
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 in the first quarter
2 of fiscal year 2022-2023, more than fifteen thousand families
3 with children under the age of thirteen received subsidies from
4 the child care connection Hawaii program to help them afford
5 child care services. The legislature further finds that child
6 care center providers can be faced with disruptions in services
7 and possible closure when their operating costs are funded by
8 tuition fees because their revenues depend upon ever-changing
9 enrollment figures rather than a stable source of funding.

10 Accordingly, the purpose of this Act is to:

11 (1) Establish a child care classroom contracts pilot
12 program to develop and implement procedures to
13 subsidize child care by contracting for classrooms in
14 licensed infant and toddler child care centers or
15 group child care centers; and

16 (2) Appropriate funds for the child care classroom
17 contracts pilot program.



1 SECTION 2. (a) The department of human services shall
2 establish and implement a child care classroom contracts pilot
3 program no later than July 1, 2025.

4 (b) The department of human services shall contract
5 directly with licensed infant and toddler child care center and
6 group child care center providers that serve:

- 7 (1) Children six weeks to five years of age; and
- 8 (2) Families who are eligible for a federally funded child
9 care subsidy through the department of human services.

10 (c) The pilot program shall meet the following
11 requirements:

- 12 (1) The pilot program shall provide contracts for at least
13 one full classroom at one licensed infant and toddler
14 child care center and two licensed group child care
15 centers per county; and
- 16 (2) Contracts with child care center providers shall be a
17 minimum of twelve months and may be extended for the
18 length of the pilot period.

19 (d) The department of human services may contract with a
20 service provider in accordance with chapter 103F, Hawaii Revised



1 Statutes, to operate the child care classroom contracts pilot
2 program.

3 (e) The pilot program shall cease to exist on June 30,
4 2027.

5 SECTION 3. (a) The department of human services shall
6 submit annual interim reports on the development and
7 implementation of the child care classroom contracts pilot
8 program, including impacts to child care provider stability,
9 family satisfaction, and any proposed legislation, to the
10 legislature no later than twenty days prior to the convening of
11 the regular sessions of 2025, 2026, and 2027.

12 (b) The department of human services shall submit a final
13 report on the child care classroom contracts pilot program,
14 including impacts to child care provider stability, family
15 satisfaction, and any proposed legislation, to the legislature
16 no later than twenty days prior to the convening of the regular
17 session of 2028.

18 SECTION 4. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$ or so
20 much thereof as may be necessary for fiscal year 2024-2025 to
21 establish one temporary program specialist position to conduct



1 the procurement and contract monitoring necessary to carry out
2 the child care classroom contracts pilot program established by
3 section 2 of this Act.

4 The sum appropriated shall be expended by the department of
5 human services for the purposes of this Act.

6 SECTION 5. In accordance with section 9 of article VII of
7 the Hawaii State Constitution and sections 37 91 and 37 93,
8 Hawaii Revised Statutes, the legislature has determined that the
9 appropriations contained in H.B. No. , will cause the state
10 general fund expenditure ceiling for fiscal year 2024-2025 to be
11 exceeded by \$ or per cent. In addition, the
12 appropriation contained in this Act will cause the general fund
13 expenditure ceiling for fiscal year 2024-2025 to be further
14 exceeded by \$ or per cent. The combined total
15 amount of general fund appropriations contained in only these
16 two Acts will cause the state general fund expenditure ceiling
17 for fiscal year 2024-2025 to be exceeded by
18 \$ or per cent. The reasons for exceeding the
19 general fund expenditure ceiling are that:

- 20 (1) The appropriation made in this Act is necessary to
- 21 serve the public interest; and



1 (2) The appropriation made in this Act meets the needs
2 addressed by this Act.

3 SECTION 6. This Act shall take effect on July 1, 3000.



Report Title:

Department of Human Services; Child Care Classroom Contracts Pilot Program; Report; Appropriation; Expenditure Ceiling

Description:

Establishes a child care classroom contracts pilot program to require the Department of Human Services to contract directly with child care center providers in licensed infant and toddler child care centers and group child care centers that meet certain criteria. Requires reports to the Legislature. Appropriates funds for a position to support the pilot program. Sunsets the pilot program on 6/30/2027. Effective 7/1/3000.
(HD1)

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