



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

January 30, 2024

TO: 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. 1964 – RELATING TO EARLY CHILD CARE
Hearing Date: Thursday, February 1, 2024
Time: 9:00 am
Location: Conference Room 329

EXECUTIVE OFFICE ON EARLY LEARNING’S POSITION: Support

The Executive Office on Early Learning (EOEL) supports H.B. No. 1964 and defers to the Department of Human Services regarding implementation.

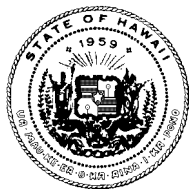
EOEL is committed to working collaboratively with stakeholders to expand access to high quality early learning for all keiki across the State. Professionals stand as a cornerstone of high-quality early learning as we continue to increase access to these opportunities while building the infrastructure needed to ensure the State’s investment reaps the intended returns.

EOEL recognizes that increasing compensation is an effective way to enhance recruitment and retention of a qualified early learning workforce. Despite working in a specialized field with health, safety, and educational requirements and having higher levels of education than the average American worker (Whitebook et al., 1990), many early childhood care and education providers remain at the second or third percentile in the Bureau of Labor and Statistics rankings of occupation, making wages comparable to that of parking lot attendants, bartenders, and laundry service workers. Furthermore, 16 percent of child care workers are living in poverty, compared to the 10 percent of the general population in Hawai'i (Early Childhood Workforce Index, 2020).

Hawai'i's early childhood care and education professionals are some of the most undervalued in our state. EOEL strongly supports the inclusion of those who service our youngest keiki as those are the most likely to be furthest from fair wages.

We look forward to continuing to work with the Legislature to support increasing access to quality early learning programs and services and the workforce in the State. Thank you for the opportunity to testify in support of this measure.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



CATHY BETTS
DIRECTOR
KA LUNA HO'OKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF HUMAN SERVICES
KA 'OIHANA MĀLAMA LAWELAWE KANAKA
Office of the Director
P. O. Box 339
Honolulu, Hawaii 96809-0339

January 30, 2024

To: The Honorable Representative Lisa Marten, Chair
House Committee on Human Services

FROM: Cathy Betts, Director

SUBJECT: **HB 1964 – RELATING TO EARLY CHILD CARE.**

Hearing: Thursday, February 1, 2024, 9:00 a.m.
Conference Room 329, State Capitol & Video Conference

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent of the bill, requests amendments, and provides comments. DHS respectfully requests that any appropriation not reduce or replace priorities identified in the executive budget.

PURPOSE: The purpose of this bill is to establish and implement a child care provider subsidy and bonus program to provide subsidies to retain the existing child care workforce in licensed infant and toddler child care centers and group child care centers and bonuses to registered family child care homes. Requires annual reports to the legislature. Appropriates funds.

There has been a steady decline in the number of licensed and registered family child care homes and group child care centers from December 2020 to post-pandemic December 2023. Providers have had to make difficult decisions to close classrooms and, on occasion, entire centers because they don't have the qualified child care staff to meet the staff-child ratios. Many qualified child care providers are choosing to leave the child care field entirely

January 30, 2024

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because of low wages and lack of benefits, or they are seeking employment in public pre-k classrooms where there is payment parity among public school kindergarten teachers.

To assist providers with recruitment, retention, and operating costs, DHS started its supplemental grant program on January 2, 2024. The grant program provides a staff retention bonus award of \$3,000 to teachers, assistant teachers, infant and toddler caregivers, and directors and \$2,000 to aides and registered family child care providers in licensed group child care centers and homes, infant and toddler centers, and registered family child care homes. Eligible providers will receive the staff retention bonus awards and operating cost award by September 30, 2024. If this measure becomes law, the child care provider subsidy and bonus program for child care workers will sustain continued efforts to stabilize the workforce after the DHS supplemental grant program ends on September 30, 2024.

DHS respectfully requests an amendment to include licensed group child care homes in the child care provider subsidy program since they must comply with the same child care worker qualifications as licensed group child care centers. DHS recommends the following amendments:

- Section 2, page 2, at lines 4 and 5, "(1) Infant and toddler child care centers, ~~and~~ group child care centers, and group child care homes to apply for and receive a subsidy to increase the pay of a child care center's child care workers to a rate of not less than \$16.00 per hour;"
- Section 2, page 7, at lines 18-20, "Applicant" means:
(1) "An infant and toddler child care center, ~~or~~ a group child care center, or a group child care home licensed by the department that submits an application for a subsidy pursuant to the program;"
- Section 2, page 8, at lines 10-13, "Child care worker" means a lead caregiver, caregiver, teacher, assistant teacher, or child care aide employed by an infant and toddler child care center, ~~or~~ a group child care center, or a group child care home.
- Section 2, page 8, at lines 14-16, "Covered child care worker" means a child care worker employed by an infant and toddler child care center, ~~or~~ group child care center, or group child care home..."

- Section 2, page 9, after the definition of "Group child care center" add "Group child care home" means a facility, which may be an extended or modified private home, at which care is provided for seven to twelve children.
- Section 2, page 9, at lines 12-14, "Licensed or registered child care provider" means a family child care home, group child care center, group child care home, or infant and toddler child care center licensed or registered by the department.
- Section 2, page 9, at lines 17-19, "Subsidy" means an award of state funds to a specified infant and toddler child care center, ~~or~~ a group child care center, or a group child care home applicant..."
- Section 3, page 10, at lines 3-7, "The department of human services shall submit annual reports on the development and implementation of the child care provider subsidy and bonus program, including impacts to infant and toddler child care centers, group child care centers, group child care homes, family child care homes, and child care workers..."

For the application for a subsidy or bonus in section 2, page 3, lines 7-11, DHS respectfully requests to remove the requirement for an applicant to provide proof that each covered child care worker or family child care home: (A) Has United States citizenship or permanent United States resident alien status and is a resident of the State at the time of application since the employer is already required to document verification of identity and employment authorization of each employee upon hire.

In section 2, page 3, lines 7-14, DHS also provides clarification regarding proof that each covered child care worker is a licensed child care provider. The recommended amendment is:

- (B) "Is an employee of a licensed or a registered child care provider, or is an exempt provider approved by the department;"

DHS also respectfully requests the following addition to ineligible uses of state funds in section 2, page 4, lines 8-9:

- (B) "Shall not use state funds for entertainment or lobbying activities or any other unauthorized uses prohibited by law or as determined by the department;"

In Section 2, page 5, lines 1-18, DHS recommends including the University of Hawaii or any entity of the University of Hawaii as an entity who shall not receive a subsidy or bonus pursuant to the program as subsection (d)(4) since it is a public education institution.

As a result of DHS' experience in issuing previous rounds of grant awards, with limited staffing in the DHS child care regulation program office, DHS requests an additional amendment authorizing it to contract a provider to run the program. At this time, it will be difficult for the department to administer and oversee the child care provider subsidy and bonus program, and being able to allow a third party to oversee the program will reduce delays in the implementation and issuance of the provider subsidies and bonuses. Therefore, DHS requests the following amendment to section 2, page 6, lines 1-5, "The department or its designee shall review each application to determine whether each covered child care worker or family child care home is eligible to receive a subsidy or bonus moneys and shall make a final decision on each application."

Lastly, DHS respectfully requests the following amendments to the appropriations sections of the bill:

- Section 4. There is appropriated out of the general revenues of the State of Hawaii and deposited to the child care grant program special fund, the sum of \$ or so much thereof as may be necessary for fiscal year 2024-2025 for the child care provider subsidy and bonus program established by section 2 of this Act.

The sum appropriated to the child care grant program special fund shall be expended by the department of human services for the purposes of this Act.

- (new) Section 5. There is appropriated out of the child care grant program special fund, the sum of \$ or so much thereof as may be necessary for fiscal year 2024-2025 for the child care provider subsidy and bonus program established by section 2 of this Act.

The sum appropriated from the child care grant program special fund shall be expended by the department of human services for the purposes of this Act.

- Section 6. There is appropriated out of the general revenues of the State of Hawaii, the sum of \$100,000 or so much thereof as may be necessary for one (1) program

specialist to carry out the implementation and monitoring of the child care provider subsidy and bonus program established by section 2 of this Act.

The sum appropriated shall be expended by the department of human services for the purposes of this Act.

As the session continues, DHS will provide cost estimates to establish, implement, and administer the child care provider program.

If the measure passes, DHS would need time to develop standards, policies, an application form, and procedures for the administration of the child care provider subsidy and bonus program. Additionally, DHS must make program and system changes and develop administrative processes and rules to establish and implement the program. DHS requests an extended effective date of January 31, 2025, or later. The later effective date for this new program will provide DHS with needed time as the department oversees and administers the supplemental grant program by September 30, 2024.

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

Aloha Legislators:

The Hawai'i Association of School Psychologists (HASP) **supports** HB1964.

HB1964 accomplishes the following:

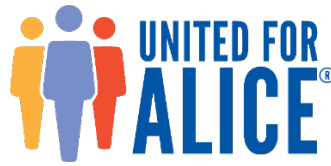
- (1) It requires the Department of Human Services (DHS) to provide subsidies to child care workers of licensed infant and toddler child care centers, group child care centers, and bonuses to registered family care homes
- (2) It establishes a child care provider subsidy and bonus program to adequately compensate and retain the existing early child care workforce in all licensed and registered child care provider settings
- (3) It appropriates funds for the child care worker subsidy and bonus program, and provides an appropriation request to ensure DHS will have the funds to implement the program
- (4) It requires DHS to submit annual reports on the development and implementation of the child care worker subsidy and bonus program
- (5) It allows infant and toddler child care centers and group child care centers to apply for and receive a subsidy to increase the pay of its child care workers to a rate of not less than \$16.00 per hour
- (6) It allows family child care homes to apply for and receive a bonus of at least \$6,000 per year

Please support this measure to improve pay for the professionals who are the heart of early childhood classrooms. Families must have access to early childhood care and education from birth to kindergarten. This measure is the first step toward ensuring that early childhood care and education professionals earn a livable wage.

Respectfully Submitted:

Alec Marentic, Ed.S., NCSP

HASP, Legislative Chair



COMMITTEE ON HUMAN SERVICES

BILL HB1964
POSITION: SUPPORT

Hearing Date: February 1, 2024, 9am

Aloha Chair Marten, Vice Chair Amato, and Committee Members:

Aloha United Way supports HB1964 which provides subsidies to adequately compensate child care providers, along with a bonus program, to attract and retain our early child care workforce.

Quality early childcare programs are essential for our communities. While the high need for care grows, the sector will fall far short of the need for childcare because of the low compensation childcare professionals receive. Current wages often mean their own households live below the ALICE threshold or in poverty. Such low wages mean it is incredibly hard to attract new employees to this workforce and limits available child care seats.

Aloha United Way and agencies in the ALICE initiative support this bill to build a stronger child care system and measurable increases to income and employment opportunity for ALICE families. ALICE stands for Asset Limited, Income Constrained, Employed, and refers to households who are employed but whose incomes are not enough to meet their basic living costs. A UW's 2022 ALICE report found that **44% of Hawaii's households are ALICE** and showed an alarming 50% increase in ALICE households falling into poverty.

This bill provides **critical child care workforce support and will help ALICE families** with limited options for child care, increase workforce participation and economic growth, and elevate income for child care workers. Adequate, high-quality, affordable programs can only happen if the field can attract professional, trained workers who see a viable career that provides living wages.

Thank you for the opportunity to testify and for your action to support ALICE households and families across Hawaii by passing HB1964.

Sincerely,

Handwritten signature of Kayla Keehu-Alexander in blue ink.

Kayla Keehu- Alexander
Vice President, Community Impact
Aloha United Way

Handwritten signature of Suzanne Skjold in blue ink.

Suzanne Skjold
Chief Operating Officer
Aloha United Way



January 30, 2024

Aloha Chair and Committee Members,

As the President of Kama'aina Kids, overseeing operations across more than 100 childcare sites spanning four islands and caring for over 6,500 children aged infants through after-school programs, I am reaching out to emphasize the critical importance of community-based childcare in Hawaii. Our commitment to providing quality childcare is unwavering, but we face a significant challenge due to the shortage of early childhood education and childcare teachers and staff in the state.

Community-based childcare is not just essential for the families we serve, but also for those eager to return to work but unable to find care. The shortage of skilled professionals in early childhood education hinders our ability to meet the growing demand for childcare services. Recognizing this, I urge your support for the creation of a childcare worker subsidy and bonus program to enhance the compensation for these invaluable professionals.

Hawaii's early childhood care and education professionals play a pivotal role in shaping the future of our keiki. However, a 2022 study conducted by the RAND Corporation in collaboration with the University of Hawai'i at Mānoa revealed that the pay gap between Public School DOE teachers and licensed childcare lead teachers is significant even if the education and training required are similar.

This inadequate compensation acts as a significant deterrent for individuals considering a career in early childcare.

Preschools, childcare providers, and families are already facing considerable challenges. Addressing the wage disparity is crucial, and public investment is essential as early childhood care and education professionals contribute to the public good.

By investing in the people who take care of our children, we not only enhance the quality of early childhood education but also support Hawaii's working families.

I urge your thoughtful consideration and support for this vital initiative.

Dana Vela

President and CEO

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Kailua, Hawaii 96734
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Hearing Date: **Thursday, February 1, 2024, 9:00 am, Conference Rm. 309**

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

Re: TESTIMONY IN SUPPORT OF HB 1964, Relating to Early Child Care

Dear Chair Marten, Vice Chair Amato, and the Members of Committees,

Members of AAUW of Hawaii thank you for this opportunity to testify in support of HB 1964, Relating to Early Child Care which would appropriate funds to require the Department of Human Services to establish and administer a two-year Infant and Toddler Child Care Worker Subsidy Pilot Program and appropriate funds.

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. One major obstacle preventing mothers from securing a well-paid, stable job is finding and retaining available, affordable, quality childcare.

Early childhood care and educational professionals are undervalued in Hawaii, averaging \$13 to \$17 per hour wage. It is no surprise that the number of professionals in this sector has been decreasing, although they are in high demand. AAUW of Hawaii supports this measure since it would appropriate funds to pilot a wage subsidy program for the early childhood care and educational professionals. Findings from this pilot program will then be used to understand what we need to pay these professionals to retain them. Supporting this bill will aid Hawaii in retaining and recruiting qualified child care workers, including women who want to work in the field, but cannot, or will not, due to the current low wage. It will also increase the number of needed available slots.

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.

Date: January 29, 2024

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

From: Early Childhood Action Strategy

Re: Support for **HB1964**, Relating to Early Child Care

Early Childhood Action Strategy (ECAS) is a statewide cross-sector collaborative designed to improve the system of care for Hawai'i's youngest children and their families. ECAS partners work to align priorities for children prenatal to age eight, streamline services, maximize resources, and improve programs to support our youngest keiki.

ECAS strongly supports passage of HB1964, which would establish a child care provider subsidy and bonus program to support compensation and retention of the early care and education workforce in child care centers and family child care homes.

High-quality child care and early learning programs are fundamental to thriving children, flourishing families, and a robust economy. An effective, well-trained, early childhood workforce is the backbone of these programs. This workforce, however, suffers from chronically low wages and turnover.

A 2022 study completed by the RAND Corporation in partnership with the University of Hawaii at Mānoa showed that the average hourly wage for early care and education professionals in Hawaii ranges between \$13 and \$17 per hour. The COVID-19 pandemic compounded the impact of annual workforce turnover rates for early childhood educators that already ranged from 26-40%. Based on national trend data in child care employment, Hawaii is likely to have lost more than a quarter of our early care and learning workforce between 2018 and now.

This erosion in the workforce has reduced existing operating capacity and poses significant barriers to expansion of Hawai'i's child care and early learning programs. In the past six months alone, the state has experienced the closure of seventeen licensed Group Child Care (GCC) centers and the loss of 640 GCC center slots. Additional capacity has been lost in centers that continue to operate but have reduced capacity due to the inability to fully staff classrooms.

To ensure families have access to early childhood care and education from birth to kindergarten, we must improve pay for the professionals who are the heart of those classrooms and homes. Addressing workforce compensation must start somewhere. Financial relief strategies such as the wage subsidies and bonuses proposed by this bill have been implemented by 37 different states, resulting in significant improvements in teacher/caregiver retention and reductions in turnover rates by half or more.

In order for Hawai'i to meet the education, employment, and economic needs of the state, the state must support and sustain the child care sector and improve families' access to child care and early learning programs by prioritizing strategies to stabilize and expand the early childhood workforce. Towards this end, we strongly urge you to support **HB1964**.

Thank you for the opportunity to testify.

To: House Committee on Human Services

Re: HB 1964

Hawaii State Capitol, Conference Room 329 and Videoconference
February 1, 2024; 9:00

Aloha Chair Marten, Vice Chair Amato and members of the committee:

On behalf of Hawai'i Children's Action Network (HCAN) Speaks!, mahalo for the opportunity to testify in **STRONG SUPPORT of House Bill 1964 Relating to Early Child Care.**

At the heart of every early childhood care and education program are the professionals who cultivate the nurturing environment where our youngest keiki can grow, learn and thrive. Families will tell you that when they make their choices about child care one of the biggest priorities is the professionals doing the work of early care and education.

Too often, these critical professionals do not make a living wage. In 2020, a study found that 1 in 3 child care workers faced food insecurity. A 2022 study completed by the University of Hawaii Early Childhood Educator Excellence and Equity Project showed that early childhood care and education professionals earned between \$13 and \$17 per hour on average. This is significantly below what's needed for a living wage.

Early childhood care and education professionals provide a public good that deserves public investment. They help children build critical skills that they'll rely on their entire lives. A child's most rapid brain development happens between birth and three years old and this is when they develop vital skills that lay the foundation for lifelong education—in social-emotional skills, math, motor skills and literacy.

In addition to helping develop the next generations of curious and engaged citizens, infant and toddler child care professionals enable parents, caregivers and other family members to go to work. They are the workforce behind so many other workforces.

Even as critical as these professionals are, we are losing them in droves. According to the Center for the Study of Child Care Employment, **Hawai'i lost 20% of its early childhood care and education workforce between 2018 and 2020.** Even more left the field during the pandemic. Nationally, more than 7% of the workforce have not returned. This means that over the last five years, we have likely lost a quarter of the early childhood care and education workforce.

We need to retain the dedicated professionals currently in the workforce and attract the next generation of child care workers and early childhood educators. These efforts must start with raising their wages.

This bill is a crucial step forward. HB 1964 requires the Department of Human Services (DHS) to establish and implement a child care provider subsidy and bonus program to provide subsidies to retain the existing child care workforce in licensed infant and toddler child care centers and group child care centers and bonuses to registered family child care homes.

As the state continues its work to expand early childhood care and education options for families, we must focus on expanding the workforce. **Please support HB 1964**

Mahalo,

Deborah Zysman, MPH
Executive Director



February 1, 2024

Members of the House Committee on Human Services:

Chair Lisa Marten

Vice Chair Terez Amato

Rep. Della Au Belatti

Rep. Greggor Ilagan

Rep. Bertrand Kobayashi

Rep. Scott Y. Nishimoto

Rep. Jenna Takenouchi

Rep. Diamond Garcia

Re: HB1964 Relating to Early Child Care

Dear Chair Marten, Vice Chair Amato, and Members of the House Committee on Human Services:

The Hawai'i State Coalition Against Domestic Violence (HSCADV) addresses the social, political, and economic impacts of domestic violence on individuals, families, and communities. We are a statewide partnership of domestic violence programs and shelters. On behalf of HSCADV and our 27 member programs statewide, I respectfully submit testimony in **strong support of HB1964**.

The availability of childcare is one of the major economic factors survivors of domestic violence consider when making decisions about their safety such as when and if they can leave an abusive partner. Investing in the childcare workforce and ensuring there are enough professionals in the field to meet our state's needs is not only a public good, but has the potential to contribute to family safety as well.

This bill ensures families have access to early childhood care and education from birth to kindergarten and we must improve pay for the professionals who are the heart of those classrooms. Please support the creation of a childcare worker subsidy and bonus program as a step toward improving wages for early childhood care and education professionals.

Hawai'i's early childhood care and education professionals are some of the most undervalued in our state. A 2022 study completed by RAND Corporation in partnership with the University of Hawai'i at Mānoa showed that on average, childcare workers earn between \$13 to \$17 per hour. Low pay is consistently cited as a barrier to early childcare employment.



Preschools, childcare providers, and families already carry a heavy burden. They cannot carry more without support. Hawai'i's early childhood care and education professionals provide a public good, which requires public investment.

Thank you for the opportunity to testify on this important matter.

Sincerely,
Angelina Mercado, Executive Director



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

February 1, 2024

Dear Chair Marten, Vice Chair Amato, and Members of the Committee,

We support HB 1964, which requires the Department of Human Services to establish and implement a child care provider subsidy and bonus program to provide subsidies to retain the existing child care workforce in licensed infant and toddler child care centers and group child care centers and bonuses to registered family child care homes.

We believe that children who have a strong foundation in early learning will be better prepared to enter our K-12 system. Access to quality early learning opportunities is key to building this foundation.

The number of early childhood care and education professionals in Hawai'i has been decreasing over the last 5 years. A recent survey conducted by the Hawai'i Association for the Education of Young Children found that while many early learning providers would like to expand, the biggest hurdle continues to be recruiting and retaining qualified staff. The child care provider subsidy and bonus program will help support our early learning workforce.

Hui for Excellence in Education, or "HE'E," promotes a child-centered and strength-based public education system in which families, communities and schools are valued and empowered to help every student succeed. HE'E works to bring diverse stakeholders together to harness collective energy, share resources, and identify opportunities for progressive action in education.

Thank you for the opportunity to testify. Our support for this measure represents at least a 75% consensus of our voting membership.

Sincerely,

Cheri Nakamura
HE'E Coalition Director



Coalition Members and Participants

Academy 21

Alliance for Place Based Learning

American Civil Liberties Union

Atherton YMCA

Education Institute of Hawai'i

*Faith Action for Community Equity

Fresh Leadership LLC

Girl Scouts Hawai'i

*HawaiiKidsCAN

*Hawai'i Afterschool Alliance

*Hawai'i Appleseed Center for Law and
Economic Justice

*Hawai'i Association of School Psychologists

Hawai'i Athletic League of Scholars

*Hawai'i Children's Action Network

Hawai'i Education Association

Hawai'i Nutrition and Physical Activity Coalition

* Hawai'i State PTSA

Hawai'i State Student Council

Hawai'i State Teachers Association

Head Start Collaboration Office

It's All About Kids

*INPEACE

Joint Venture Education Forum

Junior Achievement of Hawaii

Kamehameha Schools

Kanu Hawai'i

Kaua'i Ho'okele Council

Keiki to Career Kaua'i

Kupu A'e

*Leaders for the Next Generation

Learning First

McREL's Pacific Center for Changing the Odds

Native Hawaiian Education Council

Our Public School

*Pacific Resources for Education and Learning

*Parents and Children Together

*Parents for Public Schools Hawai'i

Special Education Provider Alliance

*Teach for America

The Learning Coalition

US PACOM

University of Hawai'i College of Education

* Youth Service Hawai'i

Voting Members () Voting member
organizations vote on action items while
individual and non-voting participants may
collaborate on all efforts within the*



holomua

COLLABORATIVE

OUR MISSION

To support and advance public policies that make Hawai'i affordable for all working families.

OUR VISION

Collaborative, sustainable, and evidence-based public policies that create a diverse and sustainable Hawai'i economy, an abundance of quality job opportunities, and a future where all working families living in Hawai'i can thrive.

BOARD MEMBERS

Jason Fujimoto
Meli James, *Board Chair*
Micah Kāne
Brandon Kurisu
Mike Mohr
Brad Nicolai
Mike Pietsch

ADVISORY COMMITTEE

Josh Feldman
Brittany Heyd
Alicia Moy
Ed Schultz

Josh Wisch
President & Executive Director

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Page 1 of 2

Committee: House Committee on Human Services
Bill Number: HB 1964, Relating to Early Child Care
Hearing Date and Time: February 1, 2024 at 9:00am (Room 329)
Re: Testimony of Holomua Collaborative in support

Aloha Chair Marten, Vice Chair Amato, and Committee Members:

We write in support of HB 1964, Relating to Early Child Care. The purpose of HB 1964 is to require the Department of Human Services to establish and implement a child care provider subsidy and bonus program to provide subsidies to retain the existing child care workforce in licensed infant and toddler child care centers and group child care centers and bonuses to registered family child care homes.

Hawai'i is having an increasingly difficult time retaining and recruiting infant and toddler child care workers. Indeed, between 2018 and 2020 Hawai'i lost 20% of its child care workforce. When child care workers leave the profession, it becomes harder for child care providers to stay open. This ultimately makes it harder for families to get child care as demand increases while supply shrinks. And this disparity between supply and demand for child care is why families struggle to pay for facilities that charge \$20,000 per year per child, because that is what they must do to stay afloat.

Holomua supports initiatives that help keep all local working families in Hawai'i by addressing issues of affordability. We are especially interested in fostering cross-sector collaboration and supporting policies that are evidence-based. The subsidy program crafted by the authors of HB 1964 is a perfect example of this.

This solution involves the nonprofit sector (advocates like the Hawai'i Children's Action Network and the Hawai'i Early Childhood Advocacy Alliance) who have created the idea of this program, the government sector (in the form of the Department of Human Services who will be in charge of developing out the program), and the private sector in the form of the child care providers themselves, who are currently faced with not having enough professional employees because they lack the funding to pay them.

The RAND Corporation¹ has noted that as of May 2021, the typical child care worker in Hawai'i earned just under \$13.79 on an hourly basis. When adjusting for cost of living, this is lower than the national median hourly wage for child care workers. This is unsustainable. And it underscores why bringing child care workers in Hawai'i to a rate of not less than \$16 an hour will be critical for recruitment and retention.

Additionally, multiple studies have shown that a person's most dramatic brain development occurs in the first three years of their life. Making sure that the frontline child care workers—who are in charge of molding the minds of babies

¹ See "Early Childhood Educators in Hawai'i: Addressing Compensation, Working Conditions, and Professional Advancement," at https://www.rand.org/pubs/research_reports/RRA1908-1.html.

and other young children during these critical years—are paid well enough to stay in the profession; (2) the children who will receive professional care during critical years; (3) businesses whose employees depend on child care; (4) parents who can stay at their jobs because of greater access to child care; and (5) society as a whole, because a new generation of children will be better prepared to learn, grow, and thrive.

We know that child care providers operate on miniscule financial margins with fixed costs that can't be negotiated or reduced, like rent or electricity. This means that when they need to lower expenses they must turn to wages. And in turn, child care professionals leave the state. If this trend continues, we are likely to have lost more than a quarter of this workforce between 2018 and today.

This collaborative, evidence-based program can break this cycle and put us on a path to greater affordability both for child care workers and for those who need access to child care. We are proud to support it.

Sincerely,



Josh Wisch
President & Executive Director



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the House Committee on Human Services
Thursday, February 1, 2024, at 9AM
Conference Room 329**

RE: HB1964 Relating to Early Child Care

Chair Marten, Vice Chair Amato, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports HB1964**, which establishes and appropriates funds to implement a child care provider subsidy and bonus program to increase the retention of the existing child care workforce in licensed child care centers and provides bonuses to registered family child care homes.

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 help retain and expand the local childcare workforce which is critical to ensure a thriving future for all of Hawaii businesses.

Increasing the availability of childcare and providing necessary support to strengthen our child care and early education workforce is of high priority to The Chamber, and critical for our workforce viability and economic future. Our business community and its workforce cannot increase its capacity without support such as that which would be provided by this measure.

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.



February 1, 2024

Committee: House Committee Human Services
Bill Number: HB 1964, Relating to Early Child Care
Hearing Date and Time: February 1, 2024, 9:00am
Re: Testimony of HPM Building Supply in Support

Dear Chair Marten, Vice Chair Amato, and Committee Members:

I would like to submit this letter and written testimony in support of HB 1964, Relating to Early Child Care. The purpose of HB 1964 is to create a subsidy program to support childcare workers.

HPM Building Supply is a 100% employee-owned company serving Hawaii's home improvement market and building industry for over 100 years since 1921. With 18 locations across Hawaii and Washington State, HPM offers various services and products, including retail stores, building supply and lumber yards, home design centers, drafting and design services, and manufacturing facilities. HPM is dedicated to enhancing homes, improving lives, and transforming communities.

As a State-wide employer with over 600 employees, we understand that many of our employees face childcare decisions daily. Much-needed childcare services gives parents peace of mind to go to work knowing their child is being taken care of.

This bill seeks to improve the support of childcare workers by increasing wages by appropriating State funds. These early childhood workers are underpaid, and they provide a necessary public good. Increasing the minimum wage of these workers and providing a bonus program would assist with recruitment and retention.

This bill also aligns with HPM's values of Heart, Character, and Growth. By supporting early childhood workers and educators, we invest in our future. We show that we care about the future generations and our current workforce shaping it. Our company's value of Heart is caring for one another as a community.

Thank you for the opportunity to provide testimony in support of HB1964. I strongly encourage your support and passage of this measure.

Sincerely,

Dennis Lin
Community Relations Administrator



Statement of
Meli James
Cofounder
Mana Up

HB 1964, Relating to Early Child Care

Aloha,

On behalf of Mana Up, I write in support of HB1964, Relating to Early Child Care. Hawai'i is having an increasingly difficult time retaining and recruiting infant and toddler child care workers. Indeed, between 2018 and 2020 Hawai'i lost 20% of its child care workforce. When child care workers leave the profession, it becomes harder for child care providers to stay open. This ultimately makes it harder for families to get child care as demand increases while supply shrinks. And this disparity between supply and demand for child care is why families struggle to pay for facilities that charge \$20,000 per year per child, because that is what they must do to stay afloat.

Mana Up supports innovative initiatives that help make Hawai'i affordable to all working families. Mana Up is a statewide initiative that supports entrepreneurs in Hawai'i, providing them with resources and tools to scale globally. As these entrepreneurs continue to grow, they also help to sustain the local community through economic diversification, local job creation, givebacks, investment, and a regenerative culture of entrepreneurship – providing a better future for generations to come here in Hawai'i. In fact, many of these entrepreneurs we work with who are helping contribute to growing our local economy having families, including young children requiring child care to be able to run their businesses and sometimes a full-time corporate job as well.

We know that child care providers operate on miniscule financial margins with fixed costs that can't be negotiated or reduced, like rent or electricity. This means that when they need to lower expenses they must turn to wages. And in turn, child care professionals leave the state. If this trend continues, we are likely to have lost more than a quarter of this workforce between 2018 and today.

This program is the type of innovative, collaborative, evidence-based program that can break this cycle and put us on a path to greater affordability both for child care workers

and for those who need access to child care. We are proud to support it. We appreciate the opportunity for Mana Up to testify.

Mahalo for the opportunity to submit this testimony on behalf of Mana Up.

Sincerely,



Meli James
Cofounder, Mana Up



TITLE GUARANTY
HAWAII

We write in support of HB 1964, Relating to Early Child Care.

Title Guaranty of Hawai'i is the oldest and largest title company in the state. We have been owned and operated by a kama'aina family since 1896 and we are proud to employ over 250 people who work in our branches all across the state. Being a longtime employer of so many people in Hawai'i, we know how important it is that our employees have access to quality and affordable child care. But we also know it's difficult for people to obtain child care in Hawai'i and when they do, it can be prohibitively expensive. For many parents, including those who work for us, being able to access child care they can afford is what allows them to continue to work. So, not having access is bad for us as an employer, stressful for the parents who we employ, and—most importantly—detrimental to the children. As not just a longtime employer, but also a committed member of our local community, we're lending our voice to support this effort because it is so important.

Early childhood care and education professionals are critical to young children's development. It is in their first three years when children's brains develop most rapidly. That means infant and toddler child care providers are critical to shaping the next generation of responsible, curious and contributing Hawai'i residents. These professionals come to their work with training that is specialized so that they can work with young children to grow and learn in developmentally appropriate ways. But we do not pay these folks nearly enough, which is why so many of them are leaving the profession. We can't afford to keep losing them.

This child care worker subsidy program is a smart first step toward improving wages for early childhood care and education professionals, and we are happy to support it.

Sincerely,

Mike B. Pietsch
President and Chief Operating Officer
Title Guaranty of Hawai'i



Title and Escrow is our business. Hawaii is our home.





February 1, 2024

LATE

TO: Representative Lisa Marten, Chair
Representative Terez Amato, Vice Chair and
Members of the Committee on Human Services

From: Jeanne Y. Ohta, Co-Chair
Hawai'i State Democratic Women's Caucus

RE: HB 1964 Relating to Early Child Care

POSITION: STRONG SUPPORT

The Hawai'i State Democratic Women's Caucus write in strong support of HB 1964 Relating to Early Child Care which would establish a child care provider subsidy and bonus program to retain the existing child care workforce which is severely under staffed.

It is essential that we have quality, affordable child care and early education programs that are staffed by qualified child care and early education professionals. The shortage of these professionals has hampered expansion of sorely needed programs; limiting access to quality child care for many of Hawaii's working families. Provider subsidies would help alleviate barriers to expansion of programs.

This is a priority measure for the Hawai'i State Democratic Women's Caucus. The Hawai'i State Democratic Women's Caucus is a catalyst for progressive, social, economic, and political change through action on critical issues facing Hawaii's women and girls.

We respectfully request that the Committee pass this important measure. Thank you for the opportunity to provide our testimony in strong support of HB 1964 Relating to Early Child Care.

HB-1964

Submitted on: 1/29/2024 7:35:44 PM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

I am testifying in support of HB1964, which would create child care worker subsidy program. This is a step toward improving wages for early childhood care and education professionals. This bill not only helps us retain current childcare workers, but helps ensure families have access to quality and affordable child care. Mahalo!

HB-1964

Submitted on: 1/30/2024 8:11:41 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jessie L Gonsalves	Individual	Support	Written Testimony Only

Comments:

I SUPPORT HB1964 THIS NEEDS TO BE PASSED! Our keiki are taken care of and In safe places. Especially in foster care and looking for homes. PLEASE PASS HB1964.

Jessie Gonsalves

HB-1964

Submitted on: 1/30/2024 8:38:57 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tricia-Lee Lum Ho	Individual	Support	Written Testimony Only

Comments:

Aloha,

Please pass this bill!

Mahalo,

Tricia-Lee Lum Ho

HB-1964

Submitted on: 1/30/2024 8:39:39 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

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

Comments:

Please pass HB1964 so we can pay the childcare and early child development professionals a living wage. Please pass HB1964 for our keiki, working mothers, and working families.

HB-1964

Submitted on: 1/30/2024 9:00:58 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello Chair, Vice Chair, and Committee Members,

My name is Nanea Lo. I am testifying in support of bill HB1964.

me ke aloha 'āina,

Nanea Lo

HB-1964

Submitted on: 1/30/2024 9:29:28 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Terri Yoshinaga	Individual	Support	Written Testimony Only

Comments:

Supporting keeps our hard working child care workers employed and earning deserving wages. This bill gives opportunity to hire more workers, which opens up more child care seats.

HB-1964

Submitted on: 1/30/2024 9:58:36 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ryan Samonte	Individual	Support	Written Testimony Only

Comments:

I **support** HB1964. Please pass this bill.

Thank you!

Ryan S.

HB-1964

Submitted on: 1/30/2024 10:02:12 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Krystal Baba	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Committee Members,

Please pass HB1964 as I **support** this measure.

Mahalo,
Krystal Baba

HB-1964

Submitted on: 1/30/2024 10:40:48 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Wesley Palmer-Lasky	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Committee Members,

I am testifying in **support** of bill HB1964, Relating to Child Care Worker Wages.

This bill is absolutely critical to having a stable early childhood education workforce in the State!

This bill is important to me because everything in section 1 of this bill, that legislature has already found as fact, has been my lived experience with childcare services in Hawai'i.

Our childcare providers do an amazing job, caring for our keiki so that parents can go to work with peace of mind. They deserve to be paid a living wage (which most currently are not due to the State's high cost of living). The cost of childcare to that average worker is staggering. Increasing childcare worker pay without this subsidy would just make child care out of reach for workers already stretched thin on their monthly budgets.

Mahalo for listening and allowing me to share my support.

Sincerely,

Wesley D. Palmer-Lasky, MD

HB-1964

Submitted on: 1/30/2024 11:12:17 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Julie S Kalakau	Individual	Support	Written Testimony Only

Comments:

Stongly support this bill! There is a shortage of Early childhood teachers and pay is one of the biggest barriers for this important work. Please consider passing this bill.

HB-1964

Submitted on: 1/30/2024 11:16:35 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Elaine Yamashita	Individual	Support	Written Testimony Only

Comments:

Aloha,

I strongly support HB 1964. It's an important step in acknowledging and retaining our early childhood educators.

Elaine Yamashita

HB-1964

Submitted on: 1/30/2024 11:52:09 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Malia Tsuchiya	Individual	Support	Written Testimony Only

Comments:

Committee on Human Services

Chair Marten, Vice Chair Amato

Date: Thursday, February 1, 2024

Time: 9:00 a.m.

Place: Via Videoconference

Conference Room 329

State Capitol

415 South Beretania Street

Bill: **HB 1964**

Position: **IN SUPPORT**

Dear Chair Marten, Vice Chair Amato and respected committee members,

Thank you for hearing HB 1964. I am writing in **STRONG SUPPORT OF HB1964.**

My name is Malia Tsuchiya. I am a mother of five and former child care provider. I no longer work as a childcare provider because the wages are not enough to make a living wage. I would love to return to childcare and education but it is not a viable option for me and my family.

My youngest child turned three recently and I know through experience that the options for quality affordable childcare are very limited. Through experience, I have also found that staffing is a problem that has, and is continuing to negatively impact the ability for programs to remain in service to the community.

According to a 2022 study done by RAND corporation, childcare workers in Hawaii make \$13-\$17 dollars. From 2018-2020 over 20% of Hawaii's Early Childcare Workforce left the workforce. ARPA funding helped to stem the mass exodus of childcare workers from the field. Unfortunately, ARPA funds are expiring and this extra support that helped so much will no longer be available to stabilize programs and workforce.

Both anecdotal and quantitative research consistently shows that low wages are a significant deterrent to the recruitment and retention of childcare workers. Without a strong commitment to increasing wages for childcare workers the trend of lost childcare spaces due to staffing shortages will continue. I humbly ask for your support in lifting childcare wages through subsidies and bonuses. Please help our childcare programs stay open and make being a childcare worker a viable option for current and future workers.

Please vote **IN FAVOR of HB 1964.**

Thank you for your time and commitment to serving Hawai'i's people and supporting the early childhood workforce that supports working parents like me.

Sincerely,

Malia Tsuchiya

HB-1964

Submitted on: 1/30/2024 2:50:06 PM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kristy Arias	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Committee members,

My name is Kristy Arias. I am testifying in support of Bill HB#1964. This bill is important to me because childcare is so important. Many families cannot stay home to take care of their child and rely on childcare. Giving a pay raise to childcare workers is so needed. This way, more people will want to work in this industry. Thus, this bill will increase space for more childcare availability. Please consider this bill and approve it to help our community.

Mahalo for listening and allowing me to share my support.

Kristy Arias

HB-1964

Submitted on: 1/30/2024 6:25:21 PM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Traci Garma	Individual	Support	Written Testimony Only

Comments:

Committee on Human Services

Chair Marten, Vice Chair Amato

Date: Thursday, February 1, 2024

Time: 9:00 a.m.

Place: Via Videoconference

Conference Room 329

State Capitol

415 South Beretania Street

Bill: HB 1964

Position: IN SUPPORT

Dear Chair Marten, Vice Chair Amato and respected committee members,

Mahalo for hearing HB 1964. I am writing in STRONG SUPPORT OF HB1964.

My name is Traci M Garma. I have 3 children and 2 grandchildren. I am fortunate to have a spouse who was able to support me when I was an early educator when I was a teacher. I had to leave teaching due to low wages. I've seen and heard many individuals who would like to enter into the field however low wage earning has turned them away.

Working as a Mentor Coach I've seen preschools struggling to retain and recruit staff. This turnover of the workforce takes a toll on the staff, families and precious children.

According to a study done by RAND corporation childcare workers in Hawaii make \$13-\$17 dollars. From 2018-2020 over 20% of Hawaii's Early Childcare Workforce left the workforce. ARPA funding helped to stem the mass exodus of childcare workers from the field. Unfortunately, ARPA funds are expiring and this extra support that helped so much will no longer be available to stabilize programs and workforce.

Both anecdotal and quantitative research consistently shows that low wages are a significant deterrent to the recruitment and retention of childcare workers. Without a strong commitment to increasing wages for childcare workers the trend of lost childcare spaces due to staffing shortages will continue. I humbly ask for your support in lifting childcare wages through subsidies and bonuses. Please help our childcare programs stay open and make being a childcare worker a viable option for current and future workers.

Please vote IN FAVOR of HB 1964.

Thank you for your time and commitment to serving Hawai'i's people and supporting the early childhood workforce that supports working parents like me.

Sincerely,

Traci M. Garma

January 30, 2024

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

Subject: **Measure** – HB1964 RELATING TO EARLY CHILD CARE
Hearing Date – February 1, 2024
Time - 9:00 AM
Location - Conference Room 329

This testimony is in strong support of HB1964.

Aloha Chair Marten and Vice Chair Amato and committee members,

My name is Dr. Terry Lock. I am with the University of Hawai'i at Mānoa (UHM) College of Education (COE) and serve as the director of the Hawai'i Early Childhood Educator Excellence and Equity (ECE³) Project.

I am writing to express my strong support for House Bill 1964, which establishes a child care worker subsidy and bonus program (wage supplement program) for staff working in Department of Human Services (DHS) licensed infant toddler centers, group child care centers, and regulated family child care homes.

HB1964 will provide much-needed wage supplements essential for recruiting and retaining early care and education professionals and keeping our child care and early learning programs open. This will allow parents with young children to have accessible and stable child care options so they can work and/or return to school.

The current situation, as highlighted by a [RAND study](#) commissioned by the University of Hawai'i at Mānoa, reveals that child care workers in our state are earning between \$13 and \$17 per hour. These low wages has resulted in a disturbing number of early educators who have left the profession for other industries, creating dire consequences for children, families, employers, and our society as a whole.

Retaining quality early educators is crucial for children's physical, cognitive, social-emotional development, readiness for school, and long-term academic success. Improved pay for educators contributes to the overall quality and stability of child care and early learning programs.

Moreover, a wage supplement program can prevent early learning program closures and potentially open up more child care slots. Given that early childhood education heavily depends on its workforce, as much as [90% of the program's budget](#) may be

allocated to staff and personnel wages. Fixed expenses, like rent and utilities, leave staff wages as one of the only areas where child care programs can cut. Because of the low wages, many early educators choose not to stay, and programs are forced to shut down classrooms because of a lack of staff. Wage supplements can help early educators stay in their profession, thus protecting child care programs from closing.

The effectiveness of wage supplement programs has been demonstrated in other states. One of which is [North Carolina's Child Care WAGES](#), a program that reduced their state's early educator turnover rate from 31% to 14%. Additionally, the infusion of federal relief dollars through the American Rescue Plan Act (ARPA) has been instrumental in helping child care providers across the nation stay open and make necessary workforce investments. This evidence suggests that implementing a wage supplement program in Hawai'i is not only feasible but also a proven strategy to address the workforce shortage in the ECE sector.

HB1964 will allow licensed infant and toddler child care centers and group child care centers to apply for and receive a subsidy to increase the pay of its child care workers to a rate of not less than \$16.00 per hour. This aligns with the RAND Study which found that the median starting hourly wage for assistant teachers working in licensed child care centers is \$15.50. The starting wage for teachers with child development associate credentials is \$16. For teachers with associate degrees, it's \$17, and it's the same for teachers with bachelor's degrees or higher in fields other than early childhood education or child development. Teachers who have bachelor's degrees or higher in those fields have a median starting hourly wage of \$18.25.

HB1964 will allow regulated family child care homes to apply for and receive a bonus of at least \$6,000 per year. In the RAND study, family child care providers who participated in the study reported being paid substantially less preschool directors, even if they worked the same number of hours. These family child care providers also reported that a substantial workforce challenge was their limited access to benefits.

In conclusion, I urge you to please support HB1964. Hawai'i's early childhood care and education professionals provide a public good that mandates public investment.

Mahalo for your your leadership and attention to this critical matter.

Dr. Terry Lock

Committee on Human Services

Chair Marten, Vice Chair Amato

Date: Thursday, February 1, 2024

Time: 9:00 a.m.

Place: Via Videoconference

Conference Room 329

State Capitol

415 South Beretania Street

Bill: **HB 1964**

Position: **IN SUPPORT**

Dear Chair Marten, Vice Chair Amato and respected committee members:

Thank you for hearing **HB 1964**. I am writing in **STRONG SUPPORT OF HB1964**.

My name is Donja Morton. I am a wife, mother of three and a current Center Director of a licensed Early Childhood Education Center/Program. I am writing my testimony as a private citizen who has worked in this profession since 1984.

Over the four decades I have seen many changes within my beloved profession. First starting as an aide, then a preschool teacher, and eventually an administrator, I have spent a lifetime earning three college degrees in addition to a Child Development Associate and growing in my field of work. I have many positive professional experiences but do want to speak on the negative impact of low wages within my industry.

According to a study done by RAND Corporation, childcare workers in Hawaii make \$13-\$17 dollars an hour. From 2018-2020 over 20% of Hawaii's Early Childcare Workforce left the workforce due to low wages. ARPA funding helped to stem the mass exodus of childcare workers from the field. Unfortunately, ARPA funds are expiring September 2024 and this extra support that helped will no longer be available.

Both anecdotal and quantitative research consistently show that low wages are a significant deterrent to the recruitment and retention of childcare workers. Certainly, early childcare educators deserve a livable wage. Without a strong commitment to increasing wages for childcare workers the trend of lost childcare spaces due to staffing shortages will continue.

Early childcare educators go to work with their trainings and college degrees that are specialized for young lives ages zero through five. On-going annual trainings and clocked hours are required. To ensure families have access to early childhood care and education from birth to kindergarten, we must improve pay for the professionals who are the heart of these classrooms.

Thank you for your time and commitment to serving Hawaii's families and all of us who are caring for Hawaii's keiki. Please support Hawaii's 3,410 early childcare educators by increasing wages for employees through subsidies.

Sincerely,

Donja Morton

Committee on Human Services
Chair Marten, Vice Chair Amato
Date: Thursday, February 1, 2024
Time: 9:00 a.m.
Place: Via Videoconference
Conference Room 329
State Capitol
415 South Beretania Street
Bill: **HB 1964**
Position: **IN SUPPORT**

Dear Chair Marten, Vice Chair Amato and respected committee members,

Thank you for hearing **HB 1964**. I am writing in **STRONG SUPPORT OF HB1964**.

My name is Johnnetta Jordan-Piper and I have owned and operated Smaller Scholar LLC, a registered and licensed family childcare home in Mililani, Hawaii, since 2018 and operated as a Military Family care provider for over 20 years. I currently serve as the Vice-President of the Honolulu Community Action Program Policy Committee. I am a member of the National Association for Family Child Care, which supports FCC throughout the country as educators make the intentional professional choice to offer high-quality early care and education in their homes. I was recently selected for the Advancing the Early Childhood Education Profession Task Force (ECE3) to represent registered family childcare providers. As an ECE3 member, I will help shape the island's unified early childhood care and profession to improve access to high-quality early childhood care and education so that all Hawaii keiki will be well prepared for school and life.

I am an Army veteran, wife, mother, grandmother, and educator. I have been married to a wonderfully supportive husband for 27 years. We have two sons, two daughters, and two beautiful grandchildren, aged 4 and 9.

Before the COVID-19 Pandemic, despite my program's essential role for families, there was not enough support to assist families in accessing available quality childcare. Before COVID-19 operational expenses were beginning to rise.

I am licensed to care for six children between 3 weeks to 14 years of age. Before COVID, I maintained a 6 - 12-month childcare waiting list for families seeking childcare. I provide childcare with help from my daughter. Mostly, I have been able to maintain payroll and my daycare expenses. I can afford to pay my additional family member a minimum wage, but not offer health benefits. My own access to health insurance is through the Veteran Administration Health Care system or my husband's medical retirement benefit and employer. Whenever the childcare program fell short, we would have to rely on other household income or supplement with an additional job. Sometimes, parents struggled to pay tuition but made too much money to qualify for subsidy. I would develop flexible payment arrangements with families to ensure their children could remain in my program. However, I couldn't make payment arrangements for my expenses. I still had to pay for my help and buy food and supplies for my childcare program.

Family Child Care (FCC) educators disproportionately care for infants and toddlers and children from low-income families and families of color. In Hawaii, PATCH reported that 93% of PATCH clients earn less than the state median household income.

Before the COVID-19 pandemic, one of my priorities was advocating for an increase in the Child Care Development Block Grant (CCDBG) reimbursement rates for providers. Before COVID, my program was at capacity; I had no families that qualified for subsidy. I wanted to care for more children on subsidy, but there were two significant challenges. First, the rates for all providers, regardless of setting, were significantly lower than the cost of providing high-quality care. Even more challenging subsidy assistance reimbursed Family Childcare providers at even lower rates set by median FCC family tuition rates. My program rates were slightly above the median rate set by the Department of Human Services, which means the subsidy difference would either be absorbed by the parents, who couldn't afford much more, or myself. Second, the subsidy payments are sometimes not made until 2 months after care starts. Once again parents could not afford to wait this long for the reimbursement. It has always been challenging to sustain our programs, but we make it work to provide the care and early learning opportunities families need.

When COVID began, childcare programs like mine struggled to stay open for families, but the historic childcare relief funds saved the sector.

Then COVID hit. We continued to stay open using the reserved cleaning supplies and paper products. We shopped in bulk but quickly ran out of supplies and needed help finding what we needed. Shopping was done early in the mornings before our programs opened, which helped us reduce the amount of contact with others in stores. I also had to help with remote learning for two school-aged children in my program. ***Many daycare facilities began to close; however, many family childcare facilities continued to operate –according to a NAFCC survey, one-third of all FCC programs remained open. We depended on one another to get information out. Family childcare providers did their best to keep their doors open and environments safe.*** The funding provided by Congress for COVID-19 relief, particularly \$50 billion since December 2020, helped me stabilize and get through without sacrificing critical services to the parents I serve. The funding helped families with the cost of childcare, allowing the state to increase income eligibility and eliminate the co-pay, which meant more families could qualify for childcare assistance. I purchased purifiers to help with airflow and individual desks to help with social distancing. I bought new, age-appropriate materials and supplies to keep children engaged. We also expanded our playground area to explore nature and enjoy the outdoors. My life during the COVID-19 pandemic was about survival, and in many ways, it still is. ***The success of the childcare funding has been remarkable, but it is crucial that we continue to build on it to ensure that all children are well-prepared, families have access to affordable care that meets their needs, and childcare providers are compensated and respected for their significant contributions to society. Despite the relief funding, the emotional, physical, and financial strains continue, and the childcare industry is facing systemic challenges.***

It is welcoming Hawaii's minimum wage will progressively increase to \$18 by 2028, however it is essential to consider its implications on childcare costs and families, especially the childcare

centers, staff, and workers. *Reasonable policy solutions are necessary, but they must be backed by additional sustained funding to work effectively.*

Childcare centers acknowledge that childcare workers deserve better compensation, but without additional funding, many centers, including home-based ones, cannot afford to pay more. The overhead costs are too high, and due to space limitations, relocation is not an option for FCC homes. *Many family childcare providers have expressed concerns about closing their programs altogether, as they cannot charge the actual cost of care, and parents cannot afford the rate. This is particularly concerning since FCC programs are relied on by families working non-traditional hours, low-income families, and families with infants and toddlers.*

Investing in quality early childhood education is essential to laying a firm foundation for all children's futures, regardless of their socioeconomic status.

It is crucial to support our Early Childhood Educators and the families they serve by providing additional sustainable funding options. The benefits of investing in early childhood education are numerous and long-lasting, including children's development of critical life skills, such as conflict resolution, empathy, love, and self-control. **Therefore, it is imperative to vote in favor of HB 1964 to ensure that all children have access to quality early childhood education, and Early Childhood Educators and families have the necessary support to provide it. As you consider, please keep my story in mind.**

Thank you for this opportunity.

HB-1964

Submitted on: 1/30/2024 10:12:55 PM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Axel Beers	Individual	Support	Written Testimony Only

Comments:

Dear Committee Chair, Committee Vice Chair, and Members,

I am writing in support of HB1964 to establish a pilot program that will adequately fund and compensate the early childcare workforce.

I used to be a classroom teacher in a public school. During that time I had many colleagues who worked multiple jobs. In the end, despite the great need for qualified educators and the meaningful nature of working with students, I left that profession because the pay was not adequate to match the cost of living.

I understand that early childhood education and child care are different from K-12 teachers in public school, but the point I am trying to make is that qualified educators and caregivers will leave the profession, or move to other locations where the profession pays better related to the cost of living, unless we compensate workers adequately for the true value of their labor. Unfortunately, despite caregiving, early childhood education, and education being essential to the functioning of our society, the wages do not reflect their value.

A study by the Hawai‘i Early Childhood Educator Excellence and Equity Project recently showed that wages and salaries for early childhood educators in Hawai‘i are not competitive with jobs requiring similar levels of education or experience, with median hourly wages estimated at approximately \$13 to \$17 an hour, which is below the livable wage for a single adult in the County of Maui.

From 2017 to 2019, Hawai‘i lost 20 percent of its early childhood educator workforce, going from 4,260 total employees to 3,410, according to the University of California at Berkeley’s Center for the Study of Child Care Employment’s latest reports.

A 2022 survey of 82 Hawai‘i early childhood education programs, homes, and centers conducted by the National Association for the Education of Young Children (“NAEYC”) found that 62.2 percent of them are experiencing staffing shortages, with many serving fewer children as a result. The NAEYC survey also found that in Hawai‘i and nationally the “number one thing needed” for early childhood workers to stay at their jobs is “competitive wages”.

A 2022 Aloha United Way study found 52 percent of households in Maui County are living below the federal poverty line or are asset limited, income constrained, and employed, meaning they live below the average income needed to afford the household survival budget.

Two recommendations for this bill: Please include early childhood educators as well, so that preschool teachers serving 4-year-olds may qualify. Please also set the standard of pay to be a wage that matches the self-sufficiency income standard for a single adult in the County they are located. That means that a single person working full time as a child caregiver or early childhood educator would be able to have a basic survival budget for their work. At the very least, they deserve that.

Thanks for your time and consideration of this matter.

Sincerely,

Axel Beers, M.Ed.

Kahului, Maui

HB-1964

Submitted on: 1/31/2024 7:48:06 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chris Barzman	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Committee Members,

My name is Chris Barzman. I am testifying in **support** of bill HB1964.

This bill is important to me because this bill supports keeps our hard working child care workers employed and earning deserving wages. This bill gives opportunity to hire more workers, which opens up more child care seats.

Mahalo for listening and allowing me to share my support.

HB-1964

Submitted on: 1/31/2024 8:29:47 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Raya Esteban	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Marten, Vice Chair Amato, and committee members,

Please support HB 1964, which would **support the creation of a child care worker subsidy and bonus program** as the first step toward improving wages for early childhood care and education professionals. To ensure families have access to early childhood care and education from birth to kindergarten, **we must improve pay for the professionals who are the heart of those classrooms.**

Hawai‘i’s early childhood care and education professionals are some of the most undervalued in our state. In piloting solutions, we want to start with those most likely to be farthest from fair wages. A [2022 study](#) completed by the University of Hawai‘i Early Childhood Educator Excellence and Equity Project showed that, on average, child care workers earn between \$13 and \$17 per hour. National trends suggest that the younger the child is that you educate and care for, the lower your pay is likely to be.

I was a preschool teacher for three years, and though I loved my job, I often struggled to make ends meet. I had to take on multiple jobs to supplement my income and earn a livable wage; oftentimes, the toll of working numerous jobs left me exhausted and unable to provide the quality care my kids deserved. At the time, I was living under my parents’ roof, and so I did not have to pay for rent. But if I had to account for housing expenses, there would have been no possibility for me to fulfill my vocation as an early childhood educator. This would have been a huge waste of my talent, expertise, and dedication for early childhood care and education—a professional field that requires specialized skills and knowledge.

Any individual with the passion and finesse to care for and educate young children should not have to suffer through poverty-level wages as a consequence. That is an injustice to our early care educators, to the children and families that they serve, and the whole of society that depends

on the early childhood education workforce to mold the minds and hearts of our next generation of leaders.

Furthermore, early learning programs depend on staff to maintain their operations. If more and more early childhood education professionals leave the field because of low wages, we will have no one to care for our keiki, and early learning programs may be forced to shut down. This will have devastating outcomes for children, who deserve safe, stable, and nurturing environments particularly in the formative years of their lives. It will also severely impact parents, who seek spaces where their children can receive the care and education they need to grow and thrive. It affects business owners and employers of parents, who may have to quit their jobs if child care is unavailable. And of course, our society will be adversely affected by a shortage of high-quality early learning settings, which play a crucial role in developing our keiki into compassionate, empathetic, and productive citizens who actively contribute to our communities.

Preschools, child care providers, and families already carry a heavy burden. They cannot carry more without support. **Because Hawai‘i’s early childhood care and education professionals provide a public good, it requires public investment.**

Please support this measure.

Mahalo,

Raya Esteban

LATE

HB-1964

Submitted on: 1/31/2024 9:10:19 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Angela Thomas	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and Committee Members,

I am in strong support of SB2603.

For years child care providers have been subsidizing the tuition of families in their care through the acceptance of low wages. While affordable child care is imperative to families with young children, so is paying a living wage to those providing that care.

Please pass this bill out of your committee and support its passage through the legislative process. Not only will it support our current providers in center based and family child care, but it will also help to recruit more young professionals to the rewarding field of early childhood.

Mahalo.

LATE

HB-1964

Submitted on: 1/31/2024 10:01:15 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alapa?i	Individual	Support	Written Testimony Only

Comments:

We must support keeping our hard-working childcare workers employed and earning deserving wages. This bill allows hiring more workers and opening up more child care seats and I am support of that!

HB-1964

Submitted on: 1/31/2024 2:43:33 PM

Testimony for HUS on 2/1/2024 9:00:00 AM



Submitted By	Organization	Testifier Position	Testify
Leilani Kailiawa	Individual	Support	Written Testimony Only

Comments:

Aloha!

I am in support of this bill. Our childcare workers deserves higher wages.

With gratttude,

Leilani Kailiawa

LATE

LATE

HB-1964

Submitted on: 2/1/2024 12:43:59 AM

Testimony for HUS on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Bevin Parker-Evans	Individual	Support	Written Testimony Only

Comments:

Dear Committee on Human Services Chair Marten and Vice Chair Amato, members Belatti, Illagan, Kobayashi, Takenouchi, Nishimoto, and Garcia:

I am a resident of Omao, Kaua'i and as a former DOE employee and director of a Private pre-school, I recognize the importance of affordable childcare and the importance of socialization of children at an early age. I support this bill because we need readily available funds to support and retain a qualified workforce that is licensed in infant and toddler care.

If we make these changes in our state, we will be able to add more affordable and more available sites for childcare of infants and toddlers that is reputable, trustworthy and supported by a field of experts who care about children and about infants childcare which requires trained and emotionally supported workers.

Thank you for reading my testimony and I urge you to support HB 1964 in support of adding better and more reliable toddler and infant care to support our working parents.

Aloha,

Bevin Parker-Evans