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# A BILL FOR AN ACT

RELATING TO STATE EMPLOYEE CHILD CARE FACILITIES AND SERVICES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Research demonstrates the critical importance  
2 of quality care in a child's first three years of life for  
3 enhancing brain development and cognitive abilities. A child  
4 who lacks appropriate relationships and stimulation during these  
5 years will be less able to learn, cope with stress, handle  
6 emotions, and form relationships. The legislature finds that it  
7 is in the best interest of our society that each infant and  
8 child be nurtured in a quality child care setting.

9           As the labor force in Hawaii has shifted in recent years,  
10 more parents are working, and infant and child care is becoming  
11 a critical issue for families. The legislature finds, however,  
12 that a shortage of infant and child care providers and  
13 facilities exists in Hawaii, making it increasingly difficult  
14 for working parents to attain and afford child care. The  
15 legislature notes that there are approximately seventy-eight  
16 thousand children zero to four years of age in Hawaii, and only  
17 approximately twenty-eight thousand child care spaces. While  
18 not all parents are seeking infant and child care services, the



1 numbers illustrate that there are still many more infants and  
2 children than available child care spaces. The legislature  
3 finds that a gap clearly exists between the infant and child  
4 care needs of families and available child care services.

5 Moreover, the cost of infant and child care is steadily  
6 increasing, making it more difficult for families to afford  
7 quality care. Families in Hawaii now pay an estimated fifteen  
8 per cent (based upon state median income), and rising, of their  
9 income on child care expenses. Although some financial  
10 assistance is available for low-income families, the need for  
11 that assistance far surpasses available resources.

12 The legislature finds that a changing work force has also  
13 contributed to a shortage of infant and child care resources in  
14 the State. In Hawaii, approximately seventy seven thousand  
15 families with children under six years of age have parents in  
16 the labor force. The nuclear family, with a stay-at-home  
17 mother, is becoming a thing of the past, as it is estimated that  
18 only thirteen per cent of families nationwide now fall into that  
19 category. Furthermore, it is estimated that women comprise  
20 sixty per cent of all new entrants into the United States' labor  
21 market. The current reality is that most new parents are



1 working and must find ways to cope with the conflicting time  
2 demands of both work and child care.

3       The legislature finds that it is well documented that  
4 quality child care is an effective tool in supporting working  
5 families and helping keep parents in the workforce. However, a  
6 lack of quality infant and child care can make it more difficult  
7 for parents to obtain employment, retain employment, and move  
8 into better jobs. Furthermore, parents who are responsible  
9 caretakers may choose to miss work when their children are in  
10 unsafe and unhealthy care situations, a choice that may  
11 jeopardize the family's economic security and impact the  
12 employer's productivity.

13       The legislature finds, moreover, that problems with infant  
14 and child care can adversely affect employers by increasing  
15 employee absenteeism, tardiness, and turnover rates and the  
16 costs of recruiting and training new workers. In the labor  
17 market of the past, these problems did not affect employers on a  
18 large-scale, as there were always workers willing to take the  
19 place of those leaving. However, in the labor market of today  
20 and the near future, a radically different problem exists--  
21 locating and retaining workers. Given the changing composition  
22 of the labor force in Hawaii and the impact that infant and



1 child care problems can have on employees, the legislature finds  
2 that, for employers, employer supported child care is a cost-  
3 effective way to control labor costs and enhance worker  
4 productivity.

5 Nationwide, increasing numbers of businesses have already  
6 found that employer supported child care is an effective way to  
7 attract and retain quality workers. Research demonstrates that  
8 employer supported child care generally conveys four benefits on  
9 employers:

- 10 (1) An enhanced ability to recruit employees;
- 11 (2) Lower labor turnover rates;
- 12 (3) Higher levels of labor productivity because of greater  
13 work experience, low absenteeism, and higher morale in  
14 the employees; and
- 15 (4) Improved community relations.

16 The legislature finds that the provision of employer supported  
17 child care facilities and services within the workplace  
18 encourages new and continued employment on the part of  
19 experienced employees.

20 The legislature finds that addressing the shortage of  
21 infant and child care providers in the State is crucial for the  
22 well-being of children, families, workers, and employees in



1 Hawaii. The legislature finds that new strategies must be  
2 enacted to deal with the increasing demand for child care.

3 The purpose of this Act is to require the State of Hawaii  
4 to provide child care facilities and services to state employees  
5 during work hours.

6 SECTION 2. The Hawaii Revised Statutes is amended by  
7 adding a new chapter to be appropriately designated and to read  
8 as follows:

9 **"CHAPTER**

10 **STATE EMPLOYEE CHILD CARE FACILITIES AND SERVICES**

11 § -1 **Definitions.** As used in this chapter, unless the  
12 context clearly requires otherwise:

13 "Child" means a person under an age qualified to enter  
14 kindergarten who is the biological, step, adopted, or foster  
15 child of an employee.

16 "Director" means the director of labor and industrial  
17 relations.

18 "Employee" means a person holding a position in the service  
19 of a state entity, including the University of Hawaii,  
20 irrespective of status or type of appointment, for not fewer  
21 than six consecutive months.



1 "Employment" or "employed" means service, including service  
2 in interstate commerce, performed for wages under any contract  
3 of hire, written or oral, express or implied, with an employer.

4 "State entity" means any state agency within the executive,  
5 legislative, and judicial branches of the State of Hawaii, the  
6 office of Hawaiian affairs, or the University of Hawaii.

7 § -2 **State employee child care facilities and services**  
8 **requirement.** (a) The State shall establish, operate, and  
9 maintain child care facilities and services and make available  
10 those facilities and services to employees of all state  
11 entities.

12 (b) The State may make employee child care facilities and  
13 services available to its employees at a cost that is  
14 commensurate with the average cost of child care facilities in  
15 the private sector.

16 (c) All state employee child care facilities and services  
17 required under this chapter shall comply with all applicable  
18 laws, rules, and certification requirements of the State.

19 § -3 **Employment and benefits protection.** (a) The use  
20 of employee child care facilities and services by an employee  
21 shall not result in the reduction or loss of any employment  
22 benefit accrued before the date on which the use commenced.



1 Nothing in this chapter shall be construed to deny to any  
2 employee any employment benefit, right, or position to which the  
3 employee is entitled as a result of use of the employee child  
4 care facilities and services of the State.

5 (b) To the extent that the provisions of this chapter  
6 contradict or otherwise conflict with any contract rights of  
7 collective bargaining agreements in existence as of the date of  
8 this Act, the provisions that provide greater benefits to the  
9 employee shall control.

10 § -4 **Enforcement and administration.** (a) The director  
11 shall have jurisdiction over the administration and enforcement  
12 of this chapter and may hire assistants and other personnel as  
13 may be necessary to administer and enforce this chapter.

14 (b) The department of labor and industrial relations may  
15 adopt rules in accordance with chapter 91 to implement the  
16 purposes of this chapter."

17 SECTION 3. There is appropriated out of the general  
18 revenues of the State of Hawaii the sum of \$ , or so  
19 much thereof as may be necessary for fiscal year 2007-2008, and  
20 the same sum, or so much thereof as may be necessary for fiscal  
21 year 2008-2009, to administer and enforce this chapter.



1 SECTION 4. The sum appropriated shall be expended by the  
2 department of labor and industrial relations for the purposes of  
3 this Act.

4 SECTION 5. This Act shall take effect on July 1, 2007.  
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INTRODUCED BY: Therese Chun Oakland

Rosely H Baker

Francis R. Brown

Jim

Carol Fulmer

Gene Merendino



**Report Title:**

State Employees; Child Care Facilities

**Description:**

Requires the State to provide state employees with child care facilities and services. Permits State to charge for cost of child care.

