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April 4, 2016

TO: The Honorable Senator Gilbert S.C. Keith-Agaran, Chair
Senate Committee on Judiciary and Labor

FROM: Rachael Wong, DrPH, Director

SUBJECT: **HB 2343 HD2 – RELATING TO REQUIREMENTS FOR CHILD CARE PROVIDERS**

Hearing: Tuesday, April 5, 2016, 9:05 a.m.
Conference Room 016, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) strongly supports this Administration bill.

PURPOSE: The purpose of the bill is to bring state law into alignment with changes to federal law regarding the Child Care and Development Block Grant, Public Law (P.L.) 113-186. Requires the DHS to establish minimum health and safety requirements for child care providers, including applicants, household members, employees, and prospective employees of licensed and registered child care homes and facilities, as well as persons exempt pursuant to section 346-152, Hawai'i Revised Statutes, to be eligible to provide care to a child whose family receives a child care subsidy from the Department.

The House committees on Human Services and Health amended the measure by “[c]larifying that the intent of this measure is not to restrict public access to Department inspection records by requiring that the records be available for inspection in a manner that is set forth by Chapter 92F, Hawaii Revised Statutes[.]” Standing Committee Report Number 482-16. The House committee on the Judiciary amended the measure “[r]emoving the proposed language

requiring the Department to maintain records of resolution of only substantiated complaints for every child care facility [.]” Standing Committee Report Number 992-16.

This measure will align state law with P.L. 113-186, the Child Care and Development Block Grant (CCDBG) Act of 2014, enacted on November 19, 2014, which made significant changes to the Child Care and Development Block Grant requirements to ensure the health, safety, and well-being of children served under the grant including:

- 1) Requiring training for and conducting health and safety monitoring inspections of unregulated child care providers caring for children receiving the Department’s child care subsidies which is funded through the Child Care and Development Fund (CCDF);
- 2) Conducting background checks on child care providers, employees, and individuals who have unsupervised access to children that shall include searches of the national and state sex offender registries and state-based child abuse and neglect registries in each State where the individual resided within the preceding 5 years;
- 3) Establishing prohibiting convictions or non-compliance with the completion of the background check that will prevent an individual from being a child care provider; and
- 4) Making available records of results of monitoring inspections and substantiated complaints on a public website.

The Department’s Child Care Connection Hawai’i (CCCH) child care subsidy program is federally funded through CCDF monies. Hawai’i’s federal fiscal year 2015 CCDF grant allocation totaled \$20,950,922. Failure to pass this measure would jeopardize the CCDF block grant award if the Department does not have the authority to implement the requirements required by P.L. 113-186 without the authorizing provisions addressed by this measure.

In state fiscal year 2015, the CCDF block grant award provided federal funding for

- 1) The CCCH subsidy program which served over 21,000 children and 16,000 families;
- 2) Administrative costs for the Department’s staff statewide which regulated over 1,100 licensed child care facilities and registered family child care homes that provided over 35,000 child care slots statewide; and
- 3) Costs for services of the Department’s 20 contracts totaling \$5.8 million which provided a variety of services for Hawai’i’s children, families, and child care providers to ensure the health, safety, well-being of children in care, and to

promote quality in the various child care settings that Hawai'i's working families use.

It is essential that Hawai'i continue to meet the requirements of the CCDBG to receive the federal funds and respectfully requests the Committees pass this bill.

Thank you for the opportunity to testify on this bill.