

STAND. COM. REP. NO.

257

Honolulu, Hawaii

FEB 09 , 2023

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

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Health & Homelessness, to which was referred H.B. No. 1081 entitled:

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

begs leave to report as follows:

The purpose of this measure is to clarify the penalty to be assessed on any person who intentionally operates a care facility without a certificate or license.

Your Committee received testimony in support of this measure from the Department of Health, Kupuna Caucus of the Democratic Party of Hawai'i, Adult Foster Homecare Association of Hawaii, United Caregivers of Hawaii, Community Homecare Association of Hawaii, Alliance of Professional Primary Care Administrators, Provider Helping Hands of Hawaii, Alliance of Residential Care Administrators, and ten individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that unlicensed care homes pose a danger to the public, specifically to frail, elderly, and vulnerable populations. These unlicensed care homes charge thousands of dollars per month to multiple clients and are not inspected for qualify of care or to ensure caregiver qualifications.

2023-1405 HB1081 HD1 HSCR HMSO



Your Committee further finds that under existing law, there are two provisions for administrative penalties that can be imposed on care home operators. One of these penalties imposes a fine of only \$100 for the first violation, up to a maximum of \$1,000 for subsequent violations, which has little deterrence effect on an unlicensed care home operator making tens of thousands of dollars a month. The Department of Human Services also has additional remedies under section 321-20, Hawaii Revised Statutes, which allows for the assessment and payment of an administrative penalty up to \$1,000 per day regardless of the number of prior violations. Your Committee finds this is a more appropriate penalty to deter operators from financially benefiting from operating a care home without a certificate or license.

Your Committee has amended this measure by:

- (1) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health & Homelessness that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1081, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1081, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on
behalf of the members of the
Committee on Health &
Homelessness,

Debra A. Belatti

DEBRA AU BELATTI, Chair



Record of Votes of the Committee on Health & Homelessness

Bill/Resolution No.: HB 1081	Committee Referral: HLT, JHA, FIN	Date: 2/8/23		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. BELATTI, Della Au (C)	/			
2. TAKENOUCHI, Jenna (VC)	/			
3. AMATO, Terez	/			
4. ILAGAN, Greggor	/			
5. KOBAYASHI, Bertrand	/			
6. MIZUNO, John M.	/			
7. NISHIMOTO, Scott Y.	/			
8. GARCIA, Diamond	/			
TOTAL (8)	8			
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 150px;">committee acronym(s)</small>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				