

Linda Lingle  
GOVERNOR



ORLANDO "DAN" DAVIDSON  
EXECUTIVE DIRECTOR

**STATE OF HAWAII**

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IN REPLY REFER TO

Statement of  
**Orlando "Dan" Davidson**  
Hawaii Housing Finance and Development Corporation  
Before the

**HOUSE COMMITTEE ON HUMAN SERVICES & HOUSING  
HOUSE COMMITTEE ON HEALTH**

February 7, 2008, 8:45 a.m.  
Room 329, State Capitol

In consideration of  
**H.B. 2579**

**RELATING TO CARE HOME REPAIR AND RENOVATION LOAN GUARANTEE.**

The HHFDC opposes H.B. 2579 because it inappropriately places responsibility for repair and renovation of adult residential care homes with the State's housing finance and development agency. We defer to the Department of Health on the merits of the subject matter of this bill.

H.B. 2579 adds a new part to chapter 201H, HRS that establishes an adult residential care home and long-term care facility repair and renovation loan guarantee office to be administratively attached to the HHFDC. In Act 196, Session Laws of Hawaii 2006, the Legislature found that "the burden of administering the public housing projects in the State has overshadowed the ability. . . to pay sufficient attention to the financing and development of affordable housing." Adding other ancillary functions to our agency would have a similar negative effect on our ability to focus on the financing and development of critically needed affordable housing statewide.

Thank you for the opportunity to testify.

LINDA LINGLE  
GOVERNOR OF HAWAII



CHIYOME LEINAALA FUKINO, M.D.  
DIRECTOR OF HEALTH

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DEPARTMENT OF HEALTH  
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In reply, please refer to:  
File:

**House Committee on Human Services and Housing**

**House Committee on Health**

**HB 2579, RELATING TO CARE HOME REPAIR AND RENOVATION LOAN  
GUARANTEE**

**Testimony of Chiyome Leinaala Fukino, M.D.  
Director of Health**

**February 7, 2008  
8:45 a.m.**

1 **Department's Position:** The Department of Health cannot support this bill as currently written. We  
2 believe there are multiple problems with this bill as drafted. We defer to the Hawaii Housing Finance  
3 and Development Corporation as to the placement and administration of such a loan guarantee program.  
4 **Fiscal Implications:** The bill creates a loan guarantee revolving fund in the state treasury and  
5 appropriates an unspecified amount of general funds.  
6 **Purpose and Justification:** We appreciate the confusion about the definitions of the various home and  
7 community-based care settings that are under the jurisdiction of either the Department of Health (DOH)  
8 or the Department of Human Services (DHS). Despite the language on page 6, line 4 – “For the  
9 purposes of this section only” it is inaccurate and inappropriate to label the care settings listed as “adult  
10 residential care homes.” This only adds to the existing public confusion and muddies statutory  
11 references. The Department of Health does **license** Type I and Type II Adult Residential Care Homes  
12 (ARCH), developmental disabilities domiciliary homes and long-term care facilities. DOH **certifies**

1 adult foster homes for developmentally disabled adults. We do not **license** these homes. DHS **certifies**  
2 community care foster family homes but does not **license** them.

3 Given these facts, we question the name proposed for the repair and renovation loan guarantee  
4 program, the name of the proposed revolving fund, and perhaps the bill title. "Care home" is not  
5 defined in this bill or in statute. We would recommend legal review of these issues.

6 As to the DOH's review of repair and renovation plans for ARCHs, the department already  
7 performs this function. Hawaii Administrative Rules (HAR) Title 11, Chapter 100.1-23(q)(1) states:  
8 "Drawings and specifications for all new construction or additions, alterations or repairs to existing  
9 buildings shall be submitted to the department for review prior to construction" Chapter 100.1-23(q)(2)  
10 goes on to say: "While **final authority to approve the construction and fire safety features of such**  
11 **building rests with county agencies and fire marshals**, if construction drawings and specifications are  
12 submitted to the department, the department shall promptly review such submittals and make every  
13 effort **to advise the applicant** of features which appear nonconforming; . . ."

14 After review of such plans, and if they meet the criteria of current **licensing standards** for  
15 ARCHs, DOH issues a letter to that effect. **All providers must obtain the appropriate county**  
16 **building permits and comply with current county building, land use, fire codes and ordinances**  
17 **before beginning construction or alterations.**

18 Although DOH cannot speak officially for DHS, in our consultation with them on this measure,  
19 DHS confirmed that they have no authority, guidelines or capacity to review construction plans for the  
20 DHS settings named in this bill as they do not license them.

21 Given the multiple problems we see in this bill, the department of health cannot support this  
22 measure.

23 Thank you for the opportunity to testify.

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