## A BILL FOR AN ACT

RELATING TO EARLY LEARNING ACCREDITATION.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. In accordance with section 9 of article VII of
- 2 the Hawaii State Constitution and sections 37-91 and 37-93,
- 3 Hawaii Revised Statutes, the legislature has determined that the
- 4 appropriations contained in H.B. No. 300, H.D. 1, S.D. 1,
- 5 C.D. 1, and this Act will cause the state general fund
- 6 expenditure ceiling for fiscal year 2023-2024 to be exceeded by
- 7 \$1,065,869,467 or 11.0 per cent. This current declaration takes
- 8 into account general fund appropriations authorized for fiscal
- 9 year 2023-2024 in H.B. No. 300, H.D. 1, S.D. 1, C.D. 1, and this
- 10 Act only. The reasons for exceeding the general fund
- 11 expenditure ceiling are that:
- 12 (1) The appropriation made in this Act is necessary to
- serve the public interest; and
- 14 (2) The appropriation made in this Act meets the needs
- addressed by this Act.
- 16 SECTION 2. The legislature finds that high-quality early
- 17 childhood education programs are critical for young children's
- 18 development. The legislature further finds that accreditation



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1	by	a	national	organization	is	one	marker	of	quality	rin	earl	У
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- 2 childhood education. The legislature also finds that existing
- 3 service providers unaccredited as of July 1, 2022, who wish to
- 4 participate in the preschool open doors program must achieve
- 5 accreditation by July 1, 2029.
- 6 Accordingly, the purpose of this Act is to:
- 7 (1) Require the department of human services to establish
- 8 a child care accreditation program to assist licensed
- 9 and registered child care providers in obtaining
- 10 accreditation;
- 11 (2) Extend the deadlines by which existing preschool open
- doors program service providers are required to
- commence the accreditation process and obtain
- 14 accreditation; and
- 15 (3) Appropriate funds for the child care accreditation
- program.
- 17 SECTION 3. Chapter 346, Hawaii Revised Statutes, is
- 18 amended by adding a new section to be appropriately designated
- 19 and to read as follows:

1		" <u>§34</u>	6- Child care accreditation program; established.
2	<u>(a)</u>	The	department shall establish and implement a child care
3	accr	edita	tion program.
4		(b)	The department shall develop standards, policies, and
5	proc	edure	s for the administration of the child care
6	accr	edita	tion program, which shall, at minimum:
7		(1)	Provide upfront grant funding to cover the cost of
8			accreditation by one of the national early learning
9			accrediting organizations, as identified in section
10			346-184(b), or as approved by the director;
11		(2)	Provide grant funding for technical assistance to
12			assist an eligible child care provider through the
13			accreditation process; and
14		(3)	Be available to licensed group child care centers,
15			licensed group child care homes, licensed infant and
16			toddler child care centers, and registered family
17			child care homes.
18		<u>(c)</u>	Requests for grants shall be submitted to the
19	depa	rtmen	t in accordance with administrative rules adopted by
20	the	depar	tment to administer the grant program. Each request
21	shal	l at	a minimum state:

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Ţ	<u>(1)</u>	The name of the chird care provider requesting grant
2		funds;
3	(2)	The expenses that are necessary for the child care
4		provider to obtain the accreditation; and
5	(3)	The age range of the children the child care provider
6		serves.
7	(d)	Each applicant for a grant shall provide proof that
8	the appli	cant:
9	(1)	Has United States citizenship or permanent United
10		States resident alien status and is a resident of the
11		State at the time of application;
12	(2)	Is currently licensed or registered as a child care
13		provider, or is an exempt provider approved by the
14		department;
15	(3)	Provides child care at the time of application;
16	(4)	Complies with all other federal, state, or county
17		statutes, rules, or ordinances necessary to conduct
18		the activities or provide the services for which a
19		<pre>grant is awarded;</pre>
20	(5)	Complies with all applicable federal and state laws
21		prohibiting discrimination against a person on the

1		basis of race, color, national origin, religion,
2		creed, sex, age, sexual orientation, or disability;
3	(6)	Agrees not to use state funds for entertainment or
4		lobbying activities;
5	(7)	Allows the department, legislative committees and
6		their staff, and the auditor full access to the
7		applicant's records, reports, files, and other related
8		documents and information for the purposes of
9		monitoring, measuring the effectiveness of, and
10		ensuring the proper expenditure of the grant;
11	(8)	Is not employed by a child care facility that is part
12		of, owned or operated by, or owned or operated as a
13		private educational institution; provided that an
14		organization or individual that owns or operates both
15		a private educational institution and a child care
16		facility may apply only if the organization or
17		individual can provide evidence that the operations
18		and finances of the private educational institution
19		are completely separate from the operations and
20		finances of the child care facility such that it is
21		clear a grant awarded under this section would not

1		support or benefit the private educational institution
2		in violation of article X, section 1 of the Hawaii
3		State Constitution;
4	(9)	Satisfies any other standards that may be required by
5		the source of funding; and
6	(10)	Meets all other standards prescribed in rules adopted
7		by the department to implement the grants awarded
8		under this section.
9	<u>(e)</u>	Each child care provider who, after meeting the
10	requireme	ents of subsection (d), receives grant funds from the
11	departmen	t shall be required to obtain accreditation and
12	continue	to provide child care for three years after receiving
13	accredita	tion.
14	<u>(f)</u>	Each request for grant funds shall be submitted to the
15	departmen	t on an application form provided by the department and
16	shall at	a minimum contain the information required by
17	subsectio	n (d). The department shall review each request to
18	determine	whether the applicant is eligible to receive grant
19	funds and	shall make a final decision on each request. The
20	departmen	t shall inform each grant applicant of the disposition

- 1 of the applicant's request. The department shall adopt rules to
- 2 establish an appeals process for any denial of a request.
- 3 (g) The department shall not release the public funds
- 4 approved for a grant under this section unless a contract is
- 5 entered into between the department and the grant recipient.
- 6 The department shall develop and determine, in consultation with
- 7 and subject to review and approval of the department of the
- 8 attorney general, the specific contract form to be used.
- 9 (h) Appropriations for grants made under this section
- 10 shall be subject to the allotment system generally applicable to
- 11 all appropriations made by the legislature.
- 12 (i) Each grant contract executed pursuant to this section
- 13 shall be monitored by the department to ensure compliance with
- 14 this section, and shall be evaluated annually to determine
- 15 whether the grant attained the intended results in the manner
- 16 contemplated.
- 17 (j) Any grant recipient who withholds or omits any
- 18 material fact or deliberately misrepresents facts to the
- 19 department shall be in violation of this section and, in
- 20 addition to other penalties provided by law, any recipient found
- 21 to have violated this section or the terms of any contract

- 1 executed pursuant to this section shall be prohibited from
- 2 applying for any grants awarded by the department for a period
- 3 of five years from the date of termination.
- 4 (k) The child care accreditation program may provide grant
- 5 funding to cover incidental expenses to allow a child care
- 6 provider to receive accreditation, including but not limited to
- 7 expenses for furniture, equipment, or minor renovations.
- 8 (1) The department may contract with a service provider in
- 9 accordance with chapters 103D and 103F, as applicable, to
- 10 operate the child care accreditation program.
- 11 (m) The department shall adopt rules without regard to
- 12 chapter 91 to administer the child care accreditation program.
- (n) The department shall report to the legislature no
- 14 later than twenty days prior to the convening of each regular
- 15 session with the number and general location of programs
- 16 applying for and participating in the child care accreditation
- 17 program, an aggregated breakdown of the type and amount of costs
- 18 the program covered for providers, and the percentage of
- 19 providers receiving preschool open doors program funds that have
- 20 begun the accreditation process or are currently accredited.
- 21 (o) For the purposes of this section:

1	<u>"Gra</u>	nt" means an award of state funds to a specified
2	recipient	to support the activities of the recipient and permit
3	the commu	nity to benefit from those activities.
4	<u>"Pri</u>	vate educational institution" means a nonpublic entity
5	that prov	ides:
6	(1)	Educational services for any grades from kindergarten
7		through grade twelve;
8	(2)	Post-secondary education; or
9	(3)	Pre-kindergarten level services that are provided by
10		an entity that holds itself out to the public as a
11		school or educational institution, or that are
12		identified by the entity as educational services
13		rather than solely as child care services.
14	"Rec	ipient" means a child care provider receiving a grant.
15	SECT	ION 4. Section 346-183, Hawaii Revised Statutes, is
16	amended b	y amending subsections (b) and (c) to read as follows:
17	"(b)	The department shall expend moneys in the special
18	fund to a	ward grants to private entities for [the]:
19	(1)	The operating costs of new or existing child care
20		facilities[ <del>, to establish</del> ];

1	(2) The establishment of new child care facilities (7 of
2	<del>for</del> ] <u>;</u>
3	(3) The expansion of existing child care facilities $[-]$ ; or
4	(4) Child care accreditation program grants awarded
5	pursuant to section 346
6	(c) [Expenditures] Except for child care accreditation
7	program grants awarded pursuant to section 346- , expenditures
8	from the fund may be made by the department without allotment."
9	SECTION 5. Section 346-184, Hawaii Revised Statutes, is
10	amended by amending subsection (a) to read as follows:
11	"(a) Each service provider of the preschool open doors
12	program shall be accredited or shall obtain accreditation within
13	seven calendar years of first receiving any funds from the
14	preschool open doors program; provided that any existing service
15	provider unaccredited on July 1, 2022, shall commence the
16	accreditation process no later than July 1, $[\frac{2024}{7}]$ 2029, and
17	obtain accreditation by July 1, [2029;] 2034; provided further
18	that the director may grant to any service provider one or more
19	extensions to obtain accreditation on a case-by-case basis."
20	SECTION 6. There is appropriated out of the general
21	revenues of the State of Hawaii the sum of \$2,102,100 or so much

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- 1 thereof as may be necessary for fiscal year 2023-2024 for the
- 2 child care accreditation program established by section 3 of
- 3 this Act, including the establishment of one full-time
- 4 equivalent (1.0 FTE) permanent position for the child care
- 5 accreditation program.
- 6 The sum appropriated shall be expended by the department of
- 7 human services for the purposes of this Act.
- 8 SECTION 7. Statutory material to be repealed is bracketed
- 9 and stricken. New statutory material is underscored.
- 10 SECTION 8. This Act shall take effect on July 1, 2023.

### Report Title:

Early Learning; Preschool Open Doors; Child Care Accreditation Program; Child Care Grant Program Special Fund; Appropriation; Expenditure Ceiling

#### Description:

Requires the Department of Human Services to establish a Child Care Accreditation Program to assist licensed and registered child care providers obtain accreditation. Authorizes the use of the Child Care Grant Program Special Fund for Child Care Accreditation Program grants. Extends the deadlines by which existing Preschool Open Doors Program service providers are required to commence the accreditation process and obtain accreditation. Appropriates funds for the Child Care Accreditation Program, including the establishment of one full-time equivalent (1.0 FTE) position for the program. (CD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.