



Ensuring Equity in Temporary Relocation of Residents Due to Renovations In Continuing Care Retirement Communities

*Public Policy Position Statement
February 2010*

OBJECTIVE: Establish law to ensure protections for residents who must relocate due to major repairs or renovations.

BACKGROUND: In 2008, the governor vetoed SB 489 (Steinberg), an Aging Services' opposed bill that prescriptively addressed both the temporary and permanent closures of continuing care retirement communities. In 2009, the sponsors of SB 489 reintroduced their legislation in the form of AB 407 (Beall). Due to Aging Services' continuing concern regarding the economic climate and the negative impact of any new requirements on renovations, an agreement was reached that the Aging Services' language on permanent closures in AB 1433 (Eng) be amended into AB 407. It was further agreed that both parties work to address the the "temporary closure" or relocation due to renovation issue in 2010. Since that time, Aging Services of California has worked in collaboration with the California Continuing Care Residents Association (CALCRA) to develop language for AB 1433 that will provide a legal framework to manage the temporary relocation of CCRC residents due to major repair or renovation.

AB 1433 establishes guidelines for continuing care contracts and for protecting CCRC residents' rights during a remodel, renovation, or rebuilding of a CCRC or part of a CCRC that will temporarily displace residents. This bill requires that continuing care contracts provide that a resident has the right to terminate his or her contract if a residential temporary relocation exceeds 18 months. This bill further requires that the contract contain provisions that address refunds of monthly and entrance fees, if the contract is terminated

RECOMMENDATION: Support AB 1433 (Eng & Beall) which establishes certain contract requirements in the Health & Safety Code regarding temporary relocations due to renovations or major repair.