A Bill for an Act Relating to Early Childhood Care.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that neurological science has established that a child's cognitive and behavioral potential are largely determined between birth and age five. Unfortunately, poor health, family dysfunction, and troubled communities adversely affect a child's development. However, appropriate nurturing and stimulation for children and support for stressed families is known to ameliorate some of these difficulties when provided in a coordinated, comprehensive, and culturally competent manner. The legislature further finds that school readiness is improved by comprehensive health, family support, and early education services. Objectively, the current system of care is not meeting the needs of many of Hawaii's most fragile, at-risk children.

The legislature further finds that cost-effective programs providing these services need to be supported on a more permanent, institutionalized basis. State funding would also be invaluable in leveraging the significant development work and investments of other sources, such as charitable foundations, nonprofit organiza-

tions, and federal agencies.

Hui Imua O Koolauloa is a community-based, collaborative service model that subsidizes services for under-served, high-risk families in a variety of programs, which is a safety net for children and families that do not qualify for other forms of subsidy. The model also fosters interagency collaboration and community leadership.

In addition, the recent work of Economics Nobel Laureate James Heckman of the University of Chicago finds that allocating resources to the birth-to-five age group is the most cost-effective intervention available for the first two decades of life in terms of short- and long-term outcomes for children. Other studies suggest that every \$1 spent on early childhood is \$7 saved in later costs to society.

The purpose of this Act is to appropriate funds for community-based, collaborative, comprehensive early childhood care direct services for children under age five and their families; provided that any such funds shall be used for implementation of community-based, comprehensive direct service delivery systems modeled after the Hui Imua O Koolauloa project, and not for planning, studies, or other strategic functions.

SECTION 2. The department of human services shall establish a pilot project in East Hawaii to provide community-based, collaborative, comprehensive early childhood care direct services for children under age five and their families in the critical need areas as determined by the department.

The department of human services shall submit a report on the pilot project, including its status, outcomes, and findings and recommendations as to whether the pilot project should be continued or made permanent, to the legislature no later than twenty days prior to the convening of the regular session of 2005.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$200,000 or so much thereof as may be necessary for fiscal year 2004-2005 for community-based, collaborative, comprehensive early childhood care direct services for children under age five and their families based on the Hui Imua O Koolauloa model; provided that the funds shall be used for implementation of community-based, comprehensive direct service delivery systems, and not for planning, studies, or other strategic functions.

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

SECTION 4. This Act shall take effect on July 1, 2004.

(Became law on July 13, 2004, without the Governor's signature, pursuant to Art III, §16, State Constitution.)