

POLICE DEPARTMENT
CITY AND COUNTY OF HONOLULU

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WO-KK

February 2, 2018

The Honorable John M. Mizuno, Chair
and Members
Committee on Health and Human Services
House of Representatives
Hawaii State Capitol
415 South Beretania Street, Room 329
Honolulu, Hawaii 96813

Dear Chair Mizuno and Members:

SUBJECT: House Bill No. 2530, Relating to Child Care

I am Walter Ozeki, Captain of the Criminal Investigation Division of the Honolulu Police Department (HPD), City and County of Honolulu.

The HPD supports House Bill No. 2530, Relating to Child Care.

Recognizing the importance of ensuring that child care providers offer a safe environment along with a high level of care for Hawaii's children, this bill ensures that this standard of care is maintained. It also provides what we believe to be just and reasonable penalties for violation of the provisions of this section.

The HPD urges you to support House Bill No. 2530, Relating to Child Care.

Thank you for the opportunity to testify.

APPROVED:

Sincerely,


Susan Ballard
Chief of Police


Walter Ozeki, Captain
Criminal Investigation Division



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

February 1, 2018

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

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 2530 Proposed HD1 – RELATING TO CHILD CARE**

Hearing: Friday, February 02, 2018, 8:30 a.m.
Conference Room 329, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) is in strong support of HB2530 Proposed HD1 as it is consistent with the administration's proposed HB HB2360.

PURPOSE: The purpose of HB2530 Proposed HD1 is to amend section 346-157, Hawaii Revised Statute (HRS), to remove the requirement that DHS determine the amount of liability insurance coverage required by regulated child care providers; amend sections 3 and 5 of Act 161, Session Laws of Hawaii (SLH) 2017, to remove a reporting requirement, to delay implementation and enforcement of the liability insurance requirement of Act 161, and to give additional time to establish affordable child care insurance coverage.

The primary focus of the DHS child care licensing program is on the health and safety of all children in child care. The intent of Act 161, SLH 2017, was to strengthen minimum standards of child care to improve health and safety of children by requiring child care providers to obtain and maintain liability insurance coverage. Prior to Act 161, SLH 2017, DHS was prohibited from requiring regulated child care providers to obtain and maintain liability insurance coverage. Act 161 is currently in effect, that is regulated child care providers are

required to have liability insurance coverage. However, Act 161 delays enforcement of this provision by DHS.

DHS submitted its report to the twenty-ninth Hawaii State Legislature 2018 in accordance with section 3 of Act 161, SLH 2017. The information DHS obtained through meetings with insurance industry providers, indicates that a variety of insurance products, coverage, exclusions and premiums are available for purchase. Injury from sexual molestation would be excluded from all coverage.

DHS also conducted outreach efforts through its contractor to conduct surveys and convene in-person meetings statewide. Child care providers also contacted DHS child care licensing offices and the Child Care Program Office to ask questions and express their concerns regarding the provisions of Act 161, SLH 2017. Feedback from child care providers indicated that current insurers may not renew existing homeowner policies if child care is being provided on the premises. Child care providers also indicated that home-based child care providers were considering not being registered with DHS due to the new insurance requirement of Act 161, SLH 2017.

DHS expressed concern last session that one potential impact of requiring liability coverage would be a reduction of the number of child care providers willing to provide services, as previously maintaining liability coverage was not required. As of the end of December 2017, Hawaii has about 350 independent home-based child care providers which is a 12% decrease of the number of homes that were regulated at the end of December 2016.

Information obtained from other states that require liability insurance coverage indicates that most states only require providers to produce evidence of insurance, and minimum coverage amounts are not established within the child care regulatory requirements. Child care providers did raise privacy concerns as to the amount of information they are required to provide to parents as part of maintaining insurance coverage.

DHS is not the appropriate entity to determine the amount of coverage to be maintained by independent small businesses as DHS does not have expertise in the field of establishing liability insurance coverage.

The issue to balance child safety, which is not necessarily addressed by maintaining liability insurance coverage, and providing parents additional assurance or confidence that their child is in a high quality care, requires further study to determine the best way to provide access to affordable child care, access to affordable insurance coverage, and maintain safe, child care throughout the state.

DHS supports amending the effective date of Act 161 and delaying the implementation and enforcement dates to July 1, 2019 or later.

Thank you for the opportunity to testify on this measure.

HB-2530

Submitted on: 1/31/2018 9:04:20 PM

Testimony for HHS on 2/2/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Cynthia King		Comments	Yes

Comments:

My name is Cynthia King and I am an individual providing comments relating to HB2530. The bill, as originally written would have established a misdemeanor charge for those State licensed day care providers who violate state laws pertaining to child safety, and as a result, cause the injury or death of a child. The HD1 draft instead contains only language that would delay implementation of a law, passed last year by the legislature, requiring state licensed providers to obtain and maintain liability insurance. While I do not oppose it, I think it is important to point out that the proposed HD1 no longer addresses the important policy gap relating to establishing criminal penalties.

My son Wiley Muir, was not quite four months old when he passed away under the care of a State licensed day care provider, Therese Manu-Lee in February 2014. Manu-Lee provided conflicting stories about the circumstances surrounding his death. We now know that she was caring more than two times the legal number of children at the time of Wiley's death. We also now know that she had two adult men living in the house who were not approved by DHS to be present with the children. They were her sons, but they had not undergone the standard background checks and approvals. Other parents have also since told us that she would at times leave her house to run errands, leaving the children with only an assistant and/or her sons.

Following Wiley's death, Manu-Lee's State license was suspended while DHS conducted an investigation regarding the circumstances of this death. Despite the license suspension, Manu-Lee opened up a day care at another location and continued watching children. Over this same period, Manu-Lee took deposits from new parents, and did not disclose that her license was suspended. She did not provide child care services to those parents, and many never received their money back. Despite complaints about this behavior being reported to DHS, her license was reinstated once the investigation regarding Wiley's death was closed.

In July of 2015, Manu-Lee was shut down once again. Based on a tip, DHS completed a surprise inspection of her home, and she was caught with 14 children in her care, 8 of which were infants. According to her records, a total of 18 children were receiving care, though they were not all present at the time of the inspection. Her license was again suspended, this time on the grounds of physical neglect of children.

But the reason my husband and I learned all of this, is not because DHS or the police informed us. We were never called and told that the woman under whose care my baby passed away was found to be warehousing children. She was never charged with breaking the law. The reason I found out, is that I saw her in a new job, at Wilson Home Care. This is a trusted assisted living home health care service for the elderly on Oahu. A company that runs criminal and abuse background checks. But, after my baby died under suspicious circumstances in her care, after she committing fraud innumerable times (and eventually filed for bankruptcy), and after she was caught neglecting four times the legal number of infants, Therese Man-Lee still has nothing to show for it on her record.

I believe it time to change this incredibly broken system and instill real accountability. Our high quality day care providers want to see this heartbreaking policy gap filled as much as I do. They love children and care about the safety of our children above all else. Most day care providers are not like Therese Man-Lee. But if there are *any* other providers out there who make choices that put our children at risk, whether intentionally or out of sheer ignorance of safety standard, there should be an option to charge them with a misdemeanor, in the hopes that such injury will not be repeated on our most vulnerable.

HB-2530

Submitted on: 2/1/2018 6:43:02 AM

Testimony for HHS on 2/2/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Carl Meyer		Support	No

Comments:

Regarding HB2530: Hawaii keiki are currently at risk in State-licensed child care facilities. This has been very clearly demonstrated by suspicious injuries and deaths of young children at these facilities in recent years. The original draft of HB2530 establishes a misdemeanor charge for State-licensed child care providers who violate child care laws and endanger, injure or cause the death of children. This law is necessary to protect the lives and well-being of our keiki in the care of others. The proposed HD1 no longer addresses this important policy gap, so please reinstate the original bill.