

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



GOV. MSG. NO. 1301

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

July 7, 2026

The Honorable Ronald D. Kouchi
President of the Senate,
and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Nadine K. Nakamura
Speaker, and Members of the
House of Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on July 7, 2026, the following bill was signed into law:

S.B. NO. 2340, S.D. 2, H.D. 1,
C.D. 1

RELATING TO COMMUNITY CARE FOSTER
FAMILY HOMES.
ACT 199

Mahalo,

A handwritten signature in cursive that reads "Josh Green M.D.".

Josh Green, M.D.
Governor, State of Hawai'i

Approved by the Governor

on JUL 7 2026

THE SENATE
THIRTY-THIRD LEGISLATURE, 2026
STATE OF HAWAII

ACT 199
S.B. NO. 2340
S.D. 2
H.D. 1
C.D. 1

A BILL FOR AN ACT

RELATING TO COMMUNITY CARE FOSTER FAMILY HOMES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that community care
2 foster family homes provide a vital residential option for
3 individuals who need twenty-four hour support in a home-like
4 setting. Although existing law and administrative rules permit
5 these homes to serve up to three residents, uncertainty remains
6 about whether individuals who qualify for the medicaid
7 intellectual and developmental disabilities home and
8 community-based services waiver, also known as the HCBS I/DD
9 waiver, may live in such homes without losing access to their
10 waiver services.

11 The legislature further finds that individuals with
12 intellectual and developmental disabilities who wish to reside
13 in a community care foster family home must disenroll from the
14 HCBS I/DD waiver and transition to the medicaid section 1115
15 waiver. This requirement disrupts continuity of care and may
16 result in the loss of essential, individualized services.

17 Clarifying that waiver status shall not disqualify individuals



1 from living in a community care foster family home will remove
2 systemic barriers and uphold the right to choose where to live.

3 The purpose of this Act is to ensure that individuals with
4 intellectual and developmental disabilities who meet an
5 intermediate care facility or nursing facility level of care
6 shall not be denied residency in a certified community care
7 foster family home solely because of their disability or
8 enrollment in a specific medicaid waiver program. This Act
9 affirms the right of individuals to live in the least
10 restrictive setting, promotes housing equity, and preserves
11 continuity of essential services.

12 SECTION 2. Section 321-483, Hawaii Revised Statutes, is
13 amended to read as follows:

14 **"§321-483 Community care foster family home, authority**
15 **over and evaluation of.** (a) Any person in any household who
16 wants to take in, for a fee, any adult who is at the nursing
17 facility level of care and who is unrelated to anyone in the
18 household, for twenty-four hour living accommodations, including
19 personal care and homemaker services, may do so only after the
20 household meets the required standards established for



1 certification and obtains a certificate of approval from the
2 department or its designee.

3 (b) The department shall adopt rules pursuant to
4 chapter 91 relating to:

- 5 (1) Standards of conditions and competence for the
6 operation of community care foster family homes;
- 7 (2) Procedures for obtaining and renewing a certificate of
8 approval from the department;
- 9 (3) Minimum grievance procedures for clients of community
10 care foster family home services; and
- 11 (4) Requirements for primary and substitute caregivers
12 caring for three clients in community care foster
13 family homes including:
- 14 (A) Mandating that primary and substitute caregivers
15 be twenty-one years of age or older;
- 16 (B) Mandating that primary and substitute caregivers
17 complete a minimum of twelve hours of continuing
18 education every twelve months or at least
19 twenty-four hours of continuing education every
20 twenty-four months;



1 (C) Allowing the primary caregiver to be absent from
2 the community care foster family home for no more
3 than twenty-eight hours in a calendar week, not
4 to exceed five hours per day; provided that the
5 substitute caregiver is present in the community
6 care foster family home during the primary
7 caregiver's absence;

8 (D) Where the primary caregiver is absent from the
9 community care foster family home in excess of
10 the hours as prescribed in subparagraph (C),
11 mandating that the substitute caregiver be a
12 certified nurse aide; and

13 (E) Mandating that the substitute caregiver have, at
14 a minimum, one year prior work experience as a
15 caregiver in a community residential setting or
16 in a medical facility.

17 (c) As a condition for obtaining a certificate of
18 approval, community care foster family homes shall comply with
19 rules adopted under subsection (b) and satisfy the background
20 check requirements under section 321-15.2. The department or
21 its designee may deny a certificate of approval if:



- 1 (1) An operator or other adult residing in the community
2 care foster family home, except for adults receiving
3 care, has been convicted of a crime other than a minor
4 traffic violation involving a fine of \$50 or less;
- 5 (2) The department or its designee finds that the
6 background check record of an operator or other adult
7 residing in the home, except for adults receiving
8 care, poses a risk to the health, safety, or
9 well-being of adults in care; or
- 10 (3) An operator or other adult residing in the community
11 care foster family home, except for adults receiving
12 care, is a perpetrator of abuse as defined in section
13 346-222.
- 14 (d) Upon approval of a community care foster family home,
15 the department or its designee shall issue a certificate of
16 approval that shall continue in force for one year, or for two
17 years if a community care foster family home has been certified
18 for at least one year and is in good standing pursuant to
19 standards adopted by the department, unless sooner suspended or
20 revoked for cause. The department or its designee shall renew
21 the certificate of approval only if, after an annual or biennial



1 evaluation, the home continues to meet the standards required
2 for certification.

3 (e) Any community care foster family home shall be subject
4 to investigation by the department or its designee at any time
5 and in the manner, place, and form as provided in procedures to
6 be established by the department.

7 (f) The department or its designee may suspend or revoke a
8 certificate of approval if the department or its designee deems
9 that a community care foster family home is unwilling or unable
10 to comply with the rules adopted under subsection (b); provided
11 that:

12 (1) The suspension or revocation shall be immediate when
13 conditions exist that constitute an imminent danger to
14 the life, health, or safety of adults receiving care;

15 (2) A community care foster family home whose certificate
16 of approval has been suspended or revoked shall
17 immediately notify its clients and their case
18 managers;

19 (3) A community care foster family home whose certificate
20 of approval has been suspended or revoked may appeal
21 to the department through its established process, but



1 the appeal shall not stay the suspension or
2 revocation;

3 (4) A suspended or revoked certificate of approval may be
4 reinstated if the department or its designee deems
5 that the home is willing and able to comply with the
6 rules adopted under subsection (b); and

7 (5) A revoked certificate of approval shall be restored
8 only after a new application for a certificate of
9 approval is submitted to the department or its
10 designee and approved.

11 (g) Any community care foster family home shall be subject
12 to monitoring and evaluation by the department or its designee
13 for certification compliance and quality assurance on an annual
14 or biennial basis.

15 (h) No person who meets an intermediate care facility or
16 nursing facility level of care and is eligible for services
17 under either the 1915(c) medicaid waiver or medicaid
18 section 1115 demonstration waiver shall be denied residency in a
19 certified community care foster family home solely based on the
20 person's disability status or waiver enrollment. A certified



1 caregiver may serve as a provider under the 1915(c) and 1115
2 medicaid waivers.

3 (i) The department shall provide technical assistance and
4 training to support the appropriate placement of individuals
5 with intellectual and developmental disabilities in community
6 care foster family homes, in collaboration with case management
7 agencies, licensing entities, and medicaid programs; provided
8 that the department shall consult with the med-QUEST division of
9 the department of human services to align waiver language,
10 provider qualifications, and payment models to facilitate this
11 inclusive housing option; provided further that the department
12 shall issue guidance to case management agencies and community
13 care foster family home operators to ensure compliance."

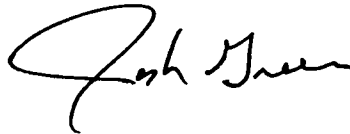
14 SECTION 3. New statutory material is underscored.

15 SECTION 4. This Act shall take effect upon its approval;
16 provided that section 2 shall take effect upon the revision of
17 community care foster family home standards by the department of
18 health and the approval of 1915(c) medicaid waiver updates by
19 the Centers for Medicare and Medicaid Services.



S.B. NO. 2340
S.D. 2
H.D. 1
C.D. 1

APPROVED this 7th day of July, 2026

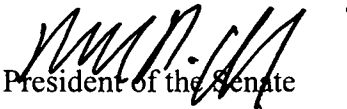
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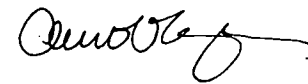
GOVERNOR OF THE STATE OF HAWAII

THE SENATE OF THE STATE OF HAWAI‘I

Date: May 6, 2026
Honolulu, Hawai‘i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Third Legislature of the State of Hawai‘i, Regular Session of 2026.


President of the Senate


Clerk of the Senate

SB No. 2340, SD 2, HD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 6, 2026
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2026.



Nadine K. Nakamura
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives