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# A BILL FOR AN ACT

RELATING TO CARE HOMES.

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

1           SECTION 1. Chapter 321, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§321-       Care homes; liability insurance; coverage. (a)

5 All operators of adult foster homes under section 321-11.2,  
6 adult residential care homes, assisted living facilities,  
7 community care foster family homes as defined in section 321-  
8 481, developmental disabilities domiciliary homes as defined in  
9 section 321-15.9, and expanded adult residential care homes as  
10 defined in section 321-15.1, shall obtain and maintain the  
11 following in coverage amounts deemed sufficient and appropriate  
12 by the department of health:

13           (1) Liability insurance with respect to their operation of  
14           the homes or facilities; and

15           (2) Automobile liability insurance, including adequate  
16           bodily injury liability coverage for vehicles used to  
17           transport residents of the homes or facilities.



1        (b) Proof of liability insurance for both the home or  
2 facility and for vehicles used to transport home or facility  
3 residents as required by subsection (a) shall be verified by the  
4 department of health, or its designee, on an annual basis.

5        (c) The department shall adopt rules pursuant to chapter  
6 91 to effectuate the purposes of this section."

7        SECTION 2. Chapter 346, Hawaii Revised Statutes, is  
8 amended by adding a new section to be appropriately designated  
9 and to read as follows:

10        "§346-        Care homes; liability; insurance; coverage. (a)  
11 All operators of community care foster family homes as defined  
12 in section 346-331 shall obtain and maintain the following in  
13 coverage amounts deemed sufficient and appropriate by the  
14 department:

15        (1) Liability insurance with respect to the operation of  
16 the homes; and

17        (2) Automobile liability insurance, including adequate  
18 bodily injury liability coverage for vehicles used to  
19 transport residents of the homes.

20        (b) Proof of liability insurance for both the home and for  
21 vehicles used to transport home residents as required by



1 subsection (a) shall be verified by the department, or its  
2 designee, on an annual basis.

3 (c) The department shall adopt rules pursuant to chapter  
4 91 to effectuate the purposes of this section."

5 SECTION 3. Section 321-11.2, Hawaii Revised Statutes, is  
6 amended by amending subsection (a) to read as follows:

7 "(a) The department of health is authorized to certify  
8 adult foster homes for [~~developmentally disabled~~] individuals  
9 with developmental disabilities or intellectual disabilities  
10 requiring such care beyond the eighteenth birthday. "Adult  
11 foster home" means a private home providing care on a twenty-  
12 four hour basis for adults with developmental or intellectual  
13 disabilities. To be certified, an adult foster home shall have  
14 not more than [~~two~~] three adults with developmental or  
15 intellectual disabilities at the same time, who are unrelated to  
16 the foster family. To accommodate residents of a foster  
17 boarding home for children with developmental or intellectual  
18 disabilities who reach the age of eighteen years, where the home  
19 is certified as a foster boarding home for children under  
20 section 346-17, the director of health may waive the [~~two~~] three  
21 adult limit for certification of that home as an adult foster  
22 home, provided that: (1) the number of foster children and



1 adults in such dually certified home shall not exceed five, and  
2 (2) no new adults may be admitted into the home while there are  
3 any foster children residing in the home."

4 SECTION 4. Section 321-11.7, Hawaii Revised Statutes, is  
5 amended to read as follows:

6 "[~~§~~]**321-11.7 Care homes; liability insurance;**  
7 **coverage.** [~~§~~] (a) All operators of adult foster homes under  
8 section 321-11.2 [~~and~~], adult residential care homes, assisted  
9 living facilities, developmental disabilities domiciliary homes  
10 as defined in section 321-15.9, and expanded adult residential  
11 care homes as defined in section 321-15.1 shall obtain and  
12 maintain [~~liability~~] the following in coverage amounts deemed  
13 sufficient and appropriate by the department of health:

14 (1) Liability insurance with respect to their operation of  
15 the homes or facilities [~~in a coverage amount deemed~~  
16 ~~sufficient by the department.~~

17 ~~This section shall not apply to operators of adult foster~~  
18 ~~homes, adult residential care homes, assisted living facilities,~~  
19 ~~and expanded adult residential care homes that:~~

20 (1) ~~Are operating under a contract with the department of~~  
21 ~~human services or the department of health; and~~

1       ~~(2) Are in compliance with the liability insurance~~  
2           ~~coverage requirements of that contract.] ; and~~  
3       (2) Automobile liability insurance, including adequate  
4           bodily injury liability coverage for vehicles used to  
5           transport residents of the homes or facilities.  
6       (b) Proof of liability insurance for the home or facility  
7       and for vehicles used to transport home or facility residents as  
8       required by subsection (a) shall be verified by department of  
9       health, or its designee, on an annual basis.

10       ~~[(b)]~~ (c) The department of health shall adopt rules  
11 pursuant to chapter 91 to effectuate the purposes of this  
12 section."

13       SECTION 5. Act 221, Session Laws of Hawaii 2011, is  
14 amended by amending section 5 to read as follows:

15       "SECTION 5. This Act shall take effect on July 1, 2011;  
16 provided that on ~~[June 30, 2013,]~~ July 1, 2014, this Act shall  
17 be repealed ~~[and sections 346-331 and 346-334, Hawaii Revised~~  
18 ~~Statutes, shall be reenacted in the form in which they read on~~  
19 ~~the day prior to the effective date of this Act]."~~

20       SECTION 6. Statutory material to be repealed is bracketed  
21 and stricken. New statutory material is underscored.



1 SECTION 7. This Act shall take effect upon its approval;

2 provided that:

3 (1) Section 1 shall take effect on July 1, 2014;

4 (2) Section 5 shall take effect on June 29, 2013; and

5 (3) Sections 2 and 4 shall be repealed on July 1, 2014.



**Report Title:**

Care Home Operators; Liability Insurance

**Description:**

Requires all operators of adult foster homes, assisted living facilities, expanded adult residential care homes, community care foster family homes, and developmental disabilities domiciliary homes to hold a sufficient amount of liability insurance and automobile liability insurance. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

