

OFFICE OF THE LIEUTENANT GOVERNOR
Ke Ke'ena O Ka Hope Kia'aina

TO: Chair John Mizuno
Vice Chair Terez Amato
Members of the House Committee on Human Services

FROM: Sylvia Luke, Lieutenant Governor

RE: Testimony for S.B. 1023 – Relating to Early Learning

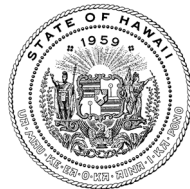
DATE: March 14, 2023

Thank you for the opportunity to provide testimony in **strong support of S.B. 1023** which appropriates funds for the Preschool Open Doors Program and the Executive Office on Early Learning to expand access to preschool, expands accreditation opportunities, and authorizes the acceptance of federal funds.

Access to preschool is a social justice issue for our state and we know that children who attend high-quality preschool are much better prepared for success. Together with our public, private, and non-profit sector partners, we recently launched the Ready Keiki initiative, the administration's multi-faceted plan to expand high-quality childcare and preschool for 3- and 4-year-olds by 2032. We are focused on ensuring our keiki are ready when they start Kindergarten and creating economic stability for families who are returning to the workforce. Ready Keiki's success is contingent upon a multi-pronged approach which includes building and refurbishing classrooms, creating teaching pathways for educators, and expanding the Preschool Open Doors program for low- and moderate-income families. The amendments proposed in S.B. 1023 are critical to ensuring that we maximize federal funding and opportunities to provide enough classrooms at an affordable price to economically disadvantaged keiki.

Thank you for the opportunity to provide testimony in strong support of S.B. 1023.

JOSH GREEN, M.D.
GOVERNOR



LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY
TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON HUMAN SERVICES
ON
SENATE BILL NO. 1023, S.D. 1

March 14, 2023
9:00 a.m.
Room 329 and Videoconference

RELATING TO EARLY LEARNING

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 1023, S.D. 1: 1) amends Section 346-184, HRS, to remove the requirement that Preschool Open Doors (POD) providers accredited through a national early learning accrediting organization not specifically listed in the section be comparable to the organizations listed; 2) amends Section 302L-7, HRS, to expand the Executive Office on Early Learning's pre-kindergarten program to include three-year-old children; 3) amends Section 346-181, HRS, to restore language relating to the service of three-year-olds and POD priority categories; 4) amends Section 346-182, HRS, to allow federal funds to be deposited into the POD Special Fund (PODSF); and 5) amends Act 210, SLH 2021, to remove the sunset date on amendments made to Section 346-181, HRS. The measure also appropriates an undetermined amount of general funds in FY 24 and FY 25 to be deposited into the PODSF and appropriates an undetermined amount of special funds out of the PODSF in FY 24 and FY 25 for the

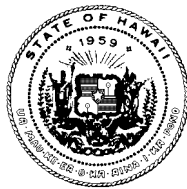
Department of Human Services to cover POD staff, staff benefits, and system modifications.

B&F does not support the inclusion of language to allow the deposit of federal funds into the PODSF. Federal funds should be kept separate from other types of funds for compliance and reporting purposes. Further, the purpose of a federal grant may not be totally aligned with the statutory uses of the PODSF.

Additionally, B&F notes that the FB 2023-25 Executive Biennium Budget, as amended by the Green Administration, includes providing \$500,000 in general funds in FY 24 to implement POD system modifications and increasing POD funding by \$38,800,000 in general funds in FY 24 and FY 25 to expand program coverage to three-year-olds and increase monthly voucher payments.

Thank you for your consideration of our comments.

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

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

March 12, 2023

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

FROM: Cathy Betts, Director

SUBJECT: **SB 1023 SD1 – RELATING TO EARLY LEARNING**

HEARING: Tuesday, March 14, 2023, 9:00 a.m.
Conference Room 329 & Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this bill and provides comments. The executive budget request (HB300) included most of the funds for the expansion and one-time operating expenses to implement the expansion proposed in this measure. However, the executive budget (HB300)¹ does not include the funds to expand contract services. DHS respectfully requests that the funds be appropriated through the executive budget measure.

DHS clarifies comments in STAND. COM. REP. NO. 759 provided by the Committee on Ways and Means, DHS submitted testimony in support of this measure and provided comments.

PURPOSE: This bill appropriates moneys for the Preschool Open Doors Program and Executive Office on Early Learning to expand access to preschool and to implement program changes required by previous acts. Expands the types of entities from which a Preschool

¹ The HB300 HD1 worksheets are not yet available to determine if FIN made any adjustments.

Part 2

Open Doors service provider may obtain accreditation. Authorizes the preschool open doors special fund to accept federal funds. Appropriates moneys. Effective 7/1/2050. (SD1).

The SD1 amended this measure by:

- 1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- 2) Making technical non substantive amendments for purposes of clarity, consistency, and style.

Regarding Part II, Section 3, given the continuing economic impacts of COVID-19 on child care facilities' ability to maintain sufficient staff levels, DHS suggests the Legislature consider amending section 346-184 (a), HRS, to change the accreditation requirement to be voluntary until the child care workforce is more stabilized or subsidized.

Regarding Part III, Section 5, which will expand the Preschool Open Doors program to serve eligible three-year-old children, DHS estimates **additional** general fund appropriations of \$39,836,000 for SFY 2024-2025 and \$39,336,000 for SFY2025-2026. These amounts break down as follows:

	Four-year-olds – current budget	Three-year-olds – new	Increased subsidy rate	New appropriation
Annual Subsidies	\$11,600,000	11,600,000	\$27,200,000	\$38,800,000
Annual Expand POD Contracts	536,000	536,000		536,000
One-time IT modification		500,000		500,000
			Total for FY2024-2025	\$39,836,000
			Total for FY2025-2026	\$39,336,000

Additionally, as the Legislature contemplates expanding the program for three-year-old children to be a permanent program, we ask that the appropriation be included in the executive budget measure.

To implement the expanded program, DHS will need time to draft and amend administrative rules and make needed system modifications.

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



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

March 13, 2023

TO: Representative John Mizuno, Chair
Representative Terez Amato, Vice Chair
House Committee on Human Services

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

SUBJECT: Measure: S.B. No.1023 S.D. 1 – RELATING TO EARLY LEARNING
Hearing Date: Tuesday, March 14, 2023
Time: 9:00 am
Location: Conference Room 329

EXECUTIVE OFFICE ON EARLY LEARNING'S POSITION: Support

EOEL supports S.B. No. 1023 and defers to the Department of Human Services (DHS) as it pertains to the Preschool Open Doors program.

EOEL appreciates the Legislature's effort to increase access to affordable early learning opportunities for children and families across the State.

The EOEL Public Pre-K program currently only serves children in the year prior to entering kindergarten and EOEL supports the effort to expand enrollment to three-year-olds. As such, we respectfully request section (b) subsections (1) and (2) of Chapter 302 L-7 be amended to also reflect the addition of three-year-olds as follows:

- “(b) The office shall implement an application process for schools that are interested in participating in the program. The criteria to prioritize applications shall include:
- (1) Community need, including:
 - (A) The percentage of the population in the school or community that meets the definitions of at-risk and underserved children pursuant to section 302L-1; and
 - (B) The availability and capacity of existing early learning programs or services for three and four-year-old children on the school campus and in the surrounding area;
 - (2) The availability of a classroom and outdoor play area that meet department of human services requirements for health and safety for three and four-year-old children”

EOEL looks forward to continuing to work with the Legislature to support increasing access to affordable quality early learning programs and services in the State.

Thank you for the opportunity to testify on this bill.



Kamehameha Schools®

House Committee on Human Services

Time: 9:00 a.m.

Date: March 14, 2023

Where: Conference Room 329

TESTIMONY

By Dr. Wai‘ale‘ale Sarsona
Kamehameha Schools

RE: **SB 1023, Relating to Early Learning**

E ka Luna Ho‘omalu Mizuno, ka Hope Luna Ho‘omalu Amato, a me nā lālā o ke Kōmike, aloha kākou. My name is Dr. Wai‘ale‘ale Sarsona, Vice President of Hi‘ialo at Kamehameha Schools.

Kamehameha Schools **supports** SB 1023, which appropriates moneys for the Preschool Open Doors Program and Executive Office on Early Learning to expand access to preschool and to implement program changes required by previous acts. This measure also expands the types of entities from which a Preschool Open Doors service provider may obtain accreditation, authorizes the preschool open doors special fund to accept federal funds, and appropriates moneys.

The enactment of Act 46 (2020) launched Hawai‘i on a path forward to ensure that every three- and four-year-old has access to early learning by year 2032. We are still recovering from the negative impacts of the pandemic on this sector, which resulted in the statewide decrease in capacity to provide childcare by 12%, including 2,850 fewer preschool seats. Our keiki cannot afford to lose any more.

The cost of full-time childcare remains a top three expense for so many ‘ohana across Hawai‘i. The average annual cost of childcare in Hawai‘i for a 4-year-old is \$8,937, or \$745 each month. Expanding access to the Preschool Open Doors program (POD), increasing funding to POD, and making necessary changes to the law will ensure that more three- and four-year-old keiki in need will have access to quality early learning. **Please advance this measure.**

Founded in 1887, Kamehameha Schools is an educational organization striving to restore our people through education and advance a thriving Lāhui where all Native Hawaiians are successful, grounded in traditional values, and leading in the local and global communities. We believe that community success is individual success, Hawaiian culture-based education leads to academic success and local leadership drives global leadership. Hānai i ke keiki; ola ka lāhui.

‘A‘ohe ‘ulu e loa‘a i ka pōkole o ka lou. There is no success without preparation.

SB-1023-SD-1

Submitted on: 3/10/2023 2:46:11 PM

Testimony for HUS on 3/14/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Golojuch Jr	Stonewall Caucus of the Democratic Party of Hawaii	Support	Remotely Via Zoom

Comments:

Aloha Representatives,

The Stonewall Caucus of the Democratic Party of Hawai‘i; Hawai‘i’s oldest and largest policy and political LGBTQIA+ focused organization fully supports SB 1023 SD 1.

The Caucus wants to ensure that any school that uses these funds are considered a public accommodation and are bared from discriminating against the protected classes as defined by Hawai'i Revised Statutes.

We hope you all will support this important piece of legislation.

Mahalo nui loa,

Michael Golojuch, Jr.
Chair and SCC Representative
Stonewall Caucus for the DPH

To: Representative Mizuno, Chair
Representative Amato, Vice Chair
House Committee on Human Services

Re: SB1023 SD1, relating to early learning
9:00 a.m., Mar. 14, 2023

Aloha Chair Mizuno, Vice Chair Amato and committee members:

On behalf of Hawai'i Children's Action Network (HCAN) Speaks!, mahalo for the opportunity to testify. **HCAN Speaks! supports Senate Bill 1023 SD1 and respectfully requests amendments.**

According to the Hawai'i KIDS COUNT, there were approximately 82,785 children under the age of 5 in 2021. There are, however, spaces for only 24,906 keiki in regulated child care settings and general education public pre-kindergarten classrooms. The shortage gets more acute the younger the child is.

This shortage of early childhood care and education programs from birth to kindergarten-entry can be tied directly to the unworkable economics of child care. **Early childhood care and education providers operate on razor-thin margins where the workforce is significantly underpaid. Meanwhile, families pay an average of \$13,500 annually to send their 3- and 4-year-old keiki to a licensed child care center.** Families and providers cannot shoulder anymore burden; they need support.

The U.S. Department of Treasury described in 2021 that “sound economic principles explain why relying on private money to provide child care is bound to come up short.” **Public investment is necessary.**

Quality early learning opportunities have lifelong positive impacts for children and their families. The work early childhood care and education professionals do sets keiki up for critical social and emotional skills, motor development, math, literacy and critical thinking. Additionally, parents and caregivers are able to work outside the home when they have safe and nurturing environments for their keiki.

All Hawai'i families deserve access to these experiences. They also deserve for this access to be truly meaningful.

As mentioned above, one of the largest barriers for families is cost. This is why **any effort to build a truly universal system needs to ensure free or very low-cost early childhood care and education programs available to all families.** Preschool Open Doors is one way that the

Legislature can provide investments in community-based programs while ensuring families' costs remain low, ensuring meaningful access.

We strongly support the expansion of the Preschool Open Doors to include 3-year-olds.

We also **support the amendments to Preschool Open Doors prioritization** that are included in this bill.

We also respectfully request committee members amend the measure to include the following additional provisions:

- Add the following requirement to section 346-181, Hawaii Revised Statutes: The department shall adjust reimbursement rates for providers a minimum of once every two years based on either a true cost of care or cost estimation model;
- Add the following requirement to section 346-181, Hawaii Revised Statutes: The department shall provide reimbursement irrespective of a provider's tuition rate for a child;
- Add a reporting requirement section to the bill: The department shall report the budget impacts as well as impacts to overall family and provider economic self-sufficiency that increasing eligibility levels to include middle income families would have. The department may contract a third party to conduct this study in accordance with chapter 103D of the Hawaii Revised Statute;
- Amend the current section 346-184, Hawaii Revised Statutes as follows: (a) Each service provider of the preschool open doors program ~~shall~~ **may** be accredited. **The department shall establish tiered reimbursement rates for those providers who are accredited.** ~~or shall obtain accreditation within seven calendar years of first receiving any funds from the preschool open doors program; provided that any existing service provider unaccredited on July 1, 2022, shall commence the accreditation process no later than July 1, 2024, and obtain accreditation by July 1, 2029; provided further that the director may grant to any service provider one or more extensions to obtain accreditation on a case-by-case basis.~~ (b) **Higher reimbursement shall be provided for accreditation** ~~Accreditation under this section shall be obtained from one or more of the following national early learning accrediting organizations:~~; and
- Increased appropriations for the administration of Preschool Open Doors so that staff can administer a program that is welcoming to families and that families do not face a chilling effect from difficult-to-navigate processes.

Additionally, we believe that **to achieve truly meaningful access** for the families not served in public school settings, the legislature would need to appropriate **approximately \$240 million annually** to Preschool Open Doors. This would support nearly 20,000 3- and 4-year-olds.

This level of funding would provide meaningful financial assistance for most local families with young children ages 3 and 4. It will also ensure early childhood care and education providers are adequately reimbursed so that we can both maintain the current stock of classrooms and incentivize expansion.

We would also like to provide comments on the amendments to HRS 302L-7. HCAN Speaks! appreciates the interest in providing additional opportunities for both 3- and 4-year-olds in public school settings.

Any efforts to expand the EOEL Public Prekindergarten Program to include 3-year-olds must include the dedicated budget and positions to ensure the program is developmentally appropriate. This includes ensuring enough funding and staffing to:

- Develop curricula specifically for 3-year-olds;
- Support educators' transition to teaching a younger age;
- Design and outfit indoor and outdoor spaces so they are developmentally appropriate for 3-year-olds; and
- Pilot additional supports for families including transportation services and prekindergarten-specific afterschool care.

We thank you for the opportunity to provide extensive comments on SB1023 SD1. We are encouraged by the support universal preschool for 3- and 4-year-olds has garnered. **We urge committee members to support this measure with amendments to ensure expansion of early learning opportunities provides truly meaningful access while investing in the educators and programs that serve our youngest keiki.**

Mahalo,

Ke'ōpū Reelitz
Director of Early Learning and Health Policy



March 14, 2023

TO: Representative John Mizuno, Chair
Representative Terez Amato, Vice Chair
and Members of the House Committee on Human Services

FROM: Kerrie Urosevich, Co-Chair
Commit to Keiki

RE: S.B. 1023 SD1 Relating to Early Learning

Commit to Keiki strongly supports Senate Bill 1023 SD1, Relating to Early Learning. SB 1023 appropriates an unspecified amount of general funds for the Department of Human Services' Preschool Open Doors (POD) program to expand POD to serve 3 year olds. ^[P]_[SEP]

Presently, POD provides critical financial assistance to enable about 1,400 4 year olds to attend preschool. Expanding POD to 3 year olds will enable additional children to attend preschool so that they will be better prepared for kindergarten and lifelong learning.

Thank you for allowing Commit to Keiki to provide testimony on this important measure.

Commit to Keiki, a project of the Early Childhood Action Strategy, is a public-private collaborative to ensure that Hawai'i's youngest children (birth to 5 years old) and their families have a brighter start. Early Childhood Action Strategy is a project under Collaborative Support Services, Inc. Led by a diverse Steering Committee, with representatives from Hawai'i business, education, early intervention, nonprofit and philanthropic organizations, Commit to Keiki serves as a trusted partner and reliable resource for information on issues related to Hawai'i's youngest keiki and families.

TO: Representative John M. Mizuno, Chair
Representative Terez Amato, Vice Chair
House Committee on Human Services

FROM: Robert G. Peters, Chair
Early Learning Board

SUBJECT: Measure: S.B. No.1023 S.D. 1 – RELATING TO EARLY LEARNING

Hearing Date: Tuesday, March 14, 2023

Time: 9:00 am

Location: Conference Room 329

EARLY LEARNING BOARD POSITION: Support

The Early Learning Board supports S.B. No.1023 S.D. 1 and defers to the Executive Office on Early Learning and the Department of Human Services (DHS) as pertains to pertinent sections of the bill.

This bill aligns with two of the Board's policy priorities for this legislative session:

- Expand access and opportunity to quality early learning and care ...in both public and private sectors; and,
- Provide child care financial assistance for families/providers.

The ELB supports EOEL's commitment to increasing access to affordable and high-quality early learning opportunities. The EOEL Public Pre-Kindergarten Program currently provides free public pre-kindergarten options in 37 classrooms across 34 Department of Education (HIDOE) campuses to 4-year-olds. ELB supports expanding the EOEL Public Pre-K program to 3-year-olds.

We also appreciate the Legislature's intention to provide financial assistance to more families to support access to affordable high-quality early learning opportunities and defer to the Department of Human Services regarding the Preschool Open Doors program.

The ELB continues to support the efforts of EOEL working with its partners, such as the School Facilities Authority, DHS, the HIDOE, and other early learning stakeholders to bring the goals pursuant to Act 046, SLH 2020, to fruition. We look forward to continuing to work with the Legislature to support increasing access to affordable quality early learning programs and services in the State.

Thank you for the opportunity to testify in support of S.B. No.1023 S.D. 1.

Date: March 13, 2023

To: House Committee on Human Services
Rep. John M. Mizuno, Chair
Rep. Terez Amato, Vice Chair

From: Early Childhood Action Strategy

Re: Support for **SB1023 SD1**, Relating to Early Learning

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 SB1023 SD1, which would appropriate funding for the Preschool Open Doors Program (POD) and Executive Office on Early Learning (EOEL) to expand access to preschool and to implement program changes to facilitate this expansion.

There are over 35,000 preschool-age children 3-4 years old in Hawaii. Unfortunately, limited availability and capacity of programs, high costs and unaffordable rates, and insufficient financial supports significantly restrict families' access to preschool opportunities for their keiki. Presently, POD provides key financial assistance to enable about 1,400 4-year-olds to attend preschool. Expanded POD funding and adjusted age-eligibility for the program to include 3-year-olds is critical to enabling additional children to attend preschool and benefit from the quality early learning experiences that will prepare them for kindergarten and later success in school and life.

Expansion of POD, in particular, supports a strong element of family choice into public preschool expansion efforts. POD provides families with access to a diversity of community-based preschool programs that meet a wide range of potential child and family needs and preferences, such as the need for full-day, full-year services that support working families. We hope you will support a combined approach to building out publicly-funded access to preschool through a **healthy expansion of the POD program**.

Additionally, we respectfully request the committee consider including the following provisions in the bill:

- **change POD quality accreditation requirements to be voluntary**, until child care programs and workforce capacity are more stable, or extend the timeframes by which programs must become accredited
- **increase POD provider reimbursement rates**, based on local cost-estimation studies/modelling, so they more accurately support the true expenses associated with quality, accredited preschool care
- **change the POD reimbursement policy such that POD providers may receive the full rate**, regardless of their tuition rates for non-POD families, which are often suppressed based on what families can afford
- **increase POD income-eligibility caps** to be more inclusive of middle-income families, who also face significant financial barriers to accessing preschool for their children, and **reduce the co-payment burden** on all families

These changes are necessary to achieving preschool expansion goals and meaningfully improving children's access to preschool through POD, and if not established through statute, should be prioritized by DHS for administrative rule changes on an expedited timeline.

With regards to the potential expansion of eligibility for **EOEL's public prekindergarten** program to 3-year-olds, we would like to stress the importance of developmentally-appropriate standards and differentiated services for this younger age group and the need for thoughtful planning, preparation and implementation of any expansion of the current public prekindergarten program to 3-year-olds. We respectfully request consideration for the additional supports and resources that may be required by EOEL to adapt and expand services appropriately.

Thank you for this opportunity to provide testimony **in support of SB1023 SD1**.



**HAWAI'I COMMUNITY
FOUNDATION**

To: House Committee on Human Services
Representative John Mizuno, Chair
Representative Terez Amato, Vice Chair
And Members of the Committee

From: Micah Kāne, Chief Executive Officer & President - Hawai'i Community Foundation

Re: Testimony in Support of SB1023 Relating to Early Learning
Tuesday, March 14, 2023, 9:00 A.M.

The Hawai'i Community Foundation (HCF) strongly supports Senate Bill 1023 (SB1023). SB1023 is an important part of supporting the important collective effort around early learning. We have partnered with the philanthropic and non-profit community, along with the business and government sectors in addressing our State's early learning needs since prior to the pandemic. We believe we have progressed well and find our State at a key evolutionary point of these efforts. This is a key area within HCF's CHANGE Framework under the "E" sector of Education. We will continue to support ideas and efforts that can bring systemic change to Hawaii for the betterment of our future. SB1023 provides a solid investment of government resource, support, and confidence into this area.

Thank you for this opportunity to testify in support of SB1023.



**Parents And
Children Together**

**BUILDING THE RELATIONSHIPS
THAT MATTER MOST**

ParentsAndChildrenTogether.org

TESTIMONY IN SUPPORT OF SB 1023 SD1

TO: Chair Mizuno, Vice-Chair Amato, & Members
House Committee on Human Services
FROM: Ryan Kusumoto, President & CEO
DATE: March 14, 2023 at 9:00 AM

Parents and Children Together (PACT) supports SB 1023 SD1 Relating to Early Learning, which appropriates funds to the Department of Human Services for the preschool open doors program to expand access to preschool and to implement program changes required by previous acts. Given the legislature's and community's continued priority of creating access to high-quality early care and learning programs, we must continue to ensure that families can afford care. We believe that it is critically important for every child to have access to safe, high-quality care and the Preschool Open Doors (POD) subsidy program provides an important avenue for that to happen.

Founded in 1968, PACT is a statewide community-based organization providing a wide array of innovative and educational social services to families in need. Assisting more than 15,000 people across the state annually, we help identify, address, and successfully resolve challenges through our 20 programs. Among our services are early education programs, domestic violence prevention and intervention programs, child abuse prevention and intervention programs, childhood sexual abuse supportive group services, child and adolescent behavioral health programs, sex trafficking intervention, poverty prevention and community building programs.

As a provider of Early Head Start and Head Start classrooms on Oahu and Hawaii Island, we see firsthand the importance of POD subsidies for parents and caregivers. These subsidies often help families to enroll their children in and cover the cost of full-day (8hr) and/or extended day (10hr) programs, which allows parents/caregivers to be able to work full-time jobs. Many of our families benefit from the POD subsidy program and express their gratitude for the existence of the program.

Thank you for the opportunity to testify. Please contact me at (808) 847-3285 or rkusumoto@pacthawaii.org if you have any questions.



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the House Committee on Human Services
Tuesday, March 14, 2023, at 9:00 A.M.
Conference Room 329 & Videoconference**

RE: SB 1023 SD1 Relating to Early Learning

Aloha Chair Mizuno, Vice Chair Amato, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports SB 1023 SD1**, which appropriates moneys for the Preschool Open Doors Program and Executive Office on Early Learning to expand access to preschool and to implement program changes required by previous acts. Expands the types of entities from which a Preschool Open Doors service provider may obtain accreditation. Authorizes the preschool open doors special fund to accept federal funds. Appropriates moneys.

The average cost of childcare in Hawaii is \$640 a month per child. This is typically the second largest expense in a family budget after rent or mortgage. Meanwhile, one of the biggest challenges for the local business community is the workforce shortage.

Hawaii's resident population continues to decline due to the high cost of living. Additionally, many employees did not return to the workforce after COVID. The most recent data released in October 2022 by the Bureau of Labor Statistics shows that only 60.8% of Hawaii's population over 16 years of age is working or actively looking for work.

Our Chamber members, especially our Hawaii Chamber Young Professional members, cite the lack of childcare resources and the extremely high cost of childcare as significant barriers to reentering the workforce. Families with young children must choose between spending a significant portion of their income on childcare or leaving the workforce altogether to become a full-time caregiver.

We believe this bill will help close the gap for access to quality childcare and expand preschool access for our families in Hawaii. This policy does not only help the development of our keiki but helps increase workforce participation and strengthens 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.

March 12, 2023

To: Representative John Mizuno, Chair
Representative Terez Amato, Vice Chair
House Committee on Human Services

Subject: **Measure** - SB 1023 SD1 RELATING TO EARLY LEARNING
Hearing Date - March 14, 2023
Time - 9:00 PM
Location - Conference Room 329

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 support SB 1023 SD1 and offer comments.

I am grateful and encouraged by the support for universal preschool for Hawai'i's three-year old and four-year old keiki in our state!

In a majority of states, a mixed-delivery system is being implemented with public prekindergarten programs. A mixed-delivery system means that there are seats in both public school and community-based settings. This approach draws upon the decades of expertise and infrastructure in the early care and education sector. This approach provides families with more options that meet their needs, preferences and choices.

Therefore, I am in strong support of the expansion of Department of Human Services (DHS) Preschool Open Doors program (community-based) and Executive Office on Early Learning (EOEL) prekindergarten programs (public schools). This begins to address the vision for universal access for all three and four-year olds to benefit from accessible, affordable, high-quality early learning experiences through a mixed-delivery approach.

SB 1023 SD1 appropriates additional funding to the DHS for the POD program, which will add more preschool seats in community-based programs. It also provides funding and other resources to hire additional staffing and improve technology for the implementation of the POD program. This bill authorizes the POD special fund to accept federal funds.

Furthermore, I offer the following as additional provisions in the bill:

- DHS set reimbursement rates based on the true cost of care rather than only on the current market rate and that reimbursement be a flat rate and irrespective of the tuition charged to non-subsidy families.
- DHS expand the eligibility requirements for more middle-income families and make the application process easier to navigate for families.
- Make accreditation voluntary and incentivized by higher reimbursement rates.

SB 1023 SD1 appropriates funding to EOEL to work collaboratively across stakeholders, including DHS, Hawai'i Department of Education (HIDO)E, and the Hawai'i State Public Charter School Commission (HSPCS), to expand options and availability of pre-kindergarten programs for all three-and four-year olds across the State. Currently, the EOEL Public Pre-K program only serves children in the year prior to entering kindergarten. This bill will give EOEL the authority to serve three-year olds.

Therefore, I offer the following as an additional provision in the bill:

- Funding be given to EOEL to ensure there is environmental infrastructure, staffing, provisions for toilet learning, and other resources to support developmentally appropriate practices for three-year olds.

Mahalo for the opportunity to testify in support of SB 1023 SD1 with comments.