
A BILL FOR AN ACT

RELATING TO CHILD CARE.

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

1 SECTION 1. The legislature finds that a strong child care
2 and early education workforce is necessary to support Hawaii's
3 children, working families, and communities. The demand for
4 quality child care and early education far exceeds the number of
5 qualified child care and early education professionals currently
6 available in the State.

7 The legislature further finds that compensation for child
8 care workers factors into retention rates. According to the
9 Center for the Study of Child Care Employment's 2020 Early
10 Childhood Workforce Index, the national average wage for an
11 early childhood worker was \$11.65 an hour and the average in
12 Hawaii was \$12.43 an hour. The legislature also finds that
13 efforts to maintain and expand quality and affordable child care
14 and early education programs are hindered by the lack of
15 qualified child care and early education professionals.

16 Accordingly, the purpose of this Act is to:



1 (1) Require the department of human services to develop a
2 two-year infant and toddler child care worker subsidy
3 pilot program to retain the existing early child care
4 workforce in licensed infant and toddler child care
5 center settings; and

6 (2) Appropriate funds for the pilot program.

7 SECTION 2. (a) The department of human services shall
8 establish and implement a two-year infant and toddler child care
9 worker subsidy pilot program no later than six months after the
10 effective date of this Act.

11 (b) The department shall develop standards and
12 qualifications for participation in the pilot program by child
13 care workers, which shall at a minimum meet the following
14 requirements:

15 (1) The pilot program shall be available to all lead
16 caregivers, caregivers, and child care aides in infant
17 and toddler child care centers licensed by the
18 department;

19 (2) Participants shall not be employed by the department
20 of education, public charter schools, federally funded



- 1 early head start programs, or private educational
2 institution; and
- 3 (3) Participants shall be limited to child care workers
4 working in licensed infant and toddler child care
5 centers only.
- 6 (c) The department shall utilize the child care grant
7 program special fund to subsidize participant's wages to ensure
8 that all participants are paid wages of at least \$16.00 per
9 hour.
- 10 (d) Requests for subsidies shall be submitted to the
11 department in accordance with administrative rules adopted by
12 the department to administer the subsidy program. Each request
13 shall at a minimum state:
- 14 (1) The name of the child care provider requesting a
15 subsidy;
- 16 (2) The subsidy amount being requested; and
- 17 (3) The age range of the children the child care provider
18 serves.
- 19 (e) Each applicant for a subsidy shall provide proof that
20 the applicant:



- 1 (1) Has United States citizenship or permanent United
2 States resident alien status and is a resident of the
3 State at the time of application;
- 4 (2) Is currently licensed or registered as a child care
5 provider, or is an exempt provider approved by the
6 department;
- 7 (3) Provides infant and toddler care at the time of
8 application;
- 9 (4) Complies with all other federal, state, or county
10 statutes, rules, or ordinances necessary to conduct
11 the activities or provide the services for which a
12 subsidy is awarded;
- 13 (5) Complies with all applicable federal and state laws
14 prohibiting discrimination against a person on the
15 basis of race, color, national origin, religion,
16 creed, sex, age, sexual orientation, or disability;
- 17 (6) Agrees not to use state funds for entertainment or
18 lobbying activities;
- 19 (7) Allows the department, legislative committees and
20 their staff, and the auditor full access to the
21 applicant's records, reports, files, and other related



1 documents and information for the purposes of
2 monitoring, measuring the effectiveness of, and
3 ensuring the proper expenditure of the subsidy;

4 (8) Is employed by a child care facility that is not part
5 of, owned or operated by, or owned or operated as a
6 private educational institution;

7 (9) Satisfies any other standards that may be required by
8 the source of funding; and

9 (10) Meets all other standards prescribed in rules adopted
10 by the department to implement the subsidy.

11 (f) Every request for a subsidy shall be submitted to the
12 department on an application form provided by the department and
13 shall at a minimum contain the information required by
14 subsection (e). The department shall review each request to
15 determine whether the applicant is eligible to receive a subsidy
16 and shall make a final decision on each request. The department
17 shall inform each subsidy applicant of the disposition of the
18 applicant's request. The department shall adopt rules to
19 establish an appeals process for any denial of a request.

20 (g) The department shall not release the public funds
21 approved for a subsidy under this Act unless a contract is



1 entered into between the department and the subsidy recipient.
2 The department shall develop and determine, in consultation with
3 and subject to review and approval of the department of the
4 attorney general, the specific contract form to be used.

5 (h) Appropriations for subsidies made under this Act shall
6 be subject to the allotment system generally applicable to all
7 appropriations made by the legislature.

8 (i) Every department subsidy contract executed pursuant to
9 this Act shall be monitored by the department to ensure
10 compliance with this Act, and shall be evaluated annually to
11 determine whether the subsidy attained the intended results in
12 the manner contemplated.

13 (j) Any subsidy recipient who withholds or omits any
14 material fact or deliberately misrepresents facts to the
15 department shall be in violation of this Act and, in addition to
16 other penalties provided by law, any recipient found to have
17 violated this Act or the terms of any contract executed pursuant
18 to this Act shall be prohibited from applying for any department
19 subsidies for a period of five years from the date of
20 termination.



1 (k) The department may convene and consult community
2 members to establish best practices, policies, or procedures,
3 including the development of a salary schedule, educational
4 requirements, and other matters that would assist implementation
5 of the pilot program.

6 (l) The department shall adopt rules without regard to
7 chapter 91, Hawaii Revised Statutes, to administer the infant
8 and toddler child care worker subsidy pilot program.

9 (m) The department shall submit annual reports on the
10 development and implementation of the infant and toddler child
11 care worker pilot program, including impacts to infant and
12 toddler child care center operators, infant and toddler child
13 care center staff, and any proposed legislation, to the
14 legislature no later than twenty days prior to the convening of
15 the regular sessions of 2024 and 2025.

16 (n) The department shall submit a final report on the
17 pilot program, including impacts to infant and toddler child
18 care center operators, infant and toddler child care center
19 staff, and any proposed legislation, to the legislature no later
20 than twenty days prior to the convening of the regular session
21 of 2026.



1 (o) For the purposes of this Act:

2 "Department" means the department of human services.

3 "Private educational institution" means a non-public entity
4 that provides:

5 (1) Educational services for any grades from kindergarten
6 through grade twelve;

7 (2) Post-secondary education; or

8 (3) Pre-kindergarten level services;

9 that are provided by an entity that holds itself out to the
10 public as a school or educational institution, or that are
11 identified by the entity as educational services rather than
12 solely as child care services.

13 "Recipient" means a child care provider receiving a
14 subsidy.

15 "Subsidy" means an award of state funds to a specified
16 recipient to support the activities of the recipient and permit
17 the community to benefit from those activities.

18 (p) The pilot program shall cease to exist on
19 June 30, 2026.

20 SECTION 3. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of \$ or so



1 much thereof as may be necessary for fiscal year 2023-2024 and
2 the same sum or so much thereof as may be necessary for fiscal
3 year 2024-2025 to be deposited into the child care grant program
4 special fund.

5 SECTION 4. There is appropriated out of the child care
6 grant program special fund the sum of \$ or so much
7 thereof as may be necessary for fiscal year 2023-2024 and the
8 same sum or so much thereof as may be necessary for fiscal year
9 2024-2025 to be used for the infant and toddler child care
10 worker subsidy pilot program established by section 2 of this
11 Act.

12 The sums appropriated shall be expended by the department
13 of human services for the purposes of this Act.

14 SECTION 5. This Act shall take effect on June 30, 3000.



H.B. NO. 391 H.D. 1

Report Title:

DHS; Infant and Toddler Child Care Worker Subsidy Pilot Program;
Child Care Grant Program Special Fund; Infants and Toddlers;
Appropriation

Description:

Requires the department of human services to develop an infant and toddler child care worker subsidy pilot program to assist in retaining qualified child care workers in licensed infant and toddler child care centers. Appropriates funds. Sunsets 6/30/2026. Effective 6/30/3000. (HD1)

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