

[First Reprint]

**SENATE, No. 2980**

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**STATE OF NEW JERSEY**

**222nd LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2026 SESSION

**Sponsored by:**

**Senator JOSEPH F. VITALE**

**District 19 (Middlesex)**

**Senator ANGELA V. MCKNIGHT**

**District 31 (Hudson)**

**Co-Sponsored by:**

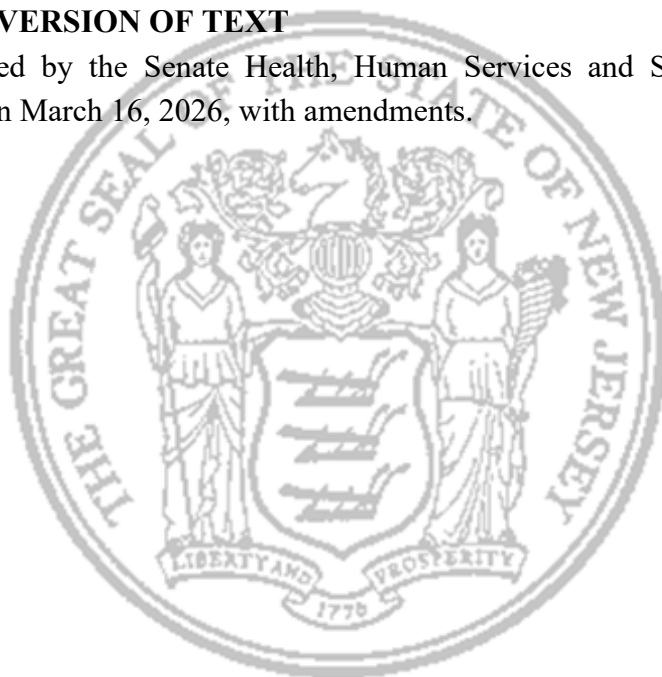
**Senators Cruz-Perez, Ruiz, Turner, Singleton, Cryan, Greenstein,  
Zwicker, Mukherji, Burgess and Diegnan**

**SYNOPSIS**

Revises reporting requirements for nursing homes concerning financial disclosures and ownership structure.

**CURRENT VERSION OF TEXT**

As reported by the Senate Health, Human Services and Senior Citizens Committee on March 16, 2026, with amendments.



**(Sponsorship Updated As Of: 5/4/2026)**

1 AN ACT concerning nursing home, amending P.L.2021, c.95,  
2 amending and supplementing P.L.1977, c.237, and  
3 supplementing P.L.2021, c.457 (C.26:2H-46.1 et seq.).  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
7

8 1. Section 2 of P.L.2021, c.95 (C.26:2H-7.25) is amended to read  
9 as follows:

10 2. a. Prior to transferring ownership of a nursing home, the  
11 prospective new owner shall submit an application to the Department  
12 of Health that meets the requirements of section 3 of this act. The  
13 application shall include the following items:

14 (1) the transfer of ownership fee established by the department;

15 (2) a cover letter stating the applicant's intent to purchase or  
16 acquire the nursing home, and identification of the nursing home by  
17 name, address, county, and number and type of licensed beds;

18 (3) a description of the proposed transaction, including:

19 (a) identification of 100 percent of the current owners of the  
20 nursing home;

21 (b) identification of 100 percent of the proposed new owners,  
22 including the names and addresses of all principals and interested  
23 parties; and

24 (c) **[if applicable,]** a copy of **[an]** the applicant's organizational  
25 chart, **[including]** which shall include parent **[corporations and]**  
26 entities, wholly-owned subsidiaries [;], and related parties; and  
27 unrelated parties that will or are expected to provide a service, a  
28 facility, or supplies to the nursing home and that will or are expected  
29 to be paid more than \$200,000 by the nursing home in the coming  
30 year; and

31 (4) a copy of the agreement of sale and, if applicable, a copy of  
32 any lease agreements for real property and any management  
33 agreements.

34 **[The applicant may additionally submit a summary of the**  
35 **application materials that includes such details concerning the**  
36 **application as are required by the department, but that omits any**  
37 **proprietary information in the contracts for the sale or management of**  
38 **the nursing home, and any home addresses, social security numbers, or**  
39 **other personal information of any proposed owner, principal, or**  
40 **interested party. A summary prepared by the applicant may only be**  
41 **used for the purposes of posting information concerning the**  
42 **application on the department's Internet website pursuant to paragraph**  
43 **(1) of subsection d. of this section.]**

**EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

**<sup>1</sup>Senate SHH committee amendments adopted March 16, 2026.**

1 b. ~~Information submitted pursuant to subsection a. of this section~~  
2 ~~or subsection a. of section 3 of this act by an applicant for transfer of~~  
3 ~~ownership of a nursing home shall not be used in any adverse licensure~~  
4 ~~action or disciplinary action against the applicant.~~ ~~(deleted by~~  
5 ~~amendment, P.L. , c. ) (pending before the Legislature as this bill)~~

6 c. Approval of a transfer of ownership of a nursing home is  
7 contingent upon:

8 (1) a review of the applicant's history of disciplinary actions  
9 assessed in connection with any other facility owned, operated, or  
10 managed by the proposed owners and principals both in New Jersey  
11 and in any other jurisdiction, and a determination based on that review  
12 that approval of the transfer of ownership will not present a material  
13 risk to the health, safety, or welfare of residents of the nursing home  
14 that is the subject of the transfer application; and

15 (2) payment of all outstanding and issued Medicaid audit claims,  
16 Medicaid overpayments, and ~~State~~ State-issued penalties ~~issued by~~  
17 ~~the department~~ against the current owner, unless such claims remain  
18 under appeal, in which case, if the claim remains under appeal, the  
19 applicant shall submit written verification that either the applicant or  
20 the current owners of the nursing home will assume responsibility for  
21 payment of any such audit Medicaid recoveries and ~~State~~ State-  
22 issued penalties at the conclusion of the appeal.

23 (3) In the event that any Medicaid overpayments are identified  
24 after the transfer of ownership occurs, the prior owner and the new  
25 owner shall submit an affidavit to the department and to the State  
26 Comptroller identifying the responsible party for the Medicaid  
27 overpayments.

28 d. (1) ~~A~~ The department shall post on its Internet website no  
29 later than 30 days after the date the department receives the  
30 application:

31 (a) a copy of each transfer of ownership application ~~,~~ or a  
32 summary of the application prepared by the applicant that includes the  
33 names of the proposed owners, principals, and interested parties ~~,~~  
34 shall be published on the department's Internet website no later than 30  
35 days after the date the department receives the application; provided  
36 that the department shall redact the materials to the extent necessary to  
37 ensure that no proprietary information in the contracts for the sale or  
38 management of the nursing home, and no home addresses, social  
39 security numbers, or other personal information of any proposed  
40 owner, principal, or interested party, is included in the materials  
41 published on the department's Internet website; and

42 (b) a copy of the applicant's organizational chart submitted  
43 pursuant to subparagraph (c) of paragraph (3) of subsection a. of this  
44 section.

45 (2) Each application for the transfer of ownership of a nursing  
46 home shall be subject to a public comment period that shall commence  
47 not less than 30 days after the date the application is received by the

1 department, and which comment period shall remain open for a period  
2 of not less than 30 days. The department shall establish a procedure  
3 for acknowledging receipt of public comments submitted. The text of  
4 comments submitted on a transfer of ownership application shall not  
5 be published on the department's Internet website, but shall be  
6 considered a government record pursuant to P.L.1963, c.73 (C.47:1A-  
7 1 et seq.) or P.L.2001, c.404 (C.47:1A-5 et al.).

8 e. The Department shall complete review of any transfer of  
9 ownership application submitted pursuant to subsection a. of this  
10 section no later than 120 days after the date the application is received.  
11 If a transfer of ownership application has been reviewed and deemed  
12 acceptable, the department shall send an approval letter to the  
13 applicant.

14 f. Within five days after the transaction has been completed, the  
15 applicant shall submit to the department certification of closing from  
16 an attorney or a notarized letter from the applicant stating the date on  
17 which the transaction occurred, along with an executed bill of sale or  
18 assignment. To facilitate the timely transfer of Medicare and  
19 Medicaid provider numbers, the department shall issue the new license  
20 to the applicant no later than 30 days after the date the notice is  
21 received by the department.

22 g. No nursing home may delegate substantial management control  
23 of the nursing home's operations to a third party entity without  
24 providing prior written notice to the department. The notice provided  
25 by the owners of the facility to the department shall include:

26 (1) a copy of the management agreement;

27 (2) an organizational chart of the third party entity's proposed  
28 management team for the nursing home as well as all parent entities,  
29 wholly-owned subsidiaries, and related parties; and unrelated parties to  
30 the third party entity that will or are expected to provide a service, a  
31 facility, or supplies to the nursing home in the coming year and that  
32 will or are expected to be paid more than \$200,000 by the nursing  
33 home in the coming year;

34 (3) the names and addresses of all owners, principals, and  
35 interested parties of the third party entity; and

36 (4) a list of any other licensed health care facilities owned,  
37 operated, or managed by the third party entity in any state or territory  
38 of the United States or in the District of Columbia for the preceding  
39 three years, along with **owner-certified** owner-certified financial  
40 **statements** statements for each such facility for the last three years  
41 during which the facility was owned, operated, or managed by the  
42 third party entity. If the third party entity owned, operated, or  
43 managed facilities located outside New Jersey in the preceding three  
44 years, the application shall include disclosures by the third party entity  
45 of any enforcement actions imposed during that period of time against  
46 any facility owned, operated, or managed by the third party entity in  
47 any jurisdiction.

1 h. (1) Upon request by the Commissioner of Health and subject  
2 to the provisions of P.L.1968, c.266 (C.52:9M-1 et seq.), the State  
3 Commission of Investigation shall undertake an investigation of one or  
4 more nursing homes in the State or the entities owning, operating, or  
5 managing one or more nursing homes in the State, provided that, if the  
6 commission determines that the request for an investigation from  
7 Commissioner of Health exceeds the commission's capacity to perform  
8 such investigations, the commission may advise the Commissioner of  
9 Health as to any requests upon which it finds itself unable to proceed.  
10 The State Commission of Investigation may, at any time, submit to the  
11 Governor, the Commissioners of Health and Human Services, and,  
12 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), the  
13 Legislature, recommendations for administrative or legislative action  
14 to improve oversight and transparency in nursing homes.

15 (2) The State Auditor shall undertake a review of the oversight of  
16 nursing homes by the Department of Health and the Department of  
17 Human Services at least once every three years, with particular focus  
18 on compliance with federal inspection requirements, responses to  
19 complaints and response times in reviewing complaints, and actions  
20 taken to follow up on violations affecting the health, safety, or welfare  
21 of residents.

22 i. As used in sections 2 through 4 of this act:

23 “Immediate family member” means a spouse, natural parent, child,  
24 sibling, first cousin, aunt, uncle, adopted child, adoptive parent,  
25 stepparent, stepchild, stepsister, stepbrother, father-in-law, mother-in-  
26 law, sister-in-law, brother-in-law, son-in-law, daughter-in-law,  
27 grandparent, and grandchild.

28 "Interested party" means any individual or entity with an interest of  
29 one percent or more but less than five percent in an applicant to  
30 receive a transfer of ownership of a nursing home or the land or other  
31 real property on which a nursing home is located.

32 "Principal" means any individual or entity with an interest of five  
33 percent or more in an applicant to receive a transfer of ownership of a  
34 nursing home or the land or real property on which a nursing home is  
35 located.

36 “Related party” means an organization that, either directly or  
37 through contracts with a third party entity exercising substantial  
38 management control over the nursing home, will or is expected to  
39 provide a service, facility, land or other real property, or supplies to a  
40 nursing home that is the subject of a transfer of ownership application,  
41 or that, either directly or through contracts with a third party entity  
42 exercising substantial management control over the nursing home, will  
43 or is expected to otherwise do business with a nursing home that is the  
44 subject of a transfer of ownership application: in which organization  
45 the nursing home, or any proposed owner or principal of the nursing  
46 home, or a third party entity to which substantial management control  
47 over the nursing home is to be delegated or any owner or principal of  
48 the third party entity, has an ownership or control interest of five

1 percent or more; which is an organization in which an immediate  
2 family member of an owner or principal of the applicant for transfer of  
3 ownership of the nursing home, or an immediate family member of an  
4 owner or principal of a third party entity to which substantial  
5 management control over the nursing home is to be delegated, is an  
6 owner or principal; or which organization is under common ownership  
7 or control with the applicant or third party entity, as defined in 42 CFR  
8 s.413.17(b). "Related party" may include, but shall not be limited to:  
9 home offices; management organizations; owners of real estate;  
10 entities that provide staffing, therapy, pharmaceutical, marketing,  
11 administrative management, consulting, and insurance services;  
12 providers of supplies and equipment; financial advisors and  
13 consultants; banking and financial entities; and all parent companies,  
14 holding companies, and sister organizations.

15 "Substantial management control" means the authority to direct the  
16 operation and administration of a nursing home, including, but not  
17 limited to, exercising control or authority over resident admissions,  
18 room assignments, number of beds, staff hiring, staff scheduling, staff  
19 assignments, personnel issues, billing, purchasing, managing vendor  
20 contracts, establishing and enforcing operational protocols and  
21 procedures, resident safety, infection control, communicating with and  
22 reporting to governmental and other entities, and ensuring compliance  
23 with State and federal requirements concerning the operation of the  
24 nursing home; provided that more than one entity may exercise  
25 authority that constitutes substantial management control. Regulations  
26 adopted pursuant to section 8 of P.L. , c. (C. ) (pending before  
27 the Legislature as this bill) may identify additional activities that  
28 constitute indicia of substantial management control.

29 (cf: P.L.2021, c.95, s.2)

30

31 2. Section 1 of P.L.1977, c.237 (C.26:2H-32) is amended to read  
32 as follows:

33 1. The following words or phrases, as used in P.L.1977, c.237  
34 (C.26:2H-32 et seq.), shall have the following meanings, unless the  
35 context otherwise requires:

36 a. "Nursing home" means **【**a facility providing therein nursing  
37 care to persons who are sick, invalid, convalescing, or who have  
38 disabilities, in addition to providing lodging and board or health-  
39 related service, or any combination of the foregoing and in addition  
40 thereto, providing nursing care and health-related service, or either of  
41 them, to persons who are not occupants of the facility**】** the same as is  
42 provided in section 1 of P.L.1975, c.397 (C.26:2H-29).

43 b. "Affiliate" means (1) with respect to a partnership, each partner  
44 thereof; (2) with respect to a corporation, each officer, director,  
45 principal **【**stockholder**】** shareholder, or controlling person thereof; (3)  
46 with respect to a natural person, (a) each member of said person's  
47 immediate family, (b) each partnership and each partner thereof of

1 which said person or any affiliate of said person is a partner, **[and]** (c)  
2 each corporation in which said person or any affiliate of said person is  
3 an officer, director, principal **[stockholder]** shareholder, or controlling  
4 person, and (d) each limited liability company in which said person  
5 or any affiliate of said person is a member; and (4) with respect to a  
6 limited liability company, each member thereof.

7 c. "Controlling person" of any corporation, partnership, limited  
8 liability company, or other entity means any person who has the  
9 ability, directly or indirectly, to direct or cause the direction of the  
10 management or policies of said corporation, partnership, limited  
11 liability company, or other entity.

12 d. "Immediate family member" **[of any person includes]** **means**  
13 **[each]** a spouse, natural parent, child, **[spouse, brother, sister,]**  
14 sibling, first cousin, aunt **[and]**, uncle **[of such person, whether such**  
15 **relationship arises by birth, marriage or adoption, as well as the**  
16 **person's domestic partner or partner in civil union of that person as**  
17 **defined in section 3 of P.L.2003, c.246 (C.26:8A-3) or section 2 of**  
18 **P.L.2006, c.103, (C.37:1-29) and the partner's parent and adult child]**  
19 adoptive sibling, adoptive parent, stepparent, stepchild, stepsister,  
20 stepbrother, father-in-law, mother-in-law, sister-in-law, brother-in-law,  
21 son-in-law, daughter-in-law, grandparent, and grandchild.

22 e. "Principal **[stockholder]** shareholder" of a corporation means  
23 any person who beneficially owns, holds or has the power to vote,  
24 **[10%]** five percent or more of any class of securities issued by said  
25 corporation.

26 f. "Interested party" means any individual or entity with an  
27 interest of one percent or more but less than five percent in a nursing  
28 home or the land or other real property on which a nursing home is  
29 located.

30 g. "Principal" means any individual or entity with an interest of  
31 five percent or more in a licensed nursing home or the land or real  
32 property on which a nursing home is located.

33 h. "Related party" means an organization, either directly or  
34 through contracts with a third party entity exercising substantial  
35 management control over the nursing home, providing a service,  
36 facility, land or other real property, or supplies to a nursing home, or  
37 otherwise doing business with the nursing home either directly or  
38 through contracts with a third party entity exercising substantial  
39 management control over the nursing home: in which organization the  
40 nursing home, or any owner or principal of the nursing home, or a  
41 third party entity exercising substantial management control over the  
42 nursing home or any owner or principal of the third party entity, has an  
43 ownership or control interest of five percent or more; which is an  
44 organization in which an immediate family member of an owner or  
45 principal of the nursing home, or an immediate family member of an  
46 owner or principal of a third party entity exercising substantial  
47 management control over the nursing home, is an owner or principal;

1 or which organization is under common ownership or control with the  
2 nursing home or third party entity, as defined in 42 CFR s.413.17(b).  
3 “Related party” may include, but shall not be limited to: home offices;  
4 management organizations; owners of real estate; entities that provide  
5 staffing, therapy, pharmaceutical, marketing, administrative  
6 management, consulting, and insurance services; providers of supplies  
7 and equipment; financial advisors and consultants; banking and  
8 financial entities; and all parent companies, holding companies, and  
9 sister organizations.

10 i. “Substantial management control” means the authority to direct  
11 the operation and administration of a nursing home, including, but not  
12 limited to, exercising control or authority over resident admissions,  
13 room assignments, the number of beds, staff hiring, staff scheduling,  
14 staff assignments, personnel issues, billing, purchasing, managing  
15 vendor contracts, establishing and enforcing operational protocols and  
16 procedures, resident safety, infection control, communicating with and  
17 reporting to governmental and other entities, and ensuring compliance  
18 with State and federal requirements concerning the operation of the  
19 nursing home; provided that more than one entity may exercise  
20 authority that constitutes substantial management control. Regulations  
21 adopted pursuant to section 8 of P.L. , c. (C. ) (pending before  
22 the Legislature as this bill) may identify additional activities that  
23 constitute indicia of substantial management control.

24 j. “Private equity fund” means an investment vehicle that  
25 includes, but is not limited to, limited partnerships or other limited  
26 liability vehicles that invest in the assets, equity, or debt of a nursing  
27 home.

28 (cf: P.L.2017, c.131, s.97)

29  
30 3. Section 2 of P.L.1977, c.237 (C.26:2H-33) is amended to read  
31 as follows:

32 2. Every nursing home operating in the State shall, within **[90]**  
33 165 days after the end of its fiscal year, file an annual report with the  
34 **[State]** Commissioner of Health, which report shall be immediately  
35 transmitted by the commissioner to the State Comptroller upon receipt.  
36 Such annual report shall be in such form and shall contain such  
37 information as shall be prescribed by the commissioner in consultation  
38 with the State Comptroller, **[including]** and shall include, at a  
39 minimum, the following:

40 a. **[A balance sheet of the nursing home as of the end of such**  
41 **fiscal year, setting forth assets and liabilities at such date including all**  
42 **capital, surplus, reserve, depreciation and similar accounts;]** A balance  
43 sheet of the nursing home as of the end of such fiscal year, setting  
44 forth assets, liabilities, and equity in accordance with notices and  
45 regulations issued or adopted pursuant to sections 8 and 9 of P.L. , c.  
46 (C. and C. ) (pending before the Legislature as this bill), as

1 applicable, at such date including all capital, surplus, reserve,  
2 depreciation and similar accounts;

3 b. **【A statement of operations of the nursing home for such fiscal**  
4 **year, setting forth all revenues, expenses, taxes, extraordinary items**  
5 **and other credits or charges;】** A statement of operations of the nursing  
6 home for such fiscal year, setting forth all revenues, expenses, taxes,  
7 and other credits or charges, provided that:

8 (1) expenses shall be itemized to include amounts for each of the  
9 following:

10 (a) each lease payment, including the term of the lease, on any part  
11 of the land or buildings occupied by the nursing home and any other  
12 fees charged by the lessor;

13 (b) any loans or equipment leases in excess of \$10,000 and the  
14 interest rate and any fees charged by the lender or lessor; and

15 (c) any contract in excess of \$10,000 per year for any service,  
16 including, but not limited to, management, consulting, operations,  
17 leasing, staffing, dietary, laundry, physical therapy, occupational  
18 therapy, nursing, aides, billing, infection control, environmental, and  
19 maintenance services; and

20 (2) if the nursing home has a mortgage on the land or building it  
21 occupies, or both, it shall provide the name and address of the  
22 mortgagee, along with the amount, term, and interest rate on the  
23 mortgage and any other fees the mortgagee charges to the nursing  
24 home.

25 For the purposes of this subsection, the information required under  
26 paragraph (1) and paragraph (2) of this subsection may be presented in  
27 supplemental schedules subject to the auditing procedures applied in  
28 the audit of the financial statements;

29 c. The name and address of each of the following persons:

30 (1) The operator of the nursing home;

31 (2) Any person who, directly or indirectly, beneficially owns any  
32 interest in the land on which the nursing home is located;

33 (3) Any person who, directly or indirectly, beneficially owns any  
34 interest in the building in which the nursing home is located;

35 (4) Any person who, directly or indirectly, beneficially owns a  
36 **【10%】** five percent or greater interest in any mortgage, note, deed of  
37 trust, or other obligation secured in whole or in part by the land on  
38 which or building in which the nursing home is located;

39 (5) Any person who directly or indirectly, has any interest as  
40 lessor or lessee in any lease or sublease of the land on which or the  
41 building in which the nursing home is located;

42 (6) Any person who, directly or indirectly, beneficially owns a  
43 **【10%】** five percent or greater interest in any mortgage, note, deed of  
44 trust, or other obligation which, although not secured by the land on  
45 which or building in which the nursing home is located, is considered  
46 an outstanding liability on the books of the nursing home and was  
47 executed to finance directly or indirectly the purchase of the nursing  
48 home, land, building, lease, or sublease pertaining thereto;

1       (7) Any person who owns or operates a related party to the  
2 nursing home or who is a principal, a member of the board of trustees,  
3 or a member of the board of directors of the nursing home; and

4       (8) Any person who has an ownership interest of five percent or  
5 more in a private equity fund that is invested in the nursing home;

6       d. If the nursing home or any person named in response to  
7 subsection c., h., or i. of this section is a partnership, then the name  
8 and address of each partner;

9       e. (1) If the nursing home or any person named in response to  
10 subsection c., h., or i. of this section is a corporation, other than a  
11 corporation whose shares are traded on a national securities exchange  
12 or a commercial bank, savings bank, or savings and loan association,  
13 then the name and address of each officer, director, principal  
14 shareholder, and controlling person of such corporation;

15       (2) If the nursing home or any person named in response to  
16 subsection c., h., or i. of this section is a limited liability company,  
17 then the name and address of each member;

18       f. If any corporation named in response to subsection c., h., or i.  
19 of this section is a corporation whose shares are traded on a national  
20 securities exchange or which is a commercial bank, savings bank, or  
21 savings and loan association, then the name and address of the  
22 principal executive officers and each director, principal **【stockholder】**  
23 shareholder, and controlling person of said corporation;

24       g. If the nursing home paid or received an aggregate of  
25 **【\$2,500.00】** \$10,000 or more during the fiscal year in connection with  
26 transactions with any person named in response to subsections c., d.,  
27 e., or f., or any affiliate of said person, a description of the  
28 transactions, naming the parties thereto and describing the  
29 relationships which require the transactions to be described and the  
30 goods, services, payment, or other consideration received by each  
31 party to the transactions;

32       h. Information identifying 100 percent of the current owners of  
33 the nursing home, including all principals and interested parties;

34       i. Information identifying 100 percent of the current owners of  
35 any third party entity exercising substantial management control over  
36 the nursing home, including all principals and interested parties and  
37 including 100 percent of the owners, principals, and interested parties  
38 in any third party entity identified as a principal or interested party in  
39 the third party entity exercising substantial management control over  
40 the nursing home;

41       j. A copy of the nursing home's organizational chart and an  
42 organizational chart for any third-party entity exercising substantial  
43 management control over the nursing home, which organizational  
44 chart shall include, as applicable:

45           (1) parent entities and wholly-owned subsidiaries;

46           (2) related parties; and

1       (3) unrelated parties that provided a service, a facility, or supplies  
2 to the nursing home in the annual fiscal period that were paid more  
3 than \$200,000 by the nursing home in the annual fiscal period;

4       k. An owner-certified financial statement encompassing the  
5 nursing home, any third party entity exercising substantial  
6 management control over the nursing home, any person described in  
7 paragraphs (2) through (6) of subsection c. of this section, for whom  
8 the information provided in the owner-certified financial statement  
9 shall be limited to the person's interest in the nursing home for which  
10 reporting is required pursuant to paragraph (2), (3), (4), (5), or (6) of  
11 subsection c. of this section, as applicable, and each related party. The  
12 owner-certified financial statement required under this subsection shall  
13 meet the following requirements:

14       (1) the owner-certified financial statement shall be prepared in  
15 accordance with generally accepted accounting principles in effect as  
16 of the date of the filing and audited by a certified public accountant in  
17 accordance with the generally accepted accounting standards in effect  
18 as of the date of the filing; and

19       (2) the owner-certified financial statement shall be submitted in  
20 accordance with the requirements of this section and any notices and  
21 regulations issued or adopted in accordance with sections 8 and 9 of  
22 P.L. , c. (C. and C. ) (pending before the Legislature as this  
23 bill), as applicable, and shall include:

24       (a) a balance sheet detailing the assets, liabilities, and equity at the  
25 end of the reporting entity's fiscal year;

26       (b) a statement of revenues, expenses, and operating surplus or  
27 deficit for the annual fiscal period;

28       (c) a statement of changes in equity;

29       (d) a statement detailing patient charges by payer, including, but  
30 not limited to, Medicare, NJ FamilyCare, and other payers, by revenue  
31 center;

32       (e) a statement of cash flows, including, but not limited to,  
33 ongoing and new capital expenditures and depreciation;

34       (f) a combined financial statement that includes all entities  
35 reported in the owner-certified financial statement, unless the reporting  
36 entity is prohibited from including a combined financial statement in  
37 an owner-certified financial statement pursuant to State or federal law  
38 or regulation or national accounting standard, in which case the  
39 reporting entity shall disclose to the department the applicable State or  
40 federal law or regulation or national accounting standard; and

41       (g) additional information, data, and documents related to receipts  
42 and expenditures by nursing homes as may be required by notices and  
43 regulations issued or adopted pursuant to sections 8 and 9 of P.L. , c.  
44 (C. and C. ) (pending before the Legislature as this bill), as  
45 applicable; and

46       l. A copy of any lease agreements for the nursing home's use of  
47 land, buildings, facilities, or other real property.

1 m. Any nursing home, or authorized agent of a nursing home, that  
2 files an annual report pursuant to this section, shall certify under  
3 penalty of perjury that the information provided is accurate and  
4 complete. All information provided pursuant to this section shall be  
5 deemed a public record.

6 (cf: P.L.1977, c.237, s.2)

7 4. (New section) For the purposes of P.L.2021, c.457 (C.26:2H-  
8 46.1 et seq.), “owner-certified financial statement” means an owner-  
9 certified financial statement that meets the requirements of subsection  
10 k. of section 2 of P.L.1977, c.237 (C.26:2H-33). For the purposes of  
11 this section, the definitions set forth in section 1 of P.L.1977, c.237  
12 (C.26:2H-32) are incorporated by reference.

13  
14 5. Section 4 of P.L.1977, c.237 (C.26:2H-35) is amended to read  
15 as follows:

16 4. a. Any person, firm, association, partnership, or corporation  
17 who fails to **【file a statement as required by this act】** comply with the  
18 requirements of P.L.1977, c.237 (C.26:2H-32 et seq.) or willfully files  
19 a false statement **【shall】** may be liable to a penalty of **【not less than**  
20 **\$10.00 nor more than \$100.00】** up to \$200 for each day that such  
21 failure continues or such false statement remains uncorrected. The  
22 penalties prescribed and authorized by this act shall be recovered in a  
23 summary civil proceeding brought in the name of the State in the  
24 Superior Court pursuant to **【"the penalty enforcement law"**  
25 **(N.J.S.2A:58-1 et seq.)】** “Penalty Enforcement Law of 1999,”  
26 P.L.1999, c.274 (C.2A:58-10 et seq.).

27 b. In addition to the penalties provided in subsection a. of this  
28 section, the Department of Health may curtail the admissions for new  
29 residents in the case of a person, firm, association, partnership, or  
30 corporation who fails to comply with the requirements of P.L.1977,  
31 c.237 (C.26:2H- 32 et seq.) or willfully files a false statement, which  
32 curtailment may continue until corrective action is taken by the  
33 violator and approved by the department.

34 (cf: P.L.1991, c.91, s.288)

35  
36 6. (New section) a. In the event a nursing home is under common  
37 ownership with one or more other nursing homes, the common owner  
38 shall submit one owner-certified financial statement pursuant to  
39 section 2 of P.L.1977, c.237 (C.26:2H-33) that consolidates the  
40 financial data across all nursing homes and related parties that are a  
41 part of that common ownership, which statement shall include the  
42 information required by subsection k. of section 2 of P.L.1977, c.237  
43 (C.26:2H-33) for each nursing home under common ownership.

44 b. A nonprofit nursing home that files a copy of its most recent  
45 Internal Revenue Service Form 990 Public Inspection Copy with the  
46 Department of Health and the State Comptroller may be deemed, in  
47 accordance with notices and regulations adopted pursuant to sections 8

1 and 9 of P.L. , c. (C. and C. ) (pending before the  
2 Legislature as this bill), as applicable, to have satisfied all or part of  
3 the requirements of an owner-certified financial statement set forth  
4 under section 2 of P.L.1977, c.237 (C.26:2H-33).

5  
6 7. (New section) The State Comptroller, in consultation with the  
7 Department of Health and the Department of Human Services, shall be  
8 authorized to monitor, review and audit owner-certified financial  
9 statements in accordance with P.L.2005, c.119 (C. 52:15B-1 et seq.),  
10 P.L.2007, c.52 (C.52:15C-1 et seq.), and the "Medicaid Program  
11 Integrity and Protection Act," P.L.2007, c.58 (C.30:4D-53 et seq.).  
12 The State Comptroller may obtain information and testimony, issue  
13 reports, make referrals, and coordinate with and require the  
14 cooperation of State agencies in the same manner as permitted by  
15 P.L.2005, c.119 (C.52:15B-1 et seq.), P.L.2007, c.52 (C.52:15C-1  
16 et seq.), and the "Medicaid Program Integrity and Protection Act,"  
17 P.L.2007, c.58 (C.30:4D-53 et seq.).

18  
19 8. (New section) a. The Commissioner of Health, in consultation  
20 with the State Comptroller, shall promulgate rules and regulations,  
21 pursuant to the "Administrative Procedure Act," P.L.1968, c.410  
22 (C.52:14B-1 et seq.), as the commissioner deems necessary to  
23 effectuate the purposes of this act.

24 b. The State Comptroller, in consultation with the Commissioner  
25 of Health and pursuant to the "Administrative Procedure Act,"  
26 P.L.1968, c.410 (C.52:14B-1 et seq.), shall promulgate rules and  
27 regulations setting forth the requirements of owner-certified financial  
28 statements as may be necessary to implement the provision of this act.

29  
30 9. (New section) Notwithstanding the provisions of section  
31 **'[9] §<sup>1</sup>** of P.L. , c. (C. ) (pending before the Legislature as  
32 this bill), the Commissioner of Health and the State Comptroller  
33 may issue notices to interested parties to implement the provisions  
34 of P.L. , c. (C. ) (pending before the Legislature as this  
35 bill), which notices shall be valid for no more than one year from  
36 the effective date of sections 1 through 8 of P.L. , c. (C. )  
37 (pending before the Legislature as this bill), provided that such  
38 interested parties are provided with notice of at least 30 days of the  
39 intent of either the Commissioner of Health or the State  
40 Comptroller to issue such notice.

41  
42 10. This act shall take effect 90 days after the date of enactment,  
43 except that section 9 of this act shall take immediately.