

# SENATE BILL 488

O2, J3

6lr1077  
CF HB 424

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By: Senator Lewis Young

Introduced and read first time: February 2, 2026

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Continuing Care in a Retirement Community Providers – Governing Bodies –**  
3 **Membership**  
4 **(Sue Hecht Continuing Care Retirement Community Transparency Act)**

5 FOR the purpose of requiring a retirement community provider to include certain  
6 information in a certain application and disclosure statement; altering a certain  
7 requirement pertaining to the number of regular and alternate members selected to  
8 be on the governing body of a continuing care in a retirement community provider;  
9 authorizing a resident association, rather than a governing body, to select regular  
10 and alternate subscriber members of a governing body; repealing a requirement that  
11 a subscriber member be selected according to certain standards and criteria; and  
12 generally relating to governing bodies and continuing care in a retirement  
13 community providers.

14 BY repealing and reenacting, without amendments,  
15 Article – Human Services  
16 Section 10–401(a), (d), (m), (o), (s), and (v), 10–411(a) and (b), and 10–425(a)(8)  
17 Annotated Code of Maryland  
18 (2019 Replacement Volume and 2025 Supplement)

19 BY repealing and reenacting, with amendments,  
20 Article – Human Services  
21 Section 10–411(c)(10) and (11), 10–425(a)(4) and (9), and 10–427  
22 Annotated Code of Maryland  
23 (2019 Replacement Volume and 2025 Supplement)

24 BY adding to  
25 Article – Human Services  
26 Section 10–411(c)(11)  
27 Annotated Code of Maryland  
28 (2019 Replacement Volume and 2025 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Human Services**

4 10–401.

5 (a) In this subtitle the following words have the meanings indicated.

6 (d) “Continuing care” means:

7 (1) continuing care in a retirement community; or

8 (2) continuing care at home.

9 (m) “Facility” means a physical plant in which continuing care in a retirement  
10 community is provided in accordance with this subtitle.

11 (o) “Governing body” means a board of directors, board of trustees, or similar  
12 group that ultimately directs the affairs of a provider, but whose members are not required  
13 to have an equity interest in the provider.

14 (s) “Provider” means a person who:

15 (1) undertakes to provide continuing care; and

16 (2) is:

17 (i) the owner or operator of a facility; or

18 (ii) an applicant for or the holder of a preliminary, initial, or renewal  
19 certificate of registration.

20 (v) “Subscriber” means an individual for whom a continuing care agreement is  
21 purchased.

22 10–411.

23 (a) A provider may not enter into a continuing care agreement until the  
24 Department issues a preliminary certificate of registration.

25 (b) An application for a preliminary certificate of registration shall be filed in a  
26 form satisfactory to the Department.

27 (c) An application shall include at least the following information:

4 (11) A COPY OF THE BYLAWS OR SIMILAR INSTRUMENT OR AGREEMENT  
5 GOVERNING THE PROVIDER; AND

6 [11] (12) other reasonable and pertinent information that the Department  
7 requires.

8 10-425.

9 (a) A disclosure statement shall include:

10 (4) the organizational structure and management of the provider,  
11 including:

12 (i) for a corporation or limited liability company, its name, the state  
13 in which it is incorporated or formed, and the name of the chief executive officer;

14 (ii) for a partnership, the names of the general partners, the state  
15 governing its formation, and the name of the primary individual responsible for managing  
16 it;

17 (iii) for an unincorporated association, the names of the members, the  
18 state governing its activities, and the name of the primary individual responsible for  
19 managing it;

20 (iv) for a partnership that has a corporation or limited liability  
21 company as one or more of its general partners, the name of each corporation or limited  
22 liability company, the state in which it is incorporated or formed, and the name of the chief  
23 executive officer:

24 (v) for a trust, the name of the trustee, the names of the owners of  
25 beneficial interests in the trust, the state governing it, and the name of the primary  
26 individual responsible for overseeing its activities; [and]

27 (VI) THE ARTICLES OF INCORPORATION OR OTHER FOUNDING  
28 INSTRUMENT OF THE PROVIDER, INCLUDING ANY AMENDMENTS, AND A COPY OF  
29 THE BYLAWS OR SIMILAR INSTRUMENT OR AGREEMENT GOVERNING THE PROVIDER;  
30 AND

4 (9) if the provider has a governing body, a description of the process used  
5 by the provider to:

6 (i) select a subscriber member of its governing body; and

(ii) satisfy the requirements of [§ 10-427(a)] **§ 10-427(c)** of this subtitle;

9 10-427.

10 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
11 INDICATED.

12 (2) "GOVERNING BODY" HAS THE MEANING STATED IN § 10-401 OF  
13 THIS SUBTITLE.

18 (B) THE PURPOSE OF A SUBSCRIBER MEMBER OF A GOVERNING BODY  
19 SELECTED IN ACCORDANCE WITH THIS SECTION IS TO REPRESENT THE INTERESTS  
20 OF THE PROVIDER'S SUBSCRIBERS.

21           [(a)] (c) (1) If a provider has a governing body, at least one of the provider's  
22 subscribers shall be a full and regular member of the governing body.

25 (I) AS A REGULAR MEMBER, ONE OF THE PROVIDER'S  
26 SUBSCRIBERS WHO IS A SUBSCRIBER AT THE FACILITY WITH THE MOST  
27 SUBSCRIBERS; AND

(ii) 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 as a regular member of the governing body.

10 (II) A REGULAR OR ALTERNATE MEMBER SELECTED IN  
11 ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH IS NOT REQUIRED TO  
12 MEET THE SAME GENERAL WRITTEN STANDARDS AND CRITERIA USED TO SELECT  
13 OTHER MEMBERS OF THE GOVERNING BODY, INCLUDING ANY REQUIREMENT TO  
14 ADHERE TO A PARTICULAR RELIGIOUS FAITH OR PRINCIPLE.

18                   [(6)] (5) (i) A subscriber member or alternate subscriber member of a  
19 governing body may report on nonconfidential deliberations, actions, and policies of the  
20 governing body to the resident association.

23                   **(7) (6)** The Secretary may waive the requirements of this subsection for  
24 a provider in the process of decertifying as a provider, if the Secretary determines that  
25 there are no subscribers willing and able to serve on the governing body.

26       **[(b)] (D)**    (1)    If a provider does not have a governing body, the provider shall  
27 appoint a select committee of its officers or partners to meet at least quarterly with the  
28 resident association at each of its facilities to address concerns of the subscribers and to  
29 ensure that the opinions of subscribers are relayed to all officers or partners of the provider.

33           **[(c)] (E)**     As determined by the provider's governing body, the provider shall  
34 make available to subscribers either the nonconfidential portions of the minutes of each

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1 meeting of the governing body or a summary of the nonconfidential portions of the minutes,  
2 within 1 month of approval of the minutes.

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