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:

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

(d) For facilities granted operating certificates on or after March tenth, nineteen hundred seventy-five, recognition of real property costs in such regulations shall be based upon historical costs to the owner of the facility, provided that payment for real property costs shall not be in excess of the actual debt service, including principal and interest, and payment with respect to owner's equity, and further provided that, subject to federal financial participation, and subject to the approval of the commissioner, effective April first, two thousand fifteen, the commissioner may modify such payments for real property costs for purposes of effectuating a shared savings program, whereby facilities share a minimum of fifty percent of savings, for facilities that elect to refinance their mortgage loans**; and further provided that for any renovation or new construction of a residential health care facility which commences on or after July first, two thousand twenty-five, there shall be no minimum equity requirements in excess of 10 percent of total project costs or per bed limitations on total project costs utilized in the determination of payments for real property costs under this article for the following facilities: (i) any facility which received an award pursuant to sections twenty-eight hundred twenty-five-f, twenty-eight hundred twenty-five-g or twenty-eight hundred twenty-five-h of this article; and (ii) any non-state operated public residential health care facility**. For purposes of this subdivision, owner's equity shall be calculated without regard to any surplus created by revaluation of 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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zation where the payment therefor has been provided by real property cost reimbursement.

§ 2. This act shall take effect immediately; provided, however, that the amendments to paragraph (d) of subdivision 2-a of section 2808 of the public health law made by section one of this act shall be subject to the expiration and repeal of such paragraph and shall expire and be deemed repealed therewith.