

# DHS Child Care Subsidy Fact Sheet

- Unless the State Department of Human Services (DHS) restructures its child care subsidy program effective January 1, 2010, the budget will be depleted by the end of February and no money will be available for payments from March through June. DHS is acting to avert this crisis.
- DHS is not tightening eligibility for this important program nor cutting the budget. In fact, DHS hiked the budget by \$8.5 million over last year, bringing the total to nearly \$66 million.
- The challenge is, many more families are applying for assistance, child care providers are raising rates, and the \$66 million is being depleted much faster than anticipated.
- To solve this challenge, DHS plans to implement on January 1 a new and more incremental sliding scale for paying child care subsidy benefits.
- Under the new system, which is similar to Delaware's sliding scale, there would be ten gradual income steps, not just three. The neediest families would continue receiving 100 percent subsidies, while other families would receive subsidies ranging from 90 percent to 10 percent as their incomes rise.
- The transition to the new sliding scale should not be too difficult for most families. Under the DHS proposal, two-thirds of families would have at least half their child care costs paid by the State. And nearly 40 percent of families would receive an 80 percent subsidy or higher.
- While many parents would receive smaller subsidies because they make more money than other families, this new approach avoids far greater hardships by ensuring that no one completely loses benefits.
- To ease the transition for working families impacted by lower subsidies, financial aid for housing and child care is available from federally funded programs.
- One source of help is a federally funded program operated by the Salvation Army. For a family of three, a payment of \$3,110 is available once every 12 months. This money can be used for child and dependent care, rent, transportation and other necessities.
- Assistance is also available statewide through the new Homeless Prevention and Rapid Re-Housing Program, funded by more than \$6 million in federal American Recovery and Reinvestment Act funds. Families can receive six to 18 months of cash assistance.
- In addition, all families receiving DHS child care subsidies are eligible for free and comprehensive Medicaid coverage for their children.

- Many families receiving subsidies are also eligible for the Supplemental Nutrition Assistance Program (SNAP), formerly called the Hawaii Food Stamp Program. This amounts to \$645 per month for the typical family of three receiving child care subsidies.
- Also lessening the impact of the new subsidy structure is the fact that the majority of families (56 percent) choose the least expensive form of child care, which is provided by relatives (see chart on next page).
- Aside from fiscal concerns, DHS wants to implement the new sliding scale because the current system has the unintended consequence of creating a very steep “cliff effect.”
- The “cliff effect” refers to the fact that when families exceed income eligibility by even \$1, they lose their entire subsidy. About 1,600 families – 20 percent of the total caseload – are currently at or near the income cap and so face this “cliff.”
- As a result, parents have a powerful incentive to minimize their earnings. This is counter-productive to one reason DHS provides subsidies, which is to help parents with young children achieve self-sufficiency.
- Under the current sliding scale, which has just three income steps, the smallest subsidy a family can receive is 80 percent of a child care provider’s rate. That is a lot of money to lose if a family earns just a dollar more in wages.
- Under the new sliding scale, with subsidies ranging from 100 percent to 10 percent as a family’s income rises, the “cliff effect” is eliminated and parents are encouraged to advance in their careers.

### **ADDITIONAL BACKGROUND INFORMATION**

- DHS pays subsidies as high as \$1,395 per child per month (for licensed center-based infant/toddler care). However, the majority of families (56 percent) choose the least expensive form of child care, which is provided by relatives.
- Child care subsidies are available for children ages birth through 13 years old.
- The program currently serves 7,792 families with 14,577 children, paying child care subsidies of about \$5.6 million per month.
- Of these families, only 17 percent (1,325) have low-enough incomes to qualify for the Temporary Assistance for Needy Families (TANF) or Temporary Assistance for Other Needy Families (TAONF) welfare programs.

- In addition, 500 children from families receiving subsidies are enrolled in the Preschool Open Doors (POD) program at a cost of \$3.2 million per year. Unlike parents in the TANF and TAONF programs, parents with children in POD are not required to engage in any work, education or training activities in order to receive their subsidies.
- Hawai‘i’s child care subsidy program is among the most generous in the nation. We are one of only eight states that pay subsidies for child care providers at 75 percent or more of the market rate, thus ensuring that working needy parents have access to quality child care in a competitive environment.
- Forty states have more restrictive eligibility guidelines than Hawai‘i. DHS gives subsidies to families with incomes up to the maximum allowable under the federal Child Care Development Fund (CCDF), which provides a limited amount of funding to states for child care subsidies.
- The CCDF maximum family income for a child care subsidy is 85 percent of a state’s median income. In Hawai‘i, that is the same as 200 percent of the Federal Poverty Level.
- A family of three (one parent and two children or two parents and one child), which is the typical size in the child care subsidy program, can earn up to \$3,927 per month or \$47,124 annually and qualify for the program.
- A family of four (two parents and two children or one parent and three children) can earn up to \$4,675 per month, or \$56,100 annually, and still qualify for benefits.
- As part of the proposed restructuring, DHS includes a modest but noteworthy reduction in rates for unlicensed child care. This recognizes the additional requirements that licensed providers must meet. It also provides a financial incentive for unlicensed providers to meet quality-driven licensing requirements so they receive higher reimbursement rates.

**Breakdown of Child Care by Service Type**

<b>Child Care Type</b>	<b>% of Children</b>	<b>% of Expenditure</b>
Relative Care	56%	47%
License-Exempt Family Child Care	10%	9%
Preschool Care	21%	28%
Infant/Toddler Center-Based Care	2%	5%
Licensed Family Child Care	8%	10%

Other	3%	1%
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**State Emergency Grant (Hawaii Public Housing Authority)**

To ease the transition for working families impacted by lower child care subsidies, financial aid for housing and child care is available from federally funded programs.

One source of help is a federally funded program operated by the Salvation Army. For a family of three, a payment of \$3,110 is available once every 12 months. This money can be used for child and dependent care, rent, transportation and other necessities.

Office for Social Ministry (808) 935-3050  
140-B Holomua Street  
Hilo, Hawaii 96720

The Salvation Army, Family Services Office (808) 591-5605  
320 Ward Avenue, Suite #109  
Honolulu, Hawaii 96814

**American Recovery and Reinvestment Act (ARRA)**  
**Homeless Prevention and Rapid Re-Housing Program**

Assistance is also available statewide through the new Homeless Prevention and Rapid Re-Housing Program, supported by more than \$6 million in federal American Recovery and Reinvestment Act funds. Families can receive six to 18 months of cash assistance.

County of Honolulu Catholic Charities Hawaii: (808) 521-4357  
Helping Hands Hawaii: (808) 536-7234  
IHS, The Institute for Human Services: (808) 447-2863  
Kalihi-Palama Health Center: (808) 791-4545  
Waianae Coast Comprehensive Health Center: (808) 697-3300,  
ext. 3594

County of Hawaii Office for Social Ministry: (808) 935-3050

County of Kauai Kauai Economic Opportunity: (808) 245-4077  
YWCA of Kauai: (808) 245-5959

County of Maui Family Life Center: (808) 877-0880  
Maui Economic Concerns of the Community: (808) 242-7600  
Women Helping Women: (808) 661-7111

Multi-County Legal Aid Society of Hawaii: (800) 499-4302  
Maui AIDS Foundation: (808) 242-4900

**LATE**  
testimony

FROM: Lillian Koller  
Dept. Human Svc S

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**To:** Senator Suzanne Chun Oakland, Chair  
Representative John Mizuno, Chair  
SENATE & HOUSE COMMITTEES ON HUMAN SERVICES

**LATE**  
Testimony

**From:** Celia Chang Takahashi  
Oahu Coordinator  
Good Beginnings Alliance

**Phone:** 531-5502

**E-Mail:** [ctakahashi@goodbeginnings.org](mailto:ctakahashi@goodbeginnings.org)

**Date:** Friday, December 4, 2009

**Subject:** Proposed Amendments to Chapters 17-798. (Benefit, Employment Support Services Division)

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Aloha Chair Chun Oakland, Chair Mizuno, and members of the Human Services Committee. My name is Celia Chang Takahashi and I am the Oahu Coordinator with Good Beginnings Alliance.

**I am opposed to the proposed amendments to Chapters 17-798. 2-14, the new proposed co-payment rates for families. These changes will affect not only children but also adult employment.**

First, the Child Care Connections and Preschool Open Doors programs are designed to help children and families in need. Tuition assistance to these families enables them to enroll their keiki in quality early learning programs that will help the children thrive by the time they reach kindergarten. Research shows that the children attending quality programs improve their social skills, pre-reading skills, math, science and language skills, and decision making and problem solving skills.

However, under this proposal these children's opportunity to attend quality early learning will be compromised because **the co-pay increase in some cases will be 300% - an amount many families receiving the child care subsidy simply cannot afford.**

For example, a family that is **100-110% FPL**, and has their child enrolled in a program with **monthly tuition of \$750 currently contributes \$75.** Under the proposed changes **this family's co-pay jumps to \$225.** Where will this family find the extra \$150?

Not a day goes by that we do not hear on the news how the state of the economy is affecting our family, friends, and neighbors. We constantly hear how people are choosing to do without, or are making hard decisions between necessities and luxuries.

Under the proposed rate increases I'm afraid that families will be forced to look at their child's early care and education as a luxury. **The education of Hawaii's keiki should not be seen as a luxury item, but a necessity.**

There is a **definite need to have quality early care and education** accessible to Hawaii's keiki, especially those with the most need as they stand to have the most gain. The 2009 - 2010 Hawaii State School Readiness Assessment, which is completed annually by DOE Kindergarten teachers statewide, indicates that

- **75.7% of incoming students did not consistently display necessary pre-literacy skills (e.g., recognizes four letters, opens book from front cover to back cover) and**
- **69% did not display necessary pre-math concepts and skill (i.e. counting, sorting, numeral recognition).**

Some children never overcome this deficit as Hawaii State Assessment for the 2008-2009 School Year indicated that **35% of Hawaii's third-grade students were not reading at grade level.**

If these statistics offer a glimpse of the current landscape, **imagine what it will look like 3, 5 or even 10 years from now when the children who would benefit the most from quality early learning opportunities, enter our public school system without it because their parents could no longer afford their co-payment. These keiki will start off behind their peers and may never catch up.**

Secondly, the proposed changes will have sweeping effects on early childhood programs and staff.

One center director shared with me that four staff members receive subsidies from CCC or POD. These four staff members have already informed her that under the proposed changes they **will not be able to remain on staff as they are unable to afford the increased co-pay.** If this were to happen, this center director **will lose one-fifth of her staff.**

Another center director shared with me that **42% (28) of the 66 children enrolled in her program are currently receiving subsidies and anticipates that all of them will leave the program** if the proposed changes go into effect because they will not be able to afford the new co-payments. If this were to occur she **will need to close her program doors. Nineteen people will find themselves immediately unemployed and 66 children will be without childcare** as a result of these proposed changes.

While these two examples are very specific, it represents the multitude of stories we heard in preparation for this briefing.

Something does need to be done to help replenish the State's coffers. However, increasing the co-pay amount families receiving funding from CCC and POD in a sudden, drastic, and devastating fashion **is not the solution. It will only compound the problem.**

This change will have a detrimental effect on current DHS clients who will be unable to attend their work or training because they lack the means to afford child care. These changes will also effect future generations and the social service landscape in the years to come.



Honolulu Community Action Program

*A Non-Profit Human Service Agency*

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**LATE**  
Testimony

December 4, 2009

**To:** Members of the House of Representatives Committee on Human Services and Senate Committee on Human Services

**From:** Lynn Cabato, Head Start Director

**Subject:** Proposed Rule Changes to the Department of Human Services Hawaii's Child Care Subsidy Program

Good Morning Chair Chun-Oakland, Chair Mizuno, and Members of the Committees:  
On behalf of the Honolulu Community Action Program and the HCAP Head Start Program, thank you for the opportunity to testify today on the proposed rule changes to the Child Care Subsidy program within the Department of Human Services.

At the start, the HCAP Head Start Program wishes to state that we fully understand and appreciate the gravity and extent of the difficult financial situation that the State is now facing. We also appreciate the difficult budgetary decisions that both the Administration and the Legislature must make as we confront these economic challenges, and we thank you for your hard work and effort in what is certainly a difficult and unenviable task.

I am here today, however, to speak on behalf of the 1650 children, currently enrolled in HCAP's Head Start program, as well as their families, whom we also service and support. Head Start is a federally-funded early childhood education for children, ages 3 to 5, primarily from low-income families. These are families that, from the outset, have difficulty meeting the costs for quality childcare and early education services for their children.

About 47% of Head Start families enrolled in our Full Day/Full Year programs utilize state childcare subsidies. Parents and caregivers of children in our Full Day/Full Year programs usually are working or participating in employment training or education programs.

DHS's proposed reduction in child care subsidies for families will result in increased co-payments for these parents that will be extremely difficult, and in some cases, impossible for some of them to meet. To tell you truthfully, some are struggling to meet their share of the costs with the subsidies at their current levels. We have heard from some of these parents that any changes in the subsidy program that would result in an increase in their co-payment, may mean having to withdraw their child from preschool and/or quitting or cutting back their employment, training or education, to care for their child at home.

In the 2008 Legislative session, The Act 259 Early Learning Task Force cited the National Scientific Council on the Developing Child report titled, *The Science of Early Childhood*

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• LEEWARD  
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Tel: (808) 239-5754



*Development, Closing the Gap Between What We Know and What We Do.* The members of the council led by Dr. Jack Shonkoff, addressed core elements of why it is essential to focus on young children. *“The future of any society depends on its ability to foster the health and well-being of the next generation.....When we invest wisely in children and families, the next generation will pay that back through a lifetime of productivity and responsible citizenship. When we fail to provide children with what they need to build strong foundations for healthy and productive lives, we put our future prosperity and security at risk.”*

The return on the investment is so significant that researchers conclude investments in early childhood education could be compared with other strategies to help a region foster economic development. National studies estimate for every \$1 invested in high quality programs for disadvantaged children, saves \$7 in welfare, crime, and remedial education costs. Business leaders are joining the call for quality early education programs. With children safely cared for, parents are more likely to be productive workers and less hampered by child care problems resulting in turnovers and absenteeism. This is most apparent with single moms attempting to leave welfare to work. Having affordable child care, increases parents labor force participation, leading to real wage growth.

In sum, in these times, many families in Hawaii, including those in our Head Start program, are especially vulnerable to even a slight change in their economic condition; a change that may significantly affect their ability as a family, not only to thrive, but to survive, in this economy. That is why HCAP Head Start remains hopeful that collectively, we can meet our budget challenges as a State, without having to sacrifice access to and quality of, early childhood education for all.

We remain committed to working with all of you in this regard.

Thank you for the opportunity to testify.

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To: COMMITTEE ON HUMAN SERVICES

From: Rebecca Sanada, Olivet Baptist Preschool  
Phone: (808) 949-7548wk (808) 429-1786cell  
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LATE  
Testimony

Date: 12/4/09

Subject: Proposed Amendments to Chapters 17-798. (Benefit, Employment Support Services Division)

Aloha, to the Committee on Human Services.

My name is Rebecca Sanada and I am a Preschool Director at Olivet Baptist Preschool. I have come here to express my opposition to **the proposed amendments to Chapters 17-798. 2-14, the new proposed co-payment rates for families.**

Our school is made up of 56 families and roughly 30% of our families rely upon state and federal subsidies from Open Doors and Arbor Hawaii. Many of these families come from households where English is spoken as a second language or not spoken at all in their household. Children who come to our center not being able to speak English, have the ability, at the preschool age, to be able to absorb new language acquisition skills. These skills decrease as they get older, which is why these subsidies are so important. If co-payments for parents are raised in the amounts suggested, almost all of my parents have said that they will have to pull their children out of the center because they will not be able to afford the tuition at our preschool, which is actually on the lower end of the tuition spectrum. Many of these children will start Kindergarten at a disadvantage because their English skills will be low or non-existent and they will not be able to function in an English dominant system. The amount of kids placed in resource or additional classrooms outside of the Kindergarten classrooms will be so great because of their inability to function inside of an English classroom. Because our school consists of only 56 children, releasing 22 children from our center will force us to shut down classrooms and release staff and put us in further danger of not being able to recover financially during this economic crisis. I am asking you to consider the opinions of those expressed here today and to consider the far reaching effects that these proposed amendments will have for so many in this room today and so many who were not able to be here today but for whom we speak.

I have provided my contact information above and would be happy to provide you more information to facilitate your decision-making.

Sincerely,



Rebecca Sanada, Director  
Olivet Baptist Preschool  
1775 South Beretania St.  
Honolulu, HI 96826



Supporting Hawaii's Child Care Needs

December 4, 2009

To: COMMITTEE ON HUMAN SERVICES

Chair: Representative John M. Mizuno  
Vice Chair: Representative Tom Brower  
Representative Della Au Belatti  
Representative Maile S. L. Shimabukuro  
Representative Joe Bertram, III  
Representative Ryan I. Yamane  
Representative Mele Caroll  
Representative Gene Ward  
Representative Scott Nishimoto

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From: Katy Chen, Executive Director  
PATCH – People Attentive to Children

Date: Friday, December 04, 2009  
11:30 am; Conference Room 329  
State Capitol

Subject: Hearing HUS 3-30-09 – Proposed Child Care Rates

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Thank you for the opportunity to voice our concerns regarding the proposed child care rates dated October 1, 2009 and for having the opportunity to hear from the Department of Human Services the rationale for the proposed changes. I am Katy Chen, Executive Director of PATCH – People Attentive to Children. PATCH is Hawaii's only statewide child care resource and referral agency and a member of the National Association of Child Care Resource & Referral agencies. PATCH currently holds five DHS supported child care contracts, and a fifth DHS child care subcontract through the University of Hawaii. The contracts are: Child Care Resource & Referral; Child Care Training; Infant/Toddler Training; Child Care Registry; Preschool Open Doors; and the subcontract is the Quality Care Program.

The Child Care Resource & Referral contract allows PATCH to respond to the nearly 15,000 enquiries a year we receive from parents statewide looking for referrals in their area for affordable, quality child care. We also operate Preschool Open Doors which helps subsidize 538 low-income children to attend preschool. Parents ask us for help in finding a suitable preschool, daycare center, family child care home or after-school program. They also ask for help on resources on how they can get help to pay for child care. Every parent has his/her own unique situation, but what all parents have in common

**Member of**

National Association of Child  
Care Resource & Referral  
Agencies

Aloha United Way

Kauai United Way



is the need to find quality, affordable child care as quickly as possible. They need it so they can work to support their families.

Our Training Program and Child Care Registry further allow us to have ongoing interaction with over 5,000 early childhood education (ECE) professionals a year. Thus, we are aware of the concerns of many parents and ECE providers regarding the proposed rates. PATCH is concerned that the impact on parents and child care providers alike will be devastating.

PATCH understands that the Department of Human Services must make cuts. We are asking that they consider a variety of options to minimize the impacts to families. Currently, the proposals weigh heavily on having the families pay an astronomical increase in their co-pays for child care subsidies. The proposed co-pay amounts are unfeasible and will only result in families not being able to pay for any child care. Families will drop out of care in their entirety, resulting in a dramatic loss of business to child care providers. This will force many to go out of business.

The burden of the costs needs to be spread across both families and businesses upfront by reducing the child care rates of not only licensed-exempt care, but licensed care as well. This will make it so that more families will be able to absorb a smaller increase to their co-pay. It will also help businesses too, as they will not see as many children drop out of their care entirely. We would also like to see more than a 10-day warning to allow for families to find alternative child care and for businesses to plan a dramatic loss of income.

#### *Negative Impact on Low-income Families*

Quality child care is already unaffordable to many families. With these proposed rates, safe child care will remain not only unaffordable, but simply *unattainable* by low-income families. According to a recent study conducted by the University of Hawaii, child care is second only to housing as the greatest expense for young families. The average price of care for children age 2 and under in a licensed center or home now exceeds \$10,000 a year – that is more than in-state tuition at the University of Hawaii.

PATCH is concerned that the co-pay percentages stated in the proposed rates are too extreme compared to the existing sliding fee scale. Currently, a low-income family of two with a monthly income of \$1,495 – just \$17,940 per annum, can receive 100% reimbursement rate of the Client's child care cost or the max tier, whichever is less. Under the new proposal the same family would only receive only 70% reimbursement rate. This translates into an out-of-pocket expense for this low income family of \$200 per month. A single parent making the lowest tier of \$1,495 before taxes, simply cannot afford a \$200 a month in child care payments when they must also provide for basic food and shelter.

Those low-income families that currently pay up to 20% of the cost of child care are now being expected to pay up to 90% of the cost of child care - yet the income eligibility requirements are the same. For e.g., a family at 200% of the state poverty level that currently pays \$130 out of an average monthly cost of \$650 a month in child care, will now have to pay \$585 a month out of pocket. An increase of \$455 a month or \$350%!

PATCH has already heard first-hand accounts of parents saying that under such financial conditions, they will have no choice but to forgo their child care and quit their jobs. Another undesirable alternative would be to put the child in unregulated, underground (and potentially unsafe) care because it is cheaper.

Moreover, PATCH feels it is important to point out the proposed child care rates continue to rely on the State Medium Income (SMI) from year 2004. The 2008 SMI for Hawaii per the U.S. Census Bureau is \$79,240. An estimate would be that if updated, a family household of four would qualify with \$1,000 more per month than the existing sliding fee scale. Given this one factor, many more actual low-income families are already being denied child care benefits. An increase in co-payment amounts will most certainly put an overbearing financial burden on families in the system now and will price them out of the regulated child care market entirely.

#### *Negative impacts to Child Care Providers*

Though the rate table for Licensed Providers remains intact, the decrease in child care coverage due to the proposed co-pay percentages will have many families stop using child care from licensed providers. Licensed child care providers are already under duress because of the slow economy with fewer families able to qualify for child care subsidies because they lost their job.

Many child care providers have expressed their concerns regarding the proposed changes to PATCH. If more families pull their children out of licensed child care, too many centers have already reported that they will no longer survive as a legitimate business. For years, quality child care places were in such high demand, many of them had two-year waiting lists. If these businesses shutter down now, the community will not have enough child care spaces for the future once the economy turns around. Even worse, some providers have stated they may even forgo licensing in the future so that they can unlawfully increase capacity just to make ends meet. With parents desperate for some kind of care they can afford, they will go to unregulated care that will be at over-capacity at the detriment of the children.

We can take a look at just one school in the Preschool Open Doors program as an example of the extreme detrimental impact. One Oahu preschool has 16 families participating in the Preschool Open Doors Program attending this school. The proposed changes will impact 99% of these participants and that school may lose 16 of its students overnight. 44% of the low-income families at this school could see their co-pays increase from \$45/mo to \$270/mo if the proposal is passed. 31% of them could go from \$45/month to \$315/mo, while another 25% of them have a co-pay now of \$90/month which would increase to \$360 out of pocket if the proposal is passed. That would be an increase of four times as much with only a ten-day warning! Low-income

families cannot afford such a drastic change and will withdraw their children. With 16 children suddenly gone from their enrollment, this Oahu preschool may not remain open.

PATCH would like to also point out the devastating affects to the family child care business. These child care providers can take up to six children at one time. Losing just two children due to these child care rate increases, will mean an automatic loss of one-third of their income. I attach just some of the many comments we received from family child care providers worried about the negative impacts of these proposals. Most subsidized children are in family child care and thus this sector may experience a dramatic reduction in business across the State.

Having access to affordable, safe child care should not be relegated to only those families of high income. It should be a fundamental right of all families and these proposed rates jeopardize that. Without child care, parents cannot work and provide for their families. If they cannot work, they will have to resort to other state resources causing cyclical problem of poverty.

Should you have any questions or concerns with regards to the foregoing, please do not hesitate to contact me directly. Thank you again for this opportunity to express our concerns with the proposed rates.

Yours truly,

Katy Chen, Esq.  
Executive Director

Some of the Comments PATCH Received from Family Child Care Providers  
regarding the Proposed Child Care Rate Changes

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1. If this proposal goes through I will definitely have to close my business. At this point we (child care providers) are already having a hard time to fill slots. I have two openings and I have not filled the spot since June of this year.

2. I will have to find another job.

3. Isn't it sad that the effects of this economy are trickling down from the elementary-high school students, to now the preschoolers and infants. Is there a Rainy Day Fund for them too?

4. Doing business in East Honolulu, I don't get many child care subsidy children. But one just got approved this month, and I don't even know how much of my \$650 tuition is covered. And as we are not privy to our parent's income...there is no way I'd know where they'd fit in to the chart--they are a family of 5 though. If I lost that family, I definitely would need to replace with another child. One child represents 1/6 of my income, and like so many people, I live paycheck to paycheck--so it is most certainly not a loss I could absorb very long. Isn't that like a 16% pay cut? I already pay 100% of my own health insurance, liability and home insurance, supplies, etc like so many sole proprietors do. I am not married so depend solely on my business income for everything.

5. I did send in a letter last week, and hopefully, combined with all the other letters I'm sure were sent in, it will make some kind of impact. I know I only have one child receiving assistance, but this WILL be a great hardship for her family.....almost increasing her pay out amount five times! I'm sure if this does go through, it will affect my business in the future. I wish I could be there next Monday at the hearing, but I can't take a day off because it would burden the parents.

6. We all know that funds are being cut, but there was just a recent increase in subsidy and an investment in the Quality Care Program all this to encourage Family Child Care Providers, and other providers to accept more children from families with hardship. I would never turn away a child because they were getting subsidy, but I would no longer provide care if tuition was not paid. As much as our hearts want to help, we have no other support system (constant salary) to sustain us on the loss of a child. We already take a pay cut every time we make a transition with children, almost always losing income while we wait to fill the open spot. I think it's evident that many families are unable to afford childcare, as the number of referral calls is almost zero. Children are our future regardless of adult circumstances. Do not stop investing in our children.

7. I haven't been able to fill one spot since August and if this continues I have another year with them and I may have to look for work outside of the home. I have been a provider since 1993 and this will absolutely change the way we live.

8. Finding replacements are already difficult, due to the bad economy. Losing 2-3 children would be an extreme financial hardship on me and would cause me to consider closing my business.

9. If I did have assisted children enrolled, they would leave and find cheaper and possibly unlicensed care.

10. I can't afford to close my business and that's what will happen.

11. If I lose more than half of the children receiving childcare connection benefits I will have to close.

12. Parents can't afford to pay for childcare now and they cannot pay for childcare upfront.

12. The subsidized family I have now only pays \$50 in co-pay and sometimes they can't make even that payment.

13. I have already decreased my rates because of state furloughs.

14. Family Child Care is one of Hawaii's small businesses and we all pay taxes. The typical care provider is a woman. We don't have the luxury of taking on more children to increase our income because of the licensing limit. Parents are working two jobs now to pay for childcare.

15. It is so very important to take care of children who are experiencing emotional, educational and social difficulties. A reduction in subsidy would force my client, a single working mother, to remove her child from a caring environment and one that her child has come to know as safe. The child will be even further left behind if this should come to pass.

16. There will be no future for children from low-income families. I am already losing clients that are teachers (both parents) because they cannot afford to live here anymore.

17. I already dropped my rates because parents cannot afford monthly payments now.

18. I am a licensed childcare provider in Waianae area. Currently 4 out of 6 of my clients are recipients of DHS childcare subsidy. The majority of my client's families are hard workers and students seeking to improve their life hoping someday they will be out of the Welfare system. These families have infants and toddlers that needed someone who is licensed to care for their children while they are at work or school. These families cannot afford to pay for childcare and they are striving to hold a job hoping that they will be able to support their family needs. I empathize with these families because I was once a welfare recipient. I believe the best investment for our money is to invest in families with their quest for a better life by keeping them employed and continuing in school by providing them childcare assistance. As a provider, my business depends on DHS financial backing. Without this support my business will not thrive. It would be difficult to pay my bills. We ask you to reconsider the rate increase of co-payment due to undue hardship.



19. I am opposed to the proposed amendments to Chapters 17-798. 2-14 - the new proposed co-payment rates for families. If the family co-payment increases I may lose two of my clients because they will not be able to pay for child care because their jobs don't pay that much money. I was working for DOE for 17 years, but had to leave due to the education system budget cuts. My husband has been unemployed for more than one year and I started my business as Child Care Provider since June of 2009. Until now I only have four clients and if I lose two, my income will be decrease by 50%, which until now is the only family income that we have to support my family of 5 people. The two families co-pay now is \$60.00 but if these changes are made they will have to pay \$240.00 per month!

20. State should not touch education or early childhood monies. I have already lowered my rate because parents, particularly those with two children cannot afford a higher rate.

21. If I were to lose these children all of the sudden I would be forced to look for work elsewhere. I love daycare and would hate for any bad outcome.

22. I have 1 child receiving funds from childcare connection. The child would not be able to be here otherwise. The Dad has a meager income and the mom does massage on the side and doesn't have consistent clients. She has 2 older siblings both in Kilauea School. One is autistic, and thus makes home life very challenging. In fact since this little girl has started with me over the past two months her behavior and openness have really evolved in this short time. She is 3 years old. I know this child would have challenges if she were not here. I have another 3-year-old little girl whose parents are struggling financially and they have applied for assistance. If they do not receive any then they may have to take her out of my care and then she would be going with mom to work and not be receiving the education she is getting right now. So there could be two children at risk for developmental delays.

23. Without these two subsidized children, I don't make enough money to keep my doors open.

24. If these three subsidized children leave due to parents not being able to make payments, then I would have to close.

25. If the number of children do not pickup by January, I will have to seek other means of income and shut down my daycare.

26. I spoke with my parents and they were very unhappy. If this goes through I will lose them.

27. If that one child leaves my business, I will have to close because I will be unable to fill that position.

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**To:** Members of the Human Services Committee

**From:** Diana Sakurai, Founder, Stepping Stones Academy Infant /Toddler Centers and Preschools.

**Phone:** 808-371-8402

**E-Mail:** admin@steppingstoneshonolulu.com

**Date:** December 4, 2009

**Subject:** Proposed Amendments to Chapters 17-798. (Benefit, Employment Support Services Division)

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Aloha members of the Human Services Committee. My name is Diana Sakurai and I am the founder of the Stepping Stones Academy Infant/Toddler Centers and Preschools in Honolulu and Pearlridge. We service children 6 weeks to 6 years old and have an enrollment of approximately 134.

**I am opposed to the proposed amendments to Chapters 17-798. 2-14. and the new proposed co-payment rates for families.**

Below is the summary of currently subsidized enrollments for the Stepping Stones Academy preschools.

	SSA Honolulu	SSA Pearlridge	Total
<b>Number of Enrollments</b>	<b>67</b>	<b>68</b>	<b>134</b>
<b>Enrollments Subsidized by Child Care Connections</b>	<b>27</b>	<b>13</b>	<b>39</b>
<b>Enrollments Subsidized by Preschool Open Doors</b>	<b>2</b>	<b>5</b>	<b>7</b>
<b>Total Subsidized Enrollments</b>	<b>29</b>	<b>18</b>	<b>46</b>
<b>Subsidized Enrollments as a % of Total</b>	<b>43%</b>	<b>26%</b>	<b>35%</b>

Based on the above numbers, it is obvious that enrollment subsidies play an enormous role in our programs. Should the subsidies decrease as proposed, Stepping Stones is estimating that it would lose most of its subsidized enrollments.

Although it is difficult to predict the final consequence of the proposed decrease in subsidies to the parents, the following depicts the likely result:

SSA Pearlridge

This facility would likely lose about 20% of their total enrollments. Three or four staff members would have to be laid off, depending on which classroom would be most affected.

SSA Honolulu

This facility would likely lose most of their subsidized enrollments, thus resulting in a 30-40% decrease in revenue. This loss would be so drastic that the center would have to close down. All 67 enrolled children would therefore be affected.  
All 17 staff would be laid off.

The above facts represent only the beginning of a domino effect. Parents without childcare would have to give up their jobs. The displaced children, especially the preschool age ones would be missing out on the exposure to social and intellectual development that the preschool environment provides. This, in turn will affect the children's school readiness skills and place additional burden on our elementary schools to try to "play catch up" with children who are developmentally behind.

The final key factor to consider in this situation is that Oahu has a severe shortage of childcare facilities that service Infants and Toddlers (children 6 weeks to 2 years old). Unfortunately, it is these parents that will be most affected by the proposed changes in decreased subsidies. If there is a decrease in Infant/Toddler enrollment, even the few programs that do offer early childhood care will close, leaving Oahu's parents with small children no options for child care whatsoever.

In short, the passing of the proposed subsidy changes would have truly devastating effects on the preschools, parents and their children. I urge you to consider all of that and let the subsidies remain as they currently are.

My contact information is listed above and I would be happy to provide you with more information to facilitate your decision-making.

Sincerely,



Diana Sakurai

LATE  
Testimony

Wayne Watkins  
University of Hawaii at Manoa Children's Center  
2600 Campus Rd. QLCSS 407  
Honolulu, HI 96822  
[wwatkins@hawaii.edu](mailto:wwatkins@hawaii.edu)

In 1990 as a preschool teacher working with low-income families in rural Florida I heard about Hawaii's vision of universal preschool. I still remember the excitement I felt knowing that the lawmakers of a small state in the middle of the ocean so valued children and families that they would create the Preschool Open Doors program. Hearing the news of this visionary program made me love this state even more as my family and I made plans to move here. For the past 15 years I have worked with the children and families of Hawaii. The proposed changes to the Chapter 17-798.2 Child Care Services are a direct assault on Hawaii's beautiful vision of preschool access for all families

As the director of the University of Hawaii at Manoa Children's Center and state board president for Hawaii Association for the Education of Young Children I strongly disagree with the proposed changes. The Children's Center serves student families at the University of Hawaii at Manoa and approximately 30% of them qualify for DHS childcare subsidies. Many of these students have taken on loans, work part-time and live on very fixed incomes in order to further their education. These families have little to no discretionary income. The departments proposed increase to the family co-payment could easily push the cost of completing their degrees beyond reach.

Our beloved state of Hawaii needs a highly educated work force and that can only be achieved when students can afford to attend school. The student families at the Children's Center have already made great sacrifices to further their education. However, an increase to their family co-payment for childcare fees in the amount being proposed would likely bring their educational pursuits to a complete halt.

If you have any questions regarding this testimony please contact me at 808-956-8773 or [wwatkins@hawaii.edu](mailto:wwatkins@hawaii.edu).

Thank you,

  
Wayne Watkins, Director  
University of Hawaii at Manoa Children's Center

**To:** Joint Committee of Human Services

**From:** Justin Agustin  
Family Advocate  
HCAP Head Start

**LATE**  
Testimony

**Phone:** (808)847-2400

**E-Mail:** [justinb@hcapweb.org](mailto:justinb@hcapweb.org)

**Date:** Friday, December 4, 2009

**Subject:** Proposed Amendments to Chapters 17-798.2-14

Aloha Joint Committee of Human Services, Government Officials, Faculty, Parents and Friends. My name is Justin Agustin and I am a Family Advocate for HCAP Head Start. I speak in behalf of my families at Makalapa Head Start Center in Aiea, as well as HCAP Head Start Full-Day Centers around the island.

I oppose the proposed amendments to Chapters 17-798 that will apply cuts to child care subsidies. Instituting this new amendment would not just adversely affect our children, but from a higher scale, it will ultimately affect our families.

At the start of this school year, our staff has felt the unfavorable impact from the subsidy programs through our families. According to the Preschool Open Door (POD) staff, POD had limited the amount of clients to almost half due to budget cuts; thus preventing many eligible families from receiving subsidies. Makalapa Head Start has lost some children because of that situation.

The purpose of these subsidy programs is provide support to families who are trying to get back to work or to attend school; and to be able to have the time to do that, their child needs to be in a Full-Day Full-Year program. Now if subsidies are cut and families have to pay beyond what they can afford, families will not have the ability to pay for the tuition, thus taking their children out of school; hindering them from a comprehensive early childhood education.

This will especially affect our at-risk families because an early childhood education provides them with the skills and knowledge to thrive despite their family and environmental situations; and without that foundation, it will negatively affect their role as a family member, a student and most importantly their quality of life in the future.

Why cost the sake of our children's education because of a dwindling economy? We all know Hawaii's educational standards have always ended up at the backhand of the stick compared to most states -- We have seen these statistics through the media. However, with the newly established Furlough in our DOE system, and now the proposed amendment of subsidy cuts, how can we say that the state is helping raise those standards?

J. Agustin Testimony  
Proposed Amendments to Chapters 17-798. 2-14  
Friday, December 4, 2009  
Page 1 of 2

Aloha, Chair Oakland, Chair Mizuno, and the members of the Committee of Human Services. I appreciate the opportunity to speak before you today.

My name is Daisy Butay and I am a single mother of two children, Lyndsay, 4 years old and Camille, 10 month old. I am currently working full-time as an Accounting Specialist at Maui Family Support Services, a non-profit agency.

I am opposed to the proposed amendments to Chapter 17-789.2-14. The new proposed co-payment rates for low- and moderate- income families.

Before becoming eligible to receive child care subsidy for my older daughter, Lyndsay, life was so hectic. I had my mom babysit her before she goes to work. Then I have to take my lunch break late in the afternoon, rush to go home everyday to pick up Lyndsay then figure out what to do with her so I can go back to work. I either had to take her to different friends and relatives, bring her to work with me, or I have to file for Paid Time Off to take care of her.

Those days were gone when Lyndsay turned 3 and I had my second daughter because I became eligible for child care subsidy. The subsidy is such a blessing to me as a single parent because it allows me to go to work everyday, have peace of mind and be able to retain a stable employment and not have to worry about child care arrangements.

The child care subsidy not only benefited me as an employee and as a mother, but I also witnessed positive outcomes and benefits that Lyndsay have gained and still gaining by attending preschool. Early education is preparing her with basic knowledge like the alphabets, numbers, colors, days of the week and more and helps her develop social skills before she enters kindergarten next year. I would like my younger daughter to experience the same and be able to give her early education. Yet meeting the high child care cost with decrease subsidy will be difficult to achieve.

Under the proposed changes, my co-payments for my two children would jump from \$196.00 a month to \$882.00 a month. This is unbelievable! I will not be able to afford to pay what the state wants me to pay. I'm already struggling as a single parent to make ends meet. Requiring me to pay hundreds of dollars more each month will be a burden to my family.

If this happens, I will need to make hard decisions on what to do with my children. I will have to either quit my job so I can stay home to care for my children or have to prioritize our household budget between paying for child care and paying for rent or food. The hardest thing is to have to ask a very smart and talented little girl to stop attending preschool because mommy cannot afford.

As critical as the state budget situation may be, please remember that many of the families in Hawaii are facing personal budget situations even more critical. Please assess the needs of families and children with the goal of assisting families to move out of poverty and for children to be safe, nurtured, and developed to their full potential. Children deserve better, it's not their fault.

Thank you for this opportunity to testify today on behalf of Hawaii children and families.

## **Personal Testimony in support of keeping funds for childcare services**

I believe that cutting any monies in support of childcare payments for all qualified recipients would cause great decrease in the following ways:

- 1) The amount of children in daycare decrease due to parents inability to pay more .
- 2) Families who have been affected with budget cuts are struggling already to make ends meet.
- 3) Single parents won't be able to pay more to keep their child in daycare.
- 4) Daycare numbers drop and staff decrease = no work for employed person.
- 5) Appropriate numbers to qualify for grants will be diminished.
- 6) Shut down/folding of businesses due to cutbacks = no employees = increased unemployment

Personally my experience with childcare funds has increased the value of my children for 17 years. All three children of mine qualified for subsidy in their early years. They were in quality childcare settings that enriched their growth and development. I am an active participant in all my children's lives and will continue to support early childhood development.

Presently I am a guardian for a three year old girl whom I got out a city & county park. She has been through trauma, neglect, incest, prenatal drugs/alcohol, and much more. Can you imagine this... I took this little child in my home because I cared and I knew I could help her. Her parents were trapped in bondages of drugs, alcohol, prostitution, law violations and the like. The evening I met both her parents and her was the first day I took her home with me.

A few months after I heard about Early Intervention and she qualified for care. That program helped her in many ways. She was delayed and had behavior/social/emotional/mental problems and was a difficult child. She qualified for childcare subsidy and I put her in school right away at Word of Life Academy's 2 year old class. For two months she attended and then qualified for Head Start fulltime. Early Intervention paid for six months then she maxed at age 3. Now I'm with Arbor childcare connection and my husband works for the State and gets paid like 5 years ago wages. We are both looking for extra jobs and in a situation of getting evicted due to back rent.

My story is only one story of an infinite amount out there. I only hope that correct provisions will be made to keep all the children and families to be at peace and not receive increased stress due to cutbacks in a very important area. Childcare is about our future generational leaders who will be outstanding righteous role models for the entire world.

In God I Trust, Alohalani Hose

**ATE**  
amony

Dec 04, 2009

Beth Ito  
1031 Ilima Drive  
Honolulu, Hawaii 96817

To Whom It May Concern,

I am a parent of a preschool child that has previously received help from DHS through its Child Care Connection Program. Although I am no longer receiving support from DHS for child care, the help was necessary at that time to help cushion the high costs of child care.

I feel that it is very important for children to have the opportunity to go to preschool because it sets a firm foundation for their future years in school. They learn valuable skills that should be learned before entering kindergarten.

I am strongly against any cut in funding for child care subsidies and urge the state to seek ways to keep these support services for the sake of Hawaii's children. A cut in funding could mean that thousands of children would not be able to have the opportunities to learn the essential skills learned in preschool.

Sincerely,



Beth A. Ito



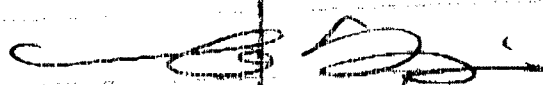
12/13/09

To Whom it may concern,

I as a parent ~~am~~ is very concerned with the raise in preschool tuition. It already hard as it is with the economy being so bad. My childrens have special needs and it really helps to keep them or to be able to afford to put them in an educational environment and it helps to prepare them for Elementary School. They need all the early start/help they can get.

Please help keep the preschool tuition and help keep the assistant where it is or more is better to help us to be able to put our children in preschool.

Any questions, please do not hesitate to contact me 294 9595

Madala  
  
 — Madala Kim —

**LATE**  
 Testimony

Date: 30 November 2009

To: Lillian B. Koller, Director  
STATE OF HAWAII DEPARTMENT OF HUMAN SERVICES

LATE  
Testimony

From: Mai Jones  
Phone: (808) 392-8352 E-Mail: maijones@hawaii.edu

**Subject: Department of Human Services' (DHS) Hawaii's Child Care Subsidy Program, Hawaii Administrative Rules, Sections 17-798.2-12 and 17-798.2-14.**

Aloha Lillian B. Koller, and the BESS Division of the Department of Human Services. My name is Mai Jones, and I am a parent of a 6 year old daughter who has benefitted from DHS supported funds and Child Care Connections during her three years at the University of Hawai'i at Manoa Children's Center (UHMCC). I am also a preschool teacher at UHMCC and know many concerned student parents who currently receive payments from DHS, wondering if this year will be their last at a quality preschool.

**I am opposed to the proposed amendments to Chapters 17-798. 2-14. the new proposed co-payment rates for families.**

Even though my child now attends a free public-charter school in the DOE, I feel that the passing of this amendment, to corner families to pay more for a safe, quality preschool for their children, is a wrong choice that will hurt all our children emotionally, and educationally.

Let me take you back four years when my daughter attended UHMCC preschool. Being a single parent and a full time student at UH, I was trapped between enrolling my daughter at a costly UH preschool or having her stay friends and family members in non-licensed care centers scattered throughout O'ahu. My family was definitely cheaper (I mean, can't get any better than free right?). But I knew that in my case, my daughter would not thrive in that "free" environment. Then I found Child Care Connections. Needless to say, I am so grateful for the opportunity of this program to provide for my child when I couldn't. Because my child attended a safe and nurturing preschool paid for by state funds, I now have a B.Ed in Elementary and Early Childhood Education, and will be graduating with my Master's in Education this spring. My six year old knows how to solve conflicts with friends, create artistic masterpieces out of toilet paper rolls, and can read at a third grade level. She has big plans for herself, and I know that I can help her make it. She was able to get a good beginning in life. Because of this incredible foundation that preschool has laid out for her, I know she will not become a statistic, a burden to society...like I felt I was. My daughter will do wonderful things in life, and she will not forget the many helpful hands that got her there. So I say with experience and conviction, if we educate a child when he/she is young, we as a society will reap the benefits of that industrious child. Who will love our keiki? You will, by continuing to support this program and show them that they all deserve quality, affordable child-care during the first five years of life.

I have provided my contact information above and would be happy to provide you more information to facilitate your decision-making.

Sincerely,

Mai Kapuaohilani Mei-Lin Jones; Parent of a well-rounded six year old daughter; Proud Preschool Teacher at UHMCC

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To: Hawaii State Legislature House of Representatives and Senate Committees on Human Service

From: Sarah Martin  
E-Mail: [imsammim@aol.com](mailto:imsammim@aol.com)

Date: 12/3/2009

Subject: Testimony for the Proposed Amendments to Chapters 17-798.2-14

Aloha Chair Chun Oakland, Chair Mizuno, and members of the Committees on Human Services. My name is Sarah Martin, and I am a Licensed Family Child Care Provider.

**I am opposed to the proposed amendments to Chapters 17-798. 2-14. The new proposed co-payment rates for families.**

I have been a Childcare Provider for 6 years. I have seen Children come and go from my daycare due to the Child growing up and going to Preschool. Within the past year I have seen Children leave my daycare because their parents cannot afford Daycare or they are losing their jobs due to the economy. These are families who do not have Childcare Subsidy. If you take Childcare Subsidy away from the families who need it they will most likely have to quit their jobs to stay home with their Child/Children. I understand that you are trying to get the State out of a Budget Crisis but how will that be possible if you are creating a domino effect and hurting everyone in its Way. Example: The Parent has to quit their job because they can't afford Childcare, now they will probably go on Assistance because this is the only way that they can put food into their mouths and a roof over their head. Example: The Childcare Provider loses her job because she has 4- 6 children all on Childcare Subsidy. Example: Programs like PATCH, QCP, etc. lose funding because they don't meet their monthly/yearly quota providing help to the Children/Parents/Providers. We all will be going through the same hardship. I beg you please do not move forward with this suggestion. You will be hurting many families in doing so.

I have provided my contact information above and would be happy to provide you more information to facilitate your decision-making.

Sincerely,

Sarah Martin

This is an email to relay the importance of the subsidies that are in jeopardy at the moment. These subsidies help us, Ariel Kung's parents, while we pay for someone to watch her; we pay for school, as well as the necessities in life to get us through.

Ariel's father and myself are both full-time students and have a daughter, Ariel Kung, who is 2 years old. At the current economic state we feel that the best move for both of us is to go back to school to gain a degree that can pay for our future needs as a family. As we attend school, we have calculated that to have our daughter attend a daycare costs way more than the services provided in the University of Hawaii's Children's Center. Which are a wonderful service to all the students and employees on the campus.

There are numerous benefits to having Ariel spend her time there while we are across the street attending school. It is essential that we maintain what help we can throughout this time, as everyone is hurting financially during these times. But the funds that would be applied towards Ariel's school fees helps our family out tremendously and flows in a trickle down effect to everyone within that program.

If students have to start paying full prices without subsidies then those funds are going to be taken from another allocated need. For example possibly school funds. Then they are being asked to drop out of school, and it just goes on from there.

So in short, we are pleading with whoever makes and considers these testimonies, that the program at University of Hawaii at Manoa Children's Center subsidies is not removed and/or denied for future purposes. It is an extremely crucial assistance for students and employees who are gaining the pertinent skills to better their participation within society - therefore helping out with the bigger picture of life. So please reinstate and continue the state subsidies to help with these benefits.

Thank you for your time and consideration.

Sincerely,  
Sarah Morris

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To: Hawaii State Legislature House of Representatives and Senate Committees on Human Service

From: Regina Ursua  
E-Mail: mauipurebreedpits@yahoo.com

Date: 12-2-2009

Subject: Testimony for the Proposed Amendments to Chapters 17-798.2-14

Aloha Chair Chun Oakland, Chair Mizuno, and members of the Committees on Human Services. My name is Regina Ursua, and I am a Licensed Child Care Provider on Maui.

**I am opposed to the proposed amendments to Chapters 17-798. 2-14. The new proposed co-payment rates for families.**

The reason for this letter is I am truly concerned about the raise in Co-payments. I have a few parents who already have a hard time making the full payment due to today's economy. Most of the parents who receive child care are single mothers and fathers and people who cannot afford a sitter with out the subsidies.

I think that if the state raises the Co-payments for child care thinking it will save money they have it wrong. Parents that will not be able to afford child care will begin calling in sick or staying home because they do not have a sitter and of course that will lead to job loss which will mean more people standing in the unemployment line. If that's not the case people will have to quit there jobs and go on welfare. Not only does it effect the parents who have children in child care it affects providers, with out kids to watch I too will have to go on Welfare to support my family and I know a lot of other providers who feel the same way. Providers who are giving our growing children the tools they need before starting school studies show that children who went to child care/preschool test higher and not only that miss less days in regular school due to colds. There is so many reasons I can think of on why they should not increase the Co-payments on child care subsidies.

Who ever thought of raising the Co-payment should of thought of how much more it will cost the state to carry and support families on welfare and collecting unemployment.

Its not only about the money its about what's best for our children and our future leaders of this country, Education is all we have to work with and with out the tools children learn in day care and preschool that will hold them back from being the best they can be.

Bottom line is if parents could afford to pay child care they wouldn't need help from child care connections.

I have provided my contact information above and would be happy to provide you more information to facilitate your decision-making.

Sincerely,

Regina Ursua

December 3, 2009

To Whom It May Concern,

This is to let you know that I am deeply disturbed by all the reductions and cut backs going on with our government system! It saddened me to hear that our students in our public schools were given Furlough Fridays, the U.H. system was in jeopardy AND now our BELOVED babies are being greatly affected!

It's a REAL BIG SHAME to have to now pick on our most innocent beings and rob them also of a head start in their education! As a SINGLE PARENT, I will be deeply affected if the childcare financial aid program gets cut! I am the sole provider for my 4 year old daughter and need to work every day to make ends meet and to put food on the table for us to eat!

If the childcare program gets the bomb, I won't be able to afford to put her in a preschool to learn all that she is learning! She is already reading books! And so to EVEN TOUCH the financial program for our little keikis, is like robbing them of a world that they haven't even begun to be able to explore!

No childcare financial aid means no preschool for my baby, and no work for me since I would have to stay home to watch her! And no work means no food to eat and shelter for us to live in! I can't afford not to have my financial aid taken away and I don't want YOU STEALING MY DAUGHTER'S FUTURE! Please think very carefully about what you are holding in your hands! The FUTURES of our state! THESE BABIES ARE OUR FUTURE!

Thank you,

Sheryl



12/3/09

To whom it may concern,

I am going through the process of a divorce at this time & am having financial difficulties as it is and its subsidy goes down & tuition goes up or my portions I may be forced to pull my daughter

Royanna Zman out of school. at this age it is very important for her to get a head start in her education & social skills to better her chances of a successful future.

Thank you,

Roylanda Zman

Please feel free  
to contact me,  
7222390

**LATE**  
Testimony

## **Informational Briefing Proposed Rule changes to the DHS Hawaii's Child Care Subsidy Program, Sections 17-798.2-12 and 17-798.2-14**

Today we stand before you, the legislature for the State of Hawai'i as a collective whole and ask that you NOT jeopardize the futures of not only of the keiki attending preschool, but their families, the teachers and staff who provide them with the wonders of the world and the centers that provide a safe and nurturing environment . . . ALL will be affected by the decision that you make regarding the proposed changes to the subsidies currently available for those who are eligible for these generous benefits. As WE stand at these crossroads, our keiki's future is uncertain, and not only their future but our future, the future of Hawai'i is vulnerable as well. As recently as November 18, 2009, at the National Association for the Education of Young Children's National Conference in Washington, D.C., U.S. Secretary of Education, **Arne Duncan** quoted Franklin Roosevelt who said more than a half a century ago that the **"destiny of American's youth is the destiny of America."** Our keiki are the future of this great and diverse state, are you willing to eliminate their prospect of constructing a positive foundation in discovery away from them? John F. Kennedy once said, **"All of us do not have equal talent, but all of us should have an equal opportunity to develop our talent."** I will close with this quote from Hodding Carter who said, **"There are two things we should give our children: one is roots and the other is wings."** How can we achieve this if we no longer provide support for their foundation in learning? On behalf of all the keiki throughout this beautiful state, I implore you to consider every child you encounter on the street that you control their futures in the decisions that you make here in this beautiful building, and in doing so YOU will effect generations to come.

**LATE**  
Testimony



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To: Hawaii State Legislature House of Representatives and Senate Committees on Human Service

From: Kischac Cabatingan  
Phone: 808-385-2814  
E-Mail:kischac@gmail.com

Date: 12/4/09

Subject: Testimony for the Proposed Amendments to Chapters 17-798.2-14

Aloha Chair Chun Oakland, Chair Mizuno, and members of the Committees on Human Services. My name is Kischac Cabatingan and I am a Parent of two children benefiting from Child Care Connections Subsidy!

**I am opposed to the proposed amendments to Chapters 17-798. 2-14. The new proposed co-payment rates for families.**

*I am so saddened by the thought that funding for Early Education may also receive cut backs. I have two toddler aged children. My son is will be 3 on the 22<sup>nd</sup> of this month; my daughter is 18 months old. My son attends preschool and my daughter attends Day Care.*

*I work full time and so does my husband. His hours vary week to week. If there are no jobs there is simply no work. We are two individuals that always strive to do our very best in the interest of our children.*

*Although, our son is turning 3 in a few weeks we've seen how much he's learn, grown, and developed at Preschool. He has grown both academically and socially! Because he is late born we wanted to make sure that he receives Early Education prior to enrolling at an elementary school for kindergarten. He is doing very well. If it weren't for Child Care Connections Subsidies we would NOT be able to afford tuition out of pocket!*

*We also are grateful to have our daughter at a Day Care. We know that she is kept safe, clean, fed and loved! Our day care provider treats her as if she was her own grandchild. My husband's parents still work full time and are unable to help us with child care. My father passed away and my mother also works full time. Again, if it weren't for Child Care Connection Subsidies I would not be able to send my daughter to day care and I'd have to stay at home to care for her.*

*We only GROSS \$3300 a month...on average. There are many other months we've grossed only \$3000. I don't like to consider the gross amount because that is not what I take home. Our NET income is about \$2700 per month. Our monthly expenses are as follows: \$1000 for rent, \$300 for car payments, \$100 for insurance, \$200 in student loans, \$115 for Thor's tuition co pay and \$100 for Teya's co pay, \$300 for utilities, and \$125 for gas. These are just basic necessities that we are paying for. By the time they are all paid we are left with approximately \$460 that is easily consumed by the expense of food! We live pay check to*

*pay check and depend heavily on the assistance that we receive from Child Care Connections. If we do not receive subsidy we simply would not have the opportunity to send our son to preschool or daughter to daycare. THIS, ultimately means that my husband or myself would have to quit our day jobs to stay at home and care for our children. Going forward, this would mean less income to pay for our expenses. As of now, we are told "we make too much" to qualify for food stamps or financial assistance. Even if one of us were to quit and be a stay at home parent we wouldn't qualify for food stamps, financial support or child care connections because a prerequisite to receiving the mentioned subsidies is that adults in the household must work full time or be enrolled in school full time. We have no extra income to pay for tuition for one of us to further our education at this time!*

*I completely understand that the state needs to make cut backs given the state of our economy. Why do we put our children at risk? They are our future! Why must the proposed co pay amounts be increased at such a radical rate? Why not cut back in other places? Why do we continue to support those who don't have jobs and don't do anything to help remedy the situation? Why are we buying new state vehicles? Why do we continue to reimburse state employees for mileage? Why why why? Please reconsider your decision to change the co pay amounts. We are talking about our precious children. This is there opportunity of getting ahead in life (Early Education). I truly appreciate your time and your diligent efforts!*

I have provided my contact information above and would be happy to provide you more information to facilitate your decision-making.

Sincerely,

Kischa Cabatingan