
A BILL FOR AN ACT

RELATING TO EARLY LEARNING COOPERATIVES.

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

1 SECTION 1. The legislature finds that the average annual
2 cost of center-based infant care in Hawaii was approximately
3 \$22,585 in 2023, as reported by ProCare Solutions in their 2023
4 Childcare Cost Analysis. This cost represents around 23.2 per
5 cent of the State's median household income, estimated at
6 \$97,360 in 2023, according to Statista. These figures far
7 exceed the United States Department of Health and Human
8 Services' guideline recommending that childcare costs not exceed
9 seven per cent of a family's income, underscoring the
10 significant financial burden on working families in Hawaii.

11 The legislature further finds that parent-staff
12 cooperatives offer an innovative and affordable solution by
13 incorporating professional expertise with structured community
14 and parental support. These cooperatives can reduce operational
15 costs, enabling families to access affordable childcare while
16 stimulating the local economy by allowing more parents,
17 especially mothers, to remain in the workforce. Moreover,



1 high-quality early childhood education provided through
2 cooperatives improves long-term educational outcomes, workforce
3 readiness, and the overall economic vitality of the State.

4 The legislature also finds these cooperatives align with
5 Hawaii's unique cultural values by incorporating Native Hawaiian
6 principles such as aloha, or love and compassion; mālama, or
7 care and stewardship; and kuleana, or responsibility. By
8 fostering a sense of belonging and culture, these programs can
9 meet the diverse needs of local families while strengthening
10 community ties. Developing innovative childcare models, such as
11 parent-staff cooperatives, will help address the pressing
12 childcare challenges Hawaii's families face.

13 Therefore, the purpose of this Act is to establish
14 parent-staff cooperatives for early childcare in Hawaii.

15 SECTION 2. Chapter 302L, Hawaii Revised Statutes, is
16 amended by adding four new sections to be appropriately
17 designated and to read as follows:

18 **"§302L-A Early learning cooperative; establishment. (a)**
19 **The office shall facilitate the establishment of early learning**
20 **cooperatives across the State. The early learning cooperatives**
21 **shall:**



- 1 (1) Blend professional early childcare services with
- 2 structured parental involvement to create a
- 3 collaborative and inclusive learning environment;
- 4 (2) Provide comprehensive and ongoing training for parents
- 5 in early childhood education practices, including
- 6 strategies to support child development, classroom
- 7 management, and cultural education;
- 8 (3) Incorporate cultural and place-based learning to
- 9 reflect Hawaii's unique heritage and environment by
- 10 partnering with local cultural practitioners,
- 11 educators, and community leaders, including
- 12 incorporating Hawaiian language and cultural
- 13 practices;
- 14 (4) Ensure all cooperatives meet established quality
- 15 standards, including adequate staff-to-child ratios,
- 16 certified childcare professionals, and safe learning
- 17 environments; and
- 18 (5) Utilize local resources and environments as part of
- 19 the curriculum.
- 20 (b) The office shall prioritize the establishment of early
- 21 learning cooperatives in underserved and rural communities by:



- 1 (1) Conducting a needs assessment to identify priority
- 2 areas based on childcare availability, demographic
- 3 trends, and community input;
- 4 (2) Collaborating with local organizations, schools, and
- 5 nonprofits to ensure early learning cooperatives are
- 6 accessible and responsive to community needs; and
- 7 (3) Offering additional financial and technical support to
- 8 early learning cooperatives in high-need areas to
- 9 promote equitable access to high-quality early
- 10 learning services.
- 11 (c) To ensure the sustainability and scalability of the
- 12 early learning cooperatives, the office shall:
- 13 (1) Develop a phased implementation plan for expanding
- 14 cooperatives, including timelines, resource
- 15 allocation, and benchmarks for success;
- 16 (2) Conduct evaluations at the end of each phase to assess
- 17 program performance, using the following benchmarks
- 18 for success:
- 19 (A) Enrollment rates, aiming for at least eighty per
- 20 cent capacity utilization within the first year
- 21 of operation for each early learning cooperative;



1 (B) Reduction in childcare costs as a percentage of
2 household income for participating families, with
3 a target of decreasing costs to no more than
4 fifteen per cent of household income; and

5 (C) Economic impact, measured by the percentage
6 increase in workforce participation among parents
7 benefiting from the cooperatives, with a goal of
8 at least a ten per cent increase; and

9 (3) Monitor and evaluate the performance of established
10 cooperatives to identify best practices and areas for
11 improvement, with a focus on family satisfaction,
12 educational outcomes, and operational efficiency.

13 (c) The office shall partner with early childhood
14 education experts, community organizations, and existing
15 childcare providers to implement the early learning cooperatives
16 established pursuant to this section.

17 (d) In addition to the report required in subsection (b),
18 the office shall submit a report to the legislature prior to
19 each regular session on:

20 (1) The number of early learning cooperatives established;



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- 1 (2) Federal and state funds utilized for early learning
2 cooperatives;
- 3 (3) Outcomes of the early learning cooperatives, including
4 access, cost savings, and educational achievements;
- 5 (4) A summary of the progress and challenges of early
6 learning cooperatives, specific data on enrollment
7 rates, and any recommendations on cost reductions and
8 workforce participation improvements; and
- 9 (5) Any other findings, recommendations, and proposed
10 legislation.

11 (e) The office shall adopt rules pursuant to chapter 91
12 necessary to implement this section, including rules related to:

- 13 (1) Standards for early learning cooperative operations;
- 14 (2) Eligibility criteria for families to participate in
15 early learning cooperatives; and
- 16 (3) Procedures for applying for funding and grants.

17 **§302L-B Early learning cooperatives; funding.** (a) The
18 office shall secure federal funding through the federal Child
19 Care and Development Block Grant for early learning cooperatives
20 established pursuant to section 302L-A by:



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1 (1) Submitting detailed applications that outline the
 2 early learning cooperative's objectives, alignment
 3 with the federal Child Care and Development Block
 4 Grant guidelines, and projected outcomes;

5 (2) Collaborating with federal agencies to ensure
 6 compliance with grant requirements and maximize
 7 funding allocation; and

8 (3) Establishing a dedicated team within the office to
 9 oversee the grant application process, manage awarded
 10 funds, and ensure efficient use of the funds.

11 (b) The office shall integrate federal Child Care and
 12 Development Block Grant funds with state appropriations by:

13 (1) Allocating federal funds toward setup and operation
 14 costs for early learning cooperatives, particularly in
 15 underserved communities;

16 (2) Using state appropriations to cover early learning
 17 cooperative elements not eligible under federal
 18 funding, including specific cultural and place-based
 19 learning initiatives; and



1 (3) Ensuring that federal funds are utilized first to
2 offset state expenditures and stretch budget
3 allocations for long-term sustainability.

4 **\$302L-C Early learning cooperatives; standardized training**
5 **program.** (a) The office shall develop and implement a

6 standardized training program for parents participating in early
7 learning cooperatives established pursuant to section 302L-A.

8 The training shall include:

9 (1) Basic principles of early childhood education;

10 (2) Techniques for supporting professional staff; and

11 (3) Best practices for cultural and place-based learning.

12 (b) Parent participation shall be a core component of the

13 early learning cooperatives established pursuant to section

14 302L-A, with structured opportunities for involvement in daily

15 activities, administration, and program design.

16 **\$302L-D Early learning cooperatives; advisory council.**

17 (a) The office shall establish an early learning cooperative

18 advisory council, whose members shall be appointed by the

19 director of the office, comprising of representatives from the

20 following groups:

21 (1) Early childhood education professionals;



1 (2) Parent representatives;

2 (3) Cultural practitioners; and

3 (4) Community leaders.

4 (b) The early learning cooperative advisory council shall
 5 serve in an advisory capacity to the director of the office on
 6 early learning cooperatives established pursuant to section
 7 302L-A, including providing input on:

8 (1) Best practices to be adopted for early learning
 9 cooperatives; and

10 (2) Recommendations to improve the services of early
 11 learning cooperatives."

12 SECTION 3. Section 302L-1, Hawaii Revised Statutes, is
 13 amended by adding two new definitions to be appropriately
 14 inserted and to read as follows:

15 "Cultural and place-based learning" means educational
 16 practices that integrate the unique cultural heritage, history,
 17 and natural environment of Hawaii.

18 "Early learning cooperative" means a childcare program
 19 operated as a parent-staff partnership, combining professional
 20 early-learning services with structured parental involvement."



1 SECTION 4. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$3,850,000 or so much
3 thereof as may be necessary for fiscal year 2025-2026 and the
4 same sum or so much thereof as may be necessary for fiscal year
5 2026-2027 for the establishment of four early learning
6 cooperatives pursuant to section 302L-A, Hawaii Revised
7 Statutes, to help with workforce diversification and reducing
8 the cost of childcare.

9 The sums appropriated shall be expended by the executive
10 office on early learning for the purposes of this Act.

11 SECTION 5. In codifying the new sections added by section
12 2 of this Act, the revisor of statutes shall substitute
13 appropriate section numbers for the letters used in designating
14 the new sections in this Act.

15 SECTION 6. New statutory material is underscored.

16 SECTION 7. This Act shall take effect on July 1, 2025.

17

INTRODUCED BY:



JAN 23 2025



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Report Title:

Executive Office on Early Learning; Early Learning Cooperatives;
Advisory Council; Appropriation

Description:

Requires the Executive Office on Early Learning to establish parent-staff early learning collectives to combine professional early-learning services with structured parental involvement. Establishes an Early Learning Cooperative Advisory Council. Appropriates funds.

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

