

Honolulu, Hawaii

Feb 11, 2010

RE: H.B. No. 2355  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred H.B. No. 2355 entitled:

"A BILL FOR AN ACT RELATING TO CHILD CARE,"

begs leave to report as follows:

The purpose of this bill is to help ensure a socially and fiscally responsible provision of child care cash support by:

- (1) Implementing a \$500 per month per child cap on child care subsidies and reimbursements; and
- (2) Requiring that income eligibility for subsidized preschool care programs be subject to the eligibility criteria in effect on December 31, 2009.

Kauai Independent Daycare Services, Inc. and several concerned individuals testified in support of this bill. Good Beginnings Alliance supported the intent of this measure. The Department of Human Services (DHS) opposed this bill. Several concerned individuals provided comments.

Many families continue to face severe hardship in the current economic climate, leading to an increased strain on state social services. Consequently, your Committee is concerned both about seeming discrepancies in the total appropriation amounts submitted for the program and the manner in which appropriated funds are distributed. For example, according to DHS, approximately 47

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percent of the appropriation for child care cash support is expended for "relative care," however, it is unclear what "relative care" actually encompasses.

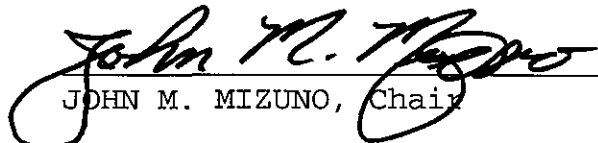
As such, your Committee respectfully requests the subsequent committee, should it choose to hear this measure, to investigate the expenditure of funds under HMS305, giving particular scrutiny to whether the expenditures within each service type category are proper and consistent with the best interests of both the state and the families being served.

Your Committee has amended this bill by:

- (1) Replacing the amount of the maximum per month per child subsidy or reimbursement with an unspecified amount;
- (2) Adding an appropriation in an unspecified amount for the provision of cash support for child care;
- (3) Changing the effective date to January 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2355, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2355, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Human Services,

  
JOHN M. MIZUNO, Chair



