



March 1, 2023

Madame Chair and Members of the Committee,

On behalf of the Wichita Regional Chamber of Commerce and our nearly 1,500 members, thank you for the opportunity to testify in favor of S.B. 164, AN ACT concerning income taxation; relating to credits; providing a \$2,000 tax credit for qualified employees of licensed child care facilities.

S.B. 164 would provide for a \$2,000 tax credit for qualified employees of licensed child care facilities. Availability of child care is a major barrier for entry into the workforce and this tax credit would greatly help in reducing that barrier. This bill would create a tool for the state to better address the growing shortage in child care that we are seeing in both the rural and urban areas of the state.

Currently, Kansas needs more than 85,000 more child care slots to meet the demand in the state according to Child Care Aware of Kansas. Many individuals who want to participate in the workforce but are unable to do so because of this lack of child care. We also have a large population of individuals who currently cannot participate fully in the workforce because of this shortage. This bill would ultimately help to alleviate this barrier that is keeping so much of our skilled workers out of our workforce.

We believe that S.B. 164 truly helps to improve our childcare offerings in the state and greatly reduces a major barrier for entry into the workforce. This tax credit would signal to our business community that the state of Kansas is willing and ready to address the workforce shortage issues that have plagued our state for far too long. Therefore, we ask that the Committee report S.B. 164 favorable for passage.

Very truly yours,

Jason P. Watkins