S.B. NO. 1609

JAN 2 3 2025

### A BILL FOR AN ACT

RELATING TO CHILD CARE.

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

1 SECTION 1. The legislature finds that in the first quarter 2 of fiscal year 2022-2023, more than fifteen thousand families 3 with children under the age of thirteen received subsidies from the child care connection Hawaii program to help them afford 4 child care services. The legislature further finds that child 5 care center providers can be faced with disruptions in services 6 7 and possible closure when their operating costs are funded by 8 tuition fees because their revenues depend upon ever-changing 9 enrollment figures rather than a stable source of funding.

10 Accordingly, the purpose of this Act is to require the 11 department of human services to establish and implement an early 12 learning services contracts program to make available a 13 designated number of seats at licensed infant and toddler child 14 care centers and family child care centers for families referred 15 by the department at a negotiated rate and schedule.

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1	SECTION 2. (a) The department of human services shall		
2	establish and implement a contracted early learning services		
3	program no later than July 1, 2026.		
4	(b)	The department of human services shall contract	
5	directly with licensed infant and toddler child care centers		
6	and, through an intermediary, with family child care centers		
7	that serve:		
8	(1)	Children six weeks to five years of age; and	
9	(2)	Families who are eligible for a federally funded child	
10		care subsidy through the department.	
11	(c)	The program shall meet the following requirements:	
12	(1)	The program shall provide contracts for at least one	
13		licensed or regulated child care program per county;	
14		and	
15	(2)	Contracts with providers shall be a minimum of twelve	
16		months and may be extended.	
17	(d)	The department of human services shall monitor seat	
18	utilization and may adjust the number of contracted seats based		
19	on enrollment trends and provider performance; provided that:		

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1	(1)	Providers with consistently low utilization of	
2		contracted seats may be subject to contract	
3		modification or termination; and	
4	(2)	The department may contract with a service provider in	
5		accordance with chapter 103F, Hawaii Revised Statutes,	
6		to operate the program.	
7	SECTION 3. The department of human services shall submit		
8	annual reports on the development and implementation of the		
9	early learning contracts program, including impacts on child		
10	care provider stability and family satisfaction, and any		
11	proposed legislation, to the legislature no later than twenty		
12	days prior to the convening of the regular sessions of 2026,		
13	2027, and 2028.		
14	SECT	ION 4. This Act shall take effect upon its approval.	

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INTRODUCED BY:



# S.B. NO. 1609

#### Report Title:

Early Learning Contracts Program; Department of Human Services; Child Care Providers

#### Description:

Requires the Department of Human Services to establish and implement an early learning contracts program to make available a designated number of seats at licensed infant and toddler child care centers and family child care centers for families referred by the Department at a negotiated rate and schedule. Requires the Department of Human Services to submit reports to the Legislature.

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