

Honolulu, Hawaii

April 4, 2008

RE: S.B. No. 2878
S.D. 2
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2878, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EARLY LEARNING,"

begs leave to report as follows:

The purpose of this bill is to help Hawaii's children reach their full potential as individuals and citizens, beginning at birth, by:

- (1) Establishing a comprehensive, cohesive, and sustainable early learning system of voluntary educational programs and services to be known as Keiki First Steps (System), to ensure a spectrum of quality early learning opportunities for children throughout the state, from birth until the time they enter kindergarten;
- (2) Creating and appropriating funds for the Early Learning Council (Council) to develop the System;
- (3) Establishing and appropriating funds for the Three- and Four-Year-Old Program component of the System, which coordinates, improves, and expands existing programs and services for three- and four-year-old children through the Department of Human Services (DHS), with priority given to underserved or at-risk children;



- (4) Statutorily establishing the Pre-Plus Program, the goal of which is to increase the supply of suitable classrooms for early childhood programs statewide, by requiring the Department of Education (DOE) and DHS to develop suitable Pre-Plus classrooms on DOE campuses statewide, for early childhood education programs.

DOE, the University of Hawaii System, Good Beginnings Alliance, Hawaii Association of Independent Schools, Junior League of Honolulu, Aloha United Way, and a concerned individual testified in support of this bill. The Department of Budget and Finance opposed this measure. DHS, the Office of Information Practices, Good Beginnings Alliance Board, Kamehameha Schools, Hawaii Association for the Education of Young Children, and several concerned individuals offered comments.

Your Committee notes that concerns have been raised regarding the extent of the Council's authority, and wishes to clarify that the intent is neither to authorize the Council to establish policies prohibited by other state or federal laws, nor to act in contradiction to state or federal law by directing programs currently housed in any state department or agency. For example:

- (1) The Department of Health should be allowed to continue administering and operating the Healthy Start Program and other existing programs for children from birth to three years of age;
- (2) DOE should be allowed to continue the current practice of administering and operating special education classes for three- and four-year-old children; and
- (3) DHS should be allowed to continue administering existing child care programs that are funded with state general funds and federal funds.

However, it is reasonably expected that state departments and agencies such as DOH, DOE, and DHS should work cooperatively with the Council to enhance, expand, and improve the quality of the System to be developed by the Council.

Your Committee would also like to clarify that the reason for statutorily establishing the Keiki First Steps Trust Fund (Fund) is to provide a means by which private donors may contribute to the development of the System. Hawaii- and mainland-based private donors are encouraged to donate to the Fund, as your Committee



believes that the System will be most effective if both public and private funds are available to build a spectrum of quality early learning opportunities in Hawaii.

Your Committee has amended this bill by, among other things:

- (1) Elaborating on the achievements thus far in promoting young children's development and school readiness through public and private efforts;
- (2) Clarifying the definition of "family child care program" to mean a program in which a child is cared for in a family child care home licensed under section 346-161, Hawaii Revised Statutes (HRS);
- (3) Clarifying the definition of "family-child interaction learning program" to mean a program attended by both a child and at least one adult who is the child's parent, relative, or other caregiver;
- (4) Adding a definition of "home-based instruction program";
- (5) Specifying that the System is to give priority to underserved or at-risk children;
- (6) Clarifying that the System is not only to coordinate but also improve and expand existing early learning programs and services;
- (7) Clarifying that the System is to offer opportunities for family, and not just parent, engagement;
- (8) Requiring the Council to establish policies and procedures governing the inclusion of children with special needs;
- (9) Clarifying that the Council must develop and implement methods of maximizing the involvement of families and not just parents;
- (10) Requiring the Council to recommend, rather than determine, the appropriate proportion of state funds that should be distributed to programs and services across the System;
- (11) Changing the membership of the Council as follows:



- (A) Removing one of the two representatives of center-based child care program providers, and requiring the remaining representative to serve a two-year term; and
 - (B) Replacing the representative of non-center-based child care program providers with one representative of family child care program providers and one representative of family-child interaction learning program providers, both of whom are to serve three-year terms;
- (12) Specifying that the invited members of the Council shall be voting members;
 - (13) Removing the blanket exemption of Council workgroups and subcommittees from Chapter 92, HRS, and specifying that two or more Council members, but less than a quorum, may discuss matters relating to official Council business in the course of their participation in a workgroup or subcommittee;
 - (14) Providing for the appointment of the executive director of the Council without regard to the civil service and collective bargaining law (Chapters 76 and 89, HRS);
 - (15) Clarifying that the executive director of the Council may appoint other personnel without regard to Chapters 76 and 89, HRS;
 - (16) Requiring all publicly-run programs and services that participate in the System to establish a system to account for expenditures of non-federal funds that would qualify for matching federal childcare and development funds, or other federal funds, and provide this data to the Council to maximize the availability of federal funds;
 - (17) Including a provision to encourage privately-run programs and services that participate in the System to make the same data available;
 - (18) Renaming the Three- and Four-Year-Old Program as the Keiki First Steps Grant Program (Grant Program) and clarifying that its purpose is to increase early



learning opportunities that meet high standards of quality through the awarding of grants to publicly- or privately-run:

- (A) Center-based programs for three- and four-year-old children; and
 - (B) Family child care programs, family-child interaction learning programs, and other programs and services regardless of the age of children served;
- (19) Establishing the Grant Program requirement that home-based instruction programs provide early learning activities for no fewer than 30 weeks within a school year;
- (20) Changing the provisions of the Fund as follows:
- (A) Requiring the Council, rather than DOE, to administer the Fund;
 - (B) Removing fines from the type of moneys that can be deposited into the Fund;
 - (C) Including appropriations made by the Legislature to the Fund as monies that can be deposited into the Fund;
 - (D) Clarifying that monies in the Fund are to be used for the System; and
 - (E) Providing that expenditures from the Fund may be made by the Council without appropriation or allotment;
- (21) Changing the Pre-Plus Program as follows:
- (A) Removing the specification that Pre-Plus classrooms be developed for programs in the System that serve children between birth until the time they enter kindergarten, to lend consistency to the Pre-Plus Program statute; and
 - (B) Requiring DHS with DOE, in coordinating site selection for public school sites, to also give



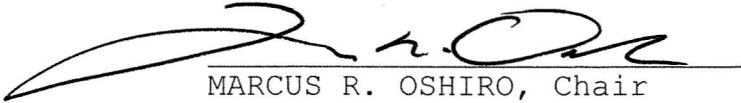
priority to sites located in areas with limited access to early learning programs and services;

and

- (22) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2878, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2878, S.D. 2, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



