



STATE OF HAWAII

Executive Office on Early Learning

Ke'ena Ho'okele Ho'ona'auao Pae Kamali'i o Hawai'i Moku'aina
2759 South King Street, Room C6
HONOLULU, HAWAII 96826

LATE

TO: Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Education

FROM: Yuuko Arikawa-Cross, Director
Executive Office on Early Learning

SUBJECT: Testimony on H.B. No. 2567, H.D. 1 – RELATING TO EDUCATION
Committee: EDU
Date/Time: Wednesday, March 25 2026, 1:12 p.m.
Location: Conference Room 229

Executive Office on Early Learning's Position: **SUPPORT**

The Executive Office on Early Learning (EOEL) offers the following comments in support of H.B. No. 2567, H.D. 1, which establishes an investment fund seeded by a general fund appropriation, with investment returns deposited into the Early Learning Special Fund. EOEL defers to the Department of Budget and Finance regarding implementation and funding of the proposed special fund.

EOEL appreciates the Legislature's consideration of a dedicated revenue stream to support early childhood education, provided that funds generated through this mechanism are used to supplement, and not supplant, existing general fund appropriations for early learning programs in EOEL's base budget.

A dedicated revenue stream would create new opportunities to expand and strengthen Hawai'i's mixed-delivery early learning system statewide. Stable, ongoing funding would allow the State to plan strategically and respond more nimbly to the needs of families with young children. This proposal follows the lead of states such as Connecticut and Montana, which have established similar trust funds or endowments to support early learning initiatives.

The early years are critical for brain development and lay the foundation for lifelong learning, health, and well-being. Maintaining and building upon the State's existing investments in early learning is essential to sustaining progress and ensuring long-term system stability.

Mahalo for the Legislature's continued commitment to Hawai'i's youngest keiki and their 'ohana, and for the opportunity to provide comments in support of H.B. No. 2567, H.D. 1.

To: Senate Committee on Education
Re: **HB 2567 HD1 – Relating to Education**
Hawai'i State Capitol room 229 & Via Videoconference
March 25, 2026, 1:12 PM

LATE

Dear Chair Kim, Vice Chair Kidani, and Respected Committee Members,

Hawai'i Children's Action Network Speaks! (HCAN Speaks!) writes in **strong support of HB2567 HD1**, which establishes an Early Childhood Education Investment Special Fund to be administered by the Department of Budget and Finance, with investment returns transferred to the Early Learning Special Fund.

Hawai'i has made significant strides in its efforts to deliver on Act 46 (2020) to provide Universal Access to early learning for all three-and four-year-olds by 2032. These efforts have been instrumental in helping to support working families and prepare children for kindergarten. However, relying solely on budget cycles creates volatility and threatens the long-term sustainability of these efforts.

HB2567 HD1 creates a financing mechanism designed to generate ongoing investment income dedicated to early learning, helping stabilize supports and continued investment. A growing number of states have implemented similar models to that proposed in HB 2567 HD1.

- Connecticut Early Childhood Education Endowment: a structured invest-and-distribute model¹.
- New Mexico Early Childhood Education and Care Fund: an endowment-like fund within the state treasury, with investment income credited back to the fund and managed through the state's investment framework².
- Montana Early Childhood Account: funded through a share of interest earnings from a broader state trust structure, with eligible uses tied directly to childcare/early learning workforce and access strategies³.

These examples demonstrate a practical approach to long-term sustainability for early learning. By creating investment and interest-earning structures, Hawai'i strengthens its ability meet the needs of our young children and working families, and deliver on the promise of Act 46.

Mahalo for the opportunity to provide this testimony. Please **PASS HB 2567 HD1**.

¹ <https://www.cga.ct.gov/2025/act/Pa/pdf/2025PA-00093-ROOSB-00001-PA.PDF>

² <https://www.sic.state.nm.us/investments/permanent-funds/early-childhood-education-and-care-fund/>

³ https://archive.legmt.gov/bills/mca/title_0520/chapter_0020/part_0100/section_0030/0520-0020-01000030.html

HB-2567-HD-1

Submitted on: 3/24/2026 12:21:15 PM

Testimony for EDU on 3/25/2026 1:12:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|------------------------|---------------------|---------------------------|---------------------------|
| Randall John Francisco | Individual | Support | Written Testimony Only |

Comments:

I am writing in strong support of this very forward-thinking legislation that will generate funds essential to investing in early childhood education programs and its future sustainability. While this fund will take some time to create funds to make an impact, in the long-term, it also continues to demonstrate the legislature's recognition of the importance of continuing to invest in this deliberate and outstanding program. Mahalo Nui Loa for your consideration.