

HOUSE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Sally P. Kerans

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to investments by entities of the Commonwealth.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Sally P. Kerans</i>	<i>13th Essex</i>	<i>1/14/2025</i>

HOUSE No.

[Pin Slip]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

An Act relative to investments by entities of the Commonwealth.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 23 of chapter 32 of the general laws, as appearing in the 2020
2 Official Edition is hereby amended in subsection 2 (c)(g) by inserting after (iii), the following
3 new paragraph: -

4 (iv) subsequent to the date of such determination no new investment of funds shall be
5 made in any bank or financial institution which directly or through any subsidiary has
6 outstanding loans to any individual corporation engaged in a private equity (PE) firm, as defined
7 in section 17 of this act, or real estate investment trust (REIT), as defined in section 11 of this
8 act, which owns, in who or in part, or invests in skilled nursing facilities or hospices, and no new
9 investment of funds shall be made in the stocks, securities or other obligations of any company
10 so engaged. In making such determination the commission shall consider the diversification of
11 the risk of the investments of such board, the return on the investments of such board, the past
12 performance of the investment portfolio of such board and the extent and quality of professional

13 advice received by such board regarding the investment of funds. Any such board shall invest
14 and reinvest consistent with sound investment policy and the requirements of subdivision (3).

15 As used in this paragraph, a “skilled nursing facility” (SNF) means a facility, or unit,
16 which is licensed by the state to provide skilled nursing care and related services for patients who
17 require medical and skilled nursing care or skilled rehabilitation services for the treatment of an
18 injury, disability, or illness, and a “hospice” means A public agency or private organization or a
19 subdivision of either that is providing care to terminally ill individuals and meets the Medicare
20 conditions of participation specified in 42 CFR 418.52 through 418.116 for hospices. “Private
21 Equity Firm (PE)”, as used in this act, refers to a financing approach where companies acquire
22 funds from firms or accredited investors instead of stock markets, as specified in 12 CFR s
23 1500.4. PE firms make a direct investment in these companies for an extended period as many of
24 them are not publicly traded. “Real Estate Investment Trust (REIT),” as used in this act, means,
25 is a company that owns, operates, or finances income-generating real estate as specified in 26
26 CFR s 1.856-1.

27 SECTION 2. Notwithstanding any other general or special law or regulation, whenever
28 there is a change of name of any skilled nursing facility or assisted living residence, regardless of
29 any related ownership change, the safety record of the facility under its previous name shall be
30 transferred and credited to the facility under its new name. The department shall list the new and
31 previous name of said facility, including any safety or disciplinary record, on the official website
32 of said department and shall direct the facility to post the same information on the facility web
33 site and any other social media platform managed by said facility in order to promote
34 transparency and public information.

35 SECTION 3. Any skilled nursing facility or assisted living residence that fails to meet the
36 requirements of section 12 of this act relative to notification of change of name, or fails to meet
37 the requirements for change of ownership pursuant to the provisions of chapter 197 of the acts of
38 2024 or department regulations shall be subject to such penalties as the department may direct
39 through promulgation of enforcement regulations.