

**Good afternoon Madame Chair, Madame Vice Chair, and Members of the Committee. Thank you for the opportunity to testify today.**

My name is Rusty Mitchell. I currently serve as the Executive Director of Homewood Living Williamsport, and previously served as the Associate Executive Director of Homewood Living Frederick. In these roles, I have worked closely with residents, resident associations, governing boards, and staff, and I have seen firsthand how governance decisions affect the daily life, stability, and culture of our communities.

While I respect the intentions of residents who support this legislation, I am concerned that House Bill 424 would create unintended consequences that ultimately diminish resident participation and destabilize effective governance within multi-campus nonprofit continuing care retirement communities.

**First, resident voice already exists.**

Residents currently have a meaningful and structured role in Homewood's governance. Across our five communities, **seven residents serve as Special Directors or alternate directors on our boards.** These residents meet the same qualifications as other board members and serve in a fiduciary capacity, focused on the long-term health and mission of the organization. This model has proven effective and ensures resident perspectives are heard while maintaining consistent governance standards across communities.

**Second, the largest-campus election problem.**

A significant concern with HB424 is how it would operate in practice. In a multi-campus organization, a mandated resident-elected board seat would almost certainly be determined by the largest campus—regardless of whether that individual reflects the priorities of residents at smaller communities.

As Executive Director at Williamsport, I can say clearly that many of our residents do not share the views of the subset of residents at Homewood Living Frederick advocating for this legislation. Resident leaders at Williamsport have expressed frustration with what they see as disruptive behavior and do not want their community governed by dynamics driven by another campus.

**Third, the risk of reduced resident participation.**

Ironically, HB424 could result in less resident participation. To manage fiduciary risk and governance conflict, organizations may be forced to restructure their boards, reducing the number of resident seats or consolidating representation. What is currently a system with multiple resident voices could be reduced to a single mandated position.

**In closing,** residents at Homewood already have a meaningful, responsible voice in governance. HB424 risks undermining that system by creating imbalance, reducing participation, and elevating the interests of one community over others.

Based on my direct experience leading multiple Homewood communities, I respectfully request an unfavorable report on House Bill 424.

**Thank you for your consideration.**