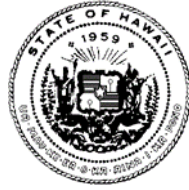


JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



RYAN I. YAMANE  
DIRECTOR  
KA LUNA HO'OKELE

JOSEPH CAMPOS II  
DEPUTY DIRECTOR  
KA HOPE LUNA HO'OKELE

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

TRISTA SPEER  
DEPUTY DIRECTOR  
KA HOPE LUNA HO'OKELE

January 28, 2025

TO: The Honorable Representative Lisa Marten, Chair  
House Committee on Human Services & Homelessness

FROM: Ryan I. Yamane, Director

SUBJECT: **HB238 – RELATING TO EARLY CHILD CARE.**

Hearing: January 30, 2025, 9:35 a.m.  
Conference Room 329, & Videoconference, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of the bill and provides comments. DHS respectfully requests that any appropriation not reduce or replace priorities identified 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.

The number of licensed and registered family child care homes, group child care centers, and group child care homes have been on the decline since prior to the COVID-19 pandemic. Providers continue to report difficulties with retaining qualified staff because of low wages and lack of benefit. Staff are leaving the child care field entirely or seeking employment in public pre-k classrooms or other community-based organizations where there is payment parity among public school kindergarten teachers.

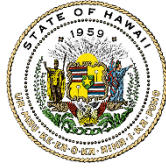
In November 2024, with the remaining federal COVID-19 funds, DHS concluded its supplemental grant program which provided a child care staff retention bonus award in two payments, for a total of \$6,971,750 to all caregiving staff in licensed infant and toddler centers, group child care centers, group child care homes, and registered family child care homes. Qualified directors, teachers, assistant teachers, lead caregivers, and caregivers received a total of \$4,500 and all other caregiving staff received a total of \$3,000. An operating expense award was also provided in two payments and providers were able to use a portion of the award on employees' salary and benefits. DHS is still working on gathering the information from providers' reports to see if the staff retention bonus awards made an impact on retaining providers' staff.

If this measure becomes law, the child care provider subsidy and bonus program for child care workers will assist to stabilize the workforce since the DHS supplemental grant program came to an end on November 30, 2024.

Should this measure pass, DHS would need time to modify existing child care grants standards, policies, application form, and procedures for the administration of the child care provider subsidy and bonus program. Additionally, DHS must make system changes to establish and implement the program. DHS requests an extended effective date of January 31, 2026, or later.

As the session continues, DHS will provide cost estimates to establish, implement, and administer the child care provider program.

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



**STATE OF HAWAII**

**Executive Office on Early Learning**

Ke'ena Ho'okele Ho'ona'auao Pae Kamali'i o Hawai'i Moku'āina  
2759 South King Street, Room C6  
HONOLULU, HAWAII 96826

**TO:** Representative Lisa Marten, Chair  
Representative Ikaika Olds, Vice Chair  
House Committee on Human Services & Homelessness

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

**SUBJECT:** Testimony on H.B. No. 238 – RELATING TO EARLY CHILD CARE  
Committee: HSH  
Date: Thursday, January 30, 2025  
Time: 9:35 a.m.  
Location: Conference Room 329

Executive Office on Early Learning's Position: **COMMENTS**

The Executive Office on Early Learning (EOEL) supports the intent of H.B. No. 238, which aims to increase the compensation of our early childhood workforce through the implementation of a child care provider subsidy and bonus program, and defers to the Department of Human Services (DHS) regarding implementation and funding.

Compensation is an issue that affects the early childhood field here in Hawai'i and across the nation. According to the Early Childhood Workforce Index 2024, from the Center for the Study of Child Care Employment, the national median wage for an early childhood educator is \$13.07 per hour, and early childhood educators do not earn a living wage in any state.

Through the passage of Act 46, SLH 2020, the expansion of EOEL public prekindergarten classrooms, additional funding for the Preschool Open Doors program, and other initiatives, the Legislature has demonstrated a strong commitment to expanding access to early learning for Hawai'i's keiki. The success of these programs and our ability to expand capacity depends on our ability to better support and grow our early childhood education workforce.

EOEL is committed to improving the recruitment, retention, and career pathways for our early childhood education workforce, and recognizes that improving compensation is a key component of these efforts.

We appreciate the Legislature's continued investment in our youngest keiki and their families. Thank you for the opportunity to share these comments.



Hearing Date: Thursday, January 30, 2025, 9 AM, Rm. 329

To: Committee on Human Services and Homelessness  
Rep. Lisa Marten, Chair  
Rep. Ikaika Olds, Vice Chair

**Re: TESTIMONY IN SUPPORT OF HB 238 Relating to Early Child Care**

Dear Chair Marten, Vice Chair Olds, and the Members of the Committee,

Members of AAUW of Hawaii thank you for this opportunity to testify in **strong support of HB 238** 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 centers, group child care centers, and group child care homes and bonuses to registered family child care homes.

Hawaii has a shortage of qualified child care employees to fill the many vacant, but critical, positions. Early childhood care and educational professionals are undervalued in Hawaii, averaging just \$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 for a wage subsidy and bonus program for the early childhood care and educational professionals. 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, Kaua'i, Kona, Maui, and Windward Oahu. AAUW's mission is to advance gender equity through research, education, and advocacy. Our goal is economic security for women and their families.*

To: Representative Lisa Marten, Chair  
Representative Ikaika Olds, Vice Chair  
House Committee on Human Services and Homelessness

From: Lehua Kaulukukui, Chair  
Puakalehua Early Learning Consortium

Subject: Measure H.B. No. 238 – Relating to Early Childcare

**Position: Strong Support**

Aloha Chair Marten, Vice Chair Olds, and committee members,

I am testifying in support of HB 238. 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. Please support the creation of a child care worker subsidy and bonus program as a step toward improving wages for early childhood care and education professionals.

Hawai‘i’s early childhood care and education professionals are some of the most undervalued in our state. A 2022 study completed by RAND Corporation in partnership with University of Hawai‘i at Mānoa showed that on average, child care workers earn between \$13 and \$17 per hour. Low pay is consistently cited as a barrier to early child care employment.

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,

Lehua Kaulukukui, Chair  
Puakalehua Early Learning Consortium  
<https://www.puakalehua.org>



Date: January 28, 2025

To: Committee on Human Services & Homelessness  
Representative Lisa Marten, Chair  
Representative Ikaika Olds, Vice Chair  
Committee Members

From: Hawai'i Association for Infant Mental Health, dba AIMH HI  
Re: Strong Support **HB238, Relating to Early Child Care**

The first 1,000 days after birth are critical in establishing brain connections, relationship patterns, and laying the foundation for future development. **AIMH HI stands on the vision that "infant mental health is everyone's kuleana"** – and having high quality early care and education is critical for the many babies, toddlers, and preschoolers who are in care while their parents work.

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. 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 and should not fall on the shoulders of families alone. When our early childhood workforce struggles to pay for their own living expenses, they may show up to work with feelings of stress, frustration, and therefore may impact the ways they interact with children in care environment.

Our association's role in the early childhood space is to "hold the hands of those who hold the hands of babies" – knowing that when the providers around young children are steady, the children can then have steady growth and development.

We urge you to move this bill forward to support the workforce that is working to grow and develop healthy, resilient children who will, in a few short years, be the adults who are leading our communities.

Na'u nō me ka ha'aha'a,

Erin Henderson Lacerdo, LCSW, IECMH-E©

Executive Director, Association for Infant Mental Health in Hawai'i



Date: January 28, 2025

To: House Committee on Human Services and Homelessness  
Rep. Lisa Marten, Chair  
Rep. Ikaika Olds, Vice Chair

From: Early Childhood Action Strategy

Re: Support for **HB238**, Relating to Early Child Care

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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 HB238**, 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 two years, the state experienced the net loss of twenty-two licensed Group Child Care (GCC) centers and the loss of nearly 1,000 GCC center slots. Additional capacity is consistently being 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 **HB238**.

Thank you for the opportunity to testify.

**Testimony to the House Committee on Human Services & Homelessness  
Representative Lisa Marten, Chair  
Representative Ikaika Olds, Vice Chair**

**Thursday, January 30, 2025, at 9:35AM  
Conference Room 329 & Videoconference**

**RE: HB328 Relating to Early Child Care**

Aloha e Chair Marten, Vice Chair Olds, and Members of the Committee:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports House Bill 238 (HB238), 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 centers, group child care centers, and group child care homes and bonuses to registered family child care homes.

HB238 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for Business Services. This bill promotes policies that drive economic growth, enhance workforce opportunities, and improve the quality of life for Hawaii's residents.

The need for affordable childcare in Hawaii has never been more urgent, as families struggle to find quality early education and care for their children. A strong childcare and early education workforce are vital to supporting Hawaii's children, working families, and communities, yet a shortage of trained professionals continues to hinder efforts to maintain and expand these critical programs.

Recognizing this challenge, Hawaii's legislature acknowledges the growing gap between the demand for quality childcare and the limited number of qualified providers. To address this issue, HB238 proposes a subsidy and bonus program aimed at improving compensation and retaining childcare workers, ensuring families have greater access to high-quality early education services. The Chamber supports this measure, as it strengthens the workforce, supports businesses, and enhances economic stability by ensuring that working families have access to the childcare they need.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.

We respectfully ask to pass House Bill 238. Thank you for the opportunity to testify.





*Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.*

To: Representative Lisa Marten, Chair  
Representative Ikaika Olds, Vice Chair  
House Committee on Human Services & Homelessness

From: Chevelle Davis, Director of Early Childhood & Health Policy  
Hawai'i Children's Action Network Speaks!

Subject: Measure H.B. No. 238 – Relating to Early Child Care

Hearing: Thursday, January 30, 2025, at 9:35 AM, Conference Room 329

**POSITION: Support**

Aloha e Chair Marten, Vice Chair Olds, and members of the committee:

On behalf of Hawai'i Children's Action Network (HCAN) Speaks!, mahalo for the opportunity to testify in **SUPPORT of H.B. No. 238 Relating to Early Child Care.**

The professionals who cultivate the nurturing environment where our youngest keiki can grow, learn, and thrive are at the heart of every early childhood care and education program. 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, on average, early childhood care and education professionals earned between \$13 and \$17 per hour. 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 that they'll rely on their entire lives. A child's most rapid brain development happens between birth and three years old, and this is when they develop vital skills that lay the foundation for lifelong education—in 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 we have likely lost a quarter of the early childhood care and education workforce over the last five years. We need to retain the dedicated professionals currently in the workforce and attract the next generation of child care workers and early childhood educators. These efforts must start with raising their wages.

This bill is a crucial step forward. H.B. No. 238 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 its work to expand early childhood care and education options for families, we must focus on expanding the workforce. **Please support H.B. No. 238.**

Me ka ha'aha'a,  
Chevelle Davis, MPH  
Director of Early Childhood & Health Policy



**LATE**



### Our Mission

Increase Hawai'i's investments in its youngest keiki by collaborating with elected officials and serving as a trusted partner and reliable resource for information on issues related to Hawai'i's youngest keiki and families.



### Steering Committee

#### Honolulu County

Justina Acevedo-Cross  
Greg Auberry  
Kanoë Enos  
JoAnn Farnsworth  
Danny Goya  
Alex Harris  
Sakinah Harrison  
Shawn Kana'iaupuni  
Ryan Kusumoto  
Ka'iulani Laehā  
Lynelle Marble  
Megan McCorriston  
Mike Mohr  
Marty Oliphant  
Cherilyn Shiinoki  
Eliza Talbot  
Laurie Tochiki  
Kerrie Urosevich  
Ka'ano'i Walk  
Carol Wear  
S. Kukunaokalā Yoshimoto

#### Maui County

Ka'ina Bonacorsi  
Kawika Mattos  
Bobbie-Jo Moniz-Tadeo

#### Kaua'i County

Sarah Blane  
Alice Luck

#### Hawai'i County

Sulma Gandhi  
Kahi Moreman  
Angela Thomas



### Contact Info

700 Bishop Street, Suite 1701  
Honolulu, Hawai'i 93813

info@committokeiki.org

Date: January 30, 2025

To: Representative Lisa Marten, Chair  
Representative Ikaika Olds, Vice Chair  
Members of the House Committee on Human Services & Homelessness

From: Commit to Keiki

RE: House Bill 238, Relating to Early Child Care

Commit to Keiki is a statewide, non-partisan, public-private collaborative to ensure a brighter start for Hawai'i's youngest keiki. Led by a diverse Steering Committee, Commit to Keiki's mission is to increase Hawai'i's investments in its youngest keiki by collaborating with elected officials and serving as a trusted partner and reliable resource for information on issues related to early childhood.

**Commit to Keiki strongly supports passage of HB238**, which seeks to establish a child care provider subsidy and bonus program—the underlying aim of which is to better support the early child care and education workforce.

If we, as a community, are truly committed to providing high-quality care and learning experiences for our youngest people, we must support the work of the individuals who are tasked with this important role. This measure is an important piece of the overall strategy to both provide these opportunities and address the ongoing decrease in the number of licensed child care facilities.

If we hope to meet our state's educational and economic goals, it is critical that we create feasible working and living conditions for the people who provide professional care for our keiki. This bill is a measured step in that direction.

**For these reasons, Commit to Keiki strongly supports HB238.**

Mahalo for the opportunity to submit this testimony.

**LATE**

**HB-238**

Submitted on: 1/29/2025 1:13:57 PM

Testimony for HSH on 1/30/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Chloe Pua'ena Vierra-Villanueva	Individual	Support	Remotely Via Zoom

Comments:

To: Representative Lisa Marten, Chair

Representative Ikaika Olds, Vice Chair

House Committee on Human Services and Homelessness

From: Chloe “Pua’ena” Vierra-Villanueva

Subject: Measure H.B. No. 238 – Relating to Early Childcare

**Position: Strong Support**

Aloha Chair Marten, Vice Chair Olds, and committee members,

I am testifying in support of HB 238. 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. Please support the creation of a child care worker subsidy and bonus program as a step toward improving wages for early childhood care and education professionals.

Hawai‘i’s early childhood care and education professionals are some of the most undervalued in our state. A 2022 study completed by RAND Corporation in partnership with University of Hawai‘i at Mānoa showed that on average, child care workers earn between \$13 and \$17 per hour. Low pay is consistently cited as a barrier to early child care employment.

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.

My spouse and I are both Early Childhood Education professionals. As working parents and an ALICE family, we have been forced to take on second jobs to meet the high cost of living in Hawai'i. As professionals who are providing an essential service, we should be able to work and earn a livable wage. Our entire careers and experience in the field has been underpaid and undervalued for the good, meaningful work that we do for our communities. Child care and education is a key foundation for economic stability in Hawai'i. Everyone is affected by early learning and child care. If this is a service that is valued and the individuals who provide it are respected, then this should be further negotiable for the right outcome. If child care is a service that is valued and you don't respect the individuals providing that service, then you continue to exploit us. As women of color, our service to the public has been exploited for too long. We demand change and support for a better future for our profession, families, and communities who need us. Please support this measure.

Mahalo,

C. Pua'ena Vierra-Villanueva

'Ohana Leadership Council

**LATE**

**HB-238**

Submitted on: 1/29/2025 1:34:43 PM  
Testimony for HSH on 1/30/2025 9:35:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Paula Yanagi	Individual	Support	Written Testimony Only

Comments:

The child care workforce is necessary for the world to operate! I support Bill HB 238 as it will sustain the early childhood workforce that is under appreciated and valued, yet very needed for the current and future of our State and World.