

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
BENEFIT, EMPLOYMENT AND SUPPORT SERVICES DIVISION

NOTICE OF PUBLIC HEARING

Pursuant to Sections 91-3 and 92-41, Hawaii Revised Statutes, notice is hereby given that the Department of Human Services will hold a public hearing to consider the amending and compilation of Hawaii Administrative Rules Chapter 17-799, Preschool Open Doors (POD) Program, for the Benefit, Employment and Support Services Division for the purpose of program expansion, streamlining and conforming to state statutes. A brief description of the proposed rule amendments is listed below:

Subchapter 1 General Provisions

Adds a new section, §17-799-12.1, Accreditation requirements.

Adds a new section, §17-799-13.1, Method of computing family unit's co-payment.

§17-799-1 Purpose

Amends the potential number of years a child could receive Preschool Open Doors child care payments from up to one year to up to two years.

§17-799 Definitions

Adds, deletes, and amends terms used in this Chapter.

§17-799-4 Scope

Deletes the reference that the chapter is effective with the application period for child care payments for the State fiscal year 2015 services.

§17-799-5 Application period

Amends the referenced sections as it relates to how applications will be processed and prioritized.

§17-799-7 Priority of applications

Amends the section to add to the priority of application priority ranking 3-year-old children and monthly gross income would be compared to 300% of the federal poverty guidelines for a family of the same size. Both amendments would become effective for the 2024 program year.

§17-799-8 Family unit eligibility requirements

Clarifies that a family may be able to receive child care subsidy under this chapter and under chapter 17-798.3 for a different provider and a different type of care than the POD preschool provider; establishes as the income eligibility standard effective the 2024 program year to be 300% of the federal poverty guidelines for a family of the same size which is annually updated on January 1 to determine eligibility for the upcoming program year; and establishes that a caretaker who is a foster parent licensed by the Department, or an organization under the

authority of the Department, are not subject to income limits or co-pay requirements for the applying foster child.

§17-799-9 Income considered in eligibility determination

Clarifies that when determining monthly income, semi-monthly income shall be calculated by multiplying the anticipated semi-monthly income by 2. Clarifies that child support includes support or maintenance for or on behalf of a son or daughter who is over eighteen years of age. Clarifies that for farm self-employed income, items such as depreciation, personal, business, and entertainment expenses, transportation, purchase of capital equipment, and payments on the principal of loans for capital assets or durable goods, and state and federal taxes paid shall not be deducted as business expenses.

§17-799-11 Program enrollment

Amends the referenced section as it relates to how applicants are prioritized.

§17-799-12 Program qualifications for preschools

Clarifies that center-based exempt providers considered for the program are subject to requirements under chapter 17-800. Adds that all providers shall be accredited pursuant to section 17-799-12.1.

§17-799-12.1 Accreditation requirements

Establishes that all preschools that accept enrollment of a child eligible for the program must be accredited within seven years and provides that existing preschools must start the accreditation process by July 1, 2029, and be accredited by July 1, 2034. Establishes that accreditation shall be through one of three national accrediting organizations; the approval process for consideration of alternative accreditations not already listed; and the approval process to extend the timeframe in meeting the accreditation requirement. Also establishes the process to recognize the use of an unaccredited preschool that has a satisfactory performance rating under the Classroom Assessment Scoring System (CLASS). Also establishes the processes for review of a decision by the department under this section and that payments to the family shall not continue during the appeal process if requests are submitted after the deadlines specified in this section.

§17-799-13 Child care rates

Establishes that effective in the 2024 program year, the maximum monthly payment amount for use of an unaccredited preschool is \$1,200. The maximum monthly payment amount for use of an accredited preschool or Hawaiian medium center-based care is \$1,500.

§17-799-13.1 Method of computing the family unit's co-payment

Establishes that effective the 2024 program year, the family unit's co-payment will be calculated as a percentage of the family unit's gross monthly income and changes the co-payment tiers to be up to 7% of the family's gross monthly income based on the table in Exhibit II.

§17-799-14 Method of computing child care payment

Clarifies that child care payments shall be computed based on monthly gross income based on household size. Adds that effective the 2024 program year, co-payment rates shall be determined pursuant to section 17-799-13.1.

§17-799-15 Child care payments

Removes presumptive eligibility as a consideration.

§17-799-16 Mandatory reporting

Clarifies the timeframes that action will be taken if a reported change results in a lower on-going payment or an increase to the on-going payment and that payment action to lower the payment requires timely and adequate notice.

§17-799-18 Denial, reduction, suspension, or termination of child care

Adds that a child care payment that results in a zero payment may be suspended if a declaration of natural disaster or emergency by the federal, state, or county government takes effect.

§17-799-19 Notices

Clarifies that in situations where the end result is an increase to the amount of child care payment requires only adequate notice be sent and clarifies notice contain the right to appeal the action of the department when applicable.

§17-799-22 Termination for insufficient funds

Clarifies funding is needing to be available in addition to being appropriated.

Exhibit II

Establishes a new co-payment chart that would be effective for the 2024 program year.

A public hearing will be held on:

Monday, November 20, 2023, 9:30 A.M.

This will be a virtual event using Microsoft Teams.

There are two ways to participate in the public hearing: online via the internet or by telephone, or by written testimony. All interested persons are invited to attend the virtual hearing and present relevant information to state their views relative to the proposed rules either orally or in writing for the department to consider.

Online: Persons may present live video/oral testimony via internet or telephone during the online public hearing. To participate, you will need either a computer with internet access,

video camera, and microphone, or a telephone. **To sign up please email your request at least 48 hours in advance to: BESSD.CCPO@dhs.hawaii.gov to request the weblink to attend the virtual hearing via video conference call through Microsoft Teams.** Please include your email, full name, and phone number. A confirmation will be sent to you with instructions, the meeting link, and call-in number.

Written Testimony: Should written testimony be presented, one (1) copy shall be made available to the presiding officer at the public hearing or within seven (7) days before the hearing to:

Department of Human Services
Attn: Scott Nakasone
Benefit, Employment & Support Services Division
1010 Richards Street, Suite 512
Honolulu, Hawaii 96813

If written testimony would be provided without attending the public hearing, written testimony must be received by 4:30 pm on November 20, 2023.


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A copy of the proposed licensing rules will be available via the DHS website: <http://humanservices.hawaii.gov/admin-rules-2/proposed-rules/> or by calling (808) 586-7053 during regular business days and hours to request a copy at NO COST to any interested person, or by writing to:

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Benefit, Employment & Support Services Division
1010 Richards Street, Suite 512
Honolulu, Hawaii 96813

If you need any auxiliary aid/service or other accommodation due to a disability, contact the Child Care Subsidy Program Office at (808) 586-7053 or BESSD.CCPO@dhs.hawaii.gov as soon as possible. Requests made as early as possible will allow adequate time to fulfill your request.

Upon request, this notice is available in alternate formats such as large print, Braille, or electronic copy.



CATHY BETTS, DIRECTOR