

SENATE BILL 663

J2, K3

6lr2739
CF 6lr2737

By: **Senators Kramer, Lam, and A. Washington**

Introduced and read first time: February 6, 2026

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Nursing Homes – Direct Care Wages and Benefits and Cost Reports**

3 FOR the purpose of requiring a nursing home to expend at least a certain percentage of its
4 total nursing and residential care revenue for direct care wages and benefits;
5 requiring nursing homes to annually submit a certain cost report to the Maryland
6 Department of Health; and generally relating to nursing homes.

7 BY adding to

8 Article – Health – General

9 Section 16–209 and 16–210

10 Annotated Code of Maryland

11 (2023 Replacement Volume and 2025 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That the Laws of Maryland read as follows:

14 **Article – Health – General**

15 **16–209.**

16 (A) IN THIS SECTION, “DIRECT CARE WAGES AND BENEFITS” MEANS THE
17 DIRECT CARE WORKFORCE WAGES AND BENEFITS FOR NURSING, DIETARY,
18 RESTORATIVE THERAPY, AND SOCIAL WORKER STAFF.

19 (B) A NURSING HOME SHALL EXPEND AT LEAST 75% OF ITS TOTAL NURSING
20 AND RESIDENTIAL CARE REVENUE FOR DIRECT CARE WAGES AND BENEFITS.

21 **16–210.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(A) ON OR BEFORE SEPTEMBER 1 EACH YEAR, BEGINNING IN 2027, EACH NURSING HOME SHALL SUBMIT TO THE DEPARTMENT A COST REPORT IN THE FORM AND MANNER REQUIRED BY THE DEPARTMENT.

(B) THE COST REPORT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL:

(1) INCLUDE:

(I) DOCUMENTATION OF WAGE DISBURSEMENT; AND

(II) ANY OTHER INFORMATION THE DEPARTMENT DETERMINES IS APPROPRIATE; AND

(2) BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE NURSING HOME UNDER PENALTY OF PERJURY.

(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE DEPARTMENT MAY TAKE APPROPRIATE ENFORCEMENT ACTION AGAINST A NURSING HOME IF THE NURSING HOME:

(I) FAILS TO SUBMIT A COST REPORT AS REQUIRED;

(II) SUBMITS AN INACCURATE, INCOMPLETE, OR INVALID COST REPORT; OR

(III) FAILS TO PAY THE WAGES IN THE AMOUNT REQUIRED.

(2) THE ENFORCEMENT ACTION THAT THE DEPARTMENT MAY TAKE UNDER PARAGRAPH (1) OF THIS SUBSECTION INCLUDES:

(I) IMPOSITION OF A CORRECTIVE PLAN; AND

(II) SUSPENSION OR TERMINATION FROM THE MARYLAND MEDICAL ASSISTANCE PROGRAM.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2026.