STAND. COM. REP. NO. 210 -20

Honolulu, Hawaii

FEB 10 , 2020

RE: H.B. No. 2064 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committees on Lower & Higher Education and Labor & Public Employment, to which was referred H.B. No. 2064 entitled:

"A BILL FOR AN ACT RELATING TO TAX CREDIT FOR ON-SITE EARLY CHILDHOOD FACILITIES,"

beg leave to report as follows:

The purpose of this measure is to establish an income tax credit for employers who create on-site early childhood facilities.

Your Committees received testimony in support of this measure from the Hawaii Electric Company Inc.; Midwives Alliance of Hawaii; Hawaii Community Foundation; Breastfeeding Hawaii; and five individuals. Your Committees received comments on this measure from the Executive Office on Early Learning, Department of Taxation, and Department of Human Services.

Your Committees find that the cost of child care in Hawaii is one of the highest in the nation, requiring some parents to remain at home with their children because of the high cost of child care. Your Committees additionally find that children who do not attend pre-kindergarten programs are developmentally behind, lacking physical, cognitive, linguistic, social, and emotional skills necessary to prepare them to succeed in school life. This measure will expand child care options for parents and increases

the number of high-quality early childhood programs by providing an income tax credit for employers who create on-site early childhood facilities.

Your Committees have amended this measure by:

- (1) Changing its effective date to July 1, 2050; and
- (2) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

Should your Committee on Finance decide to hear this measure, your Committees respectfully request that it examine the appropriateness of appropriating funds for the one full-time equivalent on-site early childhood facility coordinator position in the Executive Office on Early Learning for fiscal year 2021-2022, which is beyond the current fiscal biennium.

As affirmed by the records of votes of the members of your Committees on Lower & Higher Education and Labor & Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2064, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2064, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committees on Lower & Higher Education and Labor & Public Employment,

AARON III JOHANSON, Chair

UST N H. VOODSON, Chair

State of Hawaii House of Representatives The THIRTIETH Legislature

Record of Votes of the Committee on Lower & Higher Education

HB 2064	Committee Referral: LHE / LAB, FIN	Date:		2620				
☐ The committee is reconsidering its previous decision on the measure.								
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)								
LHE Members	Ayes	Ayes (WR)	Nays	Excused				
1. WOODSON, Justin H. (C)								
2. HASHEM, Mark J. (VC)	✓			varkova ovojenske obravenske n ave n				
3. QUINLAN, Sean (VC)								
4 DeCOITE Lynn								
4. DeCOITE, Lynn								
5. JOHANSON, Aaron Ling								
6. KOBAYASHI, Dale T.				ána diale e silado em 1990 Per dinos, a al lidi				
7. MORIKAWA, Dee	V							
8. OHNO, Takashi				~				
9. TARNAS, David A.								
10 TOVIOVA 1								
10. TOKIOKA, James Kunane								
11. OKIMOTO, Val								
TI. OIMNOTO, VIII								
TOTAL (11)	9			2				
The recommendation is: Adopted If joint referral, committee acronym(s) Adopted did not support recommendation.								
Vice Chair's or designee's signature:								
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO								

State of Hawaii House of Representatives The THIRTIETH Legislature

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB 2064	Committee	Referral:	-/h Date	2-4-2	20			
☐ The committee is reconsidering its previous decision on the measure.								
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)								
LAB Member	rs	Ayes	Ayes (WR)	Nays	Excused			
1. JOHANSON, Aaron Ling	(C)	Office such a special monthly and a second			V			
2. ELI, Stacelynn K.M. (VC)								
3. ICHIYAMA, Linda			S		and the second s			
4. KITAGAWA, Lisa								
5. McKELVEY, Angus L.K.								
6. QUINLAN, Sean					of its order to a comparison to			
7. YAMASHITA, Kyle T.								
7. IAWASHIA, Kytt I.								
8. MATSUMOTO, Lauren					V			
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TOTAL (8)		5			3			
	Adopted If joint referral,	□ Not Adopted did not support recommendation. committee acronym(s)						
Vice Chair's or designee's signature:								
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO								