

Subject Exception to hospital construction moratorium

Authors Backer and others

Analyst Elisabeth Klarqvist

Date May 7, 2026

Overview

Current law prohibits the establishment of a new hospital or a hospital construction project that increases hospital bed capacity, relocates beds from one site to another, or otherwise results in an increase in or redistribution of hospital beds within the state. If a hospital wishes to increase its number of licensed beds, relocate beds, or otherwise redistribute beds in the state, or if an organization is seeking a license for a new hospital, the hospital or organization must obtain an exception in law. A hospital must also submit an application to the commissioner of health for public interest review if it seeks to increase its number of licensed beds or if it seeks to obtain a new hospital license.

This bill establishes an exception to the construction moratorium to allow Regions Hospital to add 85 licensed beds. Regions Hospital submitted an application for public interest review to the commissioner on August 1, 2025, and on March 13, 2026, the commissioner of health found the addition of 85 licensed beds to be in the public interest.

Summary

Section	Description
---------	-------------

- | | |
|---|---|
| 1 | Restricted construction or modification.
Amends § 144.551, subd. 1. Adds an exception to the moratorium on hospital construction projects that increase bed capacity, relocate beds, or establish new hospitals, to allow Regions Hospital to add 85 licensed beds to its facility. |
|---|---|