

NEIL ABERCROMBIE
GOVERNOR



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February 9, 2012

MEMORANDUM

TO: The Honorable John M. Mizuno, Chair
House Committee on Human Services

FROM: Patricia McManaman, Director

SUBJECT: **H.B. 2540 - RELATING TO FEES FOR CHILD CARE LICENSING
AND REGISTRATION**

Hearing: Thursday, February 9, 2012; 8:30 a.m.
Conference Room 329, State Capitol

PURPOSE: The purpose of H.B. 2540 is to allow the Department of Human Services (DHS) to charge reasonable fees to obtain a child care license or certificate of registration and establishes a special fund.

DEPARTMENT'S POSITION: The Department of Human Services strongly supports this Administration bill. This bill would allow the Department to charge a fee to offset some of the administrative costs associated with inspections and issuances of licenses and certificates of registration to individuals or business entities who want to care for children.

The Department of Human Services is authorized to license group child care homes and group child care centers and issue certificates of registration for family child care homes (family child care homes are providers who care for three or more children who are unrelated to themselves in their private residence and does not include relative

care providers). There are administrative costs associated with the licensing and certification activities, including site visits, observation of providers with children, inspections to ensure compliance with administrative rules to ensure the health and safety of the child care operations, and the assessment of the findings.

As with other business entities that are charged licensing and certification fees by other state agencies to conduct a business, the Department of Human Services is proposing to charge a reasonable fee to private business entities who want to operate a child care facility.

Authorization to charge reasonable fees will offset some of the administrative costs associated with issuing licenses and certificates of registration to individuals or business entities who want to care for children. The fees charged will further ensure the safety of children in child care homes and child care centers by giving the Department resources to maintain the licensing standards.

Establishing a child care licensing and certificate of registration special fund into which the fees will be deposited will provide the Department with resources to ensure the health and safety of children.

The Department would be required to promulgate administrative rules that would specify the amounts charged for the license and certificate of registration.

Thank you for the opportunity to provide comments on this bill.