

## **OPPOSITION TO SB 1021**

Madam Chair and members of the Committee on Human Services. My name is Michael Hale. I have been a resident of Holladay Park Plaza (HPP) in Portland for almost 4 years. I am the treasurer of the Residents Association and a member of Finance Advisory Committee. I am in opposition to SB 1021 for the following reasons:

To be viable, CCRC's, like all businesses, must adapt to their resident's changing needs and expectations, to changes in the regulatory environment, and to the economic environment. SB 1021 would make it harder for providers to implement changes, even when those changes would improve care or efficiency; it would require providers to offer programs indefinitely, even if the programs become little-used or financially unsustainable. The proposed approach discourages innovation and prevents communities from evolving to meet residents' changing needs.

By preventing providers from adjusting or discontinuing even underutilized services, this bill could force higher fees on all residents to subsidize outdated or financially unviable programs. Instead of protecting seniors, SB 1021 could reduce their choices, and it could put the long-term stability of communities at risk.

Oregon law already guarantees residents a voice in service changes through board representation, resident councils, and required notice and grievance processes. HPP already has multiple channels for residents to make their concerns and wishes known to the rest of the resident community as well as to management, both privately and publicly, including monthly resident meetings and monthly meetings with all department heads. Residents' contracts with HPP provide methodology to resolve contentious issues.

SB 1021 would apparently give a single resident the power to block necessary service adjustments, even if those changes were widely supported by other residents. It mandates that any service included in a resident's original agreement or offered at the time of the signing of the bill cannot be discontinued without each residents' consent, regardless of the viability of the service. One resident should not have veto power over management decisions dealing with the effective long-term management of the CCRC. How could management respond to something like the

extraordinary demands of the COVID epidemic if one resident vetoed a needed change in service to safeguard the health of the rest of the residents? The current political and economic environments include substantial uncertainty, to deal with which may well require management flexibility.

Based on the financial strains of the 3+ year COVID era, monthly rental fees have increased over 20 percent during that period. As a resident, I am concerned about the proposed SB 1021's potential to force higher fees on all residents based on the preferences of a small number of residents who wish to have a particular service continued. The premise of the fees system is that, other than services included in the monthly fees for all, the users of services pay for them. Why should SB 1021 require that all residents pay for a service that would otherwise be discontinued in the course of normal business?

Thanks for listening.