



132nd MAINE LEGISLATURE

SECOND REGULAR SESSION-2026

Legislative Document

No. 2197

H.P. 1476

House of Representatives, February 10, 2026

**An Act to Prohibit the Sale and Leaseback of a Health Care Entity's
Main Campus to a Real Estate Investment Trust as Recommended
by the Commission to Evaluate the Scope of Regulatory Review and
Oversight over Health Care Transactions That Impact the Delivery
of Health Care Services in the State**

Reported by Representative MATHIESON of Kittery for the Joint Standing Committee on Health Coverage, Insurance and Financial Services pursuant to Resolve 2025, chapter 106, section 8.

Reference to the Committee on Health Coverage, Insurance and Financial Services suggested and ordered printed pursuant to Joint Rule 218.

A handwritten signature in black ink, reading "Robert B. Hunt".

ROBERT B. HUNT
Clerk

1 Be it enacted by the People of the State of Maine as follows:

2 Sec. 1. 22 MRSA §1730-B is enacted to read:

3 **§1730-B. Sale and leaseback transactions with health care entities prohibited**

4 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
5 following terms have the following meanings.

6 A. "Health care entity" means a health care provider, a health care facility or a provider
7 organization. "Health care entity" does not include a nursing facility as defined by
8 section 328, subsection 18.

9 B. "Health care facility" means a licensed institution providing health care services or
10 a health care setting, including, but not limited to, hospitals and other licensed inpatient
11 facilities; health systems consisting of one or more health care entities that are jointly
12 owned or managed; ambulatory surgical or treatment centers; residential treatment
13 centers; diagnostic, laboratory and imaging centers; freestanding emergency facilities;
14 outpatient clinics; and rehabilitation and other therapeutic health settings.

15 C. "Health care provider" means any person, corporation, partnership, governmental
16 unit, state institution, medical practice or any other entity qualified or licensed under
17 state law to perform or provide health care services to persons in the State.

18 D. "Main campus" means the licensed premises within which the majority of a health
19 care entity's inpatient beds are located.

20 E. "Provider organization" means any corporation, partnership, business trust,
21 association or organized group of persons that is in the business of health care delivery
22 or management, whether incorporated or not, that represents one or more health care
23 providers in contracting with carriers for the payment of health care services. "Provider
24 organization" includes, but is not limited to, physician organizations, physician-
25 hospital organizations, independent practice associations, health care provider
26 networks, accountable care organizations and management services organizations and
27 any other organization that contracts with carriers for payment for health care services.

28 F. "Real estate investment trust" has the same meaning as in the United States Internal
29 Revenue Code of 1986, Section 856, as amended.

30 **2. Sale and leaseback transactions with health care entities prohibited.** The
31 department may not issue or renew a license for a health care entity if the main campus of
32 the health care entity is leased from a real estate investment trust, except that any hospital
33 that was leasing its main campus from a real estate investment trust prior to July 1, 2026 is
34 exempt from the requirements of this subsection. Such a hospital maintains its exempt
35 status after a transfer to any transferee and subsequent transferees, and the transferee or
36 subsequent transferee must be issued a license if the transferee otherwise satisfies all other
37 requirements for licensure.

38 **SUMMARY**

39 This bill is reported out by the Joint Standing Committee on Health Coverage,
40 Insurance and Financial Services pursuant to Resolve 2025, chapter 106 to implement a
41 recommendation from the Commission to Evaluate the Scope of Regulatory Review and
42 Oversight over Health Care Transactions That Impact the Delivery of Health Care Services

1 in the State. The joint standing committee has not taken a position on the substance of this
2 bill. By reporting this bill out, the joint standing committee is not suggesting and does not
3 intend to suggest that it agrees or disagrees with any aspect of this bill; instead, the joint
4 standing committee is reporting the bill out for the sole purpose of having a bill printed that
5 can be referred to a joint standing committee for an appropriate public hearing and
6 subsequent processing in the normal course. The joint standing committee is taking this
7 action to ensure clarity and transparency in the legislative review of the proposals contained
8 in the bill.

9 This bill prohibits the department from licensing a health care entity that enters into
10 any arrangement with a real estate investment trust for the sale and leaseback of the health
11 care entity's main campus or primary location to the real estate investment trust. The bill
12 provides an exemption to a hospital that was leasing its main campus from a real estate
13 investment trust prior to July 1, 2026 and provides that a hospital maintains its exempt
14 status after any subsequent transfer.