



March 24, 2021

House Taxation Committee

Representative Adam Smith, Chair
Representative Les Mason, Vice Chair
Representative Jim Gartner, Ranking Minority Member

Thank you for holding this hearing on House Bill 2414 expanding tax credits for employer supported childcare to a larger population of businesses. I am writing as a proponent of this legislation.

I am Peggy Kelly, Executive Director of the Kansas Head Start Association, a not-for-profit organization supporting Head Start grantees and the larger early childhood system in Kansas.

Access to and affordability of childcare services for working families is a deterrent to business and economic development in Kansas. Many communities have found it difficult to recruit new business to their area due to a significant lack of childcare for workers. Potential employees often have to determine whether accepting a job is economically feasible for their family when comparing the potential earnings to the cost of childcare.

Expanding access for Kansas businesses to be able to utilize the childcare tax credit will provide solutions from several perspectives.

- Employers may establish childcare facilities within their premises or specifically for the children of their staff;
- Employers may contract with private providers for childcare slots, providing consistent income for the provider and ready access for staff;
- Employers may provide a stipend for staff to assist with the high cost of childcare as an employment benefit.

Any of these and other scenarios will benefit the business, the employee and the childcare industry in their community. This will also provide leverage for future economic development in their area. This bill will benefit the entire state of Kansas, rural, urban, suburban and frontier.

The Kansas Head Start Association supports this bill because we know the importance of quality early care and education for young children. Brain research over the past twenty years has shown that a child's brain grows and develops 95% of its capacity during the first five years of life. The majority of that development takes place in the first 36 months. What a child is exposed to in these vital early years plays a huge role in the rest of their life. A quality childcare setting provides the developmentally appropriate experiences to assure proper development and learning.



The Kansas Head Start Association supports passage of House Bill 2414 to provide access to childcare tax credits for the broader Kansas business population. We stand ready to assist you as you work through this effort to make high-quality childcare available to all.

We ask that you support HB2414. Thank you for your time and consideration. I would be glad to respond to any questions. Please contact me at pkelly@kshcadstart.org or 785-727-7681 at any time.

Respectfully Submitted,

Peggy Kelly
Executive Director