



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

February 24, 2024

TO: Representative Kyle Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair
House Committee on Finance

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

SUBJECT: Measure: H.B. No. 1964 H.D. 1 – RELATING TO EARLY CHILD CARE

EXECUTIVE OFFICE ON EARLY LEARNING'S POSITION: Support

The Executive Office on Early Learning (EOEL) supports H.B. No. 1964 H.D. 1 and defers to the Department of Human Services regarding implementation.

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.

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.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Finance
Monday, February 26, 2024 at 10:00 a.m.

By

Nathan Murata, Dean
College of Education

And

Michael Bruno, Provost
University of Hawai'i at Mānoa

HB 1964 HD1 – RELATING TO EARLY CHILD CARE

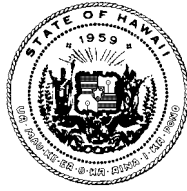
Chair Yamashita, Vice Chair Kitagawa, and members of the Committee:

The University of Hawai'i, College of Education supports the intent of HB 1964 HD1 to improve pay for the professionals who are dedicated to 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.

The demand for quality child care and early education far exceeds the number of qualified child care and early education professionals currently available in the State. According to a RAND Corporation study conducted in partnership with the College of Education/UH Manoa, child care workers in the state earn between \$13 and \$17 per hour. This low pay is consistently cited as a barrier to becoming a childcare worker. This pay low consistently is cited as a barrier to becoming a childcare worker. Interestingly, the number of early childhood care and education professionals in Hawai'i has been decreasing significantly over the last 5-years despite the high demand in this sector. Lastly, Child care and preschools are essential infrastructure. Hawai'i's early childhood care and education professionals provide a public good that mandates public investment.

Thank you for opportunity to provide comments on HB 1964 HD1.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



CATHY BETTS
DIRECTOR
KA LUNA HO'ŌKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'ŌKELE

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

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'ŌKELE

February 24, 2024

To: The Honorable Representative Kyle T. Yamashita, Chair
House Committee on Finance

FROM: Cathy Betts, Director

SUBJECT: **HB 1964 HD1 – RELATING TO EARLY CHILD CARE.**

Hearing: Monday, February 26, 2024, 10:00 a.m.
Conference Room 308, State Capitol & Video Conference

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent of the bill, requests an amendment, and provides comments. DHS respectfully requests that any appropriation in this measure not replace or adversely impact priorities indicated 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, group child care centers, and group child care homes and bonuses to registered family child care homes. Requires annual reports to the Legislature. Appropriates funds. Effective 7/1/3000. (HD1).

The House Committee on Human Services amended this measure by:

- (1) Including licensed group child care homes as one of the licensed child care providers eligible to participate in the Child Care Provider Subsidy and Bonus Program;
- (2) Amending the types of proof each applicant must provide to the Department of Human Services regarding each covered child care worker or family child care home;

- (3) Clarifying that applicants and covered child care workers are prohibited from using state funds for any other unauthorized uses prohibited by law or as determined by the Department of Human Services;
- (4) Specifying that the University of Hawaii and any entity of the University are ineligible to receive subsidies or bonuses under the Child Care Provider Subsidy and Bonus Program;
- (5) Authorizing the Department of Human Services or its designee to review applicants for subsidies and bonuses;
- (6) Changing the means of financing for the Child Care Provider Subsidy and Bonus Program from a general fund appropriation to an appropriation into and out of the Child Care Grant Program Special Fund;
- (7) Inserting an unspecified appropriation from general revenues for one full-time equivalent Program Specialist position to carry out the implementation and monitoring of the Child Care Provider Subsidy and Bonus Program;
- (8) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

DHS respectfully requests an amendment to remove the group "exempt providers approved by the department" as part of the child care provider subsidy and bonus program since the purpose of this measure is to retain the child care workforce in *licensed* infant and toddler child care centers, group child care centers, group child care homes, and *registered* family child care homes. DHS recommends the following amendment:

- Section 2, page 3, at lines 11-13, "(A) Is an employee of a licensed or registered child care provider, ~~or is an exempt provider approved by the department.~~"

The Department estimates that to increase wages by \$2 an hour for four thousand three hundred (4,300) workers in licensed infant and toddler centers, group child care centers, and group child care homes, plus \$6,000 each for two hundred forty-seven (247) registered family child care homes, the subsidy and bonus program budget would need to be nearly \$19,300,000. DHS may not use federal child care block grant funds for provider grants, so the appropriation would need to be 100% state general funds or non-federal funds. Additionally, the Department will require an appropriation of \$100,000 for one full-time equivalent (1.0 FTE) program specialist to carry out the implementation and monitoring of the child care provider subsidy and bonus program.

DHS respectfully requests that any appropriation not replace or reduce budget priorities identified in the Executive Budget.

Lastly, if the measure passes, DHS requests an extended effective date of January 31, 2025, or later since DHS has begun its implementation of the supplemental grant program to providers and would need time to develop administrative rules, standards, policies, an application form, and procedures to administer the child care provider subsidy and bonus program.

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



HB1964 HD1
RELATING TO EARLY CHILD CARE
House Committee on Finance

February 26, 2024

10:00 a.m.

Conference Room 308

The Office of Hawaiian Affairs (OHA) **SUPPORTS HB1964 HD1**, 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 center, group child care centers, and group child care homes and bonuses to registered family child care homes, requires annual reports to the Legislature and appropriates funds.

OHA is in its fourth year of its 15-year strategic plan, Mana i Maui Ola. The development of this strategic plan included gathering community input via surveys and focus groups as well as mana‘o from internal staff. One of the most critical needs that our community repeated was ‘ohana’s ability to provide high-quality keiki and kūpuna care.

HB1964 HD1 will support the state’s ongoing efforts to expand early childhood care and education. One of the greatest barriers for early childhood care and education providers to expand and even remain open is their ability to find adequate staffing. The Center for the Study of Child Care Employment noted that between 2018 and 2020, Hawai‘i’s child care workforce declined by more than 20%. When the University of Hawai‘i Early Childhood Educator Excellence and Equity Project looked into this workforce in their 2022 report, they found that early childhood care and education professionals made on average between \$13 and \$17 per hour, far below what is needed for a living wage. These low wages are impacting child care providers’ ability to stay open and expand. **This in turn impacts families’ abilities to secure quality early childhood care and education, which then can affect an ‘ohana’s economic stability.**

HB1964 will establish a program that has proven impacts in other states and here at in Hawai‘i. North Carolina saw increases in child care worker retention when they instituted their WAGE\$ program. Additionally, it is our understanding that preliminary reports from the Hawai‘i Department of Human Services showed increased retention for



HB1964 HD1
RELATING TO EARLY CHILD CARE
House Committee on Finance

staff and providers who received bonuses from pandemic relief monies dedicated to child care.

OHA defers to the Department of Human Services on costs and implementation. We believe that addressing a vital component of early childhood care and education expansion—supporting the workforce—is a worthy investment. However, we recognize the constraints of our state budget given the costs borne from the Maui fires.

Mahalo for the opportunity to provide testimony in support of HB1964 HD1. **We urge the committee to pass this measure.**

Mitchell D. Roth
Mayor



Douglass S. Adams
Director

Frecia Cevallos
Deputy Director

County of Hawai'i

DEPARTMENT OF RESEARCH AND DEVELOPMENT

25 Aupuni Street, Room 1301 • Hilo, Hawai'i 96720-4252
(808) 961-8366 • Fax (808) 935-1205
E-mail: chresdev@co.hawaii.hi.us

February 25, 2024

House Committee on Finance
State Capitol
415 South Beretania Street
Honolulu, HI 96813

RE: HB1964 HD1, Relating to Early Child Care

Chair Yamashita, Vice Chair Kitagawa and Members of the Committee on Finance:

Thank you for the opportunity to testify in **strong support** of HB1964 HD1. 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 for families with young children, so is paying a living wage to those providing that care. Although this is an intricate balancing act, the time is right to begin to stabilize the field that nurtures, cares for and educates the youngest members of our society.

During the pandemic, child care providers were seen as essential employees – critical to our economy. Since then, it has become clear that in addition to the economic role, providing a quality environment that supports positive brain development in young children is as important. These roles require qualified professionals supported by our communities. As more tuition dollars become available to those wishing to enter the field, once they become qualified at the teacher level, many leave for higher paying positions, usually with Kamehameha Schools or the DOE. It has become a revolving door that we must stop in order to keep growing the capacity and quality of programming available for our youngest children.

In the recent release of our state's Kindergarten Entrance Assessment (KEA) scores, it was shown that only 29.6% of our kindergarteners are actually ready to start school. Additionally, only 50% of our third graders are reading at grade level. These data are evidence that we need to better support our youngest children in the early years by supporting their preparation for entering our education system.

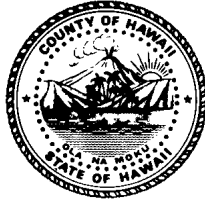
We strongly encourage the Committee to forward this measure to the House with a **POSITIVE** recommendation for passage.

very respectfully,

A handwritten signature in black ink, appearing to read "Douglass S. Adams".

Douglass S. Adams
Director

Mitchell D. Roth
Mayor



Douglass S. Adams
Director

Frecia Cevallos
Deputy Director

County of Hawai'i

DEPARTMENT OF RESEARCH AND DEVELOPMENT

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House Committee on Finance
Monday January 26, 2024
10:00 AM, Conference Room 308
IN SUPPORT

RE: HB1964
Relating to Early Child Care

Aloha Chair Yamashita and Committee Members,

I am writing in **strong support** of HB1964.

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. It is an intricate balance and time we began to stabilize the field that nurtures, cares for and educates the youngest members of our society.

During the pandemic, child care providers were seen as essential employees – critical to our economy. And while that is true, their more important role is to provide a quality environment that supports positive brain development in young children.


As more tuition dollars become available to those wishing to enter the field, once they become qualified at the teacher level, many leave for higher paying positions, usually with Kamehameha Schools or the DOE. It has become a revolving door that we must stop in order to keep growing the capacity and quality of programming available for our youngest children.

In the recent release of our state's Kindergarten Entrance Assessment (KEA) scores, it was shown that only 29.6% of our kindergarteners are actually ready to start school. Additionally, only 50% of our third graders are reading at grade level. This data proves that we need to better support our youngest children in the early years by supporting their preparation for entering our education system.

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 and attract more young professionals to the rewarding field of early childhood.

Please support this measure.

Very Respectfully,


Douglass S. Adams
Director

To: House Committee on Finance

Re: HB 1964 HD 1 – Relating to Early Child Care

Hawaii State Capitol, Conference Room 308 and Videoconference

Monday, February 26, 2024; 10:00AM

Aloha e Chair Yamashita, Vice Chair Kitagawa, 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 HD 1 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 Hawai'i 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 they'll rely on their entire lives. A child's most rapid brain development happens between birth and three years old. This is when they develop vital skills that lay the foundation for lifelong education – 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 has 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 in the workforce and attract the next generation of child care workers and early childhood educators. These efforts must start with raising their wages. Below are cost projections for what will be needed to support our child care providers.

This bill is a crucial step forward. HB 1964 HD 1 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 to expand early childhood care and education options for families, we must focus on expanding the workforce. **Please support HB 1964 HD 1.**

Mahalo,

Chevelle Davis, MPH
Director of Early Childhood & Health Policy

Projections for Childcare Workers Wages

Mahalo for considering the proposal to increase childcare workers' wages. **HB1964 HD 1** aims to address this need by establishing a childcare provider subsidy and bonus program. This initiative ensures access to safe and reliable childcare options for Hawai'i's families.

Currently, childcare workers' wages are supplemented with an additional \$12.8 million through the American Rescue Plan Act (ARPA), which will expire this year. With this supplement, childcare workers' wages were increased by \$1.43 per hour for an average yearly salary of **\$31,574.40 before taxes.**

ARPA Funds - Expires 2024	
Supplemental Wage Per Hour	\$1.43
Number of Active Caregivers	4300
Average Yearly Salary	\$31,574.40
Supplemental Grant Total	\$12,800,000.00

When the ARPA funds expire this year, some childcare workers will earn Hawai'i's minimum wage of \$14.00 per hour, which equates to a yearly salary of **\$29,120.00 before taxes,** and the average childcare worker earns \$15.18, which equates to a yearly salary of **\$31,574.40 before taxes.**

Minimum Wage	
Minimum Wage Per Hour	\$14.00
Yearly Salary	\$29,120.00

Average HI Child Care Worker Wage	
Average Wage Per Hour	\$15.18
Average Yearly Salary	\$31,574.40

Cost projections have been generated for what we need to support our existing childcare workers, which is estimated to be around 4,300 registered with the Department of Human Services and 247 Family Child Care providers (home-based child care), and the cost of increasing wages by \$2.00, \$3.00, \$5.00, and \$8.00 per hour.

Meeting an \$8.00-an-hour wage increase for our childcare workforce would require an investment of \$71.56 million a year. This increase would raise the average childcare worker’s hourly wage to \$23.18 per hour for an average yearly salary of **\$48,214 before taxes**.

Current Caregiver Workforce			
Supplemental Wage Per Hour:	\$2.00	\$5.00	\$8.00
Number of Active Caregivers	4300	4300	4300
Grant Per Worker	\$4,160.00	\$10,400.00	\$16,640.00
Supplemental Wage Per Year for Family Child Care Providers:	\$6,000.00	\$15,000.00	\$24,000
Number of Family Child Care Providers	247	247	247
Supplemental Grant Total	\$19,370,000.00	\$48,425,000.00	\$77,480,000.00

We want to highlight that any wage increase below \$8.00 an hour will result in many childcare workers continuing to make below Hawai’i’s [self-sufficiency budget](#) (2022).

Supplement Per Hour	Caregiver Hourly Wage if Salary is Minimum Wage	Annual Income with Supplement	Poverty Level (with Supplement)	Self-Sufficiency Budget (2022) (One Adult - \$41,245)
\$2.00	\$16.00	\$33,280.00	192%	81%
\$3.00	\$17.00	\$35,360.00	204%	86%
\$5.00	\$19.00	\$39,520.00	228%	96%
\$8.00	\$22.00	\$45,760.00	264%	111%

The proposed legislation will support licensed infant and toddler childcare centers, group childcare centers, and registered family childcare homes through subsidies and bonuses. Since the beginning of the pandemic, we have seen the childcare workforce decrease, with one of the reasons being unable to afford living in Hawai’i on such a low salary. According to the 2022 Research and Development (RAND) study on [Early Childhood Educators in Hawai’i](#), wages and salaries for early educators in Hawai’i are not competitive with jobs requiring similar levels of education or experience; median hourly wages, estimated at approximately \$13-\$17 per hour, are well below the living wage estimate of at least \$28.50 per hour for the state. By enhancing wages, we aim to attract and retain a skilled and dedicated childcare workforce, thus meeting the growing demand for childcare services.

Mahalo for your continued commitment to Hawai’i’s keiki.

HB-1964-HD-1

Submitted on: 2/24/2024 9:15:34 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kiani Troy	I am a licensed family childcare provider (Kiddie Cove Childcare) on the Big Island.	Support	Written Testimony Only

Comments:

Aloha,

My name is Kiani Troy and I am a licensed family childcare provider on the Big Island of Hawaii. I previously used to work for the Hawaii County Fire Department as a 9-1-1 Dispatcher (Fire Communications Officer I), but had to resign due to lack of childcare services for hours outside the normal work week. As a result I opened up my own childcare business to help support other families who experience the same situations. And it is definitely not an easy task to do, with that being said I fully support this bill. Not only to help alleviate some of the hardships as a childcare provider, but also maybe give an incentive to other people to open more childcare services since there is an emergent need in our community. There is definitely not enough child care openings for the amount of children we have.

Thank you,

Kiani Troy

808-209-3484

Kiddie Cove Childcare, Big Island, Hawaii



Hearing Date: **Monday, February 26, 2024, 10:00 AM, Conference Rm. 308**

To: House Committee Finance
Representative Kyle T. Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair

Re: TESTIMONY IN SUPPORT OF HB 1964, HD1, Relating to Early Child Care

Dear Chair Yamashita, Vice Chair Kitagawa, and the Members of Committee,

Members of AAUW of Hawaii thank you for this opportunity to testify in support of HB 1964, HD1, 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: February 24, 2024

To: House Committee on Finance
Representative Kyle T. Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair

From: Early Childhood Action Strategy

Re: Support for **HB1964 HD1**, 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 HD1, 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 HD1**.

Thank you for the opportunity to testify.



Committee on Finance
Representative Kyle Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair

February 26, 2024

Dear Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

We support HB 1964 HD1, 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 center, group child care centers, and group child care homes 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*



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the House Committee on Finance
Monday, February 26, 2024 at 10:00AM
Conference Room 308 & Videoconference**

RE: HB1964 HD1 RELATING TO EARLY CHILD CARE

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports HB1964 HD1**, which establishes and appropriates funds to implement a child care provider 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. The Chamber acknowledges and supports the amendments made to enhance clarity and expand eligibility criteria as appropriate for the Child Care Provider Subsidy and Bonus Program.

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 measure, if implemented, would Hawaii's businesses and further their capacity for workforce retention and expansion, creating profound economic benefit to our state now and in the future.

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.

In discussions with our members, increasing the availability of childcare is a high priority. This measure mitigates child care provider business closures and will help to increase the availability of child care providers. needed for the viability of our workforce. Our business community and workforce cannot increase its capacity without such support.

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.

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 HB 1964, 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

February 26, 2024

Testimony in support of HB 1964, HD1, Relating to the Early Child Care

Aloha Chair Yamashita, Vice Chair Kitagawa, and members of the Committee,

We write in support of HB 1964, Relating to Early Child Care, 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 center, group child care centers, and group child care homes.

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 26, 2024

Committee: House Committee on Finance
Bill Number: HB 1964, HD1, Relating to Early Child Care
Hearing Date and Time: February 26, 2024, 10:00am
Re: Testimony of HPM Building Supply in Support

Dear Chair Yamashita, Vice Chair Kitagawa, 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 HB 1964. I strongly encourage your support and passage of this measure.

Sincerely,

Dennis Lin
Community Relations Administrator





TO:

Rep. Kyle Yamashita, Chair
Rep. Lisa Kitagawa, Vice Chair
Committee on Finance

FROM:

Brenda Watanabe, VP Public Policy, HIAEYC Board

SUBJECT: Measure: HB1964 HD1 – RELATING TO EARLY CHILD CARE

Hearing Date: February 26, 2024

Time: 10:00am

The mission of the Hawai'i Association for the Education of Young Children (HiAEYC) is to promote, support, and expand quality and professionalism in early childhood programs and services for Hawai'i's young children (birth to age 8) and their families. HiAEYC is the Hawai'i affiliate of the National Association for the Education of Young Children.

HIAEYC strongly supports HB1964 HD1. Childcare providers are the workforce that supports the workforce. Providing accessible, affordable and high-quality childcare ensures working families have a nurturing and educational environment to place their children. Childcare providers facilitate children's cognitive, emotional, and social development that impacts development and lays the foundation for future success in school and life.

Despite their invaluable service, many child care workers struggle to make ends meet due to the disproportionately low wages in our state that has such a high cost of living. At HIAEYC, we often hear our members share stories of struggling to make ends meet. Many providers do not make a living wage and work multiple jobs to pay for basic living expenses. Often these conditions lead to workforce burnout and high turnover rates. Loss of workforce within the industry affects the continuing of care for children and incur significant costs for childcare facilities and families.

By investing in higher wages for child care workers, we demonstrate our appreciation for their vital role and foster a more stable and sustainable child care system. A well-compensated workforce will attract and retain qualified professionals, ultimately enhancing the quality of care provided to Hawai'i's keiki. We urge you to support HB1964 HD1.

We thank you for the opportunity to submit testimony in support of this bill.

A handwritten signature in black ink that reads "Brenda Watanabe".

Respectfully submitted,
Brenda Watanabe,
VP of Public Policy, HIAEYC Board



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

827 Fort Street Mall, 2nd Floor
Honolulu, Hawaii 96813

+1 (808) 909-3843
info@holomuacollaborative.org

HolomuaCollaborative.org

Page 1 of 2

Committee: House Committee on Finance
Bill Number: HB 1964, HD1, Relating to Early Child Care
Hearing Date and Time: February 26, 2024 at 10:00am (Room 308)
Re: Testimony of Holomua Collaborative in support

Aloha Chair Yamashita, Vice Chair Kitagawa, 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; (1) the child care workers who can now 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



Testimony in Support of HB 1964, HD1, Relating to Early Child Care

Aloha Chair Yamashita, Vice Chair Kitagawa, and members of the Committee,

We write in strong support of HB 1964, which will require the Department of Human Services to establish and implement a child care provider subsidy and bonus program to adequately compensate and retain the existing early child care workforce in all licensed and infant toddler child care centers, group child care centers, and registered family child care homes.

aio is a locally owned company with holdings across a broad range of industries. Our companies are purpose-driven and firmly rooted in local values. At aio, Hawaii is at our core, and through our products and services, we work hard to make Hawaii a better place for future generations.

Our employees are our greatest asset, and we want to ensure that they have access to quality and affordable childcare for their keiki. This subsidy program is a good first step at retaining top child care professionals.

Research shows that early childhood care professionals are critical to a child's development, and we want the best care possible to teach and mold the next generation.

Mahalo for the opportunity to submit testimony in support,

A handwritten signature in black ink that reads "Brandon H. Kurisu".

Brandon Kurisu
aio Family of Companies





**Hawaii
Legislative
Council
Members**

Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice Chair
Committee on Finance

Monday, February 26, 2024
10:00 AM, Room 325 Via Videoconference

Joell Edwards
Wainiha Country
Market
Hanalei

RE: **HB1964 HD1** Early Child Care Provider Subsidy - **Support**

Russell Ruderman
Island Naturals
Hilo/Kona

Dear Chair Yamashita, Vice Chair Kitagawa & Committee Members,

Dr. Andrew Johnson
Niko Niko Family
Dentistry
Honolulu

The Chamber of Sustainable Commerce represents over 100 small businesses across the State that strive for a triple bottom line: people, planet and prosperity; we know Hawaii can strengthen its economy without hurting workers, consumers, communities or the environment.

Robert H. Pahia
Hawaii Taro Farm
Wailuku

This is why we support HB1964 HD1, 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 center, group child care centers, and group child care homes and bonuses to registered family child care homes.

Maile Meyer
Na Mea Hawaii
Honolulu

Too many working families struggle to secure affordable, quality childcare; they are unable to return to the workforce and contribute to a vibrant economy. For some, the costs of childcare surpasses their own take home pay, especially when rush hour commuter traffic results in the need for 10 additional hours a week of childcare beyond the parents' own paid work times.

Tina Wildberger
Kihei Ice
Kihei

When employers look around and say, "Where did our workforce go; why can't we find anyone to work?" One response is that they are staying home to take care of their children, their grandchildren or their younger siblings. If a business cannot find sufficient numbers of workers to generate sufficient revenue to cover all the overhead costs of the business, then the business will have to close. The state will lose revenue from the general excise taxes and income taxes associated with those shuttered businesses.

L. Malu Shizue Miki
Abundant Life
Natural Foods
Hilo

Until the Legislature sufficiently funds the Department of Education so that it can expand its Early Childhood Education programs across the state, for children of all ages, then the legislature must provide alternative solutions to try to fix the childcare shortage and ensure the state's revenue streams are uninterrupted.

Kim Coco Iwamoto
Enlightened Energy
Honolulu

Chamber of
Sustainable
Commerce
P.O. Box 22394
Honolulu, HI
96823

HB-1964-HD-1

Submitted on: 2/24/2024 5:20:38 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

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

Comments:

Please pass HB1964 HD1 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-HD-1

Submitted on: 2/24/2024 9:11:11 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jaylyn	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Jaylyn Gijal and I'm a FCC provider on the island of Maui.

I've been a provider since 2018 and love providing quality childcare for my community. As the cost of living in Hawaii continues to rise, I always look to grants to keep my childcare in business.

I support this bill to help aid family and group childcare providers.

Mahalo!

Jaylyn Gijal

HB-1964-HD-1

Submitted on: 2/24/2024 9:12:53 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cynthia C Ballard	Individual	Support	Written Testimony Only

Comments:

I was a parent of a child who attended Family Child Care. I support this bill as it will help to offset some of the loss of income that happens with FCC providers.

HB-1964-HD-1

Submitted on: 2/24/2024 9:13:49 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Gail Omoto	Individual	Support	Written Testimony Only

Comments:

I support this bill. Thank you.

HB-1964-HD-1

Submitted on: 2/24/2024 9:15:25 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Helene Kuwaye	Individual	Support	Written Testimony Only

Comments:

I support this bill. Thank you

HB-1964-HD-1

Submitted on: 2/24/2024 9:19:27 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nana Nishimura	Family Childcare provider	Support	Written Testimony Only

Comments:

I've been a family childcare provider since 2012. I am helping families to take care of their children especially young children. I researched average tuition rate before I opened my facility. I really surprised because it was \$800!!! We didn't have any own child at that time so I had no idea. Everything costs are increasing in Hawaii. Families are really difficult to send their children to family childcare because the it is expensive. So I support this HB1964 for families they have young children and family childcare providers.

HB-1964-HD-1

Submitted on: 2/24/2024 10:39:51 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

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

Comments:

Aloha Chair Yamashita and Committee Members,

I am writing in **strong support** of HB1964.

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. In our current situation, we need to flip that scale and pay teachers what they deserve so our children will receive the highest quality of care.

During the pandemic, child care providers were seen as essential employees – critical to our economy. And while that is true, their more important role is to provide a quality environment that supports positive brain development in young children.

Hawai‘i County has a comprehensive capacity building plan that they are implementing and this measure will help to recruit and retain trained teachers. It seems a great loss to me that some trained professionals have left the field for retail positions as the pay is greater than what they were making educating and caring for children.

In the recent release of our state’s Kindergarten Entrance Assessment (KEA) scores, it was shown that only 29.6% of our kindergarteners are actually ready to start school. Additionally, only 50% of our third graders are reading at grade level. This data proves that we need to better support our youngest children in the early years by supporting their preparation for entering our education system.

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 and attract more young professionals to the rewarding field of early childhood education.

HB-1964-HD-1

Submitted on: 2/24/2024 11:33:39 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

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

Comments: Aloha Chair Yamashita, Vice Chair Kitagawa, and Committee Members, I am testifying in strong support of bill HB1964 related to child care worker wages. Quality child care is important to me [because, optional story share]. Mahalo for the opportunity to testify!

HB-1964-HD-1

Submitted on: 2/24/2024 12:15:03 PM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Marilyn Mick	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice Chair Kitagawa, and Committee Members,

I am testifying in **strong support** of bill HB1964 related to child care worker wages. Quality child care is important to all families

Mahalo for the opportunity to testify!

Marilyn Mick, Honolulu

HB-1964-HD-1

Submitted on: 2/24/2024 1:51:49 PM

Testimony for FIN on 2/26/2024 10:00:00 AM

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

Comments:

i SUPPORT THIS BILL!

February 24, 2024

To: Representative Kyle Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair
House Committee on Finance

Subject: **Measure** – HB 1964 HD 1 - RELATING TO EARLY CHILD CARE
Hearing Date – February 26, 2024
Time - 10:00 AM
Location - Conference Room 308

This testimony is in strong support of HB1964 HD 1.

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

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 HD 1, 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 HD 1 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 HD 1 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 HD 1 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 HD 1. 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

HB-1964-HD-1

Submitted on: 2/25/2024 8:30:23 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Courtney Velazquez	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice Chair Kitagawa, and Committee Members,

I am testifying in **strong support** of bill **HB1964** related to child care worker wages. Quality, affordable, and accessible child care is important to our families because it makes it possible for folks to work, get job training, and handle repsonsibilities.

Mahalo for the opportunity to testify!

HB-1964-HD-1

Submitted on: 2/25/2024 11:28:06 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Laura Matsuyama	L.A.M.P.	Support	Written Testimony Only

Comments:

I am a Family Childcare Owner/Provider and I am in support of HB1964.
Thank you for your time,

Laura

HB-1964-HD-1

Submitted on: 2/25/2024 12:56:50 PM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mandie Gibson	Individual	Support	Written Testimony Only

Comments:

*Hello, my name is _____, and I'm with the Hawai'i Early Childhood Advocacy Alliance. I'm calling to request that Senator Dela Cruz schedule bill **SB 2603 SD 1** for a hearing in the Senate Committee on Ways and Means. Mahalo!*

Aloha, my name is Mandie Gibson, and I'm with the Hawai'i Early Childhood Advocacy Alliance. I am in favor with this bill! I have been in the early childhood education workforce for over 20 years. We can all agree that there is no true workforce without the backing of an early childhood educational workforce. In this day and age where it is the norm for both parents to be working, early childhood education and care is essential. I support this bill.

Mahalo,

Mandie Gibson

HB-1964-HD-1

Submitted on: 2/25/2024 6:14:57 PM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Doris Matsunaga	Save Medicaid Hawaii	Support	Written Testimony Only

Comments:

Save Medicaid Hawaii supports HB1964

Committee on Human Services
Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa Vice Chair
Date: Monday February 26, 2024
Time: 10:00 a.m.
Place: Via Videoconference
Conference Room 308
State Capitol
415 South Beretania Street
Bill: **HB 1964 HD 1**
Position: **IN SUPPORT**

Dear Chair Yamashita, Vice Chair Kitagawa and respected committee members,

Thank you for hearing **HB 1964 HD 1**. 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 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 HD 1**.

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-HD-1

Submitted on: 2/25/2024 10:28:58 PM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Barbara Barry	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice Chair Kitagawa, and Committee Members,

I am testifying in **strong support** of bill **HB1964** related to child care worker wages. Quality child care is important to me as a kupuna who has cared for my infant grandchild. It's very important and hard work. Our childcare providers deserve to earn a living wage which in Hawai'i is not minimum wage!

Mahalo for the opportunity to testify!

HB-1964-HD-1

Submitted on: 2/25/2024 11:01:10 PM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Allison Mikuni	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice Chair Kitagawa, and Committee Members,

I am testifying in **strong support** of bill **HB1964** related to child care worker wages. Quality child care is important and this legislation will make it possible for more people to consider it as a long-term career. While the work is strenuous, ever-changing, and low-paid, it is vitally important for children to have consistent and caring caregivers. The workforce subsidy being considered will help bridge the pay gap to allow more highly qualified child care workers to stay in the profession, which will bring more stability to the workforce, thus benefitting future generations.

Mahalo for your consideration,

Allison Mikuni

Palolo, Oahu, Hawaii

HB-1964-HD-1

Submitted on: 2/26/2024 5:56:59 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dena Akiu	Individual	Support	Written Testimony Only

Comments:

TESTIMONY BEFORE THE FINANCE COMMITTEE

PERSON TESTIFYING: Dena Akiu

DATE: February 26, 2024

TIME: 10:00 a.m.

LOCATION: State Capitol House Conference Room 308 via Videoconference

TITLE OF BILL: HB 1964 HD1 RELATING TO EARLY CHILD CARE

Honorable Chair Yamashita, Vice Chair Kitagawa, and Committee Members:

I am submitting testimony in strong **SUPPORT** of **HB 1964 HD1**.

The long-term benefits and supports that quality early learning programs provide is crucial in a young child's most formative years. I've experienced these positive impacts in each of my roles as a mother, grandmother, and an early childhood educator. In strengthening the early childhood educator workforce, we strengthen our youngest learners by building their brain development and instilling a positive disposition for life-long learning.

Hawai'i's early childhood care and education professionals are some of the most undervalued in our state. According to a study conducted by the RAND Corporation in partnership with the University of Hawai'i at Mānoa's Hawai'i Early Childhood Educator Excellence and Equity (ECE3) Project, median hourly wages, estimated at approximately \$13–\$17 per hour, are well below the living wage estimate of at least \$28.50 per hour for the state. Although median wages for child care workers in Hawaii exceed the national median, the pattern is reversed once the high cost of living in the state is accounted for.

Early educators are engaged in incredibly difficult and complex work that has been recognized as essential to children's learning and development, supportive for families, and foundational to the economy. Preschools, child care providers and families already carry a heavy burden. We cannot carry more without your support.

Please support the creation of a child care worker subsidy pilot program. It is the first step toward improving wages for early childhood care and education professionals that do so much for Hawai'i's young children and families.

Mahalo for this opportunity to submit testimony in **SUPPORT** of this measure.

Aloha,

Dena Akiu

HB-1964-HD-1

Submitted on: 2/26/2024 9:40:06 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

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

Comments:

Aloha Chair Yamashita, Vice Chair Kitagawa, 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

HB-1964-HD-1

Submitted on: 2/26/2024 9:43:16 AM

Testimony for FIN on 2/26/2024 10:00:00 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 Projectl 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 wagef or a single adult in the CountyofMaui. 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-HD-1

Submitted on: 2/26/2024 9:43:53 AM

Testimony for FIN on 2/26/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Crystal Braun	'Ae Kamali'i Preschool	Support	Written Testimony Only

Comments:

I support this bill as someone in the early education sector for over 16 years.