

Department of Legislative Services  
Maryland General Assembly  
2025 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

House Bill 938

(Delegate Stein, *et al.*)

Health and Government Operations

Finance

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Continuing Care Providers - Governing Bodies - Membership

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This bill requires the governing body of a continuing care provider that has only one subscriber to authorize the appointment of an alternate subscriber to serve as a regular member of the governing body if the regular subscriber is unable to fulfill the subscriber's duties. The alternate subscriber may (1) attend all meetings of the governing body and (2) vote only if the regular subscriber is unable to fulfill the subscriber's duties as a regular member of the governing body. The bill also makes conforming changes relating to regular and alternate subscribers. **The bill takes effect January 1, 2026.**

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Fiscal Summary

**State Effect:** The Maryland Department of Aging can modify existing documents and amend regulations to reflect the bill's changes using existing budgeted resources. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** Minimal.

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Analysis

**Current Law:** Under § 10-401 of the Human Services Article, "continuing care in a retirement community" means providing shelter and providing either medical and nursing or other health related services or making the services readily accessible through the provider or an affiliate of the provider, whether or not the services are specifically offered in written agreement for shelter (1) to an individual who is at least 60 years of age and not related by blood or marriage to the provider; (2) for the life of the individual or for a period

exceeding one year; and (3) under one or more written agreements that require a transfer of assets or an entrance fee notwithstanding periodic changes.

At least quarterly, each provider must hold a meeting open to all of the provider's subscribers. The provider must summarize their operations, significant changes from the previous year, and goals and objectives for the next year, as well as answer subscribers' questions.

If a provider has a governing body, at least one of the provider's subscribers must be a full and regular member of the governing body. If a provider owns or operates more than three facilities in the State, the governing body must include at least one of the provider's subscribers for every three facilities in the State.

A subscriber member of the governing body must be selected according to the same general written standards and criteria used to select other members of the governing body. The governing body must confer with the resident association at each of the provider's facilities before the subscriber officially joins the governing body. A subscriber member of a governing body may report on nonconfidential deliberations, actions, and policies of the governing body to the resident association.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Maryland Department of Aging; Baltimore City; Kent and Montgomery counties; Department of Legislative Services

**Fiscal Note History:** First Reader - February 17, 2025  
km/jc Third Reader - March 14, 2025  
Revised - Amendment(s) - March 14, 2025

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Analysis by: Amberly E. Holcomb

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510