



STATE OF HAWAII
Executive Office on Early Learning
2759 South King Street
HONOLULU, HAWAII 96826

February 3, 2024

TO: Representative Scot Z. Matayoshi, Chair
Representative Andrew Takuya Garrett, Vice Chair
House Committee on Labor & Government Operations

Representative Lisa Marten, Chair
Representative Terez Amato, Vice Chair
House Committee on Human Services

FROM: Yuuko Arikawa-Cross, Director
Executive Office on Early Learning

SUBJECT: **Measure:** H.B. No. 1958 – RELATING TO ECONOMIC DEVELOPMENT
Hearing Date: Tuesday, February 6, 2024
Time: 9:15 a.m
Location: Conference Room 309

EXECUTIVE OFFICE ON EARLY LEARNING'S POSITION: Support

The Executive Office on Early Learning (EOEL) is committed to expanding early learning opportunities for all keiki across the State and supports the intent of H.B. No. 1958 and defers to the Department of Labor and Industrial Relations (DLIR) regarding implementation.

High-quality early learning programs yield substantial positive immediate and long-term, multigenerational benefits. In addition, to support growth and development, these programs allow families opportunities to continue education or work by providing a safe and secure place to enroll their children. Although the State continues to address access, affordability is still a significant barrier for Hawai'i's families. Despite efforts to keep rates low, community-based programs continue to operate on razor-thin margins, making the sustenance of these beneficial programs difficult.

This measure would establish a child care pilot grant program to provide grants to employers to assist in offering child care or caregiving support for their employees. This program could support individuals to be able to afford child care options, and would also allow for the continued maintenance of existing child care programs.

EOEL would be willing to work with the DLIR in developing provisions of the grant program should this measure pass. Mahalo for the opportunity to testify.

JOSH B. GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
KA 'OIHANA PONO LIMAHANA
OFFICE OF COMMUNITY SERVICES

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WILLIAM G. KUNTSMAN
DEPUTY DIRECTOR

JOVANIA DOMINGO DELA CRUZ
EXECUTIVE DIRECTOR

IN REPLY, REFER TO:
OCS 23. _____

February 5, 2024

To: The Honorable Scot Z. Matayoshi, Chair,
The Honorable Andrew Takuya Garrett, Vice Chair, and
Members of the House Committee on Labor and Government Operations

The Honorable Lisa Marten, Chair,
The Honorable Terez Amato, Vice Chair, and
Members of the House Committee on Human Services

Date: Tuesday, February 6, 2024
Time: 9:15 p.m.
Place: Conference Room 309, State Capitol & Videoconference

From: Jovanie Domingo dela Cruz, Executive Director
DLIR – Office of Community Services

Position: Support

Re: H.B. 1958 - RELATING TO ECONOMIC DEVELOPMENT

I. OVERVIEW OF PROPOSED LEGISLATION

This bill would appropriate funds to the Department of Labor and Industrial Relations (DLIR) to establish a three-year pilot program to distribute these funds via an eligible non-profit entity to employers so that they could provide childcare and caregiving services to qualifying low-income employees to make their employment more feasible.

The bill would appropriate \$500,000 in fiscal year 2024-2025, and unspecified additional sums in the subsequent two fiscal years. The bill would require detailed reporting on the identities of the employers that would receive grant funds, the process used by the non-profit organization in administering the grant program, an analysis of the effectiveness of the grant program as an incentive to encourage individuals who provide childcare or caregiver support to seek and retain employment, and other information. DLIR would be required to submit a final report prior to the convening of the regular session of 2027.

I. CURRENT LAW

Currently, as far as the Office of Community Services (OCS) is aware, Hawaii has no legislation that provides such support to employers for childcare or caregiving for adults.

III. COMMENTS ON THE BILL

The Office of Community Services **supports the concept** of H.B. 1958.

OCS has some areas of inquiry relating to the bill. One relates to whether the DLIR agency that administers the program would be allowed to take a percentage of the appropriation for administrative costs. The second would be whether the non-profit agency would be required to use particular standards in procuring services. Third, what is the maximum allowed for administrative costs by the non-profit? Fourth, will there be a cap on how much financial support a client might be able to receive?

Thank you very much for the opportunity to testify.

HB-1958

Submitted on: 2/2/2024 4:04:33 PM

Testimony for LGO on 2/6/2024 9:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Younghee Overly	Individual	Support	Written Testimony Only

Comments:

Mahalo nui for hearing HB1958 which would require DLIR to establish a three-year child care pilot grant program. With the average childcare expense in Hawaii being \$1700 per month, the working mothers/families really need help.



Hearing Date: **Tuesday , February 6, 2024, 9:15 am , Conference Rm. 309**

To: House Committee on Labor and Government Operations
Chair, Rep. Scot Z. Matayoshi
Vice Chair, Rep. Andrew Takuya Garrett
And
House Committee on Human Services
Representative Lisa Marten, Chair
Representative Terez Amato, Vice Chair

Re: TESTIMONY IN SUPPORT OF HB 1958, RELATING TO ECONOMIC DEVELOPEMENT

Dear Chairs Matayoshi and Marten, Vice Chairs Garrett and Armato and Members of Committees,

Members of AAUW of Hawaii thank you for this opportunity to testify in support of HB 1958, Relating to Economic Development which would establish a child care and caregiving pilot grant program to assist employers in offering child care and caregiving support to their employees.

Hawaii has a shortage of qualified employees to fill the many vacant, but critical, positions across industries and communities. Child care and other types of care-giving services are extremely expensive, especially in relation to Hawaii's notoriously low paying salaries. These family demands often prevent qualified workers, especially women, from joining the labor force and, thereby, stifling economic growth.

As well as benefiting employees and their families, this proposed pilot program is good for businesses. Many companies are having significant difficulty recruiting qualified employees who often initially choose to apply to a potential employer based their benefit package and, in particular, how they are seen to value and care for their staff. This benefit will also increase employee retention and loyalty, thus strengthening the health of businesses.

Having children actually penalizes women in the workforce. The Institute for Women's Policy Research reports 50.5% of households with children in Hawai'i have mothers who are the main source of family income. However, women working full time make only \$.76 for every dollar working fathers make in Hawaii. Finding affordable, quality child care is a major obstacle preventing mothers from securing a well-paid, stable job. This measure can help alleviate this gender pay imbalance and encourage qualified women (and men) to join the workforce.

Please pass this measure and mahalo for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Jean Evans".

Jean Evans
Public Policy Committee, AAUW of Hawaii
publicpolicy-hi@aauw.net

The American Association of University Women (AAUW) of Hawaii is an all-volunteer, statewide chapter of a national organization and is made up of six branches: Hilo, Honolulu, Kauai, Kona, Maui, and Windward Oahu. AAUW's mission is to advance gender equity for equal opportunities in education, at workplace and for economic security, and in leadership.



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the House Committees on Labor and Government Operations and Human Services
Tuesday, February 6, 2024, at 9:15AM
Conference Room 309**

RE: HB1958 Relating to Economic Development

Chairs Matayoshi and Marten, Vice Chairs Garrett and Amato, and Members of the Committees:

The Chamber of Commerce Hawaii ("The Chamber") **supports HB1958**, which requires the Department of Labor and Industrial Relations to establish a three-year child care pilot grant program to provide grants to employers to assist in offering child care or caregiving support for their employees.

The Chamber works closely with DLIR in support of Hawaii's workforce development efforts, ensuring Hawaii businesses have a skilled, local talent pipeline and provides kamaaina families with sustainable careers, providing upward mobility and personal satisfaction. In discussions with our members, increasing the availability of childcare is a high priority and necessary for the viability of our workforce. Our business community cannot increase their capacity without such support.

Limited access to childcare is one of the challenges that our local workforce faces today and a significant reason for Hawaii's overall workforce shortage. Low wages and a high cost of living make it difficult for childcare facilities to retain and grow the workforce. This bill would support the retention and expansion of our local workforce by incentivizing employers and validating the gravity and critical need for child care and caregiving support to capacitate Hawaii's businesses and therefore grow our economy.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Thank you for the opportunity to testify.

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Companies*

Caroline Witherspoon
*President
Becker Communications*

LJ R. Duenas
*Executive Director
Alzheimer's Association*

Testimony to the House Committee on Labor and Government Operations and the House Committee on Human Services Tuesday, February 6, 2024; 9:15 a.m. Hawaii State Capitol, Conference Room 309, and Videoconference

RE: HOUSE BILL NO. 1958 – RELATING TO ECONOMIC DEVELOPMENT

Chairs Scot Matayoshi and Lisa Marten, Vice Chairs Andrew Takuya Garrett and Terez Amato, and Members of the Committees:

I am Ron Shimabuku, Director of Public Policy and Advocacy for the Alzheimer's Association. We testify in SUPPORT of House Bill No. 1958.

The Alzheimer's Association was established to assist those facing Alzheimer's disease and other dementias by providing local support groups and educational resources while advancing crucial research and public policy initiatives.

Alzheimer's disease is a public health crisis across the country. In Hawaii, approximately 29,000 individuals aged 65 and older live with Alzheimer's disease. This figure is projected to increase to over 35,000 by next year. In 2022, 60,000 family caregivers provided 91 million hours of unpaid care valued at \$1.9 billion.

The bill, as received by your Committee, would establish a three-year child care pilot grant program to provide grants to employers to assist in offering child care or caregiving support for their employees.

The Alzheimer's Association stands in support of all efforts to acknowledge the critical role that caregivers provide to their loved ones and the community. We ask you to pass House Bill No. 1958.

Mahalo for the opportunity to testify. If you have questions, please contact Ron Shimabuku at 808.451.3410 or rkshimabuku@alz.org.



Ron Shimabuku
Director, Public Policy and Advocacy
Alzheimer's Association – Hawaii



1050 Bishop St. PMB 235 | Honolulu, HI 96813
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Joe Carter, Coca-Cola Bottling of Hawaii, *Advisor*
Eddie Asato, Pint Size Hawaii, *Immediate Past Chair*

TO: Committee on Labor & Government Operations and Committee on Human Services

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 6, 2024
TIME: 9:15am
PLACE: Room 309

RE: HB1958 Relating to Economic Development

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

Chairs, Vice Chairs, and Members of the Committees,

HFIA is in support of this measure. Prior to the COVID-19 pandemic workforce shortages was one of the primary concerns for food industry businesses. The pandemic, economic downturn, workers leaving Hawaii, and great resignation have all greatly exacerbated the labor crisis. Childcare can be a critical component in bringing more workers into the workforce and alleviating the labor shortage.

Many of our businesses want to be involved in helping their employees, and potential employees, find great childcare. This measure supports those efforts and gives our businesses a resources to become part of the solution to this issue.

We encourage the committee to pass this measure and we thank you for the opportunity to testify.



**TESTIMONY OF TINA YAMAKI, PRESIDENT
RETAIL MERCHANTS OF HAWAII
FEBRUARY 6, 2024
Re: HB 1958 RELATING TO ECONOMIC DEVELOPMENT**

Good morning, Chair Matayoshi and Chair Martin and members of the House Committee Labor & Government Operations and the House Committee on Human Services. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii was founded in 1901 and is a statewide, not for profit trade organization committed to supporting the growth and development of the retail industry in Hawaii. Our membership includes small mom & pop stores, large box stores, resellers, luxury retail, department stores, shopping malls, on-line sellers, local, national, and international retailers, chains, and everyone in between.

We SUPPORT HB 1958. This measure requires the Department of Labor and Industrial Relations to establish a three-year childcare pilot grant program to provide grants to employers to assist in offering childcare or caregiving support for their employees.

We have seen since the pandemic, many companies, especially those that are customer service oriented, are having a difficult time finding employees to hire. One of the reasons people are not going back to work is due to childcare issues. Offering childcare facilities is a competitive advantage in the job market and may attract and enhance employee retention by demonstrating a commitment to the well-being of employees and their families.

For those employers who have the space and the resources to have an affordable childcare facility on their property would be a plus for their employees who can focus better on their work knowing they access to reliable childcare services and can be assured that their children are well taken care of during working hours. Also, with a childcare facility closer to where they work, employees are not stressed trying to pick up their children before being penalized for late pick up. They contribute to a better work-life balance for employees, reducing stress and allowing them to dedicate more energy to both their professional and personal responsibilities.

We hope that you will pass this measure.

Mahalo for this opportunity to testify.

HB-1958

Submitted on: 2/5/2024 5:13:46 PM

Testimony for LGO on 2/6/2024 9:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Stephen Ueda	Suisan	Support	Written Testimony Only

Comments:

Caregiving is a challenge for our workforce. It is especially difficult for households where both parents are working, and work is scheduled and on-site (not remote).

I find that workers want and need to work but are often pulled away from work because a dependent is sick. If our workers had help with childcare and caregiving, it would improve their wellbeing, and make them more effective and productive at work. This would provide benefits to both the worker and the employer. Workers would be happier, not lose work hours, and have more opportunities for advancement and higher pay. Employers would have a more engaged workforce and be able to more consistently and effectively serve their customers.

LATE