
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 preschool child care worker subsidy pilot
- 3 program to retain the existing early child care
- 4 workforce in licensed child care facilities for
- 5 preschool children aged two through five; 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 preschool child care worker

9 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 child
- 17 care facilities for preschool children aged two
- 18 through five licensed by the department;
- 19 (2) Participants shall not be employed by the department
- 20 of education, public charter schools, or federally
- 21 funded early head start programs; and



1 (3) Participants shall be limited to child care workers
2 working in licensed child care facilities for
3 preschool children aged two through five only.

4 (c) The department shall utilize the child care grant
5 program special fund to subsidize participants' wages to ensure
6 that all participants are paid wages of at least \$19.00 per
7 hour.

8 (d) Requests for subsidies shall be submitted to the
9 department in accordance with administrative rules adopted by
10 the department to administer the subsidy program. Each request
11 shall at a minimum state:

12 (1) The name of the child care provider requesting a
13 subsidy;

14 (2) The subsidy amount being requested; and

15 (3) The age range of the children the child care provider
16 serves.

17 (e) Each applicant for a subsidy shall provide proof that
18 the applicant:

19 (1) Has United State citizenship or permanent United
20 States resident alien status and is a resident of the
21 State at the time of application;



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



- 1 (8) Is employed by a child care facility that is not part
2 of, owned or operated by, or owned or operated as a
3 private educational institution;
- 4 (9) Satisfies any other standards that may be required by
5 the source of funding; and
- 6 (10) Meets all other standards prescribed in rules adopted
7 by the department to implement the subsidy.
- 8 (f) Every request for a subsidy shall be submitted to the
9 department on an application form provided by the department and
10 shall at a minimum contain the information required by
11 subsection (e). The department shall review each request to
12 determine whether the applicant is eligible to receive a subsidy
13 and shall make a final decision on each request. The department
14 shall inform each subsidy applicant of the disposition of the
15 applicant's request. The department shall adopt rules to
16 establish an appeals process for any denial of a request.
- 17 (g) The department shall not release the public funds
18 approved for a subsidy under this Act unless a contract is
19 entered into between the department and the subsidy recipient.
20 The department shall develop and determine, in consultation with



1 and subject to review and approval of the department of the
2 attorney general, the specific contract form to be used.

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

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

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

19 (k) The department may convene and consult community
20 members to establish best practices, policies, or procedures,
21 including the development of a salary schedule, educational



1 requirements, and other matters that would assist implementation
2 of the program.

3 (l) The department shall adopt rules without regard to
4 chapter 91, Hawaii Revised Statutes, to administer the preschool
5 child care worker subsidy pilot program.

6 (m) The department shall submit annual reports on the
7 development and implementation of the preschool child care
8 worker pilot program, including impacts to operators and staff
9 of child care facilities for preschool children, and any
10 proposed legislation, to the legislature no later than twenty
11 days prior to the convening of the regular sessions of 2024 and
12 2025.

13 (n) The department shall submit a final report on the
14 pilot program, including impacts to operators and staff of child
15 care facilities for preschool children, and any proposed
16 legislation, to the legislature no later than twenty days prior
17 to the convening of the regular session of 2026.

18 (o) For the purposes of this Act:

19 "Department" means the department of human services.

20 "Private educational institution" means a non-public entity
21 that provides:



- 1 (1) Educational services for any grades from kindergarten
- 2 through grade twelve;
- 3 (2) Post-secondary education; or
- 4 (3) Pre-kindergarten level services;
- 5 that are provided by an entity that holds itself out to the
- 6 public as a school or educational institution, or that are
- 7 identified by the entity as educational services rather than
- 8 solely as child care services.

9 "Recipient" means a child care provider receiving a
 10 subsidy.

11 "Subsidy" means an award of state funds to a specified
 12 recipient to support the activities of the recipient and permit
 13 the community to benefit from those activities.

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

16 SECTION 3. There is appropriated out of the general
 17 revenues of the State of Hawaii the sum of \$ or so
 18 much thereof as may be necessary for fiscal year 2023-2024 and
 19 the same sum or so much thereof as may be necessary for fiscal
 20 year 2024-2025 to be deposited into the child care grant program
 21 special fund.



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

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

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



H.B. NO. 504 H.D. 1

Report Title:

DHS; Preschool Child Care Worker Subsidy Pilot Program; Child Care Grant Program Special Fund; Preschool; Appropriation

Description:

Requires the department of human services to develop a preschool child care worker subsidy pilot program to assist in retaining qualified child care workers in licensed child care facilities for preschool children aged two through five. Sunsets 6/30/2026. Effective 6/30/3000. (HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

