

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-FIVE

S.P. 416 - L.D. 985

**An Act to Impose a Moratorium on the Ownership or Operation of Hospitals
in the State by Private Equity Companies or Real Estate Investment Trusts**

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, this legislation establishes a one-year moratorium on the ownership or operation of hospitals in the State by private equity companies or real estate investment trusts; and

Whereas, this legislation must take effect as soon as possible so that any transactions involving the State's hospitals and private equity companies or real estate investment trusts may not move forward for one year; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

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

**§1730-A. Moratorium on ownership or operation of hospitals by private equity
companies and real estate investment trusts**

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

A. "Hospital" has the same meaning as in Title 36, section 2881, subsection 2.

B. "Indirect ownership interest" means an ownership interest in an entity that has an ownership interest in a hospital.

C. "Operational control" means to:

(1) Influence or direct the actions or policies of any part of a hospital; or

(2) Choose, appoint or terminate a member of a board, manager, managing member, senior employee, consultant or other individual or entity that participates in the operational oversight of a hospital.

D. "Ownership interest" means possession or equity in capital, stock or profits in a hospital or ownership of real estate on which a hospital operates.

E. "Private equity company" means an entity whether or not publicly traded that collects capital investments from individuals or entities.

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

2. Moratorium. A private equity company or real estate investment trust may not acquire or increase a direct or indirect ownership interest or operational control or financial control in a hospital in the State.

3. Repeal. This section is repealed June 15, 2026.

Sec. 2. Application. This Act does not apply to any transaction for which an application for a certificate of need under the Maine Revised Statutes, Title 22, section 329 has been filed on or before June 1, 2025.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.