
A BILL FOR AN ACT

RELATING TO EARLY CHILDHOOD EDUCATION.

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

1 PART I

2 SECTION 1. The legislature finds that the brain is shaped
3 significantly by experiences and other stimuli in the first five
4 years of a child's life. This period sets the foundation in
5 which a person forms their behavioral, emotional, social, and
6 decision-making skills, values, self-esteem, and lifelong
7 learning ability. In short, this period paves the way for a
8 child's healthy, successful development.

9 Neglect and inadequate care in the early years can hold a
10 child back from achieving their full potential and instead place
11 them at risk for poor outcomes later in life, which has
12 considerable social costs.

13 Research and studies have shown that providing children
14 with proper early childhood care and education has a far-
15 reaching, long-term impact on their development. Thus, the
16 legislature recognizes the importance of providing children with
17 early learning opportunities of the highest quality. Early
18 learning programs, both public and private, should meet



1 professionally-accepted standards, be staffed by well-trained,
2 appropriately-compensated educators, and be available to all
3 children.

4 With this in mind, the legislature created the temporary
5 early childhood education task force in 2005 to, among other
6 things, develop plans and proposals to increase access to early
7 learning programs for all children, increase participation in
8 these programs by promoting their value, and improve the quality
9 of programs and practitioners.

10 The purpose of this Act is, in part, to implement the
11 recommendations of the task force, including:

12 (1) Creating an early learning authority to oversee the
13 State's early childhood learning system;

14 (2) Making more early childhood learning programs and
15 facilities available by establishing financial
16 incentives for their creation;

17 (3) Improving the quality of early childhood learning
18 programs and practitioners by establishing financial
19 incentives;

20 (4) Attracting and retaining quality practitioners in the
21 early learning system by ensuring adequate
22 compensation; and



1 (5) Guaranteeing the availability of early learning
 2 opportunities to all children by providing subsidies
 3 for all four-year-olds.

4 PART II

5 SECTION 2. The Hawaii Revised Statutes is amended by
 6 adding a new chapter to be appropriately designated and to read
 7 as follows:

8 "CHAPTER

9 EARLY LEARNING SYSTEM

10 § -1 Early learning authority; established; board. (a)

11 There is established the early learning authority, which shall
 12 be a body corporate and a public instrumentality of the State,
 13 for the purposes of implementing this chapter. The authority
 14 shall be placed within the department of education for
 15 administrative purposes only.

16 The authority shall develop, implement, and provide for the
 17 sustainability of a coherent, comprehensive early learning
 18 system that maximizes public and private resources to provide
 19 early learning opportunities for all young children in the state
 20 up to age eight. The authority shall increase efficiency and
 21 coordination of early learning opportunities statewide by:



1 (1) Developing quality standards and agreed-upon outcomes
2 and evaluation of early education programs;

3 (2) Ensuring a statewide integrated early childhood
4 system;

5 (3) Increasing the quality of education through access to
6 education and training of professionals; and

7 (4) Providing funding for early childhood programs.

8 (b) The authority shall be governed by a board of
9 directors composed of members from the private and public
10 sectors who shall be charged with addressing the vision,
11 mission, goals, and guiding principles of Hawaii's early
12 childhood learning system conceptual framework. The governor
13 shall appoint the members of the board pursuant to section 26-
14 34; provided that:

15 (1) Membership on the board shall not exceed twenty;

16 (2) The private sector shall be broadly represented and
17 membership representing the private sector shall be no
18 fewer than fifteen;

19 (3) The governor shall:

20 (A) Determine which board members shall serve ex-
21 officio and whether they shall be voting or
22 nonvoting members;



1 (B) Consider for membership members of the temporary
2 early childhood education task force as
3 identified in section 2(d) of Act 151, Session
4 Laws of Hawaii 2005;

5 (C) Consider for membership additional individuals
6 who do not represent organizations currently
7 represented by members of the temporary early
8 childhood education task force; and

9 (D) Appoint the members of the board no later than
10 December 31, 2006;

11 and

12 (4) The members of the temporary early childhood education
13 task force shall act as a transitional board of
14 directors until the governor appoints the permanent
15 members of the board of directors pursuant to
16 paragraph (3).

17 (c) The board shall appoint from its members a
18 chairperson, vice chairperson, secretary, treasurer, and any
19 other officers that the board may deem necessary or desirable to
20 carry out its functions.



1 (d) Members shall serve without compensation, but may be
2 reimbursed for the necessary expenses, including travel
3 expenses, incurred in the performance of their duties.

4 § -2 **Hawaii's early learning system conceptual**
5 **framework.** Hawaii's early learning system conceptual framework
6 shall be as follows:

7 (1) The purposes of the early learning system are to:

8 (A) Provide equal opportunities for early learning,
9 health, social, and family resources that are
10 responsive to families; and

11 (B) Include services and programs that are respectful
12 of the host culture, honor individual
13 preferences, and offer high quality choices;

14 (2) The basis on which the early learning system is built
15 and the ideals to which it aspires and that can be
16 identified in short-term, intermediate-term, and long-
17 term outcomes are as follows:

18 (A) All Hawaii residents acknowledge and understand
19 that the foundation of a child's life is
20 developed in the first eight years and any
21 interruption in the development trajectory can
22 require expensive intervention in later years;



- 1 (B) Families and communities shall become
2 knowledgeable about children's needs and how to
3 foster healthy development and learning;
- 4 (C) A variety of adequate, high quality care and
5 learning options that support the whole child
6 with regard to health, special needs, nutrition,
7 physical development, safety, and early learning
8 shall become available and accessible to all of
9 Hawaii's families with young children;
- 10 (D) The sustainability and progress of the early
11 learning system shall be ensured by policies that
12 include the engagement and participation of
13 communities, early learning and allied
14 professions, and public and private agencies;
- 15 (E) Adequate, sustainable, coordinated funding shall
16 be available for all sectors of the early
17 learning system; and
- 18 (F) Early care and education shall be recognized and
19 valued as a viable profession with adequate
20 compensation and benefits, accessible initial
21 preparation, and continuing professional
22 development opportunities;



1 and

2 (3) The principles used to guide decision-making that
3 express and support the mission and goals of the
4 system include:

5 (A) Every child has a right to quality early learning
6 experiences;

7 (B) Families are children's first and most important
8 teachers, and they must have choices for high
9 quality early learning settings;

10 (C) All settings that serve young children and their
11 families acknowledge the integrated nature of
12 development in the critical domains of cognitive,
13 social, emotional, physical, and moral
14 development;

15 (D) Care and education cannot be considered
16 separately in young children's learning and
17 development;

18 (E) Programs and services supported by the early
19 learning system must be standards-based and
20 accountable;

21 (F) Standards established for early learning programs
22 and services must be based on current knowledge



- 1 of child development and reflect best practices
2 in early childhood pedagogy and professional
3 development;
- 4 (G) Skilled and knowledgeable early care and
5 education practitioners are an essential key to
6 quality and must have access to education and
7 training opportunities and receive equitable
8 compensation and opportunities to succeed;
- 9 (H) Development and maintenance of the early learning
10 system must be based on data that is coordinated
11 and shared among all stakeholders in the system;
- 12 (I) Services must be seamless and transparent to
13 parents and children within the early learning
14 system;
- 15 (J) Limited resources must target under-served low-
16 income families first because this intervention
17 has proven to have the greatest return on
18 investment;
- 19 (K) Interagency coordination and collaboration are
20 essential to ensure children's optimal
21 development in all domains and the most effective
22 use of resources; and



1 (L) Successful transition to elementary school
2 requires effective collaboration, communication,
3 and continuity between early learning sites and
4 elementary schools. Transition strategies and
5 practices must be based on current understanding
6 of child development principles.

7 § -3 **Powers and duties.** The authority shall:

- 8 (1) Ensure cross-sector and interdepartmental
9 collaboration;
- 10 (2) Accept appropriations and any other state funding to
11 support the operations of the authority and to
12 implement priorities and standards;
- 13 (3) Develop a plan to ensure equal voluntary access to
14 high quality early learning experiences for all four-
15 year-old children;
- 16 (4) Convene a blue-ribbon task force to establish a plan
17 and strategies for sustainable financing of the early
18 learning system;
- 19 (5) Establish a workforce and professional development
20 institute to ensure the recruitment and retention of a
21 high-quality workforce for early learning programs;



1 (6) Promote the importance of early learning to families,
2 policymakers, and the general public; and

3 (7) Apply appropriations and any other state funding to
4 early learning programs to help build and strengthen
5 programs while enhancing their quality and capacity.

6 § -4 **Early learning districts; early learning county**

7 **councils.** (a) The authority shall establish four early
8 learning county districts and four early learning county
9 councils on the islands of Oahu, Hawaii, Kauai, and Maui,
10 supported by staff responsible for determining community needs
11 and developing plans that provide a variety and breadth of
12 programs that families desire.

13 (b) The duties of the early learning districts and
14 councils shall be countywide to:

15 (1) Collect and report data;

16 (2) Identify outcomes and indicators;

17 (3) Set strategic priorities;

18 (4) Coordinate community programs and services;

19 (5) Plan and budget programs to align them with district
20 strategic priorities;

21 (6) Assess performance of the district in relation to
22 district and system strategic priorities; and



1 (7) Coordinate interagency programs and services,
2 including public awareness, technical assistance to
3 providers, leadership and professional development,
4 and one-stop services for financial aid.

5 § **-5 Nonprofit organization; contract.** The authority
6 may contract with an early education organization exempt under
7 Section 501(c) (3) of the Internal Revenue Code, to assist in:

- 8 (1) Starting up operations of the authority by providing
9 coordination and technical assistance;
- 10 (2) Establishing a workforce and professional development
11 institute;
- 12 (3) The operation of the early learning districts and
13 early learning county councils;
- 14 (4) Implementing quality improvement grants to increase
15 overall program quality of early childhood education
16 programs;
- 17 (5) Expanding community-based early childhood education
18 programs such as play and learn groups;
- 19 (6) Leading a blue-ribbon panel to establish a plan and
20 strategies for sustainable financing of the early
21 learning system;



- 1 (7) Funding infrastructure to ensure improved data
- 2 systems; and
- 3 (8) Funding county and community activities expressed in
- 4 community plans.

5 § **-6 Workforce and professional development institute**
6 **for early childhood education.** The authority shall establish a
7 workforce and professional development institute within the
8 authority. The authority shall determine the composition of a
9 board of directors to govern the institute, select the members,
10 set their terms, and hire a director. The director, in
11 collaboration with the institute board and the authority, shall:

- 12 (1) Develop an early childhood education compensation plan
- 13 for the State;
- 14 (2) Develop and implement a plan to support the
- 15 recruitment and retention of the early childhood
- 16 workforce for all early learning settings;
- 17 (3) Develop and implement a plan to increase access to
- 18 higher education and community-based training for
- 19 early childhood educators;
- 20 (4) Conduct ongoing needs assessment and analysis of the
- 21 staffing needs of community early learning programs;

- 1 (5) Plan and provide for community-specific implementation
- 2 of recruitment and retention strategies with a
- 3 particular focus on creating career and professional
- 4 development counseling and support statewide;
- 5 (6) Advocate for and convene partners to ensure increased
- 6 access to a broad array of early learning community-
- 7 based and higher education options;
- 8 (7) Provide technical assistance to counties to identify
- 9 needs and secure funding to expand workforce and
- 10 professional development opportunities within their
- 11 communities; and
- 12 (8) Collaborate with the department of education and the
- 13 teacher education coordinating council."

14 SECTION 3. There is appropriated out of the general
 15 revenues of the State of Hawaii the sum of \$2,000,000 or so much
 16 thereof as may be necessary for fiscal year 2006-2007 for the
 17 operation of the early learning authority pursuant to this part
 18 as follows:

19	(1) Early learning authority	\$1,500,000
20	(2) Contract with nonprofit organization	500,000

21 The sum appropriated shall be expended by the department of
 22 education for the purposes of this part.



1 PART III

2 SECTION 4. Chapter , Hawaii Revised Statutes, is
3 amended by adding a new part to be appropriately designated and
4 to read as follows:

5 "PART .

6 FINANCIAL INCENTIVES FOR THE EARLY LEARNING SYSTEM

7 § -A Capacity expansion subsidies. (a) If selected, a
8 qualifying early learning program may claim a capacity expansion
9 subsidy to start or expand their program to serve more children,
10 including:

- 11 (1) The creation of a new program;
- 12 (2) The construction of a new facility;
- 13 (3) Renovations and other improvements to an existing
14 facility;
- 15 (4) The purchase of equipment or systems that enable
16 facilities to comply with building, fire, and
17 sanitation codes;
- 18 (5) The purchase of furnishings; and
- 19 (6) The purchase of motor vehicles to provide
20 transportation for children to programs, or for staff
21 and program materials to various locations for
22 traveling programs.

1 (b) The subsidy allowed for each qualifying early learning
2 program shall be a maximum of \$ per year.

3 (c) To apply for the subsidy, an early learning program
4 shall submit a program description to the early learning
5 authority, to include:

6 (1) The program's purpose, mission, and history, if the
7 latter is applicable;

8 (2) The population, in terms of age and geographic
9 location, that will be served by the program;

10 (3) A description of the program, including curriculum and
11 staffing qualifications;

12 (4) A description of the proposed facilities or expansion
13 of existing facilities;

14 (5) Current funding;

15 (6) Program outcomes and evaluation procedures; and

16 (7) Operating hours.

17 (d) The early learning authority shall select early
18 learning programs to receive the subsidy based on the early
19 learning program's compatibility with the strategic plan set by
20 the area's early learning county council, through an evaluation
21 of the program description submitted by the applicant.



1 (e) Prior to receiving the subsidy, the selected early
2 learning program shall enter into a written contract with the
3 department of education agreeing to:

4 (1) Begin operations of the early learning program in the
5 state within one year after receiving the subsidy, or
6 continue operations of the early learning program for
7 at least a period of three years after receiving the
8 subsidy, unless the department of education determines
9 that there are extenuating circumstances; and

10 (2) Reimburse the State for all amounts received under
11 this section if the early learning program fails to
12 comply with this subsection.

13 (f) The department shall monitor and verify an early
14 learning program's fulfillment of all requirements for a subsidy
15 under this section.

16 If an early learning program does not comply with the
17 requirements of the capacity expansion subsidy, the department
18 of education shall enforce repayment of all amounts received
19 under this section. Enforcement shall include the use of all
20 lawful collection procedures, including private collection
21 agencies.

1 Any person who knowingly or intentionally procures,
2 obtains, or aids another to procure or obtain a capacity
3 expansion subsidy through fraudulent means shall be disqualified
4 from future receipt of the subsidy and shall be liable to the
5 department of education to repay the subsidy.

6 (g) The superintendent of education:

7 (1) Shall prepare forms as may be necessary to claim a
8 subsidy under this section;

9 (2) Shall enter into a written contract with the applicant
10 pursuant to subsection (e) after the early learning
11 authority has selected the applicant to receive the
12 subsidy;

13 (3) Shall prepare an annual report to the governor and
14 legislature containing, in regards to the prior
15 calendar year:

16 (A) The number of subsidies granted;

17 (B) The programs to which subsidies were granted and
18 for what purpose;

19 (C) The total amount of subsidies granted; and

20 (D) The total number of programs that fail to comply
21 with subsection (e);

22 and



1 (4) May adopt rules pursuant to chapter 91 to effectuate
2 this section.

3 (h) As used in this section:

4 "Facility" means the site in which an early learning
5 program that is either licensed or is license-exempt, operates
6 or is conducted, whether it is in a formal, center-based
7 setting, or in an informal setting such as a site that is mainly
8 used for a purpose other than an early learning program but has
9 an area dedicated for the program; provided that in a family
10 childcare home, "facility" means the part of the home that is
11 used for the family childcare program.

12 "Qualifying early learning program" means a program that:

13 (1) Provides early learning services to three or more
14 unrelated children whose ages range from birth to five
15 years old;

16 (2) Is operational for a minimum of eight hours a week;
17 and

18 (3) Is licensed under the department of human services or
19 is license-exempt,

20 and shall include public, private, non-profit, and for-profit
21 preschools, child care centers, nursery schools, preschools
22 operating within public and private schools, head start



1 programs, and independent and system affiliated family child
2 care homes. The program shall fulfill, or plan to fulfill as
3 shown in a program description submitted to the early learning
4 authority, the criteria set by the early learning authority for
5 an early learning program.

6 § **-B Quality enhancement subsidies for early learning**
7 **programs.** (a) If selected, a qualifying early learning program
8 may claim a quality enhancement subsidy to improve the quality
9 of the program in one or more of the following areas:

- 10 (1) Development and use of the Hawaii preschool content
11 standards, if the program serves four-year-old
12 children;
- 13 (2) Curriculum and learning activities that are
14 developmentally and culturally-appropriate;
- 15 (3) Developmentally and culturally-appropriate interaction
16 with the children and families served;
- 17 (4) Technology-assisted education;
- 18 (5) Training and development of staff, leadership,
19 administration, and organization;
- 20 (6) Safety and healthiness of the environment;



1 (7) Procedures that ensure access to needed health,
2 immunization, and related services for the children
3 served;

4 (8) Resource and referral services;

5 (9) Needs and resource assessments;

6 (10) Program evaluation;

7 (11) Technical assistance; and

8 (12) Long-range planning.

9 (b) The subsidy allowed for each qualifying early learning
10 program shall be a maximum of \$ per year.

11 (c) To apply for the subsidy, an early learning program
12 shall submit a program description to the early learning
13 authority, to include:

14 (1) The program's purpose, mission, and history, if the
15 latter is applicable;

16 (2) The population, in terms of age and geographic
17 location, that will be served by the program;

18 (3) A description of the program, including curriculum and
19 staffing qualifications;

20 (4) A description of the goal for quality enhancement;

21 (5) Current funding;

22 (6) Program outcomes and evaluation procedures; and



1 (7) Operating hours.

2 (d) The early learning authority shall select early
3 learning programs to receive the subsidy based on the early
4 learning program's compatibility with the strategic plan set by
5 the area's early learning county council, through an evaluation
6 of the program description submitted by the applicant.

7 (e) Prior to receiving the subsidy, the selected early
8 learning program must enter into a written contract with the
9 department of education agreeing to:

10 (1) Begin operations of the early learning program in the
11 state within one year after receiving the subsidy, or
12 continue operations of the early learning program for
13 at least a period of three years after receiving the
14 subsidy, unless the department of education determines
15 that there are extenuating circumstances; and

16 (2) Reimburse the State for all amounts received under
17 this section if the early learning program fails to
18 comply with this subsection.

19 (f) The department shall monitor and verify an early
20 learning program's fulfillment of all requirements for a subsidy
21 under this section.



1 If an early learning program does not comply with the
2 requirements of the quality enhancement subsidy, the department
3 of education shall enforce repayment of all amounts received
4 under this section. Enforcement shall include the use of all
5 lawful collection procedures, including private collection
6 agencies.

7 Any person who knowingly or intentionally procures,
8 obtains, or aids another to procure or obtain a quality
9 enhancement subsidy through fraudulent means shall be
10 disqualified from future receipt of the subsidy and shall be
11 liable to the department of education to repay the subsidy.

12 (g) The superintendent of education:

13 (1) Shall prepare forms as may be necessary to claim a
14 subsidy under this section;

15 (2) Shall enter into a written contract with the applicant
16 pursuant to subsection (e) after the early learning
17 authority has selected the applicant to receive the
18 subsidy;

19 (3) Shall prepare an annual report to the governor and
20 legislature containing, in regards to the prior
21 calendar year:

22 (A) The number of subsidies granted;



1 (B) The programs to which subsidies were granted and
2 for what purpose;

3 (C) The total amount of subsidies granted; and

4 (D) The total number of programs that fail to comply
5 with subsection (e);

6 and

7 (4) May adopt rules pursuant to chapter 91 to effectuate
8 this section.

9 (h) As used in this section:

10 "Qualifying early learning program" means a program that:

11 (1) Provides early learning services to three or more
12 unrelated children whose ages range from birth to five
13 years old;

14 (2) Is operational for a minimum of eight hours a week;
15 and

16 (3) Is licensed under the department of human services or
17 is license-exempt,

18 and shall include public, private, non-profit, and for-profit
19 preschools, child care centers, nursery schools, preschools
20 operating within public and private schools, head start
21 programs, and independent and system affiliated family child
22 care homes. The program shall fulfill, or plan to fulfill as



1 shown in a program description submitted to the early learning
2 authority, the criteria set by the early learning authority for
3 an early learning program.

4 § -C **Scholarship grants for early learning**

5 **practitioners.** (a) The department of education shall provide
6 scholarship grants up to a maximum amount per academic year as
7 determined by the early learning authority, to eligible early
8 learning practitioners to further their knowledge, skills, and
9 ability to work with children. The early learning authority
10 shall establish guidelines governing the administration of the
11 scholarship grants.

12 (b) The scholarship grant shall be for a maximum period of
13 time as determined by the early learning authority. To qualify
14 for renewals beyond the first year, the practitioner shall
15 comply with the requirements of subsection (e), and the early
16 learning authority shall determine that the practitioner is
17 making satisfactory progress toward completing an associate's or
18 bachelor's degree or certification.

19 (c) Scholarship grants shall only be used for tuition,
20 books, laboratory fees, and any other required educational fees
21 and costs.



1 (d) A practitioner applying for the scholarship shall
2 apply to the early learning authority and include all
3 information and documentation required by the early learning
4 authority. The application shall include a verified statement
5 of grade point average from the appropriate approved educational
6 institution.

7 (e) The practitioner shall enter into a written contract
8 with the department of education agreeing to:

9 (1) Satisfy all degree or certification requirements and
10 other requirements under this section;

11 (2) After receiving the degree, continue providing early
12 learning services in the state for the minimum period
13 of time determined by the early learning authority;
14 and

15 (3) Reimburse the State for all amounts received under
16 this section if the practitioner fails to comply with
17 this subsection.

18 (f) Scholarship grants received by a student under this
19 section shall not be considered taxable income under chapter
20 235, or considered financial assistance or appropriations to the
21 approved educational institution.



1 (g) Scholarship grants awarded under this section shall be
2 limited to funds appropriated for the purpose of awarding grants
3 or funds otherwise matched by external entities. First priority
4 for scholarship grant awards shall be given to renewal
5 applicants.

6 (h) A scholarship grant under this section is only
7 transferable to another approved educational institution if
8 approved by the early learning authority.

9 (i) If the practitioner terminates enrollment in the
10 approved educational institution during the academic year or
11 prior to completion of the approved course of study and is
12 eligible to have all or a portion of the tuition payments
13 refunded under the refund policies of the institution, the
14 approved educational institution shall notify the early learning
15 authority in writing and shall return all unused portions of the
16 scholarship grant to the department of education. Returned
17 amounts shall be used to fund other scholarship grants under
18 this section.

19 (j) The early learning authority shall monitor and verify
20 a practitioner's fulfillment of all requirements for a
21 scholarship grant under this section.



1 If a practitioner does not comply with the requirements of
2 the scholarship grant, the department of education shall enforce
3 repayment of all amounts received under this section.

4 Enforcement shall include the use of all lawful collection
5 procedures, including private collection agencies.

6 Any person who knowingly or intentionally procures,
7 obtains, or aids another to procure or obtain a scholarship
8 grant through fraudulent means shall be disqualified from future
9 receipt of the scholarship grant and shall be liable to the
10 department of education to repay the scholarship grant.

11 (k) The superintendent of education:

12 (1) Shall prepare forms as may be necessary to claim a
13 scholarship grant under this section;

14 (2) Shall enter into a written contract with the applicant
15 pursuant to subsection (e) after the early learning
16 authority has selected the applicant to receive the
17 scholarship grant;

18 (3) Shall prepare an annual report to the governor and
19 legislature containing, in regards to the prior
20 calendar year:

21 (A) The total number of practitioners receiving
22 scholarship grants;



1 (B) The total amount of scholarship grants awarded;
2 and

3 (C) The total number of practitioners who fail to
4 comply with subsection (e);
5 and

6 (4) May adopt rules pursuant to chapter 91 to effectuate
7 this section.

8 (1) As used in this section:

9 "Eligible early learning practitioner" means an individual
10 who:

11 (1) Is a resident of the state of Hawaii;

12 (2) Provides early learning services to three or more
13 unrelated children whose ages range from birth to five
14 years old, including individuals employed as teachers,
15 assistant teachers, aides, or family child care
16 providers in public, private, non-profit, and for-
17 profit preschools, child care centers, nursery
18 schools, preschools operating within public and
19 private schools, head start programs, and independent
20 and system affiliated family child care homes, whether
21 licensed under the department of human services or
22 license-exempt;

1 (3) Has been employed in the position for at least one
2 year prior to applying for a scholarship grant under
3 this section; and

4 (4) Is enrolled in and pursuing courses of study that will
5 lead to an associate's or bachelor's degree in early
6 childhood care or education, or early learning teacher
7 certification.

8 § -D **Practitioner wage supplements.** (a) The department
9 of education shall provide wage supplements based on educational
10 background, as determined by the early learning authority, to
11 eligible early learning practitioners to ensure their adequate
12 compensation. The early learning authority shall establish
13 guidelines governing the administration of the scholarship
14 grants.

15 (b) The department of education shall distribute wage
16 supplements as follows:

17 (1) \$6,000 per year for practitioners with a bachelor's or
18 master's degree in early childhood care or education;

19 (2) \$3,000 per year for practitioners with an associate's
20 degree in early childhood care or education; and

21 (3) \$1,500 per year for practitioners with a child
22 development associate credential certificate.



1 (c) Wage supplements shall be paid directly to eligible
2 early learning practitioners every six months, to supplement and
3 not supplant wages earned in the prior six-month period.

4 (d) A practitioner applying for the wage supplement shall
5 apply to the early learning authority and include all
6 information and documentation required by the early learning
7 authority, such as proof of employment wages received and
8 official college transcripts from the appropriate approved
9 educational institution.

10 (e) Wage supplements distributed under this section shall
11 be limited to funds appropriated for the purpose of distributing
12 wage supplements or funds otherwise matched by external
13 entities. First priority for wage supplement distribution shall
14 be given to practitioners with the lowest current salaries.

15 (f) The early learning authority shall verify a
16 practitioner's fulfillment of all requirements for a wage
17 supplement under this section.

18 If, after receiving the wage supplement, a practitioner is
19 found to be in noncompliance with the requirements to receive a
20 wage supplement, the department of education shall enforce
21 repayment of all amounts received under this section.



1 Enforcement shall include the use of all lawful collection
2 procedures, including private collection agencies.

3 Any person who knowingly or intentionally procures,
4 obtains, or aids another to procure or obtain a wage supplement
5 through fraudulent means shall be disqualified from future
6 receipt of the wage supplement and shall be liable to the
7 department of education to repay the wage supplement.

8 (g) The superintendent of education:

9 (1) Shall prepare forms as may be necessary to claim a
10 wage supplement under this section;

11 (2) Shall prepare an annual report to the governor and
12 legislature containing, in regards to the prior
13 calendar year:

14 (A) The total number of practitioners receiving wage
15 supplements, and categorized according to
16 subsection (b);

17 (B) The total amount of wage supplements distributed,
18 and categorized according to subsection (b);

19 (C) The salaries of each practitioner receiving wage
20 supplements and the early learning program under
21 which they are employed; and



1 (D) The total number of practitioners who are found
2 to be in noncompliance with the requirements to
3 receive a wage supplement;

4 and

5 (4) May adopt rules pursuant to chapter 91 to effectuate
6 this section.

7 (h) As used in this section:

8 "Eligible early learning practitioner" means an individual
9 who:

10 (1) Is a resident of the state of Hawaii;

11 (2) Provides early learning services to three or more
12 unrelated children whose ages range from birth to five
13 years old, including individuals employed as teachers,
14 assistant teachers, aides, or family child care
15 providers in public, private, non-profit, and for-
16 profit preschools, child care centers, nursery
17 schools, preschools operating within public and
18 private schools, head start programs, and independent
19 and system affiliated family child care homes, whether
20 licensed under the department of human services or
21 license-exempt; provided that in center-based early



1 learning programs, all teaching and administrative
2 staff are eligible regardless of job title;
3 and

4 (3) Has been employed in the position for at least six
5 consecutive months prior to applying for wage
6 supplements under this section.

7 § -E **Early learning subsidies for four-year-old**

8 **children.** (a) The department of education shall provide
9 subsidies, up to a maximum of \$6,360 per year per child, for
10 eligible children to attend qualifying early learning programs.

11 (b) A qualifying early learning program may apply with the
12 early learning authority for early learning subsidies for
13 eligible children who are admitted to the program. The subsidy
14 shall apply only to the current school year.

15 Parents or guardians of eligible children shall make known
16 their desire to receive a subsidy by applying for the subsidy
17 with the early learning program, including submitting:

- 18 (1) Proof of the child's age;
19 (2) Proof of child's enrollment in the program; and
20 (3) Proof that they have received and understand the
21 program's attendance policy.



1 (c) Subsidies can only be applied toward tuition and other
2 costs or fees for a child to attend the program that claimed the
3 subsidy.

4 (d) There shall be no limit on the number of eligible
5 children admitted to a qualifying early learning program.

6 (e) Subsidies distributed under this section shall be
7 limited to funds appropriated for the purpose of distributing
8 early learning subsidies or funds otherwise matched by external
9 entities. If the student enrollment in the program for a fiscal
10 year exceeds the estimated enrollment upon which the
11 appropriation for that fiscal year is provided, thereby causing
12 a shortfall, any funds appropriated to the program for the
13 subsequent fiscal year shall be used first to fund the
14 shortfall.

15 (f) The early learning authority shall verify a child's
16 eligibility and an early learning program's fulfillment of all
17 requirements to receive early learning subsidies under this
18 section. The early learning authority shall monitor the program
19 after the subsidy has been given, including monitoring of
20 enrollment and attendance of children for whom subsidies have
21 been given, and shall make annual visits.



1 If, after receiving the early learning subsidies, an early
2 learning program is found to be in noncompliance with the
3 requirements to receive early learning subsidies, the department
4 of education shall enforce repayment of all amounts received
5 under this section. Enforcement shall include the use of all
6 lawful collection procedures, including private collection
7 agencies.

8 Any person who knowingly or intentionally procures,
9 obtains, or aids another to procure or obtain an early learning
10 subsidy through fraudulent means shall be disqualified from
11 future receipt of the early learning subsidy and shall be liable
12 to the department of education to repay the early learning
13 subsidy.

14 (g) The superintendent of education:

15 (1) Shall prepare forms as may be necessary to claim an
16 early learning subsidy under this section;

17 (2) Make available to parents information about early
18 learning subsidies and provide lists and profiles of
19 qualifying early learning programs;

20 (3) Shall prepare an annual report to the governor and
21 legislature containing, in regards to the prior
22 calendar year:



- 1 (A) The total number of programs receiving early
- 2 learning subsidies;
- 3 (B) The number of children receiving subsidies in
- 4 each program;
- 5 (C) The total number of children receiving subsidies;
- 6 (D) The amount of subsidy received by each child;
- 7 (E) The total amount of subsidies distributed;
- 8 (F) The tuition rates, fees, and other costs for each
- 9 early learning program that claims subsidies; and
- 10 (G) The total number of programs found to be in
- 11 noncompliance with the requirements to receive an
- 12 early learning subsidy;

13 and

14 (4) May adopt rules pursuant to chapter 91 to effectuate

15 this section.

16 (h) Nothing in this section shall be construed to mean

17 that:

- 18 (1) Every child is required to attend an early learning
- 19 program;
- 20 (2) Every early learning program must participate as a
- 21 qualifying early learning program; or



1 (3) An early learning program is required to admit every
2 child.

3 (i) As used in this section:

4 "Eligible child" means a child who:

5 (1) Has attained the age of four years on or before August
6 1 of the school year in which the subsidy is being
7 claimed;

8 (2) Is a resident of the state of Hawaii; and

9 (3) Is a dependent in a family with income under three
10 hundred thirty per cent of the federal poverty level.

11 A child's eligibility does not depend on the child's
12 parents' or guardians' working status or their ability to pay
13 program tuition and other costs or fees.

14 A child remains eligible until the beginning of the school
15 year for which the child is eligible for admission to
16 kindergarten or until the child is admitted to kindergarten,
17 whichever occurs first.

18 "Qualifying early learning program" means a program that:

19 (1) Is licensed under the department of human services,
20 and is currently and historically in compliance with
21 all licensing requirements;

- 1 (2) Provides early learning services for a full day, five
2 days a week;
- 3 (3) Includes public or private organizations exempt under
4 Section 501(c)(3) of the Internal Revenue Code,
5 private for-profit organizations, family childcare
6 programs, group child care homes, local elementary
7 schools, or head start programs;
- 8 (4) Is designed to meet and enhance each child's age- or
9 developmentally-appropriate progress in language,
10 cognitive, social, emotional, and moral development;
- 11 (5) Has adopted the Hawaii preschool content standards in
12 its curriculum;
- 13 (6) Observes standards for practitioner qualifications
14 based on the department of human services' phased and
15 tiered plan for improving professionalism in early
16 learning programs;
- 17 (7) Has observed standards for teacher-child ratios, group
18 size, health and safety, family involvement, and
19 inclusion of special needs children; and
- 20 (8) Is in compliance with anti-discrimination
21 requirements, even if the program receives federal
22 financial assistance."

1 SECTION 5. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$8,000,000 or so much
3 thereof as may be necessary for fiscal year 2006-2007 for
4 capacity expansion subsidies for early learning programs;
5 provided that any moneys remaining from the appropriation that
6 have not been distributed as subsidies by June 30, 2007, be
7 appropriated to the department of education for the early
8 learning authority's early learning programs.

9 The sum appropriated shall be expended by the department of
10 education for the purposes of this part.

11 SECTION 6. There is appropriated out of the general
12 revenues of the State of Hawaii the sum of \$8,000,000 or so much
13 thereof as may be necessary for fiscal year 2006-2007 for
14 quality enhancement subsidies for early learning programs;
15 provided that any moneys remaining from the appropriation that
16 have not been distributed as subsidies by June 30, 2007, be
17 appropriated to the department of education for the early
18 learning authority's early learning programs.

19 The sum appropriated shall be expended by the department of
20 education for the purposes of this part.

21 SECTION 7. There is appropriated out of the general
22 revenues of the State of Hawaii the sum of \$250,000 or so much

1 thereof as may be necessary for fiscal year 2006-2007 for
2 scholarship grants for early learning practitioners; provided
3 that any moneys remaining from the appropriation that have not
4 been distributed as scholarship grants by June 30, 2007, be
5 appropriated to the department of education for other
6 scholarship grants approved by the early learning authority.

7 The sum appropriated shall be expended by the department of
8 education for the purposes of this part.

9 SECTION 8. There is appropriated out of the general
10 revenues of the State of Hawaii the sum of \$250,000 or so much
11 thereof as may be necessary for fiscal year 2006-2007 to
12 administer practitioner wage supplements.

13 The sum appropriated shall be expended by the department of
14 education for the purposes of this part.

15 SECTION 9. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$3,250,000 or so much
17 thereof as may be necessary for fiscal year 2006-2007 for
18 practitioner wage supplements; provided that any moneys
19 remaining from the appropriation that have not been distributed
20 as wage supplements by June 30, 2007, be appropriated to the
21 department of education for the early learning authority's early
22 learning programs.



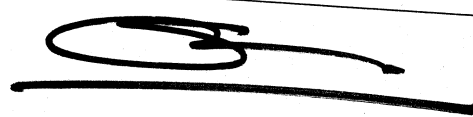
1 the governor and legislature no later than twenty days prior to
2 the convening of each regular session, to include:

- 3 (1) A summary of its progress and accomplishments in
4 relation to mission, goals, guiding principles, and
5 duties set out in chapter ;
- 6 (2) Standards developed for early learning programs; and
- 7 (3) A financial report of funds received and the purposes
8 for which they were used, as specified in this Act.

9 SECTION 13. The department of education may enter into a
10 contract with a non-profit organization to administer or
11 implement any part of this Act.

12 SECTION 14. In codifying the new sections added by section
13 4 of this Act, the revisor of statutes shall substitute
14 appropriate section numbers for the letters used in designating
15 the new sections in this Act.

16 SECTION 15. This Act shall take effect on July 1, 2006.
17

INTRODUCED BY: B Taheri


DAN 25 2006

H.B.NO. 3237

Report Title:

Early Childhood Education

Description:

Creates an Early Learning Authority to oversee the State's early childhood learning system. Makes more early childhood learning programs and facilities available by establishing financial incentives for their creation. Improves the quality of early childhood learning programs and practitioners by establishing financial incentives. Attracts and retains quality practitioners in the early learning system by ensuring adequate compensation. Guarantees the availability of early learning opportunities to all children by providing subsidies to all four-year-olds.

