

STAND. COM. REP. NO. 2840

Honolulu, Hawaii

MAR 05 2026

RE: S.B. No. 3324  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 3324 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAID,"

begs leave to report as follows:

The purpose and intent of this measure is to increase funding for community-based residential care services in the State.

More specifically, this measure:

- (1) Appropriates moneys to the Department of Human Services to increase funding for certain Medicaid home- and community-based services, including residential services offered in community care foster family homes and expanded adult residential care homes; and
- (2) Requires the Department of Human Services to obtain matching federal funds and to pursue additional funding sources in order to qualify to expend the state funds.

Your Committee received written comments in support of this measure from the Department of Health, Department of Human Services, Disability and Communication Access Board, Hawaii State Council on Developmental Disabilities, AARP Hawaii, AlohaCare, Ava Sofia Foundation (d.b.a. Autism Moms of Kona), Hawaii Medical Association, Sebastian's Arch LLC, and eleven individuals.



Your Committee finds that Hawaii continues to face strong demand for community-based long-term care options that allow kupuna to remain close to family and familiar health care providers. Your Committee also finds that current reimbursement rates for residential care settings remain insufficient to support fair wages and sustainable operations amid rising costs. Your Committee believes that increasing state funding and maximizing federal matching funds are necessary to maintain and strengthen quality community-based care for Hawaii's kupuna.

Your Committee notes that, in its written comments, the Department of Human Services indicated that, based on updated utilization data, the appropriation may be reduced to \$1,770,892.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$5,810,000 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3324, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3324, S.D. 1.

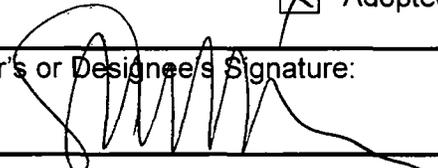
Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 0324	HHS, WAM	3/3/2026		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
DECOITE, Lynn	X			
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
RICHARDS, III, Herbert M. "Tim"	X			
WAKAI, Glenn	X			
FEVELLA, Kurt				X
<b>TOTAL</b>	12	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink		
File with Committee Report	Committee	Drafting Agency		

\*Only one measure per Record of Votes