



The Honorable Al Muratsuchi
State Capitol
Sacramento, California 95814

RE: AB 1502 (Muratsuchi)– SUPPORT

March 1, 2021

Dear Assemblymember Muratsuchi,

The California Alliance for Retired Americans (CARA) writes in support of Assembly Bill 1502 which would prohibit an entity from operating a skilled nursing facility without first obtaining a license on its own behalf. CARA is California's largest grassroots advocacy organization, representing over 1 million members through our 300+ affiliated organizations.

Existing law requires the State Department of Public Health to license, inspect, and regulate skilled nursing facilities, and prohibits a person, firm, partnership, association, corporation, or political subdivision of the state, or other governmental agency within the state from operating, establishing, managing, conducting, or maintaining a skilled nursing facility in this state, without first obtaining a license from the department. Existing law authorizes the department to issue a temporary provisional license for a skilled nursing facility. Existing law requires a licensee for a skilled nursing facility to provide written notice of a proposed change in licensee or management company to all residents of the facility and their representatives at least 90 days prior to a finalization of the sale, transfer of operation, or other change or transfer of ownership interests, except as specified. Existing law imposes criminal penalties on a person who violates the licensing and regulatory requirements imposed on skilled nursing facilities.

AB 1502 would specifically prohibit a person, firm, partnership, association, corporation, or political subdivision of the state, or other governmental agency within the state from operating, establishing, managing, conducting, or maintaining a skilled nursing facility in this state, without obtaining a license on its own behalf and would further prohibit in any way using a license issued to another person or entity. In the age of large corporations taking over the ownership of many of the licensed care facilities – some of which have violations and fines pending on existing licenses, from purchasing another facility, under another name, but with the same ownership entity behind it.

For all these reasons, CARA urges support of AB 1502.

Sincerely,

A handwritten signature in cursive script that reads "Hene Kelly".

Hene Kelly
CARA Legislative Director
415-533-5244

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