



OFFICE OF THE GOVERNOR

OCT 11 2015

To the Members of the California State Senate:

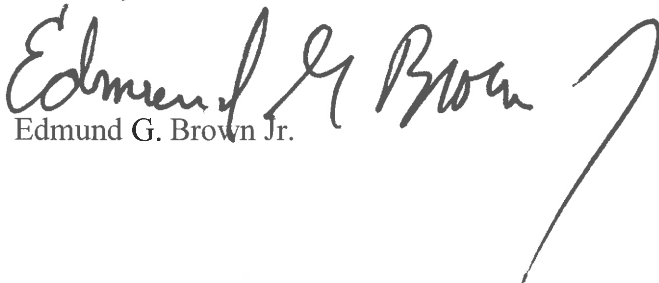
I am returning Senate Bill 475 without my signature.

This bill would change the way Continuing Care Retirement Communities repay a resident's entrance fee under the purchase contract, and establish interest penalties if repayment is not made and the unit has not been resold within a time certain. The bill would also establish a process at the Department of Social Services to investigate whether a good faith effort was made to resell the unit.

As California's aging population continues to grow, the need for elder care and housing options will also increase. One of the options is Continuing Care Retirement Communities, which provide retirees with housing and varying levels of care and services throughout the remainder of their lives.

While it is important that residents who buy into these communities be treated fairly, this bill would change the terms of contracts entered into by willing participants. It would also insert the department into the resolution of contract disputes. For these reasons, I am not signing this bill.

Sincerely,

A handwritten signature in black ink that reads "Edmund G. Brown Jr." with a large, stylized flourish at the end.

Edmund G. Brown Jr.