
A BILL FOR AN ACT

RELATING TO EARLY 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 legislature
4 further finds that the demand for quality child care and early
5 education far exceeds the number of qualified child care and
6 early education professionals currently available in the State.
7 The legislature also finds that efforts to maintain and expand
8 quality, affordable child care and early education programs are
9 hindered by a lack of qualified child care and early education
10 professionals.

11 Accordingly, the purpose of this Act is to:

12 (1) Establish a two-year infant and toddler child care
13 worker subsidy pilot program to adequately compensate
14 and retain the existing early child care workforce in
15 licensed infant and toddler child care center
16 settings; and

17 (2) Appropriate funds for the pilot program.



1 SECTION 2. (a) The department shall establish and
2 implement a two-year infant and toddler child care worker
3 subsidy pilot program that allows licensed infant and
4 toddler child care centers to apply for and receive a subsidy to
5 increase the pay of the center's child care workers to a rate of
6 not less than \$16.00 per hour.

7 (b) The department shall develop standards and
8 qualifications for application to and participation in the pilot
9 program in conformity with this Act, including best practices to
10 bring the pay of all covered child care workers to not less than
11 \$16.00 per hour.

12 (c) Subject to subsection (d), the department shall allow
13 any licensed infant and toddler child care center to submit to
14 the department an application for a subsidy pursuant to the
15 pilot program. Each application shall include the following:

- 16 (1) The name of the applicant;
- 17 (2) The total amount of the subsidy requested and a
18 calculation of that amount;
- 19 (3) The amount of the subsidy that each covered child care
20 worker will receive if the application is approved;
- 21 (4) The name of each covered child care worker;



- 1 (5) The age range of the children for which each covered
2 child care worker provides care;
- 3 (6) Proof that each covered child care worker:
 - 4 (A) Has United States citizenship or permanent United
5 States resident alien status and is a resident of
6 the State at the time of application;
 - 7 (B) Is currently licensed or registered as a child
8 care provider, or is an exempt provider approved
9 by the department;
 - 10 (C) Provides infant and toddler care at the time of
11 application; and
 - 12 (D) Complies with all other federal, state, or county
13 statutes, rules, or ordinances necessary to
14 conduct the activities or provide the services
15 for which a subsidy is awarded;
- 16 (7) Proof that each applicant and covered child care
17 worker:
 - 18 (A) Complies with all applicable federal and state
19 laws prohibiting discrimination against a person
20 on the basis of race, color, national origin,



1 religion, creed, sex, age, sexual orientation, or
2 disability; and

3 (B) Shall not use state funds for entertainment or
4 lobbying activities;

5 (8) An authorization granting the department, legislative
6 committees and their staff, and the auditor full
7 access to the applicant's records, reports, files, and
8 other related documents and information for the
9 purposes of monitoring, measuring the effectiveness
10 of, and ensuring the proper expenditure of the
11 subsidy;

12 (9) Satisfaction of all standards that may be required by
13 the source of funding; and

14 (10) Satisfaction of all standards prescribed in rules
15 adopted by the department to implement the pilot
16 program.

17 (d) The following shall not receive a subsidy pursuant to
18 the program:

19 (1) Any entity that is part of, owned or operated by, or
20 owned and operated as:



- 1 (A) A nonpublic entity that provides educational
2 services for any grades from kindergarten through
3 grade twelve;
- 4 (B) A nonpublic entity that provides post-secondary
5 education; or
- 6 (C) A nonpublic entity that provides pre-kindergarten
7 level services that are provided by an entity
8 that holds itself out to the public as a school
9 or educational institution, or that are
10 identified by the entity as educational services
11 rather than solely as child care services;
- 12 (2) The department of education or an entity of the
13 department of education;
- 14 (3) Any public charter school; and
- 15 (4) Any federally funded Early Head Start program.
- 16 (e) Applications for a subsidy pursuant to the pilot
17 program shall be submitted to the department on a form provided
18 by the department and shall at a minimum contain the information
19 required by subsection (c). The department shall review each
20 application to determine whether each covered child care worker
21 is eligible to receive subsidy moneys and shall make a final



1 decision on each application. The department shall inform each
2 applicant of the disposition of the applicant's application.
3 The department shall adopt rules to establish an appeals process
4 for any denial or partial denial of an application.

5 (f) The department shall not release public moneys
6 approved for a subsidy under this Act unless a contract is
7 entered into between the department and the applicant. The
8 department shall develop and determine, in consultation with and
9 subject to review and approval of the department of the attorney
10 general, the specific contract form to be used.

11 (g) Appropriations for subsidies made under this Act shall
12 be subject to the allotment system generally applicable to all
13 appropriations made by the legislature.

14 (h) Each department contract executed pursuant to this Act
15 shall be monitored by the department to ensure compliance with
16 this Act and shall be evaluated annually to determine whether
17 the subsidy attained the intended results in the manner
18 contemplated.

19 (i) Any applicant who withholds or omits any material fact
20 or deliberately misrepresents facts to the department shall be
21 in violation of this Act and, in addition to other penalties



1 provided by law, any applicant found to have violated this Act
2 or the terms of any contract executed pursuant to this Act shall
3 be prohibited from applying for any department subsidies for a
4 period of five years.

5 (j) The department may convene and consult community
6 members to establish best practices, policies, or procedures,
7 including but not limited to the development of a salary
8 schedule, educational requirements, and other matters that would
9 assist in the implementation of the infant and toddler child
10 care worker subsidy pilot program.

11 (k) The department shall adopt rules without regard to
12 chapter 91, Hawaii Revised Statutes, to administer the pilot
13 program.

14 (l) The pilot program shall cease to exist on July 1,
15 2025.

16 (m) For the purposes of this Act:

17 "Applicant" means an infant and toddler child care center
18 licensed by the department that submits an application for a
19 subsidy pursuant to the pilot program.



1 "Child care worker" means a lead caregiver, caregiver, or
2 child care aide employed by an infant and toddler child care
3 center licensed by the department.

4 "Covered child care worker" means a child care worker
5 employed by the applicant whom the applicant proposes will
6 receive all or a portion of the requested subsidy if the
7 applicant's application is approved.

8 "Department" means the department of human services.

9 "Pilot program" means the infant and toddler child care
10 worker subsidy pilot program established pursuant to
11 subsection (a).

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

15 SECTION 3. (a) The department of human services shall
16 submit interim reports on the development and implementation of
17 the infant and toddler child care worker subsidy pilot program,
18 including impacts to infant and toddler child care center
19 operators and child care workers, and any proposed legislation,
20 to the legislature no later than twenty days prior to the
21 convening of the regular sessions of 2024 and 2025.



1 (b) The department of human services shall submit a final
2 report on the infant and toddler child care worker subsidy pilot
3 program, including impacts to infant and toddler child care
4 center operators and child care workers, and any proposed
5 legislation, to the legislature no later than twenty days prior
6 to the convening of the regular session of 2026.

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

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

15 SECTION 5. This Act shall take effect on July 1, 2050.



Report Title:

DHS; Infant and Toddler Child Care Worker Subsidy Pilot Program;
Infant and Toddlers; Appropriation

Description:

Requires the Department of Human Services to establish and implement a two-year Infant and Toddler Child Care Worker Subsidy Pilot Program to retain the existing early child care workforce in licensed infant and toddler child care center settings. Appropriates funds for the pilot program. Requires reports to the Legislature. Sunsets 7/1/2025. Effective 7/1/2050. (SD2)

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