

Honolulu, Hawaii

MAR 30 , 2026

RE: S.B. No. 2340
S.D. 2
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committees on Health and Human Services & Homelessness,
to which was referred S.B. No. 2340, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO COMMUNITY CARE FOSTER FAMILY
HOMES,"

beg leave to report as follows:

The purpose of this measure is to clarify that individuals with intellectual and developmental disabilities who meet an intermediate care facility or nursing facility level of care shall not be denied residency in a certified community care foster family home solely because of their disability or enrollment in a specific Medicaid waiver program.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities; Hawaii Disability Rights Center; Aloha Independent Living Hawaii; Hawai'i Self-Advocacy Advisory Council; Arc of Maui County; and seven individuals. Your Committees received comments on this measure from the Department of Health and Department of Human Services.

Your Committees find that community care foster family homes provide a vital service to individuals who need twenty-four-hour support by allowing these individuals to receive that support in a home-like setting. Your Committees further find that because of



uncertainty in existing law and administrative rules, it is unclear if individuals with intellectual and developmental disabilities who qualify for the Medicaid Intellectual and Developmental Disabilities Home and Community Based Services waiver (HCBS I/DD waiver) may live in community care foster family homes without losing access to their waiver services. As a result of this uncertainty, individuals with intellectual and developmental disabilities who wish to reside in community care foster family homes must first disenroll from the HCBS I/DD waiver and transition to the Medicaid Section 1115 waiver, a process that often disrupts continuity of care and may result in the loss of essential, individualized services. This measure is intended to reduce systemic barriers and allow individuals to choose where they wish to live by clarifying that waiver status does not disqualify an individual from living in a community care foster family home.

Your Committees have amended this measure by:

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

As affirmed by the records of votes of the members of your Committees on Health and Human Services & Homelessness that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2340, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2340, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Health and Human
Services & Homelessness,



LISA MARTEN, Chair



GREG TAKAYAMA, Chair



