

ASSEMBLY HEALTH AND SENIOR SERVICES COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, Nos. 2747 and 880

STATE OF NEW JERSEY

DATED: MARCH 5, 2018

The Assembly Health and Senior Services Committee reports favorably an Assembly Committee Substitute for Assembly Bill Nos. 2747 and 880.

This committee substitute limits the time that a continuing care retirement community may retain a refundable entrance fee after a resident vacates the facility, and provides for disposition of personal property left by a resident who has vacated the facility. Under current law, a continuing care retirement community may retain an entrance fee for as long as it takes for the unit to be reoccupied by another resident, which can potentially result in long delays between when a unit is vacated and the fee is returned.

This substitute bill provides that, upon a unit being vacated, the resident or resident's estate is required to provide the facility with written notice that: (1) the unit is vacated; and (2) all personal property has been removed. After a unit is vacated, the facility may restore the unit to its original condition.

In the case of a continuing care agreement that provides for a refundable entrance fee, the substitute bill requires the facility to assign the vacated unit a sequential number among all the available units with refundable entrance fees once the unit is restored to original condition, but not later than 60 days following receipt of the notice that the unit is vacated. A refundable fee owed to a resident or resident's estate for a unit that has been so numbered will be payable based upon the order of the sequential number assigned to the unit section and the availability of funds from the proceeds of the resale of all vacated units with refundable entrance fees.

Additionally, if any personal property of a prior resident remains in a vacated unit, the facility may continue to impose monthly fees until the property is removed, and the facility may remove any personal property beginning 21 days after the date when the notice of vacancy was received.