Every child deserves access to high quality early learning experiences in a setting that meets their family’s needs and values.

A strong early childhood system is essential to the well-being of Hawai‘i’s young children, their families, and the community. This is because:

• Brain development is most responsive to positive environments from birth through age five, setting the stage for lifelong learning.¹
• High quality early childhood programs enhance school readiness for all children and are of particular benefit to children living in poverty or facing other risk factors.²
• Reliable, affordable childcare allows parents to stay in the workforce.
• Early childhood programs are an extraordinarily wise investment. Each dollar spent on early childhood programs yields a three- to eight-fold return in long-term economic benefits to society.³

Roella and Allyson’s Story

Even before my daughter was born, I struggled to find childcare for her. I searched months before she was born. Once she was born, I placed her on two waiting lists—one was three months long, and the other one year. The whole situation was stressful because my six weeks of maternity leave was running out. Luckily my employer allowed me to work part-time until I secured childcare. I relied on my network of family and friends to find a babysitter.

Financially that was hard—worrying about paying rent and bills.

Roella is a 40-year-old working professional and mother of a 6-year-old son and 3-month-old daughter.

Right now I pay $1,200 a month for part-time care, three days a week for my daughter only and that cost doesn’t even include food.

I expect to pay at least another $300–$400 a month once my daughter is in a center because she has special needs. I wish Hawai‘i had more infant care centers and that it was more affordable. I would love to be able to spend more time with my children, instead of having to spend all my time working to make the money to send them to childcare.

This brief includes key findings from the Hawai‘i Early Learning Needs Assessment study. The study’s purpose was to inform strategic planning for early childhood development, care, and learning programs in the state. The focus was on licensed childcare centers, family childcare homes, and family-child interaction learning programs. Data sources included population statistics from the U.S. Census Bureau, the state childcare licensing database, and surveys administered to providers.

A full report is available from the Center on the Family at www.uhlfamily.hawaii.edu
There is an overall shortage of early childhood seats, with an especially critical shortage of infant-toddler care and regions of the state that are childcare deserts.

While not every family wants or needs childcare, it is clear that demand exceeds the current supply. Hawai‘i has almost 109,000 children under the age of 6, and 64% of these children need care because their parents work. The state has 25,560 DHS-regulated childcare seats, enough to serve about 24% of our young keiki.

Childcare is less available in rural areas, and infant-toddler care is especially scarce. There are enough licensed infant-toddler center seats to serve only one out of every 37 children under age three. Kaua‘i, Moloka‘i, and Lāna‘i have no infant-toddler centers.

Even though most providers have a waitlist, only about 20% are potentially interested in expanding their operations to serve more children. Directors say the lack of physical space and the cost of building or renting new facilities and hiring staff are key obstacles to growing their programs.

Availability

DHS-Regulated Childcare Seats by Program Type

1 seat for every 4 keiki under age 6
1 Infant-toddler center seat for every 37 keiki under age 3
Hawai‘i’s early child system includes diverse types of programs and settings. This variety supports family choice and offers multiple ways to support children’s healthy development and school readiness.

**Family—Child Interaction Learning Programs (FCIL)**
FCIL programs are an important part-time option for families that care for their young children at home. These programs have a dual focus on child development and family strengthening. Children and caregivers attend together and family members facilitate their child’s learning during group activities and free play. Many of Hawai‘i’s FCIL programs are tailored to meet the needs of a particular group, such as Native Hawaiian, immigrant, or homeless children and families. FCIL programs serve over 3,400 young children, including a high proportion of toddlers and children in rural areas with little access to center-based care.

"Parents have the greatest short- and long-term impact on a child’s development and success. Investment in parents produces generational change."
—FCIL Director

**Public Preschool**
Hawai‘i has a growing public preschool program. DOE and public charter school preK classrooms serve about 500 low-income four-year-olds and over 1,500 children age 3 to 5 with special needs.

**Family Childcare Homes (FCC)**
Registered family childcare providers offer services in their own homes, caring for three to six children at one time. About 2,400 children are in FCC. Families may prefer the small, home-like environment of FCC, especially for their youngest children. Almost one in ten of all regulated childcare seats are in FCC, which has a proportionately larger presence on the neighbor islands. Almost 80% of children in FCC are under age 3, and the small setting may promote the close child-caregiver bonds that are crucial for healthy infant-toddler development. FCC also offers more flexible hours and lower costs than most center-based programs.

**Center-Based Childcare**
The Hawai‘i State Department of Human Services (DHS) licenses two types of childcare centers. Infant–toddler centers serve over 1,400 children age 6 weeks through 2 years, and group childcare centers serve almost 22,000 children age 2 through 5. About 12% of center seats are in Head Start or Early Head Start, a federally funded program that offers comprehensive services to children living in poverty. Childcare centers offer a range of options in terms of program size, curriculum, and philosophy. Families may prefer center-based programs based on their perceptions of staff qualifications and opportunities for school readiness and peer socialization experiences.

"I am not a babysitter. I am an educator who provides learning opportunities that enhance a child’s growth."
—FCC provider

**Other Settings**
Children may also be served in early intervention, home visiting, or Department of Defense childcare programs. The informal childcare system includes care provided by relatives, neighbors, friends, nannies, and babysitters.
Childcare is a major family expense. We need to ensure that all families can afford care.

The average cost for full-time childcare is about $7,800 in FCC and $9,500 in centers. Costs are higher for younger children and infant care exceeds $13,000 per year. For low-income families, the federal government defines “affordable” childcare as no more than 7% of household income for all children combined.\(^5\) Childcare is a major family expense, even for those in the middle class. In fact, Hawai‘i has the nation’s least affordable center care, based on cost in relationship to median family income.\(^6\)

Not all families pay full market rates. Public preK, Head Start, and Early Head Start are offered at no cost to income-eligible families. Philanthropies and the private sector also provide invaluable support. Examples of this include the Pauahi Keiki Scholars program and school-based financial aid. DHS tuition subsidy programs—Child Care Connections Hawai‘i and Preschool Open Doors—serve about 9,800 young children. While the income threshold for subsidy receipt in Hawai‘i is generous compared to other states, required co-payments as a percentage of household income are among the highest in the nation.\(^7\)

Providers also struggle with cost issues, trying to strike a balance between keeping tuition costs down and raising enough revenue to run their programs. Many programs rely on grants, in-kind contributions, or support such as the USDA Child and Adult Care Food Program to stay afloat. Hawai‘i’s FCIL programs serve families free of charge. To do this, FCIL programs depend on federal grants and philanthropic support—funding sources that are not always stable.

"We are struggling with being able to keep our program affordable for families and still offer a high-quality preschool. We do not want to raise our tuition, but we are not sure we can afford to keep operating."

—Center Director

Hawai‘i has the nation’s least affordable center-based care

$13,000
Average yearly cost of full-time center-based infant care

The Relative Cost of Childcare

The average cost of center care for one child equals:

- 13% of the state median family income
- 32% of the median income of single mothers
- 50% of the annual full-time minimum wage
- 92% of UH Mānoa annual undergraduate tuition
A key goal for Hawai‘i’s early childhood system is to have all sectors meet high standards of quality. Licensing ensures that programs meet basic standards for safety, staffing, and daily activities. But licensing is not synonymous with quality and some providers are license-exempt. National accreditation from an early childhood professional organization is a widely-accepted indicator of quality. Overall, 37% of center seats and 22% of FCIL seats are in programs with an early childhood accreditation. This is an area in which Hawai‘i does very well compared to other states. Although not accredited, Head Start and Early Head Start have comprehensive performance standards relating to program quality. Finally, some programs have earned other educational accreditations not specific to early childhood.

High quality programs need a well-trained, stable workforce. Teacher-child conversation and interaction that is warm, responsive, and enriching is a crucial aspect of quality. Based on survey responses, more than half of lead teachers in centers and FCIL programs and one-quarter of FCC providers have a bachelor’s degree or higher. Almost three-quarters of center-based assistant teachers have a CDA or college degree. However, early childhood education is among the nation’s lowest paid professions. In Hawai‘i, the median annual salary for childcare workers is $19,540, rising to $34,360 for preschool teachers. Not surprisingly, more than half of directors find that qualified applicants turn down employment offers, and about 30% say staff retention is a challenge. FCC providers face unique issues in caring for children long hours, usually with no assistance, while also managing the business aspects of their programs.

Recommended practices for high quality programs include developmental screening of all children, assessing each child’s progress in order to plan appropriate learning experiences, and using classroom quality data to help teachers reflect on their own performance. As shown in the graph below, providers vary in their use of assessment data. Strong programs also offer many ways for families to engage in their child’s learning. Most providers talk to parents about their child’s day, encourage families to volunteer, and offer information about parenting or community resources. FCIL, Head Start, and Early Head Start programs were more likely to offer comprehensive family services and include families in program governance.
Policy Recommendations

Action needs to be taken to ensure access, affordability, choices for families, a living wage for providers, and program quality and sustainability.

Increase the capacity of childcare and preschool programs with a priority on infant-toddler seats and regions of the state with low per-capita availability.

- Provide incentives for existing and new providers to address priority needs.
- Increase and diversify funding streams including state, county, business, and philanthropic support.
- Update DHS tuition subsidy rates and develop other solutions to help providers remain in business.
- Expand public preK in a way that complements the role of existing providers.

Decrease out-of-pocket costs, especially for low- and moderate-income families, while protecting freedom of choice in selecting care.

- Increase the pool of funds for tuition subsidies and reduce co-payments so that recipients spend no more than 7% of family income on childcare.
- Ensure that subsidies reflect the differential cost of infant-toddler care.
- Expand supports for moderate and middle income families.

Support high quality early childhood experiences throughout the community.

- Explore options for quality metrics and a continuous quality improvement system.
- Assist and provide incentives for providers to become accredited.
- Fund FCIL programs and other innovations that strengthen parenting.
- Provide outreach and support to informal family, friend, and neighbor care providers.
- Educate families on how to identify high quality childcare and early learning options.

Make strategic investments in a skilled and stable early childhood workforce.

- Develop strategies to increase wages and benefits and strengthen career pathways.
- Ensure that professional development offerings are tailored to the unique needs of each sector and increase access to evidence-based practices such as ongoing coaching.

Address data gaps and provide an infrastructure for data-based decision making.

- Develop an integrated early childhood longitudinal data system.
- Adopt a statewide kindergarten readiness assessment.
Citations and Endnotes


8 Child Care Aware of America (2016b). *State by state resources for families*. Available at http://childcareaware.org/resources/map/.


11 Includes only structured assessments such as checklists, portfolios, and rating scales, not informal observation or anecdotal notes.

Icons: Earn Money by Gregor Cresnar, Mortarboard by Alena Artemova, Mother Holding Baby & Family by Andrew Doane from the Noun Project


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