



PO Box 34  
Sykesville, MD 21784

**TO:** Senate Finance Committee  
**FROM:** LeadingAge Maryland  
**SUBJECT:** Senate Bill 560, Continuing Care Retirement Communities - Refunds  
**DATE:** February 27, 2026  
**POSITION:** Favorable With Amendments

LeadingAge Maryland offers this favorable with amendments testimony for Senate Bill 560, Continuing Care Retirement Communities – Refunds.

LeadingAge Maryland is a community of more than 150 not-for-profit aging services organizations serving residents and clients through continuing care retirement communities, affordable senior housing, assisted living, nursing homes and home and community-based services. Members of LeadingAge Maryland provide health care, housing, and services to more than 20,000 older persons each year.

LeadingAge Maryland is pleased to support the policy goal of Senate Bill 560—ensuring that residents and their estates receive timely entrance-fee refunds—and we respectfully offer a narrowly drafted amendment to close an inadvertent loophole that otherwise would swallow the bill’s intent.

Senate Bill 560 was prompted by a continuing care retirement community (CCRC) located in the Sponsor’s district that ceased operating as a CCRC. The provider is no longer offering new life-care contracts; instead, it is marketing units only as rentals. Because the legacy contracts condition refunds on “re-occupancy of the unit by a new entrance-fee-paying resident,” refunds that have been owed remain unpaid. In short, the facility can run out the clock indefinitely simply by refusing to admit another CCRC resident. If Senate Bill 560 is enacted in its current form, the new 2-year outside limit will still not apply to these legacy contracts, because the statutory trigger for refunds in existing law turns on re-occupancy. See § 10-449 of Human Services Article. The residents who inspired this bill would therefore remain unprotected.

#### Proposed Amendment

We respectfully propose the following language be inserted as new subsection (f) of Human Services § 10-449:

- On page 2, strike line 29 through and including line 9 on page 3.
- Insert the following:

(f) APPLICABILITY TO LEGACY CONTRACTS. – NOTWITHSTANDING ANY CONTRACTUAL PROVISION TO THE CONTRARY, EXCEPT FOR PURPOSES OF RENOVATIONS WITH THE INTENT TO RE-OCCUPY THE UNIT, IF A PROVIDER CONVERTS A UNIT THAT IS SUBJECT TO A REFUNDED ENTRANCE FEE TO RENTAL STATUS, TAKES THE UNIT OFFLINE FOR ANY ALTERNATIVE USE, OR OTHERWISE CEASES TO OFFER THE UNIT UNDER A CONTINUING-CARE AGREEMENT, THE PROVIDER SHALL:

- (1) WITHIN 30 DAYS OF THE CONVERSION OR REMOVAL, GIVE WRITTEN NOTICE TO THE SUBSCRIBER, THE SUBSCRIBER’S ESTATE, OR THE SUBSCRIBER’S BENEFICIARY; AND
- (2) PAY ANY CONTRACTUAL ENTRANCE-FEE REFUND DUE ON THAT UNIT WITHIN 90 DAYS OF THE CONVERSION OR REMOVAL.

This amendment:

- reaches the CCRC in the Sponsor’s district without retroactively rewriting every CCRC contract;
- applies only when the provider itself forecloses the possibility of re-occupancy by a new entrance-fee-paying resident; and
- gives estates certainty of payment within 90 days once the unit is converted

Our amendment simply says: “If you take the unit out of the CCRC inventory, you must refund the money.” It is fair, limited, and consistent with every other Maryland consumer-protection statute that voids forfeiture clauses once a seller renders performance impossible.

LeadingAge Maryland shares the Committee’s goal of protecting older adults and their families from indefinite delay. With the modest amendment offered above, Senate Bill 560 will accomplish that goal for future contracts and, just as importantly, for the Marylanders who have been waiting for money that is rightfully theirs.

For these reasons, LeadingAge Maryland respectfully requests a favorable report with amendments for Senate Bill 560.