

STAND. COM. REP. NO. 3207

Honolulu, Hawaii

MAR 21 2024

RE: H.B. No. 1964
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred H.B. No. 1964, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO EARLY CHILD CARE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) 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, group child care centers, and group child care homes and bonuses to registered family child care homes;
- (2) Require annual reports to the Legislature; and
- (3) Appropriate funds.

Your Committee received testimony in support of this measure from the University of Hawai'i College of Education; Executive Office on Early Learning; Early Learning Board; Office of Hawaiian Affairs; County of Hawai'i Department of Research and Development; Hui for Excellence in Education; Hawai'i Children's Action Network Speaks!; Holomua Collaborative; HPM Building Supply; Title

Guaranty of Hawai'i; Mana Up; aio; Early Childhood Action Strategy; AAUW of Hawaii; Chamber of Commerce Hawaii; Hawai'i State Coalition Against Domestic Violence; Aloha United Way; Parents And Children Together; Chamber of Sustainable Commerce; Fujiwara and Rosenbaum, LLC; Save Medicaid Hawaii; Commit to Keiki; Hawai'i Association for the Education of Young Children; Hawai'i Women Lawyers; Women's Caucus of the Democratic Party of Hawai'i; and twenty-six individuals.

Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that the State is experiencing a chronic shortage of highly qualified educators, including early childhood teachers and personnel. Additionally, the State's high cost of living creates an additional financial burden on early childhood education workers. Your Committee further finds that higher compensation is an effective way to enhance recruitment and retention of a qualified early learning workforce. Accordingly, this measure alleviates a portion of the financial burden for early childhood educators to ensure retention of talented, qualified personnel.

Your Committee has amended this measure by deleting language that would have authorized a childcare provider exempt from licensing and registration approved by the Department of Human Services to qualify for the child care provider subsidy and bonus program.

Your Committee notes that this measure contains an unspecified appropriation amount. Should your Committee on Ways and Means choose to deliberate on this measure, your Committee respectfully requests that it consider inserting appropriation amounts for fiscal year 2024-2025, as follows, pursuant to testimony your Committee received from the Department of Human Services:

- (1) \$19,300,000 in general fund appropriations or non-federal funds to implement the Child Care Provider Subsidy and Bonus Program; and
- (2) \$100,000 for the establishment of one full-time equivalent (1.0 FTE) program specialist position to



carry out the implementation and monitoring of the program.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1964, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1964, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Health and Human
Services,



JOY A. SAN BUENAVENTURA, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Health and Human Services
HHS

Bill / Resolution No.:* HB 1964, HD2	Committee Referral: HHS, WAM	Date: 3/18/24		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SAN BUENAVENTURA, Joy A. (C)	✓			
AQUINO, Henry J.C. (VC)	✓			
KEOHOKALOOLE, Jarrett	✓			
SHIMABUKURO, Maile S.L.	✓			
AWA, Brenton	✓			
TOTAL	5			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align: center; margin-top: 10px;"> </div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

***Only one measure per Record of Votes**