



STATE OF RHODE ISLAND JUDICIARY

SUPREME COURT
OFFICE OF GENERAL COUNSEL

Licht Judicial Complex
250 Benefit Street
Providence, RI 02903

April 9, 2026

Via Electronic Mail (HouseHealthandHumanServices@rilegislature.gov)

Chair Susan R. Donovan
House Committee on Health and Human Services
Rhode Island State House
Room 101
Providence, Rhode Island 02903

RE: House Bill No. 8364: An Act Relating to Health and Safety – The Hospital Conversions Act

Dear Chair Donovan:

I write on behalf of the Rhode Island Judiciary to express concerns regarding House Bill No. 8364, which is scheduled to be heard tonight before the House Committee on Health and Human Services. The proposed legislation would amend the Hospital Conversions Act, R.I. Gen. Laws § 23-17.1 *et seq.*, to add a new section authorizing the Superior Court to place a hospital into receivership in an action brought by the Attorney General or Department of Health. The Judiciary recognizes the bill's intent and raises these concerns solely to ensure that the proposed legislation is consistent with Rhode Island's existing statutory and equitable framework for business entities and receiverships.

By way of example, the proposed legislation does not address its interplay with relevant statutory schemes governing business entities, such as the Rhode Island Business Corporation Act (R.I. Gen. Laws § 7-1.2 *et seq.*), the Rhode Island Limited Liability Company Act (R.I. Gen. Laws § 7-16 *et seq.*), and the Uniform Partnership Act (R.I. Gen. Laws § 7-12.1 *et seq.*). The proposed legislation would also shift traditional receivership principles, such as maximizing creditor value, to a broader focus that considers the impact on health care. A careful review of the interaction between the proposed legislation and the related business entity statutes and receivership principles may be necessary to understand the pending implications of the legislation to avoid risk of ambiguity, understanding fiduciary duties, and the rights of stakeholders. Further, the legislation seeks to be effective upon passage, which places the concerns raised herein into focus.

The Judiciary encourages the General Assembly to consider the abovementioned concerns to ensure greater clarity, consistency, and predictability in the judicial administration of the proposed legislation. The Judiciary is also willing to work with the sponsors of the legislation to address the concerns raised above.

Thank you for the opportunity to express the Judiciary's concerns regarding this bill.

Sincerely,

Chrisanne Wyrzykowski

Chrisanne Wyrzykowski
General Counsel