On the following Measure: Department of Human Services Hawaii Child Care Subsidy

Before the: Committee on Human Services Date: Friday, December 4, 2009 Time: 11:30 a.m. Location: State Capitol, Conference Room 329

Testifier: Noreen Dougherty Strongly Oppose Reduction in Child Care Subsidy

I, Noreen Dougherty, have been an educator in the State of Hawaii for over thirty years in elementary school, high school, Chaminade University, and preschool.

I am strongly opposed to a reduction in child care subsidy. The children that would be affected by a Child Care subsidy reduction are our very young Keiki (infant – age 4). Many of these children are away from their primary care provider for the very first time. These children need stability, consistency, and quality. A large percentage of these children is not able to speak at all. An even larger percentage is unable to communicate sufficiently. There is a continually increasing population of young children diagnosed with autism and/or with other learning disabilities, which are often not accurately identified until the child is closer to Kindergarten age.

With families struggling financially, parents having lost jobs, and some having to settle for much less salary than they are used to, the amount of stress in our community is at the threshold. The cost of living and the monthly bills that are not being reduced proportionally continue to arrive in the mail. Credit card companies have increased their interest percentage and decreased their lending. The Kauai families are extremely stressed. They need help. Single parents often do not have help at home.

Please put money where it is needed most. As a child development expert, and experienced teacher with all ages, trust me: The Younger The Child, The More Important The Care. The way to build a healthier child, family, and community, is to support the youth of Kauai.

I strongly urge you to problem solve WITHOUT reducing Child care subsidies.

Sincerely, Noreen Dougherty



House Committee on Human Services Senate Committee on Human Services



Informational Briefing: Friday, December 4, 2009 11:30 a.m.

IN OPPOSITION TO PROPOSED CHANGES TO DEPARTMENT OF HUMAN SERVICES HAWAII CHILD CARE SUBSIDY PROGRAM, HAWAII ADMINISTRATIVE RULES, SECTIONS 17-798.2-12 AND 17-798.2-14

Chair Mizuno, Chair Chun Oakland, Vice Chair Brower, Vice Chair Ihara, and Committee Members:

My name is Tyrus Higa, I am a father of a preschooler attending Ka Hale O Na Preschool in Honoka'a (the only preschool in my community). It was disheartening to read that the state has proposed to reduce child care subsidies for families around the state of Hawaii. The increased co-payment will force families to withdraw their child from preschool. This frustrates me. I am a parent who pays full tuition, if subsidized families pull their children out of school, Ka Hale O Na Keiki will be forced to close. What will I do with my child? Early Education is critical, research suggests that high quality, intensive early childhood programs can make an important difference in the lives of young children. For poor children, especially, ECE can mean the difference between failing and passing, regular or special education, staying out of trouble or becoming involved with crime and delinquency, and dropping out or graduating from high school.

Included below, are quotes from our president, his wife, senators, and other influential politicians throughout the United States. They all see the importance of Early Childhood and the outcomes early education has in society. I ask that you take the time to read their statements and rethink the need to increase tuition co-pays for parents receiving subsidy throughout our state.

Thank you for giving me this opportunity to share my testimony.

Sincerely Yours,

Tyrus Z. Higa

President Barack Obama



"It will be the goal of this administration to ensure that every child has access to a complete and competitive education – from the day they are born to the day they begin a career... We have dramatically expanded early childhood education and will continue to improve its quality, because we know that the most formative learning comes in those first years of life." President Barack Obama, February 24, 2009

Michelle Obama "And I know all of you here know the importance of investing in early childhood education. Imagine what we can do with millions of dollars of more investment in this area....We can expand opportunities in low-income districts for all students and particularly for students with disabilities." Michelle Obama's visit the Department of Education, February 2, 2008

Senator Kit Bond



"As a Governor and a parent, I realized the early years of a child's life are the building blocks to success. These bills build on this idea and strengthen parents as teachers." Senator Kit Bond (R-MO), upon introduction of the Ready to Learn Act and the Education Begins at Home Act, January 15, 2009

Secretary of State Hillary Clinton



"We need to have preschool education so that every child gets a chance to be successful in school." Hillary Clinton, in an interview at the Civil Rights Museum in Memphis, Tenn., April 6, 2008

Rep. George Miller



"[Obama's] plan includes many of the right priorities, at the right time, to help build the economy we need and the world-class education system that Americans of all ages deserve. Congress should follow his lead... continue our efforts to strengthen early childhood education." Rep. George Miller (D-CA), the Chairman of the House Education and Labor Committee, on Obama's first major education speech, March 10, 2009

"Any significant education reform effort must start with children before they enter their kindergarten classrooms. If we only start focusing on kids at kindergarten and on – it's five years too late." Rep. George Miller, opening remarks from at a committee hearing on "The Importance of Early Childhood Development," March 17, 2009

Speaker Nancy Pelosi



"Great strides have been made in understanding how children's brains are shaped and developed, how positive behaviors can be encouraged, and how investments in early childhood create success in later years." Speaker Nancy Pelosi (D-CA), Address on the State of Our Union, January 17, 2007

Secretary of Education Arne Duncan



"We need to do two things in early childhood. As you know, this is arguably the best investment we can make. There's nothing more important we can do than get our students off to a great start. In my mind, this money [from the stimulus bill] is going to accomplish two things. First is to increase access to early childhood seats and there's a shortage of seats available. The second, equally as important if not more important, we need to increase the quality of these seats....If our students have great teachers who have had professional development and they can enter kindergarten with their socialization skills intact, their literacy skills intact, then they have a chance to be very, very successful. This is an extraordinarily important part of the recovery package." Secretary of Education Arne Duncan, in an interview with "The Takeaway" on March 2, 2009

David Brooks



Human capital revolution... The second group of policies would involve early-childhood education... Preschool should be radically expanded and accountability programs put in place." David Brooks, Fresh Start Conservatism, *New York Times*, February 15, 2008

Rep. Mazie Hirono



make a positive difference in a child's life. Children who attend good preschools are more likely to perform well in school and graduate from high school, and are less likely to commit a crime or use drugs. With that important debate settled, we need to work with states to encourage investments in quality early education opportunities." Rep. Mazie Hirono (D-HI), Education and Labor Committee Member and Member of the Subcommittee Early Childhood, Elementary and Secondary Education

Rep Mike Castle

"Over 11 million children under age five spend an average of 36 hours a week in nonparental care settings...Research increasingly points to the critical importance of quality early childhood education as the foundation for school success. Since serving as the Governor of Delaware, I have actively worked to ensure children five years of age and younger have access to high-quality early education. I believe Congress should also look at ways in which we can support the work states are currently doing to guarantee our youngest children are provided the early learning opportunities they need to succeed in school and in life. To do this, we must work in a bipartisan manner to make certain parents remain in control of their child's early childhood care and education." Rep. Mike Castle (R-DE), co-sponsor of the recently introduced PRE-K Act, on March 19, 2009.

Rep. Vernon Ehlers

Children who fall behind in their early education often struggle to keep up with their peers. Rep Vernon Ehlers (R-MI), August 14, 2008

Rep. Ileana Ros-Lehtinen

"In order to attain our goals as a country, the next generation must have the necessary intellectual tools. That is why I will continue to push for improvements to our early education programs, like Head Start...." Rep. Ileana Ros-Lehtinen (R-FL), in her E-newsletter on December 23, 2009

Rep. John Mchugh

"Here in Northern and Central New York, children have benefited from Head Start in several ways, including comprehensive health and nutritional services along with education. A readiness gap continues to exist between children of different economic backgrounds, one that we must combat with fierce determination to ensure all children enter school prepared to learn." Rep. John McHugh (R-NY), from his column, "IN MY OWN WORDS", May 7, 2007

Susan Buffet

"...education is the way we, as a nation, attempt to level the playing field for all children and families. Education is how we traditionally try to make good on the great American promise.....Here's the problem: Too many children arrive at Kindergarten already behind. What's worse, far too many children keep falling further behind — and never catch up.....Investing in the early years makes sense. Investing in the early years beginning at birth and even before, and focusing first on those children and families who face the greatest risks — is a responsible way to shift the odds so more children will grow up eager to learn, ready for school and inspired with hope. Investing in the early years pays great dividends — and is also just the right thing to do. After all, the great American promise of equal opportunity is a promise worth keeping." 

December 1, 2009

Testimony to the state legislators RE: Department of Human Services decrease to Child Care If the parents who currently get the childcare subsidies are forced to pay higher co-pays, the Connection childcare subsidies

ramifications will be enormous. Many parents will have to quit their jobs as they won't have nocost or low-cost childcare to turn to. This will, in most cases, mean more families looking to food stamps and welfare for support, due to their loss in wages.

If the parents can no longer afford to send their children to preschool or childcare, the children will be affected by not having the opportunity to develop emotionally in a social setting with their peers. They will miss out on the social development that comes with an early childhood setting. And they will miss out on the kindergarten and school readiness that would be learned in a preschool setting. These results could in turn produce long-term consequences shown by lower high school graduation rates, lower college enrollment, attendance and graduation, and more social deviance.

As the co-pays increase and the parents pull their children out of preschools, childcare and infant-toddler programs, these programs may be forced to lay off staff or even close centers to

lack of revenue. This, in turn could result in more unemployment payments.

The co-pays go up, parents cannot afford to keep their children in preschools or childcare, they quit their jobs and become stay-at-home parents. This will have an affect on the businesses who have hired these parents of young children. Now they have to recruit, hire and retrain new staff to take the places of those who have had to resign. Production and/or effectiveness for these businesses will undoubtedly decline, at least temporarily.

Any time services are reduced in one social service program, they will undoubtedly need to be increased in another social service program. Even though the immediate affect on the state budget would be a decrease in cost of childcare, there would be an immediate increase on the food stamp budget, and the long term effects of this decision will have increase costs to the state budget that could take generations to fix. It is a domino effect. The parents will not be able to afford child care or preschools, they quit their jobs and keep their children home. They apply for food stamps and welfare to be able to make ends meet. The children now have decreased access to high quality instruction and a variety of opportunities that the parents simply cannot afford or supply. The children grow up with fewer academic opportunities and a reliance-on-the-state attitude. Consequently, there will be more cost to the state in terms of medical health, mental health, and social services associated with low-income families.

The kindergarten teachers will see a difference in the children coming into the school as fewer of them will have had access to preschool services. There might be an increase in kindergarten screening to allow for placement. There will be a need for more individualization and more preliminary instruction as more children will need to have the instruction that they will have missed out on in preschool.

Linda Kohler and her financial advisors need to understand that this is a short-sighted solution to the budget challenges she is facing in her department. She needs to understand that the short-term and long-term consequences of such a decision far outweigh the immediate

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savings she is seeing related to Child Care Connection. It would be far better if she were to implement a plan that would allow for the families on a grad bayings one is seeing related to Child Care Connection. It would be far oction it one a gradual implement a plan that would allow for an increase in co-payments for the families on a gradual basis, rather than hitting them with an increase in the second descent of the second descent descent descent of the second descent descent

basis, rather than hitting them with an instant and immediate cost increase. Allowing families to have a chance to plan and adjust their budgets month between the second have a chance to plan and adjust their budgets would be less devastating. It would also be beneficial to the program if they could cut down on the fraud and only serve the families who truly have the greatest need. It is totally acceptable to have graduated co-pays from 10% to 90% as a family's income increases. But to cut the services to all clients in immediately and drastically could be devastating to the state in ways that aren't being considered by the current fiscal planners.

Jalene Huff

Kapa'a, HI

Oppethicklass

From:Patricia Maia [patriciahawaii@hotmail.com]Sent:Thursday, December 03, 2009 10:38 PMTo:HUStestimonySubject:Informational Briefing on Proposed Rule Changes to Dept.of Human Services Child Care
Subsidy Program, Hawaii Administrative Rules, Sections 17-798.2-12 and 17.798.2-14

To : Senator Suzanne Chun-Oakland, Chair, Senate Committee on Human Services

Senator Les Ihara, Jr, Vice Chair, Senate Comittee on Human Services

Rep. John Mizuno, Chair, House Committe on Human Services Rep. Tom Brower, Vice Chair, House Committe on Human Services

Members of the Senate and House Committes on Human Services

From: Patricia Maia

Hearing date: Friday, December 4, 2009 Time: 11:30 am Place:Conference Room 329

Dear Chairs Chun-Oakland and Mizuno and members of the Committee:

Thank you for the opportunity to present testimony in OPPOSITION of the Proposed Rule Changes to the Dept. of Human Services Child Care Subsidy Program, Hawaii Administrative Rules, Sections 17-1798.2-12 and 17.798.2.14. My name is Patricia Maia and I am a parent of Waikiki Community Center's Early Education Program.

The family co-payment increase will impact my family in the sense that my income is not enough to pay for the increase Day Care co-payment tuition and other living expenses such as rent. Therefore, if this happens, I'll probably have to quit my job in order to take care of my child.

Thank you for this opportunity to provide testimony on this issue!

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Cyntina Hyroso

From: Sent: To: Subject: Ryann Manaba [ryannmanaba@yahoo.com] Thursday, December 03, 2009 10:59 PM HUStestimony MY TESTIMONY

My name is Ryann Manaba and i am a parent of Waikiki Community Center's Early Education Program. I am writing to you because i am very concerned about this situation that is now taking place. I am a single parent therefor i do rely on welfare. I am unemployed so it does affect me alot. It is hard to explain how it would affect me if welfare does not pay for my son's daycare. i could never put my son in such a good enviorment by myself without the help of the state. Please put this letter into consideration and think of the families that need the assistance.

Ryann Manaba

Testimony

December 4, 2009

To: Senator Suzanne Chun-Oakland, Chair, and Senate Committee on Human Services Senator Les Ihara, Jr., Vice Chair, Senate Committee on Human Services

Rep. John Mizuno, Chair, House Committee on Human Services Rep. Tom Brower, Vice Chair, House Committee on Human Services

Members of the Senate and House Committees on Human Services

From: KeShauna McMullan Phone: (808) 946-0812 E-Mail: jayanakee@yahoo.com

RE: Informational Briefing on Proposed Rule Changes to Dept. of Human Services Child Care Subsidy Program, Hawaii Administrative Rules, Sections 17-798.2-12 and 17.798.2-14

Hearing Date: Friday, December 4, 2009 Time: 11:30am Place: Conference Room 329

Dear Chairs Chun-Oakland and Mizuno and Members of the Committee:

Thank you for the opportunity to present testimony in OPPOSITION of the Proposed Rule changes to the Dept. of Human Services Child Care Subsidy Program, Hawaii Administrative Rules, Sections 17-1798.2-12 and 17.798.2-14. My name is KeShauna McMullan and I am a parent of Waikiki Community Center's Early Education Program.

I am opposed to the proposed amendments to Chapters 17-798.2-14, the new proposed co-payments rates for families.

If this act is implemented I would not be able to survive. I have two children ages 3 and 4 months that I receive assistance for and their tuition together is my **entire** paycheck. I have no family and am in school full time as well as working full time and struggling just to pay rent. I am trying to make a better living for my two girls so that they will not have to struggle in life like I do now. Please consider the parents in need that would be tremendously affected if this amendment is put into action. Doing this would lessen the opportunities for children to begin their education and receive loving, responsible care from providers who they have grown to trust.

Thank you for this opportunity to provide testimony on this issue. I have provided my contact information above and would be happy to provide you more information to facilitate your decision-making.





Date: December 4, 2009 Time: 11:30 a.m. Place: Conference Room 329

The Committee on Human Services

Title: Amendment to Chapter 17-798.2-12 and 17-798.2-14 Hawaii Administrative

The increase in childcare cost to Kauai families proposed in the previous amendment will

have a negative impact:

- It will decrease enrollment for childcare It will increase the number of children not being ready for school
- Children assess with developmental delays will be at a greater disadvantage
- ٥ It will lead to a loss of child care staff & childcare facilities
- ø
- Parents will have to go on unemployment or welfare It will increase our social costs for our island and state a

The economic shortfall has had a downward spiraling effect on everyone's pocketbook. With the limited resources that Kauai has how will our children be competent about their academic skills and abilities if the support is not there, how will they compete with others on a larger scale, and what will our future workforce look like?

Some of the data gathered from Kauai early childhood programs tell us:

- o 290 children are currently enrolled in these center-based programs
- o 64 children are receiving subsidies from either Open Doors or Child Care Connection
- o 33 or almost 1/3 are in danger of leaving the programs.
- o 30 of these children have developmental delays.
- o 9 staff may lose their jobs
- 2 classes are in danger of closing. ο

Intellectual development, social and emotional competence, and overall health contribute to children's well being and success in school. Preschool involvement is an important predictor of low-income and gap group children's future success in school. The recent report From Neurons to Neighborhoods states that, "Striking disparities in what children know and can do are evident well before they enter kindergarten. These differences are strongly associated with social and economic circumstances, and they are predictive of subsequent academic performance."

This amendment will also have a negative recurring impact on our Preschool Open Doors and Child Care Connection subsidies. I believe this reduction could potentially decrease future federal funding as the utilization of such subsidies will decline due to preschool dropout and parents not applying for subsidies.

I ask that you carefully consider the full implications this decision will have not only on our Kauai families but also on our silent majority (our children). If they spoke up they would say-education is a necessity and that all children should have equal access in order to attain success in life,

Anna Peters, Kauai Island Coordinator

To: Hawaii State Legislature House of Representatives and Senate Committees on Human Service

From: Lorraine Y. Shimauchi Phone: (808) 245-4256 E-Mail: SHIMAUCHK001@hawaii.rr.com

Date: December 3, 2009

Subject: Testimony for the Proposed Amendments to Chapter 17-798,2-14

Aloha Chair Chun Oakland, Chair Mizuno, and members of the Committees on Human Services. My name is Lorraine Shimauchi, and I am a licensed teacher and concerned citizen.

I am opposed to the proposed amendments to Chapters 17-798. 2-14. The new proposed co-payment rates for families.

As an Early Childhood Licensed Educator for the past thirty plus years, I am deeply As an Early Children will affect the future of our children. We continue to stress the importance of quality early childhood education; yet this amendment will create a "ripple effect" within our community, sending mixed messages of support. As we know, early intervention through quality licensed child care is a key for success for many children. Please reconsider and vote against this amendment.

I have provided my contact information above and would be happy to provide you more

Sincerely,

Lorraine Y. Shimauchi P.O. Box 485 Lihue, HI 96766-0485





Greetings to our esteemed legislators,

My name is Dr. Anna Jen Smithwick from Kaua'i Community College. I am sorry that because of the unavailability of flights from Kaua'i, I am unable to be here personally to address you. Besides teaching, I also direct Na Kama Pono, the campus lab school. Our preschool not only provides training for ECE students, but also provides care and education for the children of our college students. Many of the college students we serve are single mothers trying to make a better life for themselves and their children. They work, attend classes and parent their young children.

Let me begin my testimony by quoting from a recent paper published by the National Institute for Early Education Research:

"Studies show that the foundation for literacy and other academic learning is laid down before age 5. Other studies demonstrate that high-quality preschool education can improve the school readiness and school performance of children, especially low- income children. Growing evidence shows that preschool education benefits children who are not poor, although the effects may not be as pronounced as they are for economically disadvantaged children. Accordingly, more and more states are establishing universal, state-funded prekindergatten educational programs for 3- and 4- year olds.

Emerging research evidence suggests that such universal programs have the potential for improving the school readiness of low-income and minority children as well as of those from higher income and non- minority families."

This confirms the positive affects of preschool education, particularly for children from economically disadvantaged families. There is a well-read book called, "All I Learned. I Learned in Kindergarten." It is now widely known that it is in preschool that children gain the foundation for their education. The book really should be renamed "All I Learned, I Learned, I Learned in Preschool."

There are also numerous research that find that the increase of maternal education is significantly and positively associated with children's academic school readiness, and negatively associated with children's academic problems. So, anything we can do to assist and encourage mothers to attend school is a benefit to their children.

Other studies have found that children who attend preschool fare better as adolescents. There are fewer teen pregnancies, school dropouts or delinquencies. In the words of Benjamin Franklin, "An ounce of prevention is a worth a pound of cure."

Based on the research cited, the proposed cut in childcare assistance will have long term deleterious affects on the children of Hawaii in the following ways:

1. For many low-income families, preschool will no longer be affordable, and their children will enter kindergarten already at a disadvantage. This creates a gap in achievement that may never close. Based on standardized tests the school-age children of Hawaii already score below many states in the Nation. Without preschool, Hawaii may slip even lower in comparison. The small gains we have made due to the hard work of our public school teachers will be lost. A cut in childcare assistance is a disservice to the children, families, teachers of all grades and to Hawaii.

2. Without childcare assistance, single mothers will no longer be able to attend college or training, and their children will not be able to benefit from the advantages associated with the increase of maternal education. Mothers are their children's first educator. A mother should not have to choose between her children and her own education. After all, her education has a great influence on the education of her children and their financial security and well-being.

3. No one can dispute the high cost of living and the relatively low wages in Hawaii. Families struggle to put a roof over their heads and food on the table. Often there is nothing left to pay for childcare and preschool for their children. But then, how can parents work or attend college or training without care for their children? A cut in child care subsidies will force many young families to remain stuck in a socio-economic rut they can't get out of. The cycle of poverty with all of its associated problems continues for yet another generation.

For every dollar spent on early childhood education, the State will save between \$4.25 for services to address social issues. There will be less teen pregnancies, need for remedial education and fewer school drop-outs. There will be less crime and other problems that plaque society. Our keiki are a good investment for our State. Cutting childcare subsidies will have a very small and a short-term benefit to the State's budget. The harm inflicted on our children, their families and the future economy of Hawaii is long term.

As heard on TV, "A mind is a terrible thing to waste." In our case, it would be a whole generation of minds that would be lost to themselves and to our beautiful state of Hawaii.

In your deliberations, please consider the long-term effects of any decision you make concerning child care subsidies.

Mahalo for your consideration.

Dr. Anna Smithwick

Cymhindly and

From: Sent: To: Subject: Arri Steward [arristeward@hotmail.com] Thursday, December 03, 2009 9:16 PM HUStestimony subsidy reduction hearing with house of representatives

TO:

Senator Suzanne Chun-Oakland, Chair, Senate Committee on Human Services

Senator Les Ihara, Jr, Vice, Chair, House Committee on Human Services

Rep. John Mizuno, Chair, House Committee on Human Services

Rep. TOm Brower, Vice Chair, House Committee on Human Services

Members of the Senate and House Committee on Human Services

From : Arriana Steward

RE: Informational Briefing on Proposed Rule Changes to Dept. of Human Services Child Care Subsidy Program, Hawaii Administrative Rules, Section 17-798.2-12 and 17.798.2-14

Hearing Date: Friday, December 4, 2009 Time: 11:30 am Place: Conference Room 329

Dear Chairs Chun-Oakland and Mizuno and Members of the Committee:

Thank You for the opportunity to present testimony in **OPPOSITION** of the Proposed Rule Changes to the Dept. of Human Services Child Care Subsidy Program, Waikiki Administrative Rules, Section 17-1798.2-12 and 17.798.2-14. My Name is Arriana Steward and i am a parent of Waikiki Community Center's Early Education Program. I have a two year old son and a one month old son, i am a single parent and a student at Kapiolani Community College, the Waikiki Community Center's Early Education Program allows my son a safe and healthy environment to learn and grow, it's a place where i feel safe leaving him, because i know he is cared for. Without the Child Care Subsidy that i receive from the Department of Human Services i would not be able to send my son to the Waikiki Community Center's Early Education Program, and without the ability to send my son to day care, i will not be able to continue my education or return to work. My monthly income from my job is not enough to cover my son's child care expenses, and i know that the only way to provide my children with a better future is to finish my education. The little money i was able to receive towards my son's child care was not even enough to cover the fee required by my son's day care provider, but it was more than nothing, so i ask please don't leave us with nothing. i am more than content with sacrificing whatever i have to, to provide a better life for my children, however please do not sacrifice my son's social, physical, and mental development, i do not have the heart to explain to my two year old why he can't go to a place he loves. Thank you for this opportunity to provide testimony on this issue.

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From: Sent: To: Subject: Patricia Urieff [purieff@QLCC.org] Friday, December 04, 2009 10:28 AM HUStestimony Regarding DHS Plan to Decrease Payments for Childcare

Aloha,

Across the board cuts was not a well thought out solution to balancing the budget.

Common Sense Ideas Follow.

- 1. Keep preschool age children in preschool experience, pay the tuition, for the outcome that they will not be far behind when they enter Kindergarten. Studies show that children who enter school without preschool experience fall behind, seldom catch up, feel uncomfortable in school and classrooms because they are behind. As a former line social worker on the Waianae Coast, I had a caseload of students as early as 7th grade who went surfing instead of to class because felt uncomfortable in the classroom where teacher point out their academic deficits. Truancy led to eventual dropping out of school. Best to pay for Hawaii's children to stay in preschool.
- 2. Make cuts by taking money from services to the very frail and elderly to pay for the next generation of citizens to have a better chance to survive in our society. In the course of a life cycle, the supports are needed in the beginning, young children. Let nature take its course with us older folks.





TERESA VAST

Early Care & Education Planning • Policy Research • Program & System Development

December 4, 2009

Senate Committee on Human Services House Committee on Human Services Informational Briefing on DHS Proposed Rule Changes

Good morning Senator Chun Oakland, Representative Mizuno, Senator Ihara, Representative Brower, and Members of the House and Senate Committees on Human Services.

Thank you for this opportunity to present testimony on the Department of Human Services (DHS) proposed changes to the administrative rules of the child care services program. I will limit my comments to the proposed rule change that seeks to increase co-payments required of families receiving financial assistance to pay for child care and/or preschool.

My name is Teresa Vast and I testify today as an individual. I work as an independent early childhood policy consultant and have particular expertise in developing co-payment schedules and sliding scales based on research into the cost of living and families' ability to pay for early childhood services. I began working on sliding scales twenty years ago when developing the Preschool Open Doors program in the Governor's Office of Children and Youth and have continued research in this specialized area as a consultant, locally and nationally, analyzing families' ability to pay for early childhood services and developing financial aid models to address the gap between what services cost and what families can afford.

I strenuously object to the DHS's proposed co-payment schedule. It is seriously flawed to the point of being nonsensical. <u>The effect of the proposed changes is to expect families to pay up to 60 % or more of their gross income</u>. Carrying this proposal out would be extremely short-sighted. It is important to consider the likely consequences: parents leaving jobs to care for their children or in desperation, leaving their children in unsafe environments; preschools closing, affecting even more families. The child care industry is a huge economic engine for the state, providing jobs and allowing others to work while their children are enrolled. The biggest losers are likely to be the children, with missed opportunities for early learning. Losses only multiply if long-term effects on the state, the economy, and the futures of the children are considered. But many others today will speak to the human cost. I want to specifically address the sliding fee scale itself and suggest it is not a sound method to use in distributing financial assistance.

While the current fee scale in use is far from perfect, it is relatively benign. It recognizes that families with income below 100% of the Federal Poverty Level (FPL) for Hawaii do not have the means to pay for child care and that those with income up to 85% of the State Median Income can contribute only modestly. The proposed changes are far from benign.

The DHS approach to co-payments is to require families to pay a percentage of the payment rates they have established (also detailed in their proposed rule revision). *The co-payment required is for each child*. If the family is not able to find a suitable program with tuition rates that are equal to or less than the DHS payment rate, the family is responsible for the difference between the tuition rate and the DHS payment rate – on top of their co-payment.

To understand the impact of the proposed DHS co-payment increases it is important to estimate the family's co-pay as a percentage of income.

701 OLD MOKAPU ROAD **&** KAILUA, HAWAII 96734 Phone (808) 254-5342 • E-mail tvast@hawaii.rr.com Teresa Vast December 4, 2009 Page 2 of 3

Consider a family of three: A single parent with income of just 128% of the 2009 FPL would be expected to pay 36 percent of his or her monthly income as a co-payment for two children in a licensed early learning center. Similarly, a family of four at 128% FPL would pay 34 percent of income for their two children in a licensed center.

A single parent with three children, one in a center and two in a licensed family child care home, would be expected to pay <u>60</u> percent of his or her monthly income, based on an income of 150% of the 2009 FPL for a family of four.

In each case, if the family income were just a little higher, pushing the family into the next income bracket, the consequences would be severe – requiring an additional 10% co-payment, which would further increase the percentage of total income the family is expected to pay.

These examples are drawn from four typical scenarios, using the DHS payment rates. The scenarios are presented in the table on the next page to illustrate the relationship between co-payments as a percentage of the payment rates and as a percentage of the family's total income. Please note that the impact would be even greater on families who must pay more than the DHS payment rate.

The proposed sliding scale does not appear to have been subject to rigorous analysis. Few, if any, families - even at higher income levels - could afford to pay 36%, much less 60%, of their income for education and care. The steps in the co-payment scale are too steep in relation to the income increments – expecting an unrealistic amount of increased co-payment from the relatively small increase in income. Most sliding fee scales are constructed in relation to a percentage of income. Generally speaking, it is very tough for low-income families with income below 200% of FPL to pay even 10 percent of income for child care.

DHS should rely on its current formulas or go back to the drawing board to come up with a realistic proposal that uses sound methodology in determining co-payment amounts for families receiving assistance. The purpose of the assistance, after all, is to allow families to work and make a living and to ensure their children are safe, healthy, and learning.

It is also worth noting that DHS uses the 2004 FPL in identifying income amounts for the steps in its sliding scale rather than the current 2009 FPL. One of the problems with including the specific income amounts in a sliding scale in administrative rules is that it is quickly outdated. It would be far better to provide the sliding scale model with just the percentages for the steps in the rules, and commit to using current Federal Poverty Level and State Median Income data to update the income limits and sliding fee scale every year or two. This would eliminate the need for the onerous and expensive process of administrative rule changes when no other changes are necessary. (The updated FPL is published in the Federal Register early every year, usually in January; the SMI is usually published in March.)

In summary, this proposal from DHS is counter-productive, unless the objective is to take children out of early childhood programs, cause greater unemployment, and ensure fewer opportunities. I urge DHS to withdraw its proposed rule change.

Please don't hesitate to contact me if you should have any questions about my testimony.

Sincerely,

Jeresa var

FAMILY SIZE: THREE	Monthly Income*	\$752	\$1,502	\$2,253	\$2,628	\$3,003
Federal Poverty Level for Hawaii	As % of 2009 FPL	43%	86%	128%	150%	171%
	As % of 2004 FPL	50%	100%	150%	175%	200%
	DHS proposed co-pay %	10%	20%	60%	80%	90%
Scenario A:	Monthly rate:	Со-рау:	Со-рау:	Co-pay:	Co-pay:	Co-pay:
One preschooler in accredited center	\$710	\$71	\$142	\$426	\$568	\$639
	Co-pay as % of income	9%	9%	19%	22%	21%
Scenario B: Two preschoolers in licensed center	Monthly rate:	Co-pay:	Co-pay:	Со-рау:	Co-pay:	Co-pay:
	\$675 x 2 = \$1350	\$135	\$270	\$810	\$1,080	\$1,215
	Co-pay as % of income	18%	18%	36%	41%	40%
FAMILY SIZE: FOUR	Monthly Income	\$905	\$1,808	\$2,711	\$3,162	\$3,614
Federal Poverty Level for Hawaii	As % of 2009 FPL	43%	86%	128%	150%	171%
	As % of 2004 FPL	50%	100%	150%	175%	200%
	DHS proposed co-pay %	10%	20%	60%	80%	90%
	co-pay % Monthly rate:	10% Co-pay:	20% Co-pay:	60% Co-pay:	80% Co-pay:	90% Co-pay:
Scenario C:	со-рау %					
Scenario C: Two preschoolers in licensed center	co-pay % Monthly rate: \$675 x 2 =	Со-рау:	Со-рау:	Со-рау:	Со-рау:	Co-pay:
Two preschoolers	co-pay % <i>Monthly rate:</i> \$675 x 2 = \$1350 <i>Co-pay as</i>	<i>Co-pay:</i> \$135	<u>Со-рау:</u> \$270	<i>Co-pay:</i> \$810	<i>Co-pay:</i> \$1,080	<i>Co-pay:</i> \$1,215
Two preschoolers	co-pay % Monthly rate: \$675 x 2 = \$1350 Co-pay as % of income Monthly rate:	<i>Co-pay:</i> \$135	<u>Со-рау:</u> \$270	<i>Co-pay:</i> \$810	<i>Co-pay:</i> \$1,080	<i>Co-pay:</i> \$1,215
Two preschoolers in licensed center	co-pay % Monthly rate: \$675 x 2 = \$1350 Co-pay as % of income	<u>Co-pay:</u> \$135 15%	<u>Co-pay:</u> \$270 15%	<u>Co-pay:</u> \$810 30%	<u>Co-pay:</u> \$1,080 34%	Co-pay: \$1,215 34%

*Note: DHS uses the 2004 FPL as its reference for income levels; 100% of the 2004 FPL is only 86% of the current (2009) FPL.

From: Sent: To: Subject: Amanda Vazquez [avazquez675@gmail.com] Thursday, December 03, 2009 6:10 PM HUStestimony Subsidy Reduction, Hearing with House of Representatives

December 3, 2009



To: Senator Suzanne Chun-Oakland, Chari, Senate Committee on Human Services Senator Lee Ibara, Hr, Vice Chair, Senate Committee on Human Services

Rep. John Mizuno, Chair, House Committee on Human Services Rep. Tom Brower, Vice Chair, House Committee on Human Services

Members of the Senate and House Committees on Human Services

From: Tiana Vazquez

RE: Informational Briefing on Proposed Rule Changes to Dept. of Human Services Child Care Subsidy Program, Hawaii Adminstrative Rules, Sections 17-798.2-12 and 17.798.2-14

Hearing Date: Friday, December 4, 2009 Time: 11:30 am Place: Conference Room 329

Dear Chairs Chun-Oakland and Mizuno and Members of the Committee:

Thank you for the opportunity to present testimony in OPPOSITION of the Proposed Rule Changes to the Dept. of Human Services Child Care Subsidy Program, Hawaii Administrative Rules, Sections 17-198.2-12 and 17.798.2-14. My name is Tiana Vazquez and I am a parent/staff of Waikiki Community Center's Early Education Program.

I am a single mom of twin boys, Jovan and Dante Hanawahine-Vazquez, who receive support from this program. My full-time job is at Waikiki Community Center where my boys' tuition is 100% supported by this program. If the rules were to change I would not be able to send my boys to child care and I will be forced to quit my job. Futhermore I will have to depend on government support in other areas such as welfare and housing subsidies because I have no one else to take care of them while I go to work during the day. I believe that the support many parents receive from Child Care Connection enables us to work full time and be productive citizens of society; our only other alternative, welfare. Please DO NOT take away our child care support. Without this we are nothing more than dependants of government subsidy programs.

Thank you for this opportunity to provide testimony on this issue.

12/3/2009



Dear Madams and Sirs,

My name is Susan Woods. I'm speaking before you as a single mother of three, a working parent, an early childhood educator, and an advocate for young children. It is of great importance that Childcare Connection not increase the parent's portion for childcare. I know first-hand about the devastation the loss of childcare benefits would have on my family, the families in my school and the community, in general.

With the proposed reduction in childcare assistance, my portion would increase by about \$400 more a month. Because I work for Kaua'i Community College, my salary has been decreased by 5% and my contribution for health insurance has increased significantly. In addition, I was told that I may see an increase in the amount of rent that I'm required to pay. With the decrease of income and the increase of expenses, I would not be able to afford the extra money to pay for childcare. I would be forced to pull my seven-month-old daughter out of childcare.

Now where would that leave me? Some people have family and even friends that they can rely on to watch their child while they continue to work, but I do not. I don't have family or friends that can do this for me. My only option is to quit my job and go on welfare. This doesn't sit well with me – not at all. For the past 10 years I have been the sole provider for my family. Even though at times we have had to struggle to make ends meet, I did it. A year ago I even began to work towards a life-long dream, which is to take on-line classes to earn my Bachelors Degree in Early Childhood. I did this for two reasons: one is because I want to show my children that no matter what, through struggles and sacrifices, anything can be achieved. I also know that through education I can become an even better teacher. However, if I resign from KCC, I will lose my tuition waiver making it impossible to complete my dream.

I do not want to go on welfare. I'm very capable of working, and I do love being a teacher. I didn't become a teacher for the money. Many people know that teachers don't get paid a lot and many teachers do make sacrifices. I'm one of those teachers. I don't want to quit my job. Kaua'i already has many people looking for jobs. If I am forced to quit my job and go on welfare how would that help the economy? I implore you not to cut childcare benefits.

Through my job and education I have learned the importance of the early years. It's not only the parents that will be affected by the proposal to decrease childcare assistance. Young children will lose opportunities to develop firm foundations needed for academic and personal success. Taking young children's education away because of budget cuts will only cost us more money in the long run. Research shows that children who do not have the opportunity to attend preschool may require more remediation and special services.

I appreciate the fact that this issue has not already been decided and testimonies are being heard. I thank you for this opportunity to voice my concerns and fears and I hope a beneficial solution can be attained for all families that would be affected by cuts to childcare.

Thank You

Suson Woods

From: Sent: To: Subject: rosslin4@hawaiiantel.net Thursday, December 03, 2009 8:03 PM HUStestimony Childcare Connection Tuition Program

To: Hawaii State Legislature House of Representatives and Senate Committees on Human Service

From: Sarai Phone:808-854-0057 E-Mail:hawaiiantita808@yahoo.com

Date: 12/03/2009

Subject: Testimony for the Proposed Amendments to Chapters 17-798.2-14

Aloha Chair Chun Oakland, Chair Mizuno, and members of the Committees on Human Services. My name is Sarai I am a *Parent*,

I am opposed to the proposed amendments to Chapters 17-798. 2-14. The new proposed copayment rates for families.

I just found out that there is a proposal on the table regarding the Childcare Connection Tuition assistance program. I am a widow and a single mom of three children ranging in age of three weeks, two years old, and a four year old. The father of our children was killed in a motorcycle accident on June 3rd, 2009. If this program is cut or the bulk of the payments is placed on me as a parent I will be forced to quit my job to stay home with my children. I will have to collect unemployment, welfare, apply for healthcare insurance through the state and loose my home. My bills will be unpaid and I will have no choice but to depend on help from other subsidy programs just so that we can live. My job has gotten increasingly more difficult since the death of my significant other. All I want to do is to provide a loving, caring, and creative environment that teaches my children while I work to support them. Not only will you be taking tuition assistance from me but my job and everything else that helps us live. Please know how important this program is for me and other families that are already struggling. I ask that you consider the effects this has and the many other situations this will cause. I ask that you consider the fear and desperation families are feeling right now knowing that this program will affect their lives in a devastating way. I am expected at my job this month after my maternity leave. I hope that I can call them and tell them that I will be starting back soon.

I have provided my contact information above and would be happy to provide you more information to facilitate your decision-making.

Sincerely,

Sarai



From: Sent: To: Subject: Attachments: Christina Cox [ccox@kcaapreschools.org] Friday, December 04, 2009 10:33 AM HUStestimony Late testimony for DHS subsidy hearing 12-4-09 DHS subsidy hearing 12-4-09 Parent testimony.pdf

Importance:

High

Hi, I've attached a copy of KCAA parent testimony. Thanks for your help. Christina Cox

Christina Cox, President KCAA Preschools of Hawai'i 2707 South King Street Honolulu, HI 96826

LATE Testimony

Phone: 808-941-9414 Fax: 808-946-1468 www.kcaapreschools.org

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12/.4/09

No. 0352

Dear Committee on Human Services.

My name is Aliza Dinio and my son Elijah Flores attends KCAA Kuapa. I am a full time working mother and am very grateful for the Open Doors Program. Programs like Open Doors is essential to families that cannot afford to pay the full amount for Preschool education. Taking away some of the funding for the programs will affect not only financially for parents, but emotionally towards our young children.

If a family cannot afford to pay for Preschool, they will have to look for a babysitter to look after their child. That alone is a difficult process because you do not want just any person to watch your child and the cost is to be considered. Then, you will have to explain to your child why they cannot go to preschool anymore and this will emotionally affect the child. Taking away the funding shows children that come from families that are better off financially can have valuable early education, rather than families struggling as is in the hard economy that we are in currently. This is taking away their friends and education. These young children should not have to be deprived of education because of funding. Education should be first priority because these children are our future. It sounds cliché but it is true.

All in all, there are other mothers and fathers out there trying to make it pay check to pay check. We are full time workers that are trying to provide for our families. Changing the funding will have to put us in a situation that we don't want to be in, which is keep our child in preschool or pay our bills? Please consider keeping the much needed funding as it is now. Thank you to Open Doors and all the States Programs that help families like mines. And thank you for taking the time to read my views.

Sincerely, Aliza Dinio





December 3, 2009

To Whom It May Concern:

My name is Nancy Ulanday, and I was recently notified about my childcare subsidy that may decrease from the Department of Human Services. I am writing to let you know that this will affect me as a single parent and for my child. This is a huge impact on working parents like me.

I work full time, 40 hours a week during the day, and I don't have any means for childcare in the morning until the afternoon. As far as I know, my daughter has learned a lot from KCAA-Na Lei Childcare & preschool. She has gained much knowledge for a 3 year old child. The teachers are very supportive & have taught my daughter a lot of educational things. My daughter is happy coming home, telling me her stories of how she has interactions with other children & the activities that are done at the school. I am very pleased with the curriculum because ever since my 6 year old passed away last year, my 3 year old's attitude has changed drastically & is not as often depressed from the passing of her sister.

Taking away the help or even decreasing the amount of help will be hard financially on me. I strongly feel that with the new estimated payments, I would be forced to cancel because of the high costs, and with my work schedule, I am unable to adjust accordingly to where I can take care of my daughter. I also know that my daughter will be questioning me to, "why she's not going to school" because every morning she looks forward to preschool. As a mother, I want to instill the value in her mind that education is very important, as well as having a job. Besides all these reasons, I know the first five years of a child is the most critical & this is a stepping stone in her days to come when she enters elementary school. My question is after the furlough Fridays; now why go after the young children?

Honestly, I suggest that the Department of Human Services should treat single & working parents like me as priority who need the help, rather to parents who do not work & just stay home. It should be treated like the H1N1 priority list & to be given to working parents who do not have any means of childcare during the day.

Thank you for your consideration in this matter & for listening to my testimony. I hope & pray for the best that is intended for my child & for other children as well. Our children are the leaders of the future & again, I hope working parents like me will not get affected.

incerely mon Mand-S

Nancy Ulanday

LATE Testimony

To Whom It May Concern:

I am writing in regards to the new purposed rules for child care payments, by the DHS. Upon reading the letter I was intensely devastated, and quickly thought how I am going afford tuition for my son and my daughter, both of whom are enrolled in childcare. Having my children in educational childcare has been a blessing and having the assistance of the state has been an added blessing. If not for ARBOR Child Care Connection, I would be in an unfortunate predicament. I am able to work productively knowing my children are being cared for and educated by centers that really put their best foot forward. At no point in my life did I ever think that I would need assistance to maintain, however here I am dependent upon the assistance from ARBOR Child Care Connection, as a means of staying employed. As a mother and a full-time student I work hard for my children and go to school for a better education that will help me secure a higher paying job. I am able to pay my bills on time, provide food and shelter for my children, and I am able to attend work with out having to worry about childcare. I currently make \$17.65 which is comes out to be a gross of \$2824 a month. After taxes and insurance is taken from my pay check I am left with \$985 every two weeks, a net of \$1970. Please explain by going to a sliding scale fee based on gross income, how I will be able to afford rent, groceries, child care, transportation costs, and other necessities for the children and myself. I am not asking for handouts of freebies, but this proposed change will have adverse affects on parents. The affects will result in loss of jobs, having to limit employment, more children being cared for by unlicensed providers that are operating illegally, and possible affects to the educational stimulation the child will receive. This not only applies to me, but other parents who utilize ARBOR Child Care Connection, especially those parents that work and attend school in an attempt to better themselves for the good of their family and their future. What you are proposing will hinder what we are trying to accomplish. Understandably times are hard right now for everyone, and everyone must do their share, however this is not the answer. Some parents may end up having to pay almost full tuition. Parents applied to this program for assistance, what makes you think that they will now be able to pay this amount of money. This decision will be detrimental to parents, providers will lose children, and the children will suffer the most. There needs to be a middle ground, and that ground that is decided on is not the middle it is one sided. We as low/middle income parents will be forced to compromise our children's care and education. We should not have to do that, as they go hand in hand. If this passes I will do my best to ensure my children are able to stay with their providers, but other areas of my expenses will suffer. At the end of the day I would like you to know that each one of you will be making a decision that will greatly impacts our daily lives. I hope that a balanced decision is made for the sake of the hard working families and the children who are receiving important education prior to joining public school.

Sincerely Renee Reyes

December 4, 2009

LATE Testimony

To Whom It May Concern:

I have recently received notice that my Child Care Connection financial aid for our daughter's preschool will be cut back by a large amount. My husband and I both work full time and need to send our daughter to school while we are at work.

Our income for a family size of four pay's for our daily living expenses such as rent, electric, groceries, and etc. With the cut back of our financial aid we will not be able to afford her schooling tuition. Due to this situation we would have no choice but to take our daughter out of school. Which mean that one of us will need to either quit our job because it would cost more out of pocket money than I actually make per month.

My daughter enjoys school and has learned so much while at school, I think if we have to take her out it would be detrimental to her continued social environment as well as her education into kindergarten.

I appreciate your time and consideration into this matter.

Thank you, AM

Joann Foster

Dear Senate and House Committee on Human Services,

I am writing this letter on behalf of my family and many other families that may be effected by this budget cut. I am a parent of one of the children that attends KCAA Na Lei Preschool that receives help from child care connections and will be greatly effected by this cut if approved. My son is a very bright child that I feel needs to be in school and be educated and taught at this early age so that it will truly benefit him as he gets older. Growing up I've always been taught that the children of today will be our future tomorrow. What will be of our children if funds to help parents put their children in school will be cut? It will greatly effect not only the parent, in which, may have a hard time putting their child through school due to financial status but also it would hurt our children more in such a way that we would be taking away their chances to learn at an earlier stage in life because the parents of these children would be forced to take them out of school with out the help from these funding.

I've learned that we need to educate our children at such a young age because these are crucial stages in a child's life that they can easily be taught. What do I tell my son if the budget cut gets approved and I would be forced to take him out of school because I couldn't pay for his tutiton. What would we be teaching our children? How would I make him understand that because of a budget cut that I would have to take away his time in learning and playing and making new friends. Everyday he learns something new that he is always overly excited to share with me at home. I've seen him grow so much in such little time. It would hurt me to take this opportunity of being in school away from him. It would be harder for him to understand than It would be for me. I ask you, to please put your self in our shoes. As a parent, I work extra hard to make sure that my child can get an early education. Without the help from these funding, It would be harder on my family as well as others. Please try hard to imagine how it would be if you were in my position. How would you have the heart to take away the only thing that your child has, that he could call his own... the opportunity to learn and make friends. What if it was your child that had to be forced to be taken out of school?

Please, from the bottom of my heart I ask you to not cut the budget so we can continue to receive help from the funding to put our children to school and get the education they should have at an early age.

Please Consider My Proposal,

Catherine Dolor

LATE Testimony

LATE Testimony

November 23, 2009

Aloha,

My children have been attending preschool since they were 18 months old. Once they were both able to attend preschool I was able to obtain a full-time job. Having them enrolled in preschool has kept my mind at ease because I know they are in good hands. The financial assistance that I have been receiving for preschool tuition has been a blessing. With out the assistance I would not be able to afford to pay for my children's education.

The education my children receive in preschool is amazing. It has definitely helped my son to do well in junior kindergarten. Honestly without the preschool education, my son would be behind in school. Testing was done prior to school starting and my son did very well. He knew most of the material that was covered (colors, shapes, numbers, alphabets, etc); all thanks to preschool. He is also able to communicate and socialize with his teachers and classmates. As a working mother of two I try to cover as much of these subjects at home but I believe that preschool is more productive and efficient at enforcing these concepts.

After reading the notice regarding the increase for tuition co-pay, I have been filled with so much emotion. I honestly don't know what I am going to do. If I am not able to receive the assistance that I am receiving at the moment I will have to quit my job until my daughter is able to go to kindergarten in 2 years. I don't have family members to care for my daughter and I refuse to have her be cared for by a stranger that will not have a structured academic curriculum to benefit her education in the long run. I don't receive any state funding except for the assistance with preschool through Arbor Child Care Connections but to be honest if I lose my job due to child care reasons I will have no choice but to apply for state assistance (food stamps, WIC, Medquest, etc). I hope that you'll know what you are doing. I hope you folks are thinking of the consequences to your actions because I am positively sure that there will be many other families in the same situation.

I understand the economy and the state is not doing well and cut backs are needed but to take it away from the families and the children who need it most is unfair. Maybe a compromise to meet the co-pay half way may be a better solution.

Unfortunately, I am not able to make it to the hearing due the short notice and due to the fact that we are short handed at work but I hope this letter will suffice.

Regards,

9

Aulani Aguilar