

DAVID Y. IGE  
GOVERNOR



CATHY BETTS  
DIRECTOR

JOSEPH CAMPOS II  
DEPUTY DIRECTOR

STATE OF HAWAII  
**DEPARTMENT OF HUMAN SERVICES**

P. O. Box 339  
Honolulu, Hawaii 96809-0339

February 23, 2022

TO: The Honorable Representative Sylvia Luke, Chair  
House Committee on Finance

FROM: Cathy Betts, Director

SUBJECT: **HB 1999 HD1 – RELATING TO EDUCATION.**

Hearing: Friday, February 25, 2022, 11:00 a.m.  
Via Videoconference, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports the intent of the proposed bill as it provides the opportunity for school readiness to children in the year prior to their entry into kindergarten. DHS respectfully requests that any priorities in this measure do not replace or adversely impact priorities indicated in the executive budget.

**PURPOSE:** The purpose of the bill appropriates funds to the department of human services for the preschool open doors program. Effective 7/1/2050. (HD1). HD1 amended this measure by changing its effective date to July 1, 2050.

Section 346-181, Hawaii Revised Statutes (HRS), codifies the school readiness program Preschool Open Doors (POD) to provide children from low to moderately-low income families the opportunity to attend a group child care setting for up to one year prior to their entry into kindergarten as a means of aiding their transition into a school setting.

During the 2021 legislative session, the POD budget was reduced by \$6,960,000 as part of general funds reductions to balance the State's budget due to pandemic-related revenue losses. The annual POD appropriation for child care subsidies went from \$11,600,000 to \$4,640,000 and resulted in a decrease of the number of children POD could serve from 1,100 to

587 starting July 2021. To make sure families continued to have access to child care, DHS made federal child care subsidies available through its Child Care Connection Hawaii (CCCH) program. The main differences between the programs are that POD is focused on the child's experience and does not require parents to be engaged in employment or school. The federal CCCH subsidy provides safe and affordable child care so parents or caregivers can maintain employment or pursue education.

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



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

February 25, 2022

**TO:** Representative Sylvia Luke, Chair  
Representative Kyle T. Yamashita, Vice Chair  
House Committee on Finance

**FROM:** Coleen Momohara, Interim Director  
Executive Office on Early Learning

**SUBJECT:** **Measure:** H.B. No. 1999 H.D. 1 – RELATING TO EDUCATION  
**Hearing Date:** Friday, February 25, 2022  
**Time:** 11:00 a.m.  
**Location:** Videoconference

**Bill Description:** Appropriates moneys to the Department of Human Services for the Preschool Open Doors program. Effective 7/1/2050 (HD 1.)

**EXECUTIVE OFFICE ON EARLY LEARNING'S POSITION: Supports**

Aloha. I am Coleen Momohara, Interim Director of the Executive Office on Early Learning (EOEL). EOEL supports the intention of this bill, which would appropriate funds to the Department of Human Services (DHS) for the Preschool Open Doors (POD) program, and defers to DHS.

EOEL is statutorily responsible for the development of the State's early childhood system that shall ensure a spectrum of high-quality development and learning opportunities for children throughout the state, from prenatal care until the time they enter kindergarten, with priority given to underserved or at-risk children. In addition, pursuant to Act 046, SLH 2020, EOEL is responsible for expanding access to early learning programs for all 3- and 4-year-olds.

It is during the earliest years when the environments, supports, and relationships experienced by children have profound effects on their developing brains and their trajectory for learning and development, making high-quality early care and education programs a critical support for young children and their families. Although there is widespread recognition of the importance of high-quality early learning opportunities and increased investments to the sector, the cost of care can be unaffordable for many families in Hawaii. The POD program promotes school readiness by providing child care subsidies for eligible families, helping to alleviate the high cost of care.

EOEL recognizes the importance of programs such as POD that help increase access to early learning programs for Hawaii's youngest children and defers to the DHS. Thank you for the opportunity to testify on this bill.

DAVID Y. IGE  
GOVERNOR



CRAIG K. HIRAI  
DIRECTOR

GLORIA CHANG  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**WRITTEN ONLY**  
TESTIMONY BY CRAIG K. HIRAI  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON FINANCE  
ON  
HOUSE BILL NO. 1999, H.D. 1

**February 25, 2022**  
**11:00 a.m.**  
**Room 308 and Videoconference**

RELATING TO EDUCATION

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 1999, H.D. 1, appropriates an unspecified amount of general funds to the Department of Human Services in FY 23 for the Preschool Open Doors (POD) Program.

B&F notes that Cash Support for Child Care (HMS 305) has \$4,640,000 in general funds in its base budget for POD in FB 2021-23.

B&F also notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and

- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.

**TO:** Representative Sylvia Luke, Chair  
Representative Kyle T. Yamashita, Vice Chair  
House Committee on Education

**FROM:** Robert G. Peters, Chair  
Early Learning Board

**SUBJECT:** **Measure:** HB 1999, HD 1 – Relating to Education  
**Hearing Date:** Friday, February 25, 2022  
**Time:** 11:00 A.M.  
**Location:** Conference Room 308 & Videoconference

**Description:** Appropriates funds to the department of human services for the preschool open doors program. Effective 7/1/2050. (HD1)

**Early Learning Board Position: Support the Intent**

Aloha. I am Robert G. Peters, Chair of the Early Learning Board, offering testimony in support of the intent of HB 1999, HD 1, which would appropriate funds to the Department of Human Services for the Preschool Open Doors program (POD).

As the governing board for EOEL, we thank the Legislature for its support of EOEL's work to increase access to high-quality early learning. EOEL is statutorily responsible for the development of the State's early childhood system that shall ensure a spectrum of high-quality development and learning opportunities for children throughout the state, from prenatal care until the time they enter kindergarten, with priority given to underserved or at-risk children.

Preschool Open Doors provides access for Hawaii's families to early learning care for their children. Without this funding, many find it challenging if not impossible to afford early learning care, which we know benefits children as they begin a journey through the educational continuum. It also affords families the opportunity to remain in the workforce. An investment in Preschool Open Doors pays dividends both now and in the future. Therefore, the ELB supports the intent of this bill.

Mahalo for this opportunity to offer testimony in support of the intent of HB 1999, HD 1.



Committee on Finance  
Representative Sylvia Luke, Chair  
Representative, Kyle Yamashita, Vice Chair

February 25, 2022

Dear Chair Luke, Vice Chair Yamashita, and Members of the Committees,

We support HB 1999 HD1, which appropriates moneys to the Department of Human Services for the preschool open doors program.

We support all approaches to increase access to quality early learning seats in our system. We understand that Hawai'i has a mixed delivery of early learning opportunities and Preschool Open Doors is one of the mechanisms for access. Preschool Open Doors subsidies help families afford sending their children to quality early learning programs to help them prepare for school.

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 represents a 75% consensus or more of our voting membership.

Sincerely,

Cheri Nakamura  
HE'E Coalition Director



Academy 21  
American Civil Liberties Union  
Alliance for Place Based Learning  
\*Castle Complex Community Council  
Coalition for Children with Special Needs  
Education Institute of Hawai'i  
\*Faith Action for Community Equity  
Fresh Leadership LLC  
Girl Scouts Hawaii  
Harold K.L. Castle Foundation  
\*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 Nutrition and Physical Activity Coalition  
Hawai'i Scholars for Education and Social Justice  
\* Hawai'i State PTSA  
Hawai'i State Student Council  
Hawai'i State Teachers Association  
Hawai'i P-20  
Hawai'i 3Rs  
\*Hawai'i Youth Service  
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

*Voting Members (\*) Voting member organizations vote on action items while individual and non-voting participants may collaborate on all efforts within the coalition.*





# Kamehameha Schools®

House Committee on Finance

Time: 11:00 a.m.

Date: February 25, 2022

Where: Conference Room 308

## TESTIMONY

By Dr. Wai‘ale‘ale Sarsona

Kamehameha Schools

RE: **HB 1999, HD1, Relating to Education**

E ka Luna Ho‘omaluku, ka Hope Luna Ho‘omaluku Yamashita, a me nā lālā o ke Kōmike Waiwai o ka Hale o nā Lunamaka‘āinana, aloha kākou! My name is Dr. Wai‘ale‘ale Sarsona, Vice President of Hi‘ialo at Kamehameha Schools.

Kamehameha Schools **supports** HB 1999, HD1, which appropriates funds to the Department of Human Services for the Preschool Open Doors program.

The enactment of Act 46 (2020) was a pivotal step forward and we must remain steadfast in our commitment to this future in Hawai‘i. Since the start of the pandemic, Hawai‘i has lost over 3,600 seats, at least 6 preschools and many more family childcare providers. Our keiki cannot afford to lose any more.

The cost of full-time childcare continues to be a great burden for so many families across Hawai‘i. The average annual cost of childcare in Hawai‘i for a 4-year-old is \$8,940, or \$745 each month. Continued funding and support of the Preschool Open Doors program will ensure that families in need can provide quality childcare to their 4-year-olds and prepare them for their educational journey. **Please advance this measure.**

Founded in 1887, Kamehameha Schools is an educational organization striving to restore our people through education and advance a thriving Lāhui where all Native Hawaiians are successful, grounded in traditional values, and leading in the local and global communities. We believe that community success is individual success, Hawaiian culture-based education leads to academic success and local leadership drives global leadership. Hānai i ke keiki; ola ka lāhui.

‘A‘ohe ‘ulu e loa‘a i ka pōkole o ka lou. There is no success without preparation.



Date: February 24, 2022

To: House Committee on Finance  
Representative Sylvia Luke, Chair  
Representative Kyle T. Yamashita, Vice Chair

From: Early Childhood Action Strategy

Re: **Support for HB1999 HD1, Relating to Education**

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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 supports passage of HB1999 HD1**, which would appropriate funds to the Department of Human Services (DHS) for the Preschool Open Doors (POD) program.

POD provides subsidies to low- and moderate-income families to support children's access to preschool/early learning opportunities. POD is an important, complementary alternative to the federally-funded child care subsidies provided through the Child Care Connection Hawaii (CCCH) program. In contrast to CCCH's purpose to provide parental work, education and training support, POD is designed to support children's school-readiness.

There is urgency to both restore and expand funding for POD:

- During the 2021 legislative session, POD's budget was reduced by 60%, resulting in a decrease in the number of children POD could serve from 1,100 to less than 600, and a potential consequence, due to shortage of funds, of discontinuing support of enrolled POD children before the end of the 2021-2022 preschool year. Additional funding is needed to sustain services and provide continuity of care for children for the remainder of the fiscal year, and to redress significant lost capacity as we move into the next fiscal year.
- Additionally, the enactment of Act 46 (2020) was a pivotal commitment by the State to providing access to quality early learning seats for all 3- and 4-year-olds in Hawaii. Appropriation of funding to POD is critical to moving forward with this intended expansion of access.

ECAS supports **HB1999 HD1** and respectfully requests amendments to the bill to:

1. Include an emergency appropriation for POD for FY2022 to address immediate funding shortfalls; and
2. Change the effective date of the bill to be effective upon approval.

Thank you for this opportunity to provide testimony **in support of HB1999 HD1**.



**TO: Chair Luke, Vice Chair Yamashita and Members of the House Committee on Finance**

**FROM: Ryan Kusumoto, President & CEO of Parents And Children Together (PACT)**

**DATE/LOCATION: February 25, 2022; 11:00 a.m., Conference Room 308/Videoconference**

**RE: TESTIMONY IN STRONG SUPPORT OF HB 1999 – RELATING TO EDUCATION**

**We ask you to support HB 1999 which appropriates moneys to the Department of Human Services for the preschool open doors program.** Given the legislature's and community's continued priority of creating access to high-quality early care and learning programs, we must continue to ensure that families can afford care. We believe that it is critically important for every child to have access to safe, high-quality care and the Preschool Open Doors (POD) subsidy program provides an important avenue for that to happen.

On top of consistent cuts to the program over time, POD funding was cut significantly last year due to overall State budget constraints. Currently there is a waitlist of over 150 families who qualify for and are still in need of childcare assistance. While there is also federal funding for childcare subsidies through another program, POD – the state-funded subsidy program – allows more flexibility and increases eligibility particularly for working families who work odd hours (i.e. hospitality, security and food industry workers to name a few). The federal subsidy program has tighter restrictions on the work requirement for families and therefore families who would not qualify under the federal eligibility, could still qualify for subsidy through the POD program.

As a provider of Early Head Start and Head Start classrooms on Oahu and Hawaii Island, we see firsthand the importance of POD subsidy for parents/caregivers. These subsidies often help families to enroll their child(ren) in and cover the cost of full-day (8hr) and/or extended day (10hr) programs, which allows parents/caregivers to be able to work full-time jobs. Many of our families benefit from the POD subsidy program and express their gratitude for the existence of the program.

Sadly, during the pandemic, others providers were forced to increase rates due to increased costs of supplies, increases in staffing needs to maintain adequate child to teacher ratios with physical distancing, and drops in overall enrollments which led to decreases in revenue, and those

increased rates are likely to remain. Subsidies are essential to help parents afford the cost of care for their child(ren).

We thank the legislature for recognizing the need and respectfully request that any appropriations for this stipend program not supplant any of the budget priorities currently in the executive budget or the critical appropriations that should be set aside for increasing access to early learning for 3- and 4-year-olds. The POD subsidy program is an important piece of the puzzle and we hope that state policy will work towards putting all the critical pieces together for effective systems change and the long-term benefit of our keiki and community.

Founded in 1968, Parents And Children Together (PACT) is one of Hawaii's not-for-profit organizations providing a wide array of innovative and educational social services to under-resourced families. Assisting more than 17,000 people across the state annually, PACT helps families identify, address and successfully resolve challenges through its 20 programs. Among its services are: early education programs, domestic violence prevention and intervention programs, child abuse prevention and intervention programs, childhood sexual abuse supportive group services, child and adolescent behavioral health programs, sex trafficking intervention, poverty prevention and community strengthening programs.

Thank you for the opportunity to testify in **strong support of HB 1999**, please contact me at (808) 847-3285 or [rkusumoto@pacthawaii.org](mailto:rkusumoto@pacthawaii.org) if you have any questions.



## Children's Action Network Speaks!

Building a unified voice for Hawaii's children

To: Representative Luke, Chair  
Representative Yamashita, Vice Chair  
House Committee on Finance

Re: **HB 1999 HD1, relating to education**  
11:00 AM, February 25, 2022

Chair Luke, Vice Chair Yamashita, and committee members,

On behalf of HCAN Speaks!, thank you for the opportunity to **testify in support of House bill 1999**, relating to education.

Preschool open doors (POD) is a child care subsidy provided through state general funds. It serves families who are ineligible for the federally funded Child Care Connection Hawai'i subsidy program. For the last five years, the funding for POD was around \$11.6M. In 2021, the funding for the program was cut to \$4.6M, drastically reducing the number of children who can be served. For the 21-22 school year, POD had a waitlist of over 150 children. The program also had to deny applications for 372 children who were too old or too young. Funding is critical for this program.

I respectfully request the following amendments to the measure:

- The amount appropriated in section 1 be equal to the amount necessary to serve 25% of three- and four-year-olds eligible for the program, as described in Section 1 (5) Act 46, 2020, "unserved children who are three to four years of age, or will not be at least five years of age on or before July 31 of the current school year"

**HCAN Speaks! respectfully requests the Committee to support and amend this measure.**

Thank you,

Kathleen Algire  
Director, Early Learning and Health Policy

Feb. 24, 2022

To: Representative Sylvia Luke, Chair  
Representative Kyle T. Yamashita, Vice Chair  
House Committee on Finance

From: Dr. Terry Lock, Director  
Hawai'i Early Childhood Educator Excellence and Equity Project  
University of Hawai'i at Mānoa College of Education

Subject: Measure – HB 1999 HD1: RELATING TO EDUCATION.  
Hearing Date - February 25, 2022  
Time – 11:00 am  
Location: Room 308 and videoconference

Support of HB 1999 HD1: Relating to Education

My name is Dr. Terry Lock. I am with the University of Hawai'i at Mānoa College of Education and currently serve as the director of the Hawai'i Early Childhood Educator Excellence and Equity Project. This project's goal is to transform early childhood education lead teacher preparation programs and compensation/ financing systems.

Thank you for the opportunity to testify. I am in strong support of HB 1999 HD 1 because it seeks to increase funding for our state's Preschool Open Doors Program. This additional funding will expand Preschool Open Doors to all three-year old children and give parents more opportunity to participate in Preschool Open Doors.

Research has shown how high-quality child care and early learning programs show documented benefits for children's overall development and learning.

Thank you again for the opportunity to testify in strong support of HB 1999 HD 1.

Respectfully submitted,

Dr. Terry Lock

**HB-1999-HD-1**

Submitted on: 2/25/2022 9:46:42 AM

Testimony for FIN on 2/25/2022 11:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Jody M Green	Individual	Support	No

Comments:

I am in support of this good Bill. Mahalo!