

STAND. COM. REP. NO.

2238

Honolulu, Hawaii

FEB 12 2010

RE: S.B. No. 2861  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Madam:

Your Committee on Human Services, to which was referred S.B. No. 2861 entitled:

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

begs leave to report as follows:

The purpose of this measure is to support the implementation of the Department of Human Services' new child care subsidy system by creating a maximum monthly amount for child care subsidies per child.

The measure also encourages the provision of licensed child care by preserving the existing eligibility guidelines in place for child care provided in preschool care that were in effect on December 31, 2009.

Testimony in support of this measure was submitted by the Childcare Business Coalition and Good Beginnings Alliance. Testimony in opposition to this measure was submitted by the Department of Human Services. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that there is a critical shortfall with regards to child care in Hawaii, and there are grave concerns about the amount of subsidies available for child care costs. It appears that the amount budgeted for child care subsidies is being depleted much faster than anticipated and are expected to be completely depleted by the end of February 2010. Your Committee also finds that there is an increased need for child care around

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the State which makes subsidies even more necessary to our community. Your Committee further finds that there is community and provider concern over the attempt to impose a ceiling on the amount recipients would receive for subsidies, since such a cap may lead to recipients seeking lower quality and unlicensed child care. There is also community concern about the Department's decision to have multiple payment categories. Your Committee believes that this decision should be revisited to avoid negatively impacting vulnerable families as well as the centers that provide these valuable child care services.

Your Committee additionally finds that an appropriation for child care will keep day care centers and preschools open, will help maintain staffing levels and possibly create new jobs, and would be beneficial to the community and would bolster the local economy. In addition, when families are able to get child care they can afford, they are able to continue to work and sustain their families.

Accordingly, your Committee has replaced the contents of this measure with language to appropriate funds for continued child care subsidies and has left the amount blank to promote further discussion. Your Committee also notes that if general funds are not available, additional funding sources could be Temporary Assistance for Needy Families (TANF) or Community Development Block Grants (CDBG).

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 S.B. No. 2861, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2861, S.D. 1, and be referred to the Committee on Ways and Means.

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

  
SUZANNE CHUN OAKLAND, Chair



The Senate  
 Twenty-Fifth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Human Services**  
**HMS**

Bill / Resolution No.:* <b>SB2861</b>	Committee Referral: <b>HMS, WAM</b>	Date: <b>2/9/10</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
IHARA, Jr., Les (VC)	✓			
GREEN, M.D., Josh	✓			
HEMMINGS, Fred				✓
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<b>Distribution:</b> Original    Yellow    Pink    Goldenrod File with Committee Report    Clerk's Office    Drafting Agency    Committee File Copy				

\*Only one measure per Record of Votes