



SENATE BILL 1040: Repeal CON for ASCs and Inpatient Rehab.

2025-2026 General Assembly

Committee:	Senate Health Care. If favorable, re-refer to Appropriations/Base Budget	Date:	May 13, 2026
Introduced by:	Sens. Lee, Sawrey, Burgin	Prepared by:	Jason Moran-Bates Committee Staff
Analysis of:	First Edition		

OVERVIEW: *Senate Bill 1040 would eliminate ambulatory surgical centers and rehabilitation facilities, services, and beds from certificate of need review. It would also direct the Department of Health and Human Services to develop a plan for a phased elimination of the remaining certificate of need requirements.*

BILL ANALYSIS:

Sections 1, 2, 3, and 4 would eliminate certificate of need review for ambulatory surgical centers and rehabilitation facilities, services, and beds and make conforming changes.

Section 5 would appropriate \$50,000 in nonrecurring funds for the 2026-27 fiscal year to the Department of Health and Human Services to implement the elimination of certificate of need review for ambulatory surgical centers and rehabilitation facilities, services, and beds and to develop a plan to phase out the state's remaining certificate of need review requirements. The plan must do the following:

- Include a proposed phaseout of certificate of need review to be completed within three years of enactment of the plan by the General Assembly.
- Include a recommended timeline for phasing out certificate of need review for specific services facilities.
- Be submitted to the Joint Legislative Oversight Committee on Health and Human Services, the chairs of the House Appropriations Committee on Health and Human Services, the chairs of the Senate Appropriations Committee on Health and Human Services, the Speaker of the House, the President Pro Tempore of the Senate, and the Fiscal Research Division by July 1, 2027.

Section 6 is a severance clause.

EFFECTIVE DATE: The act would be effective July 1, 2026.

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