
A BILL FOR AN ACT

RELATING TO CARE HOMES.

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

1 SECTION 1. Chapter 346, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§346- Care homes; liability insurance; coverage. (a)
5 All operators of assisted living facilities as defined in
6 section 346-331, community care foster family homes as defined
7 in section 346-331, and expanded adult residential care homes as
8 defined in section 346-331 shall obtain and maintain the
9 following in coverage amounts deemed sufficient by the
10 department:

11 (1) Liability insurance with respect to their operation of
12 the homes or facilities; and
13 (2) Automobile liability insurance for vehicles used to
14 transport residents of the homes or facilities.

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



1 (c) This section shall apply to operators of assisted
2 living facilities, community care foster family homes, and
3 expanded adult residential care homes that:

4 (1) Are operating under a contract with the department or
5 the department of health;

6 (2) Are in compliance with the liability insurance
7 coverage requirements of that contract; and

8 (3) Are in compliance with the verification requirements
9 of subsection (b).

10 (d) The department shall adopt rules pursuant to chapter
11 91 to effectuate the purposes of this section."

12 SECTION 2. Section 321-11.7, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "~~§~~**321-11.7 Care homes; liability insurance;**

15 **coverage.** ~~§~~ (a) All operators of adult foster homes under
16 section 321-11.2 and adult residential care homes, assisted
17 living facilities, and expanded adult residential care homes as
18 defined in section 321-15.1 shall obtain and maintain
19 [liability] the following in coverage amounts deemed sufficient
20 by the department of health:



1 (1) Liability insurance with respect to their operation of
2 the homes or facilities [~~in a coverage amount deemed~~
3 ~~sufficient by the department.~~]; and

4 (2) Automobile liability insurance for vehicles used to
5 transport residents of the homes or facilities.

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

10 (c) This section shall [~~not~~] apply to operators of adult
11 foster homes, adult residential care homes, assisted living
12 facilities, and expanded adult residential care homes that:

13 (1) Are operating under a contract with the department of
14 human services or the department of health; [~~and~~]

15 (2) Are in compliance with the liability insurance
16 coverage requirements of that contract[~~;~~]; and

17 (3) Are in compliance with the verification requirements
18 of subsection (b).

19 [~~(b)~~] (d) The department of health shall adopt rules
20 pursuant to chapter 91 to effectuate the purposes of this
21 section."



1 SECTION 3. 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.

5 (a) All operators of adult foster homes under section 321-
6 11.2 adult residential care homes, assisted living facilities,
7 and expanded adult residential care homes as defined in section
8 321-15.1; and all community care foster family homes as defined
9 by section 321-A, Act 93, Session Laws of Hawaii 2012, shall
10 obtain and maintain the following in coverage amounts deemed
11 sufficient by the department of health:

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

14 (2) Automobile liability insurance for vehicles used to
15 transport residents of the homes or facilities.

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

20 (c) This section shall apply to operators of adult foster
21 homes, adult residential care homes, assisted living facilities,
22 and expanded adult residential care homes that:



- 1 (1) Are operating under a contract with the department of
2 human services or the department of health;
- 3 (2) Are in compliance with the liability insurance
4 coverage requirements of that contract; and
- 5 (3) Are in compliance with the verification requirements
6 of subsection (b).
- 7 (d) The department of health shall adopt rules pursuant to
8 chapter 91 to effectuate the purposes of this section."

9 SECTION 4. Act 221, Session Laws of Hawaii 2011, is amended
10 by amending section 5 to read as follows:

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

16 SECTION 5. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 6. This Act shall take effect upon its approval;
19 provided that section 3 shall take effect on July 1, 2014; and



1 provided further that section 1 and section 2 shall be repealed
2 on July 1, 2014.

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INTRODUCED BY:

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JAN 22 2013



H.B. NO. 1022

Report Title:

Care Home Operators; Liability Insurance; Vehicle Insurance for
Care Home Operators

Description:

Requires all operators of adult foster homes, adult residential care homes, assisted living facilities, expanded adult residential care homes, and community care foster family homes to obtain and maintain sufficient liability insurance.

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