



2025 SENATE BILL 262

May 20, 2025 - Introduced by Senators CABRAL-GUEVARA and NASS, cosponsored by Representatives GUNDRUM, DITTRICH, FRANKLIN, MURSAU, O'CONNOR, SUBECK and WICHGERS. Referred to Committee on Health.

- 1 **AN ACT** *to create* 146.93 of the statutes; **relating to:** assisted living facility
- 2 referral agencies and providing a penalty.

Analysis by the Legislative Reference Bureau

This bill imposes several requirements related to referring individuals to an assisted living facility in exchange for a fee collected from the assisted living facility. The bill defines an “assisted living facility” as a community-based residential facility, a residential care apartment complex, or an adult family home.

Under the bill, an agency that refers a prospective resident to an assisted living facility must disclose to the resident any relationship the referral agency has with the assisted living facility, any fee that the assisted living facility will pay to the referral agency, and the fact that the referral agency lists on its website only those assisted living facilities with which the referral agency has a contractual relationship. In addition, under the bill, a prospective resident may at any time terminate all services provided to the resident by the referral agency, including the use of the resident’s personal information. Any fee charged or collected by a referral agency from an assisted living facility for a referral must be set in advance, must be consistent with fair market value, and must be charged or collected only after a resident confirms in writing that the resident utilized the referral agency to move into the assisted living facility. A fee may not be based upon the potential value of a resident to an assisted living facility or a percentage of the value of a professional service provided by the assisted living facility. A referral agency may charge or

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collect only one fee per referred resident, and no fee may be charged or collected if a resident moves into a referred assisted living facility more than one year after the referral agency and assisted living facility entered into a referral agreement for that resident.

A referral agency that violates the provisions of the bill may be required to forfeit up to \$1,000 per violation.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 146.93 of the statutes is created to read:

146.93 Referral agencies for certain assisted living facilities. (1)

DEFINITIONS. In this section:

(a) “Assisted living facility” means a community-based residential facility, as defined in s. 50.01 (1g), a residential care apartment complex, as defined in s. 50.01 (6d), or an adult family home, as defined in s. 50.01 (1) (b).

(b) “Electronic” includes an audio recording that conforms with chs. 901 to 911, that is maintained by a referral agency, and that is transmitted to an assisted living facility and a resident in a format that can be downloaded.

(c) “Referral agency” means a person that provides to a prospective resident a referral to an assisted living facility for a fee that is collected from the assisted living facility. “Referral agency” does not include any of the following:

1. An assisted living facility or its employees.

2. A resident, a resident’s family member, or a patron of an assisted living facility who refers a prospective resident to an assisted living facility and receives a discount or other remuneration from the assisted living facility.

(d) “Resident” means a resident of an assisted living facility and includes any representative of a resident of an assisted living facility.

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1 (2) DISCLOSURE REQUIREMENT. (a) A referral agency shall disclose, in the
2 format prescribed in par. (c), to a prospective resident at the time or before any
3 referral is made to an assisted living facility all of the following:

4 1. The existence of any current business relationship or any common
5 ownership or control and any other financial, business, management, or familial
6 relationship that exists between the referral agency and the assisted living facility.

7 2. That the assisted living facility pays a fixed referral fee to the referral
8 agency in connection with the referral.

9 3. The amount of the fixed referral fee that the assisted living facility will pay
10 to the referral agency in connection with the referral.

11 4. That the referral agency lists on its website only assisted living facilities
12 with which the referral agency has a contractual relationship.

13 5. That the prospective resident may at any time terminate all services
14 provided to the prospective resident by a referral agency, including the use of the
15 prospective resident's personal information, by providing a written or electronic
16 termination notice to the referral agency.

17 (b) After the first instance of the referral agency providing the disclosure
18 required by par. (a), the referral agency shall request from the prospective resident
19 an acknowledgement of receipt of the disclosure in the same manner and form in
20 which the disclosure was delivered.

21 (c) The referral agency's disclosure under par. (a) shall be oral, electronic, or
22 in writing, shall be substantially as follows, and, if written, shall be in 14-point font
23 type:

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1 Wisconsin law requires that we provide you with the following disclosure
2 notice:

3 We are in the business of referring residents to community-based residential
4 facilities, residential care apartment complexes, and adult family homes. We will
5 be paid by the facility if you move into one of the referred facilities. The fixed
6 referral fee we receive from the facility into which you move will be \$.... (insert
7 amount). We (do/do not) have a current business relationship (but/and) we (do/do
8 not) have a common ownership or control in, or any other financial, business,
9 management, or familial relationship with, (any/one or more) of the facilities to
10 which we are referring you. We (do/do not) list on our website only those facilities
11 with which we have a contractual relationship.

12 By providing us with a written or electronic notice, you have the right to
13 terminate our services to you at any time, including our use of your personal
14 information. If you terminate our services, we will not be entitled to any fee for any
15 move-in you make after the date of the termination notice.

16 **(3) ADDITIONAL REQUIREMENTS.** (a) A referral agency may charge and collect
17 a fee from an assisted living facility participating in its services only if that fee is set
18 in advance, is consistent with the fair market value for the information services
19 provided by the referral agency, and is not based on the potential value of a
20 prospective resident to an assisted living facility or on the value of or a percentage
21 of the value of a professional service provided by the assisted living facility.

22 (b) A referral agency may charge and collect a fee from an assisted living

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1 facility only after a resident confirms in writing that the resident utilized the
2 referral agency to move into the referred assisted living facility.

3 (c) No agreement between a referral agency and an assisted living facility for
4 a referral of a particular prospective resident to the assisted living facility may be
5 for a term greater than one year. The referral agency may not charge or collect a fee
6 related to the referral from the referred assisted living facility if the prospective
7 resident moves into the assisted living facility after the agreement expires.

8 (d) A referral agency may charge or collect from an assisted living facility only
9 one fee per resident referred by the referral agency to the assisted living facility.

10 (4) TERMINATION BY RESIDENT. A prospective resident may at any time
11 terminate all services provided to the prospective resident by a referral agency,
12 including the use of the prospective resident's personal information, by providing a
13 written or electronic termination notice to the referral agency.

14 (5) PENALTY. A referral agency that violates this section may be required to
15 forfeit not more than \$1,000 for each violation.

16 (6) INJUNCTION. The attorney general or the district attorney of the
17 appropriate county may, in addition to any other remedies, bring an action in the
18 name and on behalf of the state against a referral agency to restrain and enjoin a
19 violation of this section.

20 **SECTION 2. Initial applicability.**

21 (1) This act first applies to a contract that is entered into, renewed, or
22 modified on the effective date of this subsection.

23 (END)