

ACT 128

S.B. NO. 3110

A Bill for an Act Relating to Child Care Grant Programs of the Department of Human Services.

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

SECTION 1. The purpose of this Act is to:

- (1) Rename the preschool grant program special fund as the child care grant program special fund;
- (2) Authorize the child care grant program special fund to be used to give grants to child care facilities;
- (3) Change the date by which reports for the preschool open doors special fund and the child care grant program special fund must be submitted to the legislature from August 31 to twenty days prior to the convening of the regular legislative session; and
- (4) Remove the authority to expend funds without an appropriation from the preschool open doors special fund and child care grant program special fund statutes to conform to section 5 of article VII of the Hawaii State Constitution.

SECTION 2. Section 346-182, Hawaii Revised Statutes, is amended to read as follows:

**“~~[[~~§346-182~~]]~~ Preschool open doors special fund.** (a) There is established within the state treasury the preschool open doors special fund, to be administered by the department’s child care assistance program, into which shall be deposited all moneys received by the department’s child care assistance program in the form of:

- (1) Fees;
- (2) Grants;
- (3) Donations;
- (4) Appropriations made by the legislature to the fund; ~~[and]~~
- (5) Revenues regardless of their source~~[-]~~; and ~~[earnings]~~
- (6) Earnings on moneys in the fund.

Moneys in the fund shall be used for the procurement of health and human services under the preschool open doors program. Expenditures from the fund may be made by the department without ~~[appropriation or]~~ allotment but shall not be made for capital improvement projects.

(b) The department shall submit an annual report to the legislature, no later than ~~[August 31,]~~ twenty days prior to the convening of each regular session, on the sources of moneys deposited into the fund and expenditures of moneys in the fund.”

SECTION 3. Section 346-183, Hawaii Revised Statutes, is amended to read as follows:

~~“[§346-183]—Preschool]~~ **Child care grant program special fund; established.** (a) There is established within the state treasury the ~~[preschool]~~ child care grant program special fund, to be administered by the department, into which shall be deposited:

- (1) Donations to the fund;
- (2) Appropriations made by the legislature to the fund;
- (3) Revenues regardless of their source; and
- (4) Earnings on moneys in the fund.

(b) The department shall expend moneys in the special fund to award ~~[funds]~~ grants to private entities for the operating costs of new ~~[preschools]~~ or existing child care facilities, to establish new child care facilities, or for expansion of existing [preschools at the private entity's place of business.] child care facilities.

(c) Expenditures from the fund may be made by the department without ~~[appropriation or]~~ allotment.

(d) Any grant awarded ~~[pursuant to this section]~~ or expenditure of funds for the administration of ~~[the preschool open doors program]~~ a grant program pursuant to this section shall be exempt from chapters 103D and 103F. The department shall adopt rules pursuant to chapter 91 to effectuate the grant ~~[program.]~~ programs.

(e) Grants shall be disbursed pursuant to a contract between the department or its designee and the grant recipient, in accordance with the rules adopted pursuant to subsection (d).

~~[(e)]~~ (f) The department shall submit an annual report to the legislature, no later than ~~[August 31,]~~ twenty days prior to the convening of each regular session, on the sources of moneys deposited into the fund and expenditures of moneys in the fund.

(g) For the purposes of this section, “grant” means an award of funds to a specified recipient to support the activities of the recipient and permit the community to benefit from those activities.”

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 27, 2022.)