STAND. COM. REP. NO. 2808

Honolulu, Hawaii

FEB 1 4 2020

RE: S.B. No. 3014 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Human Services, to which was referred S.B. No. 3014 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure to expand child care options for parents and increase the number of high-quality early childhood programs by establishing an income tax credit for employers who create on-site early childhood facilities.

Your Committee received testimony in support of this measure from the Hawaiian Electric Company, Inc.; Hawaii Institute of Public Affairs; Hawaii Community Foundation; and one individual. Your Committee received comments on this measure from the Department of Human Services, Department of Taxation, and the Executive Office on Early Learning.

Your Committee finds that an estimated fifty-four percent of three- and four-year olds in Hawaii are not enrolled in nursery school, preschool, or kindergarten. Your Committee also finds that there is a significant shortfall in the number of classrooms available for early education activities.

Your Committee notes, to meet the demand for space, in addition to new construction of classrooms, it is important to

identify a variety of existing facilities which can accommodate pre-kindergarten learning, including state and county facilities, nonprofit agencies, and workplaces of private employers.

Finally, your Committee finds that certification for tax credit of the facilities should not be the responsibility of the Department of Human Services.

Therefore, your Committee has amended this measure by:

- (1) Removing the implementation of certification of tax credit of early child care facilities;
- (2) Eliminating appropriations for fiscal year 2021-2022; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3014, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3014, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Human Services,

RUSSELL E. RUDERMAN, Chair

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Human Services HMS

Bill / Resolution No.:* SB 3014	Committee Referral: Date: Z/7/20				
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
RUDERMAN, Russell E. (C)					
RHOADS, Karl (VC)		/			
IHARA, Jr., Les				<u> </u>	
RIVIERE, Gil				-	~
FEVELLA, Kurt					
<u> </u>					
		-			
				-	
TOTAL		コ	0	0	2
Recommendation: Adopted			N	ot Adopted	
Chair's or Designee's Signature:					
Distribution: Original File with Committee Re		ellow 's Office [Pink Orafting Agency		lenrod e File Copy