert:

1.4 "Section 1. Minnesota Statutes 2025 Supplement, section 145D.40, subdivision 1, is  
1.5 amended to read:

1.6 Subdivision 1. **Application.** For purposes of sections 145D.40 to ~~145D.41~~ 145D.44, the  
1.7 following terms have the meanings given.

1.8 Sec. 2. Minnesota Statutes 2025 Supplement, section 145D.40, is amended by adding a  
1.9 subdivision to read:

1.10 Subd. 2a. **Health care professional.** "Health care professional" means an individual  
1.11 who is licensed or registered by the state to provide health care services within the  
1.12 professional's scope of practice and in accordance with state law.

1.13 Sec. 3. Minnesota Statutes 2025 Supplement, section 145D.40, is amended by adding a  
1.14 subdivision to read:

1.15 Subd. 5. **Private equity company.** "Private equity company" means a publicly traded  
1.16 or nonpublicly traded entity that collects capital investments from individuals or entities.  
1.17 Private equity company includes but is not limited to:

1.18 (1) a hedge fund;

1.19 (2) an individual or investment partnership that operates a private equity fund to acquire  
1.20 ownership or control of business entities;

1.21 (3) a venture capital fund as defined in Code of Federal Regulations, title 17, section  
1.22 275.203(l)-1;

2.1 (4) a sovereign wealth fund; and

2.2 (5) any affiliated company or person that directly or through an affiliate acts as a control  
2.3 person.

2.4 Sec. 4. Minnesota Statutes 2025 Supplement, section 145D.40, is amended by adding a  
2.5 subdivision to read:

2.6 Subd. 6. **Real estate investment trust.** "Real estate investment trust" has the meaning  
2.7 given in United States Code, title 26, section 856.

2.8 Sec. 5. Minnesota Statutes 2025 Supplement, section 145D.41, is amended to read:

2.9 **145D.41 NOTICE OF CERTAIN ACQUISITIONS OF NURSING HOMES AND**  
2.10 **ASSISTED LIVING FACILITIES; INFORMATION AND AFFIDAVIT.**

2.11 Subdivision 1. **Notice.** (a) At least 120 days prior to the transfer of ownership or control  
2.12 of a nonprofit nursing home or nonprofit assisted living facility to a for-profit entity, the  
2.13 nursing home or assisted living facility must provide written notice to the commissioner of  
2.14 health and the commissioner of human services of its intent to transfer ownership or control  
2.15 to a for-profit entity.

2.16 (b) At least 120 days prior to the transfer of ownership or control of a nursing home or  
2.17 assisted living facility to a private equity company, the nursing home or assisted living  
2.18 facility must provide written notice to the attorney general, the commissioner of health, and  
2.19 the commissioner of human services of its intent to transfer ownership or control to a private  
2.20 equity company.

2.21 Subd. 2. **Information that must be provided by for-profit entity.** Together with the  
2.22 notice, the for-profit entity seeking to acquire ownership or control of the nonprofit nursing  
2.23 home or nonprofit assisted living facility must provide to the attorney general, commissioner  
2.24 of health, and commissioner of human services the names of each individual with an interest  
2.25 in the for-profit entity and the percentage of interest each individual holds in the for-profit  
2.26 entity.

2.27 Subd. 3. **Information that must be provided by private equity company.** (a) For a  
2.28 transfer of ownership or control that meets the criteria in both subdivision 1, paragraph (a),  
2.29 and subdivision 1, paragraph (b), the entity to which ownership or control is to be transferred  
2.30 must comply with this subdivision.

3.1 (b) Together with the notice, the private equity company seeking to acquire ownership  
3.2 or control of the nursing home or assisted living facility must provide the following  
3.3 information to the attorney general:

3.4 (1) the names of each individual with an interest in the private equity company and the  
3.5 percentage of interest each individual holds in the private equity company;

3.6 (2) a complete and detailed description of the private equity company's corporate  
3.7 structure;

3.8 (3) the names of each individual holding an interest in, and the percentage of interest  
3.9 held in, any affiliate, subsidiary, or otherwise related entity with which the private equity  
3.10 company has a contract to provide goods or services for the operation or maintenance of  
3.11 the nursing home or assisted living facility or has a contract for goods and services to be  
3.12 provided to residents, including any real estate investment trusts if permitted under section  
3.13 145D.44, subdivision 1;

3.14 (4) any filings required to be made to any federal or state agency in the past five years;

3.15 (5) the private equity company's current balance sheet;

3.16 (6) all application materials required under section 144A.03 or 144G.12, as applicable;

3.17 (7) a description of the condition of the buildings the private equity company seeks to  
3.18 acquire or manage, identifying any cooling problems, electric medical devices present,  
3.19 recent exterior additions and replacements, external building conditions, recent flush toilet  
3.20 breakdowns, foreclosure status in the last 12 months, heat risk, heating problems, indoor  
3.21 air quality, recent interior additions and replacements, and mold, as those terms are defined  
3.22 and described in Appendix A of the American Housing Survey for the United States: 2023;

3.23 (8) an affidavit and evidence as required under subdivision 4; and

3.24 (9) other information required by the attorney general.

3.25 Subd. 4. **Affidavit and evidence.** A private equity company seeking to acquire ownership  
3.26 or control of a nursing home or assisted living facility must submit to the attorney general  
3.27 an affidavit and evidence sufficient to demonstrate that:

3.28 (1) the private equity company has the financial, managerial, and operational ability to  
3.29 operate or manage the nursing home or assisted living facility consistent with the  
3.30 requirements of (i) for a nursing home, sections 144A.01 to 144A.1888, chapter 256R, and  
3.31 Minnesota Rules, chapter 4658; or (ii) for an assisted living facility, chapter 144G and  
3.32 Minnesota Rules, chapter 4659;

4.1 (2) neither the private equity company nor any of its owners, managerial officials, or  
4.2 managers have committed a crime listed in, or been found civilly liable for an offense listed  
4.3 in section 144A.03, subdivision 1, paragraph (b), clause (13), or 144G.12, subdivision 1,  
4.4 clause (13), as applicable;

4.5 (3) in the preceding ten years, there have been no judgments and no filed, pending, or  
4.6 completed public or private litigations, tax liens, written complaints, administrative actions,  
4.7 or investigations by a government agency against the private equity company or any of its  
4.8 owners, managerial officials, or managers;

4.9 (4) in the preceding ten years, the company has not defaulted in the payment of money  
4.10 collected for others and has not discharged debts through bankruptcy proceedings;

4.11 (5) the private equity company will invest sufficient capital in the nursing home or  
4.12 assisted living facility to maintain or improve the facility's infrastructure and staffing;

4.13 (6)(i) housing costs or costs for services in a nursing home or assisted living facility in  
4.14 the United States over which the private equity company acquired ownership or control  
4.15 have not increased by more than the increase in the Consumer Price Index for all urban  
4.16 consumers published by the federal Bureau of Labor Statistics for the 12 months preceding  
4.17 the month in which the increase became effective; or (ii) if housing costs or costs for services  
4.18 in the nursing home or assisted living facility increased by more than the increase in the  
4.19 Consumer Price Index as described in item (i), the increase was justified;

4.20 (7) within five years after acquiring ownership or control of any other nursing home or  
4.21 assisted living facility in the United States, the private equity company did not sell or  
4.22 otherwise transfer ownership or control of the nursing home or assisted living facility to  
4.23 another person; and

4.24 (8) after acquiring ownership or control of another nursing home in the United States,  
4.25 that nursing home, with respect to the Centers for Medicare and Medicaid Services rating  
4.26 system:

4.27 (i) maintained or improved the nursing home's rating, if upon acquisition of ownership  
4.28 or control the rating was three or more stars; or

4.29 (ii) improved the nursing home's rating to at least three stars, if upon acquisition of  
4.30 ownership or control the rating was one or two stars."

4.31 Page 11, line 9, delete "6" and insert "5"

4.32 Page 12, lines 7 and 12, delete "2026" and insert "2027"

- 5.1 Renumber the sections in sequence and correct the internal references
- 5.2 Amend the title accordingly