STAND. COM. REP. NO.

Honolulu, Hawaii FEB 08 ' 2023

RE: H.B. No. 502 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Human Services, to which was referred H.B. No. 502 entitled:

"A BILL FOR AN ACT RELATING TO CHILD CARE,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a two-year Infant and Toddler Child Care Contracted Slots Pilot Program to develop and implement procedures to subsidize child care slots in licensed infant and toddler child care settings; and
- (2) Appropriate funds for the Pilot Program.

Your Committee received testimony in support of this measure from the Hawai'i Association of School Psychologists, Keiki O Ka 'Aina Family Learning Centers, Hawaii Children's Action Network Speaks!, Early Childhood Action Strategy, and eleven individuals. Your Committee received comments on this measure from the Executive Office on Department of Human Services and Early Learning.

Your Committee finds that in the first quarter of fiscal year 2022-2023, more than fifteen thousand families received Child Care Connection Hawaii subsidies to help them afford care for children

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ages six weeks to thirteen years. Your Committee further finds that when the operating costs for child care providers are funded by tuition fees, these providers can face disruption and possible closure because of the variable nature of enrollment figures. This measure assists Hawaii's families by establishing a pilot program to ensure a stable source of funding for qualified infant and toddler child care providers through a guaranteed two-year contract for a child care slot.

Your Committee notes that the Department of Human Services testified before your Committee that the federal Child Care and Development Fund does not allow the Department of Human Services to provide Child Care Connection Hawaii subsidies when no eligible child is enrolled in the contracted infant and toddler slots. The Department of Human Services therefore requested additional time to implement the pilot program and noted that a general fund appropriation would be necessary to provide payments for unfilled slots or slots filled by families that are not eligible for child care subsidies through the Child Care Connection Hawaii program.

Your Committee has amended this measure by:

- Specifying that the Infant and Toddler Child Care Contracted Slots Pilot Program shall cease on June 30, 2026; and
- (2) Changing the effective date to June 30, 3000, to encourage further discussion.

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 H.B. No. 502, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 502, H.D. 1, and be referred to your Committee on Finance.

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

n A. JCHN M. MIZUNO, Chair

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State of Hawaii

House of Representatives The Thirty-second Legislature

Record of Votes of the Committee on Human Services

Bill/Resolution No.: HB 5D2	Committee Referral: 14US, FIN		Date: 2/2/23	
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) 				
HUS Members	Ayes	Ayes (WR)	Nays	Excused
1. MIZUNO, John M. (C)	/			
2. AMATO, Terez (VC)				
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3. BELATTI, Della Au				
		<u>Contraction of the second s</u>		
4. ILAGAN, Greggor				
5. KOBAYASHI, Bertrand			a na anna ann an anna ann ann ann ann a	
6. TAKENOUCHI, Jenna			nna an a' a bata ma dan sandakana ana binang	
7. NISHIMOTO, Scott Y.				
8. GARCIA, Diamond				
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TOTAL (8)				
The recommendation is: Adopted Not Adopted If joint referral,				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				