June 12, 2015

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawai‘i 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawai‘i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 12, 2015, the following bill was signed into law:

HB820 HD2 SD1 CD1  RELATING TO PUBLIC EARLY CHILDHOOD EDUCATION
ACT 109 (15)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai‘i
RELATING TO PUBLIC EARLY CHILDHOOD EDUCATION.

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

SECTION 1. Significant research affirms that the experiences children have, and the environments in which they develop, during their earliest years can have a lasting impact on their later success in school and life. When provided with the opportunity for high-quality early childhood education, children are more likely to succeed in kindergarten and beyond and grow into capable adults who contribute positively to the larger community. They are more likely to reach higher levels of educational attainment, earn higher salaries, and can even be healthier.

The legislature finds that high-quality early childhood education programs also generate significant returns on investment for society as a whole; to such an extent that some of the country's most respected economists are now touting early childhood education as an economic development strategy. Investments in early childhood education yield a return far exceeding the return on most public projects considered to spur economic development. Several of the most rigorous long-term
studies done in this area determined that returns are between $4.00 and $9.00 for every dollar invested. These returns are realized in the form of reduced welfare, crime, and special education costs; reduced homelessness and substance abuse; and increased tax revenues from program participants later in life. This was validated for Hawaii in a 2008 study commissioned by the Good Beginnings Alliance, which found a return of more than $4.00 for every dollar invested in high-quality early childhood education for this State.

Of particular concern to the legislature are Hawaii's low-income children. Currently, one in six children lives in poverty in Hawaii, making children the poorest members of our society according to 2013 data reported by the University of Hawaii Center on the Family. This number is alarming because an impoverished childhood leads to a greater risk of teen pregnancy, failure to graduate from high school, poor health, and lack of secure employment in later years. If left without the opportunity for early childhood education, this population has a significantly reduced chance for success later in life.

As stated in the 2010 national report "Learning to Read" by the Annie E. Casey Foundation, if "we don't get dramatically
more children on track as proficient readers, the United States will lose a growing and essential proportion of its human capital to poverty, and the price will be paid not only by individual children and families, but by the entire country". Reading proficiency is the leading indicator of long-term academic and life success. High school dropout rates are closely correlated with the inability to read proficiently by the end of grade three, and the shortfall in reading proficiency is especially pronounced among low-income children.

Reading proficiency is directly undermined by lack of school readiness. If a child does not arrive at kindergarten ready to learn, the child is likely to struggle to keep up and then may eventually lose the interest and motivation necessary to learn. The resulting achievement gap will only widen with each subsequent year of schooling.

All children need high-quality, developmentally-appropriate early childhood education programs to enable them to arrive at school ready to learn. The legislature finds, however, that too many of Hawaii's children enter kindergarten with inadequate preparation. According to the Hawaii State School Readiness Assessment for the 2012-2013 school year, forty-three per cent
of children in public school kindergartens had not attended a prekindergarten program. Moreover, according to data reported by the University of Hawaii Center on the Family in 2013, seventy-five per cent of fourth graders are not reading proficiently.

High-quality early childhood education can help close the achievement gap between children of different socioeconomic backgrounds. In 2013, the Academic Pediatric Association's Task Force on Childhood Poverty identified the provision of high-quality early childhood programs and high-quality affordable child care to poor families as one of the key strategies to reducing poverty. Studies have proven that high-quality early childhood education programs are especially effective for children from low-income families, as well as children who are otherwise disadvantaged. These programs are one of the strongest factors in school readiness for children from low-income families because of the potential to alter their lifetime trajectories for success.

The legislature finds, however, that every child, regardless of the child's socioeconomic status, can benefit from early childhood education. According to the 2010 national
report entitled "Learning to Read", three-quarters of children from families with moderate or high incomes are not ready for school at kindergarten entry. More than ninety per cent of kindergarten classrooms in department of education schools reported that students did not meet benchmarks in all dimensions of school readiness, including literacy, math, and school behaviors. Unfortunately, studies show that students who struggle early in school rarely catch up and consequently have less than a one-in-three chance of being ready for college or a career at the end of high school.

The legislature further finds that early childhood education will benefit kindergarten through twelfth grade teachers in the State because when children enter their classrooms better prepared, teachers spend less time remediating individual students, thereby allowing them to focus their time and energy on helping all of their students master the knowledge and content necessary to academically progress on time.

While it has been reported by some studies of the federal Head Start program that the benefits of early learning disappear by the third grade, reliable studies have found that gains made in life skills do not diminish over time. Graduates of Head
1 Start, a federal program that promotes school readiness for
2 children from low-income families, were less likely to repeat
3 grades or be diagnosed with a learning disability and more
4 likely to graduate from high school and attend college.
5 Guided by this robust research on early childhood
6 education, the executive office on early learning has been
7 developing a program that will provide access to high-quality
8 early childhood education for all of Hawaii's children. Hawaii
9 ranks twenty-seventh among the least affordable states for
10 center-based programs for a four-year-old. In 2012, the average
11 annual cost of a full-time center-based program for a four-year-
12 old in Hawaii was $8,172, which is more than nine per cent of
13 the state median income for a married couple. Consequently,
14 although low-income families require the most assistance, many
15 moderate-income families, especially those who are just entering
16 the middle class, also struggle to meet the cost of early
17 learning on their own. According to United States Census Bureau
18 estimates, there are more than seventeen thousand four-year-olds
19 in Hawaii in any given year, many of whom will require
20 assistance to access high-quality early childhood education and
21 the benefits it provides.
Through the prekindergarten program developed by the executive office on early learning, the State will be able to:

1. Build capacity to serve children in the year prior to kindergarten eligibility; and
2. Institute a high level of quality instruction, linked to children's educational outcomes, which research emphasizes is necessary to produce significant positive outcomes for children both in the near- and long-terms.

Act 122, Session Laws of Hawaii 2014, the Supplemental Appropriations Act, included $3,000,000 for prekindergarten programs in fiscal year 2015, marking a significant investment of state funds in prekindergarten in Hawaii. These funds provided for the launch of the executive office on early learning prekindergarten program, which launched successfully in eighteen public elementary schools statewide in the 2014-2015 school year, and benefitted more than four hundred four-year-old children. The program institutes high-quality early childhood education standards, with each classroom staffed by a department of education teacher and educational assistant who benefit from continual professional development opportunities, including
coaching and mentoring support provided by resource teachers with master's degrees and extensive knowledge in early childhood education. This Act provides statutory authority for the executive office on early learning's prekindergarten program.

There have also been several experimental public prekindergarten programs funded through Hawaii's Race to the Top grant. Other existing school-based programs consist of special education programs staffed by department of education special education teachers and those participating in the pre-plus program, which is a public-private partnership through which seventeen preschool facilities have been developed and built on public elementary school campuses with private, department of human services-licensed preschool providers contracted to operate them.

The executive office on early learning prekindergarten program requires the use of high-quality standards that are linked to children's educational outcomes. Research has shown that there are certain components that are associated with an early childhood education program's ability to produce positive education outcomes. Although the early childhood field lacks consensus on a single approach for categorizing factors that
define program quality, there are two broad dimensions commonly associated with promoting higher rates of learning and development in children—structural aspects, such as physical environment, child-caregiver ratios, group size, caregiver qualifications, caregiver compensation, and the quality of curriculum and intentional teaching. Recent research has shown that curriculum and intentional teaching have a more significant impact on children's outcomes, and is the basis for the high-quality standards that are required by the executive office on early learning's program. The standards include teacher-child interactions, individual child formative assessments, and family engagement.

There is substantial evidence that children who attend early childhood education programs are significantly affected by their interactions with teachers. Recent studies, such as "Features of Pre-Kindergarten Programs, Classrooms, and Teachers: Do They Predict Observed Classroom Quality and Child-Teacher Interactions?", authored by Robert Piana, Crollee Howes, Margaret Burchinal, Donna Bryant, Richard Clifford, Diane Early, and Oscar Barbarin, have found that of the five quality indicators most often used in program evaluation systems,
teacher-child interactions were the strongest predictor of children's learning.

Another key indicator linked to children's outcomes is the use of a curriculum that is based on child development. The degree to which it is fully implemented is dependent on the use of an ongoing, authentic child assessment that is used to individualize and is both intellectually rich and broad enough to meet children's social and emotional development needs. These are known as formative assessments.

Research has also demonstrated that high-quality programs involve families who communicate on an ongoing basis. Through various family engagement strategies, high-quality programs can better engage families in their children's learning, especially in acquiring the skills associated with kindergarten readiness. The prekindergarten program developed by the executive office on early learning incorporates all of these best practices.

Furthermore, a state-funded early childhood education program continues decades of work by the legislature to advance early learning in the State.

In 1989, state funding was approved for the preschool open doors program to help families pay for child care at
participating preschools using a sliding fee scale based on ability to pay. Components included child development workshops and staff development for the preschools.

In 1991, the University of Hawaii board of regents created the University of Hawaii Center on the Family in response to S.C.R. No. 82 (1989), to enhance the well-being of Hawaii's families through interdisciplinary research, education, and community outreach. Early childhood education was one of the focal areas.

In 1997, the legislature passed Act 77, Session Laws of Hawaii 1997, which:

1. Recognized a public-private partnership between the State and Good Beginnings Alliance, a private nonprofit corporation created as a focal point for policy development and dedicated to enhancing, developing, and coordinating quality early childhood education and care services;

2. Tasked the Good Beginnings Alliance with overseeing at least four community councils in each county to develop plans to provide services to children and families and possible local funding sources; and
(3) Established an interdepartmental council to assist with the work.

In 1998, the legislature adopted H.C.R. No. 38 (1998), which established in state policy the goal that "all of Hawaii's children will be safe, healthy and ready to succeed".

In 2002, the legislature passed Act 177, Session Laws of Hawaii 2002, which appropriated capital improvement funds to build preschools on elementary school campuses throughout the State. The lieutenant governor's office assumed planning oversight for the pre-plus program until oversight was transferred to the department of human services and subsequently to the executive office on early learning.

In Act 13, Session Laws of Hawaii 2002, the legislature led the nation by statutorily defining "school readiness", which acknowledged the joint responsibility of families, schools, and communities in preparing children for lifelong learning.

In 2004, the legislature passed Act 219, Session Laws of Hawaii 2004, which established an unfunded, two-tiered junior kindergarten and kindergarten program in the department of education beginning with the 2006-2007 school year.
In 2005, the legislature passed Act 151, Session Laws of Hawaii 2005, which created the early childhood education task force with the understanding that young children are ready to have successful learning experiences when there is a positive interaction among the child's developmental characteristics, school practices, and family and community support.

In 2006, the legislature passed Act 259, Session Laws of Hawaii 2006, which established the early learning educational task force to develop a five-year plan for a comprehensive and sustainable early learning system. The plan, completed prior to the regular session of 2008, included detailed costs for the establishment and operation of an early learning system in Hawaii that would include children from birth to age five. It also included, as requested by the legislature, an implementation and financing schedule that begins with services to four-year-old children and proceeds to younger age groups; mechanisms to ensure cross-sector and interdepartmental collaboration; measures to ensure the continuing professional development of teachers and administrators; and provisions for the promotion of the importance of early learning to families, policymakers; and the general public.
In 2008, the legislature passed Act 14, Special Session Laws of Hawaii 2008, which established the State's early learning system, known as keiki first steps. The legislature recognized that a preschool setting might be a more appropriate placement than junior kindergarten. Act 14:

1. Established the early learning council, which was attached to the department of education for administrative purposes only, to develop and administer the early learning system to benefit all children throughout the State, from birth until the time they enter kindergarten;
2. Established the keiki first steps grant program;
3. Established the pre-plus program within the department of human services and designated the department of human services and department of education to work collaboratively to develop suitable pre-plus classrooms on department of education campuses statewide, including conversion charter school campuses; and
4. Promoted the development of early learning facilities.
In 2009, the legislature passed Act 194, Session Laws of Hawaii 2009, which:

1. Required the department of education, beginning with the 2010-2011 school year, to use successful assessment tools and protocols for determining a student's initial placement and for decision-making about a student's movement between junior kindergarten, kindergarten, and into grade one; and
2. Required the early learning council to develop a plan to ensure the needs of junior kindergarteners are addressed.

In 2010, the legislature passed Act 183, Session Laws of Hawaii 2010, which:

1. Amended the public school kindergarten entry age beginning with the 2013-2014 school year, so that children must be at least five years old on the first day of instruction; and
2. Required the department of education and early learning council to develop a plan to assess the success of junior kindergarten programs at individual schools that would also address providing educational
opportunities for those who would have been eligible
to attend kindergarten prior to the age change.

In 2012, the legislature passed Act 178, Session Laws of Hawaii 2012, which:

(1) Established the executive office on early learning;

(2) Charged the office with creating a comprehensive early childhood development and learning system for Hawaii's keiki, prenatal to age five;

(3) Established the early learning advisory board to replace the early learning council as an advisory body to the office;

(4) Repealed the existing junior kindergarten program for four- and early five-year-olds at the end of the 2013-2014 school year;

(5) Required that beginning with the 2014-2015 school year, students must be at least five years old on July 31 of that school year to attend kindergarten; and

(6) Tasked the office with developing a plan to implement an early learning program and report back to the legislature prior to the regular session of 2013.
In 2013, the legislature passed S.B. No. 1084, S.D. 1, H.D. 1, C.D. 1, which proposed an amendment to the Hawaii State Constitution to permit the appropriation of public funds for private early childhood education programs and which passed with more than a two-thirds majority in each house. The purpose of the constitutional amendment was to include private early childhood education providers in a mixed-delivery system of public and private providers to provide access to early childhood education opportunities for more four-year-old children. Ratification of the amendment failed on November 4, 2014.

In 2014, the legislature passed Act 122, Session Laws of Hawaii 2014, which included $3,000,000 in the state budget for prekindergarten programs in fiscal year 2015. These funds provided for public preschools on department of education elementary school campuses in the 2014-2015 school year through the executive office on early learning prekindergarten program.

The purpose of this Act, therefore, is to continue the legislature's work and fulfill the State's intent to provide a much-needed early childhood education program for Hawaii's children prior to the State's constitutional responsibility for
education from kindergarten through grade twelve, by
establishing the executive office on early learning public
prekindergarten program, which shall be provided through
department of education public schools and public charter
schools, and shall implement the use of high-quality standards
that are strongly linked to children's educational outcomes.

SECTION 2: Chapter 302L, Hawaii Revised Statutes, is
amended by adding a new section to be appropriately designated
and to read as follows:

"§302L- Executive office on early learning public
prekindergarten program; public preschools. (a) There is
established within the early learning system an early childhood
education program to be known as the executive office on early
learning public prekindergarten program and to be administered
by the office pursuant to rules adopted by the office. The
program shall:

(1) Be provided through the executive office on early
learning, which may partner with the department of
education;
(2) Prepare children for school and active participation in society through the use of either of the State's two official languages; and

(3) Provide access to high-quality early childhood education that addresses children's physical, cognitive, linguistic, social, and emotional development.

(b) The program shall serve children in the year prior to the year of kindergarten eligibility, with priority extended to underserved or at-risk children, as defined in section 302L-1. The department of education may grant geographic exceptions for children to attend pre-kindergarten outside their assigned service area, as the department of education deems appropriate; provided that the department of education shall grant a request for geographic exception to attend a pre-kindergarten in another service area if the request is based on the employment location of the parent or guardian of the student.

(c) Enrollment in the program shall be voluntary. A child who is enrolled in, or is eligible to attend, a public elementary school, or who is required to attend school pursuant
to section 302A-1132, shall not be eligible for enrollment in the program.

(d) The program shall incorporate high-quality standards pursuant to rules adopted by the office. High-quality standards shall be research-based, developmentally-appropriate practices associated with better educational outcomes for children, such as:

(1) Positive teacher-child interactions;

(2) Use of individual child assessments that are used for ongoing instructional planning, based upon all areas of childhood development and learning, including cognitive, linguistic, social, and emotional approaches to learning and health and physical development;

(3) Family engagement; and

(4) Alignment with the Hawaii early learning and development standards, which align with department of education standards, state content and performance standards, and general learner outcomes for grades kindergarten to twelve, to facilitate a seamless and high-quality educational experience for children.
The office shall monitor implementation of the high-quality educational experience for children.

(e) The office shall provide support to incorporate these high-quality standards, including support related to teacher-child interactions, individual child assessments, and family engagement.

(f) The office shall coordinate with other agencies and programs to facilitate comprehensive services for early childhood education.

(g) The office shall collect data to:

(1) Evaluate the services provided;

(2) Inform policy; and

(3) Make any improvements to the program.

(h) The department of education and any public charter school existing pursuant to chapter 302D, may use available classrooms for public preschool programs statewide. The office shall give priority to public charter schools that serve high populations of underserved or at-risk children. Preschool classrooms established pursuant to this section shall be in addition to any classrooms used for the pre-plus program established pursuant to section 302L-1.7.
(i) The office shall adopt rules pursuant to chapter 91 necessary to carry out the purposes of this section, including compliance with all applicable state and federal laws."

SECTION 3. Section 302L-1, Hawaii Revised Statutes, is amended by adding three new definitions to be appropriately inserted and to read as follows:

"Early childhood education" means a developmentally appropriate early childhood development and education program for children from birth until the time they enter kindergarten.

"Family engagement" means practices that engage families in recognition of the need for families to actively support their child's learning and development, including classrooms that make families feel welcome, communication with families on an ongoing basis, the promotion of responsible parenting, and involvement in decisions that affect families and their children.

"Underserved children" means children who have no access to, or are not qualified to attend, other early childhood education programs and whose family income is no more than two hundred fifty per cent of the federal poverty level."
prior to the convening of the regular sessions of 2016, 2017, and 2018, on the executive office on early learning public prekindergarten program, including information on the following:

1. The number of classrooms established and their locations;
2. The number of children enrolled at each school and aggregate data explaining how the program is prioritizing underserved or at-risk children;
3. The number of applicants who were placed on a waitlist for the program and at which schools;
4. A description of the basic elements of each classroom;
5. A description of the high-quality standards incorporated in each classroom;
6. The degree to which the program's standards, as incorporated in each classroom, are meeting the research-based National Institute for Early Education Research Quality Standards Benchmarks;
7. The cost of each classroom; and
SECTION 5. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2015.

APPROVED this 12th day of JUN, 2015

[Signature]

GOVERNOR OF THE STATE OF HAWAII