

**Senate Bill 513 Neutral Testimony (Written-Only)**

**Senate Ways and Means Committee**

**March 9, 2026**

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Chairman Billinger, Vice-Chair Kloos, and Members of the Committee—

Thank you for the opportunity to provide neutral testimony on Senate Bill 513. SB 513 would require the Department for Children and Families (DCF) and the Kansas Office of Early Childhood (KOEC) to jointly administer the child care subsidy program and develop, procure, and implement a new subsidy payment system capable of directly paying benefits to child care providers.

Before January 1, 2027, the bill would require DCF to issue a request for information from private vendors on implementing a modern subsidy management and payment system. The request for information should seek information including implementation timelines, projected costs, and system functionality. By June 30, 2027, DCF would be required to submit a report to the Legislature summarizing the responses and issue a request for proposal for the new system, subject to appropriations.

While Kansas has worked diligently to improve our child care subsidy system and ensure easier access for eligible families, challenges persist with the burdens and difficulties the current system places on providers who chose to participate in the program. Providers often articulate challenges with Kansas's current subsidy payment system and their responsibility to directly collect payments from families—too frequently causing them to forego portions of the family payments they are owed. The Kansas Office of Early Childhood was established to help ease the burden placed on providers and develop a more comprehensive early childhood system.

We believe that the intent of this bill works towards that goal as well, but wish to make the committee aware of a few considerations. The Kansas Office of Early Childhood and the Department for Children and Families are currently working towards a shared agreement for the co-administration of the child care subsidy program as directed by 2025 House Bill 2045. While the transition to the Kansas Office of Early Childhood continues, we believe that ensuring successful operations and no interruptions in service are critical priorities for this program through the first year of KOEC's operation. Changes to the subsidy payment program must be strategically considered and implemented in a manner that ensures KOEC can successfully manage the state's early childhood programs as they come together under one roof for the first time.

Finally, the implementation of a new subsidy management system will take time and financial resources. While we do not know the extent of what resources may be needed, support for this effort will be critical given the complexity of the system modernization proposed. At a time where child care subsidy participation and costs are increasing, ensuring that we can maintain access to this important program will be essential.

Thank you again for the opportunity to provide neutral testimony on Senate Bill 513.