

SESSION OF 2026

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 513**

As Amended by Senate Committee on Ways  
and Means

**Brief\***

SB 513, as amended, would direct the Kansas Department for Children and Families (DCF), in consultation with the Kansas Office of Early Childhood (KOEC), to administer the child care subsidy program and procure a modern child care subsidy management and payment system that would support direct-to-provider payments.

The bill would be in effect upon publication in the *Kansas Register*.

***Child Care Subsidy Management and Payment System***

***System Requirements***

The bill would require the system to include, but not be limited to:

- A child care provider login portal to manage service records and payments;
- The capability to integrate with existing state eligibility, licensing, and financial systems;
- Secure communication between child care providers and agency staff;

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <https://klrd.gov/>

- Customer assistance or other help desk features for child care providers; and
- Program monitoring and integrity functionality for state program administrators.

#### *Request for Information*

On or before January 1, 2027, the bill would require DCF, in coordination with KOEC, to issue a request for information (RFI) from private vendors on the potential system. The bill specifies that the RFI should seek information on:

- System functionality and technical specifications;
- Options for modular or phased implementation;
- Estimated one-time and ongoing costs;
- Experience with federal child care and development fund requirements; and
- An estimated timeline for statewide implementation.

#### *Report*

On or before June 30, 2027, the bill would require DCF to submit a report to the Legislative Coordinating Council, the House Committee on Appropriations, the House Committee on Health and Human Services, the Senate Committee on Ways and Means, and the Senate Committee on Public Health and Welfare. The report would be required to include the following:

- A summary of the responses to the RFI;
- Estimated costs for procurement, implementation, and maintenance of the system;

- Agency recommendations regarding a request for proposal (RFP) including a procurement timeline not to exceed one calendar year from the submission of the report;
- A proposed implementation timeline; and
- Any statutory requirements necessary to support direct-to-provider payments.

#### *Request for Proposal*

Upon submission of the report and subject to appropriations and applicable federal funds, the bill would require DCF, in coordination with KOEC, to issue an RFP for such system.

#### **Background**

The bill was introduced by the Senate Committee on Ways and Means at the request of Senator Owens on behalf of a representative of the United Methodist Health Ministry Fund.

#### ***Senate Committee on Ways and Means***

In the Senate Committee hearing on March 10, 2026, **proponent** testimony was provided by representatives of the Kansas State Alliance of YMCAs Child Care Task Force and the United Methodist Health Ministry Fund. Proponent testimony indicated that direct-to-provider payments would reduce provider and family confusion and result in broader participation in the program.

Written-only proponent testimony was provided by representatives of Futures First, Kansas Action For Children, Kansas Head Start Association, New Horizon Academy, and a private citizen.

Written-only **neutral** testimony was provided by DCF and KOEC. DCF notes that child care subsidies may only pay a portion of the total cost of child care. DCF noted that while they understand providers have expressed difficulties in collecting subsidy payments from families, it is not clear if the problem lies in families not paying the subsidy amount by using the EBT card or if families are not paying their family share (the out-of-pocket cost).

The Senate Committee amended the bill to be in effect upon publication of the *Kansas Register*.

### **Fiscal Information**

According to the fiscal note prepared by the Division of Budget on the bill, as introduced, DCF and KOEC indicate enactment of the bill would not have a fiscal effect for the RFI related to the child care subsidy management and payment system. However, the development and implementation of new software would include a fiscal effect, but the extent of those costs and the funding available cannot be estimated until the RFI has been reviewed and assessed. In addition to new software, there could be a fiscal effect to link and integrate the Kansas Eligibility Enforcement System currently in use for eligibility and payments related to child care subsidy and other assistance programs. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2027 Governor's Budget Report*.

Child care subsidy; Department for Children and Families; Kansas Office of Early Childhood