

STAND. COM. REP. NO.

1396

Honolulu, Hawaii

**MAR 24 2023**

RE: H.B. No. 1081  
H.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 1081, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PENALTIES FOR UNLICENSED CARE HOMES,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify the penalty assessed on any person who intentionally operates a care facility without a certificate or license by repealing section 321-486.3, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Health.

Your Committee finds that operating a care home without a certificate or license constitutes a violation of chapter 321, Hawaii Revised Statutes. Section 321-20, Hawaii Revised Statutes, authorizes the assessment of an administrative penalty of up to \$1,000 per day against any person in violation of any provision in chapter 321, Hawaii Revised Statutes. However, section 321-486.3, Hawaii Revised Statutes, authorizes the assessment of an administrative penalty against any person operating a care facility without a certificate or license, in the amount of \$100 for each day of uncertified or unlicensed operation for the first violation, \$500 for each day for the second violation, and \$1,000 for each day for the third violation. Your Committee finds this



dual penalty system unnecessary and confusing. Accordingly, this measure repeals section 321-486.3, Hawaii Revised Statutes, to eliminate confusion and make clear that the penalty provisions of section 321-20, Hawaii Revised Statutes, apply to these violations.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1081, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Respectfully submitted on  
behalf of the members of the  
Committee on Commerce and  
Consumer Protection,



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JARRETT KEOHOKALOLE, Chair



