

STATE OF NEW YORK

11062

IN ASSEMBLY

April 24, 2026

Introduced by M. of A. McDONALD -- read once and referred to the Committee on Health

AN ACT to amend the public health law, in relation to capital upgrades to certain residential health care facilities

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Paragraph (d) of subdivision 2-a of section 2808 of the
2 public health law, as amended by section 52 of part B of chapter 57 of
3 the laws of 2015, is amended to read as follows:

4 (d) For facilities granted operating certificates on or after March
5 tenth, nineteen hundred seventy-five, recognition of real property costs
6 in such regulations shall be based upon historical costs to the owner of
7 the facility, provided that payment for real property costs shall not be
8 in excess of the actual debt service, including principal and interest,
9 and payment with respect to owner's equity, and further provided that,
10 subject to federal financial participation, and subject to the approval
11 of the commissioner, effective April first, two thousand fifteen, the
12 commissioner may modify such payments for real property costs for
13 purposes of effectuating a shared savings program, whereby facilities
14 share a minimum of fifty percent of savings, for facilities that elect
15 to refinance their mortgage loans; and further provided that for any
16 renovation or new construction of a residential health care facility
17 which commences on or after July first, two thousand twenty-five, there
18 shall be no minimum equity requirements in excess of 10 percent of total
19 project costs or per bed limitations on total project costs utilized in
20 the determination of payments for real property costs under this article
21 for the following facilities: (i) any facility which received an award
22 pursuant to sections twenty-eight hundred twenty-five-f, twenty-eight
23 hundred twenty-five-g or twenty-eight hundred twenty-five-h of this
24 article; and (ii) any non-state operated public residential health care
25 facility. For purposes of this subdivision, owner's equity shall be
26 calculated without regard to any surplus created by revaluation of
27 assets and shall not include amounts resulting from mortgage amorti-

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 zation where the payment therefor has been provided by real property
2 cost reimbursement.
3 § 2. This act shall take effect immediately; provided, however, that
4 the amendments to paragraph (d) of subdivision 2-a of section 2808 of
5 the public health law made by section one of this act shall be subject
6 to the expiration and repeal of such paragraph and shall expire and be
7 deemed repealed therewith.