

ACT 185

S.B. NO. 1492

A Bill for an Act Relating to Assisted Living Facilities.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The department of health and the real estate commission shall conduct a study on the impact and feasibility of allowing condominium and cooperative housing corporation projects to become licensed as assisted living facilities to provide assisted living services for its residents. The report shall address issues, including, but not limited to, the following:

- (1) A new definition of “assisted living services” that would be provided in a condominium or cooperative housing corporation project that becomes licensed as an “assisted living facility,” taking into consideration that such projects would differ from other assisted living facilities in the provision of housing services;
- (2) Liability insurance, including cost, availability and access to financing, and effect of conversion on property and resale values;
- (3) Potential liability exposure of the individual owners and the board of directors of a condominium or cooperative housing corporation project that becomes licensed as an assisted living facility to provide assisted living services to its residents;
- (4) Apportionment of costs and fees between the individual owners of the condominium or cooperative housing corporation project and those

owners who have elected from time to time to receive assisted living services, including, but not limited to, the apportionment of:

- (A) Maintenance fees;
 - (B) Costs relating to the provision of assisted living services, including the costs of contracting with a qualified provider of assisted living services;
 - (C) Personnel costs relating to the recruitment and training of support staff (i.e., doorman, receptionist) to support the assisted living facility;
 - (D) Insurance, including liability insurance, maintained by a licensed assisted living facility; and
 - (E) Any other cost apportionment issues that result from the condominium or cooperative housing corporation project becoming licensed as an assisted living facility to provide assisted living services for its residents; and
- (5) The appropriateness of licensing vendors that would provide assisted living services to residents of a condominium or cooperative housing corporation project for a fee, under contract with the board of directors of the condominium or cooperative housing corporation project.

The department of health and the real estate commission shall submit a joint report of findings and recommendations, including proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2004.

SECTION 2. The department of health shall not issue any new license for any condominium or cooperative housing corporation project as an assisted living facility until the legislature has acted upon the report described in section 1 of this Act, or until July 1, 2004, whichever occurs first.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 16, 2003.)