
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
17 supported child care facilities and services within the
18 workplace 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 permit the department of
4 human services to establish a state employee child care pilot
5 program to provide state employees with child care facilities
6 and services; provided that private sector employees may also be
7 permitted to enroll their children.

8 SECTION 2. (a) The department of human services may:

9 (1) Establish a state employee child care pilot program.

10 The state employee child care pilot program shall:

11 (A) Make state facilities available for use as state
12 employee child care facilities;

13 (B) Provide child care services to state employees
14 during work hours at a cost that is commensurate
15 with the average cost of child care facilities in
16 the private sector; provided that private sector
17 employees may also be permitted to enroll their
18 children; and

19 (C) Comply with all applicable laws, rules, and
20 certification requirements of the State; and



1 (2) Contract with a private organization pursuant to
2 chapter 103F, Hawaii Revised Statutes, to administer
3 the state employee child care pilot program.

4 (b) The use of state employee child care services by a
5 state employee pursuant to this section shall not result in the
6 reduction or loss of any employment benefit accrued before the
7 date on which the use commenced. Nothing in this section shall
8 be construed to deny to any employee any employment benefit,
9 right, or position to which the employee is entitled as a result
10 of use of state employee child care services pursuant to this
11 section.

12 SECTION 3. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$, or so
14 much thereof as may be necessary for fiscal year 2007-2008, and
15 the same sum, or so much thereof as may be necessary for fiscal
16 year 2008-2009, for the department of human services to
17 establish a state employee child care pilot program pursuant to
18 section 2 of this Act.

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

21 SECTION 4. This Act shall take effect on July 1, 2007.



Report Title:

State Employees; Child Care Facilities

Description:

Permits the department of human services to establish a state employee child care pilot program to provide state employees with child care facilities and services; provided that private sector employees may also be permitted to enroll their children.
(SD1)

