

# **MaCCRA Testimony 2026 - Support - Senate Bill 560**

Uploaded by: Bruce Hartung

Position: FAV



Maryland Continuing Care Residents Association  
**Protecting the Future of Continuing Care Residents**  
**The Voice of Continuing Care Residents at Annapolis**

**SUBJECT:** Senate Bill 560 - Continuing Care Retirement Communities – Refunds  
**COMMITTEE:** Senate Finance Committee  
The Honorable Pamela Beidle, Chair  
**DATE:** February 18, 2026  
**POSITION:** **Favorable**

**The Maryland Continuing Care Residents Association (MaCCRA)** is a not-for-profit organization representing the residents in continuing care retirement communities (CCRCs). Maryland has over 20,000 older adults living in 38 licensed CCRCs. The principal purpose of MaCCRA is to protect and enhance the rights, well-being, and financial security of current and future residents while maintaining the viability of the providers whose interests are frequently the same as their residents. MaCCRA supports efforts to enhance transparency, accountability, financial security, and preserve existing protections in law and regulation for current and future CCRC residents statewide.

On behalf of the MaCCRA, we support Senate Bill 560.

Under Maryland's current continuing care laws, where a provider has agreed to refund all or a portion of the entrance fee paid by the resident upon the termination of occupancy by the resident, the refund is conditioned upon the re-occupancy or reservation of the vacated apartment unit by another subscriber who has paid an entrance fee. *MD Human Services Code § 10-449(c)*. There is no time limit for completion of the re-occupancy or reservation to occur. So there is the distinct possibility of a significant delay in the refund of entrance fees at CCRCs experiencing financial difficulties.

MaCCRA recognizes that CCRC providers should have maximum flexibility in the use of entrance fees in order to sustain and not adversely impact the financial structure of the CCRC. At the same time, we understand that the average time for a CCRC to pay the required entrance fee refund is about six months. The proposed bill would simply impose a two year limit for the required refund, which we believe is a reasonable requirement under the circumstances.

**Therefore, we ask for a favorable report on Senate Bill 560.**

**For further information please contact:** Bruce Hartung, President  
Maryland Continuing Care Residents Association c/o [brucehartung@sbcglobal.net](mailto:brucehartung@sbcglobal.net)

# **SB0560\_SponsorTestimony**

Uploaded by: Charles Sydnor III

Position: FAV

CHARLES E. SYDNOR III, ESQ.  
*Legislative District 44*  
Baltimore County

DEPUTY MAJORITY WHIP

Judicial Proceedings Committee  
Executive Nominations Committee  
Legislative Policy Committee

*Joint Committees*

Administrative, Executive, and  
Legislative Review

Children, Youth, and Families

Senate Chair, Legislative Ethics



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Annapolis, Maryland 21401  
410-841-3612  
800-492-7122 Ext. 3612  
Charles.Sydnor@senate.maryland.gov

THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

**Testimony for Senate Bill 560  
Continuing Care Retirement Communities – Refunds  
Before the Finance Committee  
February 27, 2026**

Good afternoon Chair Beidle, members of the committee.

Last September I received an email from a constituent whose mother had moved out of a continuing care retirement community, or CCRC, in Baltimore County, Augsburg Village. Like many CCRC residents, this constituent's mother had signed a contract agreeing to pay what's called an "entrance fee", which can be in the hundreds of thousands of dollars, upfront. In addition to this, the constituent's mother paid a monthly charge. In exchange, Augsburg agreed to provide shelter and basic medical care to enable the constituent's mother to continue living autonomously. When the constituent's mother vacated the community, the contract she signed stated that Augsburg would return 80% of the entrance fee within 60 days of a new tenant moving in.

This constituent contacted me because he and his mother had been waiting more than four and a half years for her refund, which was more than fifty thousand dollars. The provider told him that because the unit was still unoccupied, they could not issue the refund. Meanwhile, the provider's efforts to find an occupant for the unit were, at best, lukewarm, and at worst, actively detrimental. The constituent's mother had lived there for five years. It took nearly five years and intervention from my office and the Office of Consumer Protection for Augsburg to make a settlement offer, which my constituent accepted in order to end the saga.

In a moment, Mr. Hill is going to tell you the story of his own mother's experience with Augsburg, and it will sound very similar. But Mr. Hill is not the constituent I'm referring to. Mr. Miller is going to tell you about his grandmother's experience, and that will sound very similar to the previous two stories. Yet Mr. Miller is also not the constituent I'm referring to. Separately, but during the same timeframe, these three residents of Augsburg and their families experienced the same aggravating, unreasonable delays of the refunds they were rightfully owed.

People should not have to wait five years and depend on a provider's good faith for the refund of tens of thousands of dollars.

Although the bill in front of you introduces a hard cap on a CCRC's requirement to refund a former resident or their beneficiary, after discussing with other providers and the Department of Aging, we are offering an amendment that removes that cap and specifically targets bad actors.

First, if a provider puts the unit on a rental market, uses it for a different purpose, or otherwise takes the unit out of the CCRC inventory, the provider must refund the former resident within 90 days. This would prevent a provider from abusing a loophole we've seen in existing contracts: if a refund is only processed when a new CCRC resident moves in, and no CCRC resident ever moves in because no CCRC is offered, no refund is ever processed. This provision solves a short-term problem, while the second provision of the amendment offers an ongoing solution.

The Department of Aging currently has the authority only to make inquiries to a provider when someone reaches out with a complaint. The Department can ask questions and point to regulations, but cannot assess penalties or fines. With this amendment, we would grant the Department limited authority to assess fines if a CCRC provider fails to provide a contractual refund within a reasonable time. Instead of the hard cap I originally proposed, this softer cap allows providers acting in good faith to engage in problem-solving with the Department and the resident, while providers who fail to do so face actual consequences.

For folks waiting for a refund it isn't just about the money—even though we can be talking about tens of thousands or even hundreds of thousands of dollars—it's about seeking closure. People generally do not move out of continuing care retirement communities because they need **less** support. They typically move into higher-support facilities like memory care or hospice, which can be expensive. Some might pass away before they need these other facilities. Regardless of the reason, the transition from a CCRC is often emotionally difficult for the resident and their family. The last thing they need is a constant worry about whether they'll ever actually get their money back.

For these reasons, I request a favorable report on SB 560.

# **SB560\_Amendment\_DOAAuthority**

Uploaded by: Charles Sydnor III

Position: FAV



SB0560/573526/1

AMENDMENTS  
PREPARED  
BY THE  
DEPT. OF LEGISLATIVE  
SERVICES

27 FEB 26  
13:31:09

BY: Senator Sydnor  
(To be offered in the Finance Committee)

AMENDMENTS TO SENATE BILL 560  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “within” in line 4 down through “terminated” in line 5 and substitute “owed under the terms of the continuing care agreement”.

AMENDMENT NO. 2

On page 2, in line 22, after “shall” insert “:

**(I)**”;

in lines 24 and 25, strike “(i)” and “(ii)”, respectively, and substitute “**1.**” and “**2.**”, respectively; in line 24, strike “and”; in line 25, after “unit” insert “;**AND**”

**3. THAT A VIOLATION OF THIS SUBSECTION IS SUBJECT TO THE PENALTY PROVISIONS UNDER § 10-497 OF THIS SUBTITLE; AND**

**(II) PAY ANY CONTRACTUAL ENTRANCE FEE REFUND OWED UNDER THE TERMS OF THE CONTINUING CARE AGREEMENT**”;

and in line 26, strike “paragraph (1)” and substitute “**ITEM (1)(I)**”.

On pages 2 and 3, strike in their entirety the lines beginning with line 29 on page 2 through line 9 on page 3, inclusive.

# **SB560\_Amendment\_RentalConversion**

Uploaded by: Charles Sydnor III

Position: FAV



SB0560/423227/1

AMENDMENTS  
PREPARED  
BY THE  
DEPT. OF LEGISLATIVE  
SERVICES

26 FEB 26  
10:30:50

BY: Senator Sydnor  
(To be offered in the Finance Committee)

AMENDMENTS TO SENATE BILL 560  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with the second “a” in line 4 down through “terminated” in line 5 and substitute “the provider converts a subscriber’s unit to a different use, uses a subscriber’s unit for a different use, or refrains from offering a subscriber’s unit under a continuing care agreement”.

AMENDMENT NO. 2

On pages 2 and 3, strike beginning with “**IF**” in line 29 on page 2 down through “**TERMINATED**” in line 9 on page 3 and substitute “**THIS SUBSECTION DOES NOT APPLY TO A UNIT THAT IS VACATED FOR THE PURPOSE OF RENOVATING THE UNIT FOR OCCUPANCY BY A SUBSCRIBER.**”

**(2) NOTWITHSTANDING ANY PROVISION OF A CONTRACTUAL AGREEMENT TO THE CONTRARY, FOR A UNIT THAT IS SUBJECT TO A CONTRACTUAL ENTRANCE FEE REFUND, IF A PROVIDER CONVERTS THE UNIT TO A USE THAT PREVENTS OCCUPANCY BY A SUBSCRIBER, USES THE UNIT FOR A PURPOSE OTHER THAN OCCUPANCY BY A SUBSCRIBER, OR REFRAINS FROM OFFERING THE UNIT UNDER A CONTINUING CARE AGREEMENT, THE PROVIDER SHALL:**

**(i) WITHIN 30 DAYS AFTER THE CONVERSION, EXCLUSION, OR REMOVAL, PROVIDE WRITTEN NOTICE TO THE SUBSCRIBER, THE SUBSCRIBER’S ESTATE, OR THE SUBSCRIBER’S BENEFICIARY; AND**

SB0560/423227/01  
Amendments to SB 560  
Page 2 of 2

Sydnor

**(II) WITHIN 90 DAYS AFTER THE CONVERSION, EXCLUSION,  
OR REMOVAL, PAY ANY CONTRACTUAL ENTRANCE FEE REFUND DUE** .

# **SB560\_FinalReprint\_DOAAuthority**

Uploaded by: Charles Sydnor III

Position: FAV

# SENATE BILL 560

O2, J3

6lr2358

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By: **Senator Sydnor**

Introduced and read first time: February 4, 2026

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Continuing Care Retirement Communities – Refunds**

3 FOR the purpose of requiring a provider of a continuing care retirement community to pay  
4 any contractual entrance fee refund ~~within a certain time after a continuing care~~  
5 ~~agreement is terminated~~ owed under the terms of the continuing care agreement; and  
6 generally relating to continuing care retirement communities.

7 BY repealing and reenacting, with amendments,  
8 Article – Human Services  
9 Section 10–449  
10 Annotated Code of Maryland  
11 (2019 Replacement Volume and 2025 Supplement)

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

14 **Article – Human Services**

15 10–449.

16 (a) A continuing care agreement shall allow a subscriber to terminate the  
17 agreement by giving a written termination notice to the provider.

18 (b) If a continuing care agreement is terminated by the subscriber's election or  
19 death within the first 90 days of occupancy, the provider shall pay any contractual entrance  
20 fee refund within 30 days after the earlier to occur of:

21 (1) the recontracting of the subscriber's unit by:

22 (i) another subscriber for whom an entrance fee has been paid; or

2 REPRINT OF SENATE BILL 560 as amended by SB0560/573526/1 02/27/26 at 1:30 PM

1 (ii) another party who is not a subscriber; or

2 (2) the later to occur of:

3 (i) the 90th day after the date the written termination notice is  
4 given or the date of death; or

5 (ii) the day the independent living units at the facility have operated  
6 at 95% of capacity for the previous 6 months.

7 (c) If a continuing care agreement is terminated by the subscriber's election or  
8 death after the first 90 days of occupancy, the provider shall pay any contractual entrance  
9 fee refund within 60 days after the subscriber's death or the effective date of termination,  
10 if on the date of death or at any time between the date the written termination notice is  
11 given and the effective date of termination:

12 (1) the subscriber resides in a unit at a higher level of care than the level  
13 of care in which the subscriber resided on initially entering the facility; and

14 (2) the last unit in which the subscriber resided at the initial level of care  
15 on entering the facility has been occupied by or reserved for another subscriber who has  
16 paid an entrance fee.

17 (d) This section does not prohibit a provider from requiring that a subscriber's  
18 unit be vacated before any contractual entrance fee refund is paid as a result of the  
19 subscriber's election to terminate a continuing care agreement.

20 (e) (1) If an entrance fee refund is conditioned on the reoccupying of a  
21 subscriber's unit and the unit has not been reoccupied within 9 months of the subscriber's  
22 death or the date of the contract termination, a provider shall:

23 (I) submit a written report to  
24 the subscriber or the subscriber's beneficiary stating:

25 (i) ~~1.~~ that the unit has not been reoccupied; ~~and~~

26 (ii) ~~2.~~ the efforts the provider has made to reoccupy the unit; ~~AND~~

**3. THAT A VIOLATION OF THIS SUBSECTION IS SUBJECT TO THE PENALTY PROVISIONS UNDER § 10-497 OF THIS SUBTITLE; AND**

**(II) PAY ANY CONTRACTUAL ENTRANCE FEE REFUND OWED UNDER THE TERMS OF THE CONTINUING CARE AGREEMENT.**

26 (2) After the provider submitted the report required under ~~paragraph (1)~~ **ITEM (1)**  
27 **(1)** of this subsection, the provider shall submit an updated written report to the subscriber or  
28 the subscriber's beneficiary every 6 months until the subscriber's unit has been reoccupied.

29 ~~(F) (1) IF A CONTINUING CARE AGREEMENT IS TERMINATED;~~

30 ~~(1) BY WRITTEN NOTICE GIVEN BY A SUBSCRIBER, THE~~  
31 ~~TERMINATION DATE OF THE CONTINUING CARE AGREEMENT SHALL BE ON THE DATE~~  
32 ~~ON WHICH THE SUBSCRIBER VACATED THE UNIT AND REMOVED ALL PERSONAL~~  
33 ~~PROPERTY OF THE SUBSCRIBER FROM THE UNIT; OR~~

3 REPRINT OF SENATE BILL 560 as amended by SB0560/573526/1 02/27/26 at 1:30 PM

1 ~~(H) ON THE SUBSCRIBER'S DEATH, THE TERMINATION OF THE~~  
2 ~~CONTINUING CARE AGREEMENT SHALL BE EFFECTIVE ON THE DATE OF THE~~  
3 ~~SUBSCRIBER'S DEATH.~~

4 ~~(2) REGARDLESS OF WHETHER AN ENTRANCE FEE REFUND IS~~  
5 ~~CONDITIONED ON THE REOCCUPYING OF A SUBSCRIBER'S UNIT, WHEN A~~  
6 ~~CONTINUING CARE AGREEMENT IS TERMINATED BY THE SUBSCRIBER'S ELECTION~~  
7 ~~OR DEATH, THE PROVIDER SHALL PAY ANY CONTRACTUAL ENTRANCE FEE REFUND~~  
8 ~~NOT LATER THAN 2 YEARS AFTER THE DATE THE CONTINUING CARE AGREEMENT IS~~  
9 ~~TERMINATED.~~

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

# **SB560\_FinalReprint\_Rental Conversion**

Uploaded by: Charles Sydnor III

Position: FAV

# SENATE BILL 560

O2, J3

6lr2358

---

By: **Senator Sydnor**  
Introduced and read first time: February 4, 2026  
Assigned to: Finance

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2 REPRINT OF SENATE BILL 560 as amended by SB0560/423227/1 02/26/26 at 10:30 AM

1 (ii) another party who is not a subscriber; or

2 (2) the later to occur of:

3 (i) the 90th day after the date the written termination notice is  
4 given or the date of death; or

5 (ii) the day the independent living units at the facility have operated  
6 at 95% of capacity for the previous 6 months.

7 (c) If a continuing care agreement is terminated by the subscriber's election or  
8 death after the first 90 days of occupancy, the provider shall pay any contractual entrance  
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14 (2) the last unit in which the subscriber resided at the initial level of care  
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17 (d) This section does not prohibit a provider from requiring that a subscriber's  
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20 (e) (1) If an entrance fee refund is conditioned on the reoccupying of a  
21 subscriber's unit and the unit has not been reoccupied within 9 months of the subscriber's  
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23 the subscriber or the subscriber's beneficiary stating:

24 (i) that the unit has not been reoccupied; and

25 (ii) the efforts the provider has made to reoccupy the unit.

26 (2) After the provider submitted the report required under paragraph (1)  
27 of this subsection, the provider shall submit an updated written report to the subscriber or  
28 the subscriber's beneficiary every 6 months until the subscriber's unit has been reoccupied.

29 (F) (1) ~~IF A CONTINUING CARE AGREEMENT IS TERMINATED:~~

30 ~~(i) BY WRITTEN NOTICE GIVEN BY A SUBSCRIBER, THE~~  
31 ~~TERMINATION DATE OF THE CONTINUING CARE AGREEMENT SHALL BE ON THE DATE~~  
32 ~~ON WHICH THE SUBSCRIBER VACATED THE UNIT AND REMOVED ALL PERSONAL~~  
33 ~~PROPERTY OF THE SUBSCRIBER FROM THE UNIT; OR~~

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7 ~~OR DEATH, THE PROVIDER SHALL PAY ANY CONTRACTUAL ENTRANCE FEE REFUND~~  
8 ~~NOT LATER THAN 2 YEARS AFTER THE DATE THE CONTINUING CARE AGREEMENT IS~~  
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THE UNIT FOR A PURPOSE OTHER THAN OCCUPANCY BY A SUBSCRIBER, OR REFRAINS FROM  
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(I) WITHIN 30 DAYS AFTER THE CONVERSION, EXCLUSION, OR REMOVAL,  
PROVIDE WRITTEN NOTICE TO THE SUBSCRIBER, THE SUBSCRIBER'S ESTATE, OR THE  
SUBSCRIBER'S BENEFICIARY; AND

(II) WITHIN 90 DAYS AFTER THE CONVERSION, EXCLUSION, OR REMOVAL, PAY ANY  
CONTRACTUAL ENTRANCE FEE REFUND DUE.

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

# **David L. Hill - MD State Senate Bill 560 Testimony**

Uploaded by: David Hill

Position: FAV

**David L. Hill – In-Person / Oral Testimony in Support of Maryland SB 0560  
Continuing Care Retirement Communities - Refunds**

Thank you for giving me this opportunity to talk about Senate Bill 560. My name is David Hill, and I'm testifying in support of the Bill on behalf of my 93-year-old mother, Carolyn Hill. She and I and our family have been going through a frustrating experience for 2 ½ years with *Heritage at Augsburg* - a CCRC facility in Baltimore County. **We've been trying to recoup the agreed-upon 80% of Carolyn's original entrance deposit, amounting to \$174,000.**

As background: Carolyn moved into her Augsburg apartment in 2017 upon signing the residency agreement, which indicated if and when she moved out, **she'd be refunded 80% of her entrance deposit, contingent on her apartment being re-occupied first.** Our family hoped that Mom would be at Augsburg until her final days, but unfortunately, she later suffered from serious health problems. Augsburg therefore required that she vacate her independent living apartment, which she did in July 2023. She now lives in an assisted living facility in Westminster MD.

**The egregious issue that disturbs us is that Augsburg is not carrying out its contractual obligations in good faith to refund Carolyn's agreed-upon percentage of her entrance deposit. They claim they will refund Carolyn's deposit when her old apartment is reoccupied, but they fail to follow up with honest and transparent efforts to re-occupy the unit. In doing so they unjustly enrich themselves by claiming "no interest" by any prospective new residents. This, in turn, allows them to retain significant funds owed to my mother. This appears to be outright elder abuse.**

*In sum, my family and I believe that passage of SB 560 would put us and prior and future CCRC residents on more equal footing with the industry. It would hold facilities more accountable to take timely, honest, and transparent actions with contractual obligations to refund entrance deposits. I recommend SB 560 be written to apply retroactively to cover the many families with existing contracts and experiencing similar circumstances.*

Thank you again for allowing me to testify in support of this important legislative effort.

# **Augsburg John Miller testimony.pdf**

Uploaded by: John Miller

Position: FAV

February 24, 2026

To Whom It May Concern:

My name is John Miller, and my mother Joan Miller was a resident at Augsburg Lutheran Village from 2014 until her death on December 4, 2020. Our experience with Augsburg's Administration and some of their workers has been troubling. In 2020, my mother awakened from a nap to see a worker from Augsburg in her bedroom. Her front door had been locked. When my mother asked what he was doing there, the worker said he just wanted to see if she was all right and left. When we reported this event to Augsburg, they thanked us, but no actions were taken.

After my mother's death, we had consistently frustrating interactions with Augsburg regarding their lack of effort to sell my mother's apartment. When I was cleaning out my mother's apartment of her belongings, I found that food and drinks were being stored in her refrigerator. This was after I had cleaned out the refrigerator of my mother's remaining food. It seemed that someone was using the unit (an end unit) as storage. This also indicated that someone had been in the apartment and easily could have stolen items belonging to my mother.

Despite the contract indicating that Augsburg needed to contact us periodically regarding the status of my mother's apartment, we received only one email from them in 5 years.

Multiple times, I drove to Augsburg in an attempt to meet with people regarding the situation. On the occasions when someone met with me, I was always told the same thing: "we're trying to sell your mother's apartment, but have yet to get a buyer." On one occasion the sales manager indicated that he felt it was because my mother's apartment was the only one on her wing without a washer and dryer. We asked about installing one so that it was comparable to others on the floor, but were told that "contractors had been in and that such an addition was impossible."

On July 22, 2022, again I visited Augsburg and asked to see the apartment. What I found was appalling and enraging. There were mouse and bug traps on the floor. The walls had mold stains on them. There was no top to the oven. There was food and drink in the refrigerator. (I have these pictures still). Plainly the apartment had never been shown to prospective buyers in the 19 months since my mother's passing, but seemed to be being used in some capacity by workers at the facility. Outraged, I demanded that we be given the entrance fee specified in the contract my mother had signed, as Augsburg had not lived up to its end of the contractual agreement.

On Oct 6, 2022, Augsburg sent me a check for \$10,000. They indicated that this was in gratitude for my mother's donation of masks to Augsburg residents during the Covid pandemic. The person I dealt with was Cyndi Walters, the President and CEO of National Lutheran Communities and Services.

In the next three years, I did not contact Augsburg. It was too painful. My mother was a devout Christian who chose Augsburg because of its religious affiliation. She was the most moral, loving person I have ever known. I resigned myself to the fact that Augsburg was simply a bottom line, money-making organization. I just wanted to put that chapter behind me.

It was during this period that I received the only communication from Augsburg, indicating that my mother's apartment had not been sold. I received an email on March 26, 2025; it was from Tina Minio, the same employee I had predominantly met with since my mother's death. It struck me as odd, as they had never been proactive in communicating. On October 1, I received a voicemail from Augsburg's home office (I still have it) indicating that they had tried to reach me and my 3 siblings, but all numbers had been disconnected. When I called back, the woman on the phone was interested in offering a settlement of 40% to void the contract. She told me that I could counteroffer and gave me a figure she thought the "higher ups" would accept. Anxious to end this affair, my siblings and I accepted a settlement for \$44,000. In the end, we were due \$80,400 according to the contract and accepted \$54,000.

Our experience with Augsburg was horrendous and I am appreciative of Senator Charles Sydnor's efforts to explore legislative remedies to this sort of behavior from organizations like Augsburg.

# **SB 560\_Consumer Protection Division\_Support in Con**

Uploaded by: Kira Wilpone-Welborn

Position: FAV

**CAROLYN A. QUATTROCKI**  
*Chief Deputy Attorney General*

**LEONARD J. HOWIE III**  
*Deputy Attorney General*

**CARRIE J. WILLIAMS**  
*Deputy Attorney General*

**SHARON S. MERRIWEATHER**  
*Deputy Attorney General*

**ZENITA WICKHAM HURLEY**  
*Deputy Attorney General*



**STATE OF MARYLAND  
OFFICE OF THE ATTORNEY GENERAL  
CONSUMER PROTECTION DIVISION  
HOUSING UNIT**

**ANTHONY G. BROWN**  
*Attorney General*

**WILLIAM D. GRUHN**  
*Division Chief*

**KAREN M. VALENTINE**  
*Deputy Division Chief*

**PETER V. BERNS**  
*General Counsel*

**CHRISTIAN E. BARRERA**  
*Chief of Staff*

**KIRA WILPONE-WELBORN**  
*Unit Chief*

February 25, 2026

To: The Honorable Pamela Beidle  
Chair, Finance Committee

From: Kira Wilpone-Welborn, Assistant Attorney General  
Consumer Protection Division

Re: Senate Bill 560 – Continuing Care Retirement Communities - Refunds (Support in Concept)

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The Consumer Protection Division of the Office of the Attorney General (the “Division”) supports the aims of Senate Bill 560 sponsored by Senator Charles E. Sydnor, III. Senate Bill 560 seeks to provide a 2-year outer limit to the time within which a Continuing Care Retirement Community (“CCRC”) must refund an entrance fee paid by a consumer after the consumer dies or cancels the continuing care agreement. Senate Bill 560 provides a clear point by which entrance fees must be returned and removes uncertainty for consumers and their heirs when these funds will be received.

Presently, the Human Services Article requires a CCRC to refund an entrance fee, within certain timeframes, if the continuing care agreement is canceled within 90-days of first occupancy. If the continuing care agreement is cancelled after 90-days, the entrance fee must be refunded within certain timeframes if the consumer at the time of cancellation resides in a unit that has a higher level of care, and their prior unit has been occupied by or reserved for another consumer that has paid a separate entrance fee. Additionally, it is the Division’s understanding that the Department of Aging, within its regulations, requires CCRCs to provide in their contracts terms regarding the refund of entrance fees, but does not set specific refund policies. See COMAR 32.02.01.31(A) and 32.02.01.28(A)(15).

This framework leaves consumers with a patchwork of terms that the Division is concerned could be exploited in an effort to withhold entrance fees indefinitely. First, the present

statutory structure leaves silent when consumers who terminate their continuing care agreements after 90-days and have not occupied a higher level of care will ever receive their entrance fee. Second, although the Department of Aging has additional regulations regarding the refundability of entrance fees, the regulations allow for a variety of contractual agreements. As a result, consumers in different CCRCs, or even in the same community, face different timelines on when their entrance fees will be refunded. The Division is concerned that consumers cannot fully appreciate the nuances created by the Human Services Article and the Department of Aging regulations until they are seeking the return of their money.

The Division's concerns are not mere speculation. The Division has received several complaints from families seeking assistance in the return of substantial entrance fees following the relocation or passing of their loved ones as far back as five years prior to seeking our assistance.

Finally, the Division is aware of the proposed amendments by LeadingAge Maryland. Although the Division agrees that the gaps in the Human Service Article should be addressed by the General Assembly, the Division does not agree that CCRCs can "run the clock out indefinitely simply by refusing to admit another CCRC resident" and is concerned that the language proposed by LeadingAge would allow the retention of entrance fees while "renovations with the intent to re-occupy the unit" occur. The Division is concerned that this language could allow Continuing Care Retirement Communities to draw out renovations to delay the refund of entrance fees unnecessarily; a practice the Division would otherwise consider unfair and deceptive in violation of the Consumer Protection Act.

Ultimately, Senate Bill 560 seeks to return money to Maryland consumers in a timely fashion. As such, the Division supports the goals of Senate Bill 560.

cc: The Honorable Charles E. Sydnor, III  
Members, Finance Committee

# **Testimony in support of SB0560 - Continuing Care R**

Uploaded by: Richard KAP Kaplowitz

Position: FAV

02/27/2026

Richard Keith Kaplowitz  
Frederick, MD 21703

**TESTIMONY ON SB#/0560- POSITION: FAVORABLE**

**Continuing Care Retirement Communities – Refunds**

**TO:** Chair Beidle, Vice Chair Hayes, and members of the Finance Committee

**FROM:** Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of SB#/0560, **Continuing Care Retirement Communities – Refunds**

This bill will require if a continuing care agreement is terminated by written notice given by a subscriber, the termination date of the continuing care agreement shall be on the date on which the subscriber vacated the unit and removed all personal property of the subscriber from the unit; or on the subscriber's death, the termination of the continuing care agreement shall be effective on the date of the subscriber's death. Regardless of whether an entrance fee refund is conditioned on the reoccupying of a subscriber's unit, when a continuing care agreement is terminated by the subscriber's election or death, the provider shall pay any contractual entrance fee refund not later than years after the date the continuing care agreement is terminated.

The purpose of this bill is to make available to a subscriber or their estate funds to which they are entitled not more than 2 years from the event terminating their contractual entrance fee had been paid.

The bill will accomplish this by requiring a provider of a continuing care retirement community to pay any contractual entrance fee refund not later than 2 years after a continuing care agreement is terminated.

**I respectfully urge this committee to return a favorable report on SB#/0560.**

# **LeadingAge Maryland - 2026 - SB 560 - CCRC Refunds**

Uploaded by: Aaron Greenfield

Position: FWA



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.

**SB0560\_FWA\_LifeSpan\_CCRCs - Refunds.pdf**

Uploaded by: Danna Kauffman

Position: FWA



*Keeping You Connected...Expanding Your Potential...  
In Senior Care and Services*

Senate Finance Committee

February 27, 2026

Senate Bill 560 – *Continuing Care Retirement Communities – Refunds*

**POSITION: SUPPORT WITH AMENDMENT**

On behalf of the LifeSpan Network, the largest and most diverse senior care provider association in Maryland, representing nursing facilities, assisted living providers, continuing care retirement communities (CCRCs), medical adult day care centers, senior housing communities, and other home and community-based services, we **support with amendment** Senate Bill 560. This bill alters the process for returning entrance fee deposits by imposing a 2-year limit.

Maryland law requires CCRCs to provide certain information to prospective residents at least two weeks before signing an agreement, including information on the return of entrance fees. Except for specific situations, the return of entrance fee deposits is a contractual agreement governed by the resident contract. To ensure that prospective residents are well-aware of the policies governing entrance fee refunds, the General Assembly passed legislation in 2012 that added several disclosure requirements.

Section 10-430 of the Human Services Article requires:

*All marketing materials, including disclosure statements, that state that part or all of the entrance fee is or may be refundable shall include a conspicuous disclaimer that states at least the following: “Carefully read the continuing care agreement for the conditions that must be satisfied before the provider is required to pay the entrance fee refund.”*

The continuing care agreement also is required to provide “*in clear and understandable language, in boldtype, and in the largest type in the body agreement: (i) the terms governing the refund of any portion of the entrance fee if the provider discharges the subscriber or the subscriber cancels the agreement.*”

In addition, the agreement must “*state that the subscriber acknowledges reviewing all of the terms of the entrance fee refund clauses and provisions contained in the continuing care agreement.*” See Section 10-444 of the Human Services Article.

LifeSpan supported each of these provisions. The General Assembly has taken very specific steps to ensure that prospective residents are clearly informed of the policies governing entrance fee refunds as outlined above. We strongly believe that each CCRC shall continue to maintain the flexibility to structure entrance fee refunds to ensure the financial well-being of each community.

More importantly, Senate Bill 560 represents a fundamental change to the long-standing financing of CCRCs. It is unclear whether Senate Bill 560 will require retroactive application to

all existing contracts or apply only prospectively. Regardless, the result will be the same: the model will need to be altered, and costs will rise for all residents due to higher monthly fees.

We understand that an amendment has been offered to address a specific issue that has arisen within one CCRC. The amendment requires a return of the entrance when a unit is no longer available under the current structure, meaning it has been repurposed for other uses. We believe the approach being taken by the amendment is fair, and we would support. Therefore, with this amendment and the removal of the two-year limitation, we would request a favorable vote.

**For more information call:**

Danna L. Kauffman

Christine K. Krone

410-244-7000

**MDOA - LOI - SB 560.docx (1).pdf**

Uploaded by: Carmel Roques

Position: INFO



Wes Moore | Governor

Aruna Miller | Lt. Governor

Carmel Roques | Secretary

Date: February 27, 2026

Bill Number: SB 560

Bill Title: Continuing Care Retirement Communities – Refunds

Committee: Senate Finance Committee

MDOA Position: **Information**

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Madam Chair, Vice-Chair, and Members of the Committee:

The Maryland Department of Aging (MDOA) serves as Maryland’s State Unit of Aging, administering federal funding for core programs, overseeing the Area Agency on Aging (AAA) network at the local level that provides services, and planning for Maryland’s older adult population.

MDOA is statutorily required to certify and monitor continuing care retirement communities (CCRCs) in Maryland pursuant to Title 10, Subtitle 4 of the Human Services Article, Annotated Code of Maryland and the COMAR 32.02.01. MDOA’s principal responsibilities are to protect the public (CCRC residents) by promoting the integrity and confidence in CCRC programs, ensuring the ongoing viability of existing CCRCs, and ensuring the feasibility of proposed CCRC programs. MDOA’s role has historically focused on consumer protection through mandated disclosures and compliance with extensive financial and operational provisions written in statute and regulation, while avoiding direct involvement in provider financial management and governance. MDOA strongly supports transparency, fiscal responsibility, and meaningful resident engagement in continuing care retirement communities (CCRCs).

The Maryland Department of Aging (MDOA) shares the General Assembly’s commitment to protecting older adults, including residents of continuing care retirement communities (CCRCs), and to ensuring transparency and fairness in entrance fee refund practices. We appreciate the intent of SB 560 to address concerns related to the timeliness of entrance fee refunds. However, after careful review, the Department respectfully submits that the proposed legislation as drafted may not effectively resolve the issue it seeks to address.



Wes Moore | Governor

Aruna Miller | Lt. Governor

Carmel Roques | Secretary

First, as drafted, SB 560 would not apply retroactively to existing subscriber contracts. As a result, the bill's provisions would not reach the contracts under which current concerns have arisen. Because most entrance fee agreements currently in effect would remain governed by their existing contractual terms, the proposed statutory changes would have limited practical impact on the specific situations prompting this legislation.

Second, based on our oversight and regulatory experience, the issue of delayed entrance fee refunds does not appear to be systemic across the CCRC industry in Maryland. Rather, the concerns brought to our attention have been associated with a single provider. Our broader review of licensed providers has not identified a pattern of widespread noncompliance or chronic delays in entrance fee refunds.

Third, under our existing statutory and regulatory authority, MDOA has already taken steps to increase scrutiny of the provider in question. MDOA has enhanced monitoring, required additional reporting, and engaged directly with the provider's leadership regarding refund practices and compliance expectations. The provider has been responsive to the Department's oversight efforts and has taken steps to address identified concerns.

MDOA remains committed to using its current authority to ensure that providers meet their contractual and regulatory obligations, and to protect Maryland's older adults and their families. MDOA will continue to monitor industry practices closely and will work with stakeholders and the General Assembly should broader, systemic issues emerge that warrant legislative action.

**MDOA understands the sponsor is open to potential amendments to address some of these concerns and is continuing to engage directly on those.** If you have any questions, please contact Andrea Nunez, Legislative Director, at [andrea.nunez@maryland.gov](mailto:andrea.nunez@maryland.gov) or (443) 414-8183.