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## HOUSE JOINT RESOLUTION NO. 609

Offered January 12, 2011

Prefiled January 11, 2011

*Requesting the State Corporation Commission to study the management of continuing care retirement communities and the need for resident representation in management and governance. Report.*

Patron—Watts

Referred to Committee on Rules

WHEREAS, continuing care retirement communities are communities providing or committing to provide lodging and board, as well as nursing services, to an individual in consideration of payment of a fee, pursuant to a contract between the individual and the continuing care provider; and

WHEREAS, some continuing care retirement communities charge an entrance fee that reflects the cost of the living unit and refund the full amount of this entrance fee to the individual or his estate at such time as the individual's residence in the unit ends; and

WHEREAS, continuing care retirement communities are regulated by the State Corporation Commission, to ensure that continuing care retirement communities are financially able to fully perform all obligations pursuant to continuing care contracts; and

WHEREAS, residents of continuing care retirement communities in the Commonwealth have a statutorily recognized right set forth in Chapter 49 of Title 38.2 of the Code of Virginia to receive information from the board of directors, its designated representative, or other such governing body of the community, if any, for the purpose of free discussion of issues including income, expenditures, and financial matters related to the facility and proposed changes in policies, programs, facilities, and services, but are not entitled to participation on the board or other governing body and are not guaranteed any role in decision-making related to the continuing care retirement community; and

WHEREAS, while continuing care retirement communities must comply with the Virginia Residential Landlord and Tenant Act to terminate an individual residency, individuals who reside in continuing care retirement communities do not have standing as residents of a Common Interest Community; and

WHEREAS, allowing residents of continuing care retirement communities a greater role in informing and influencing decisions about and policies governing the continuing care retirement community in which they reside may be beneficial to residents and providers alike; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the State Corporation Commission be requested to study the management of continuing care retirement communities and the need for resident representation in management and governance.

In conducting its study, the State Corporation Commission shall determine the various management, governance, and financial structures of continuing care retirement communities in the Commonwealth and determine the need for and any benefits associated with requiring resident participation in management and governance of continuing care retirement communities based on their financial structure. If the State Corporation Commission determines that a need exists and benefits would result from requiring resident participation in management and governance of any or all continuing care retirement communities, the State Corporation Commission shall study and make recommendations related to the best method for implementing such requirement, including any statutory or regulatory changes that may be required.

All agencies of the Commonwealth shall provide assistance to the State Corporation Commission for this study, upon request.

The State Corporation Commission shall complete its meetings by November 30, 2011, and shall submit to the Governor and the General Assembly an executive summary and a report of its findings and recommendations for publication as a House or Senate document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports no later than the first day of the 2012 Regular Session of the General Assembly and shall be posted on the General Assembly's website.

INTRODUCED

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