



TO: Senate Commerce Committee

FROM: Darlene Stone, Senior Vice President and Chief Experience Officer

DATE: March 6, 2023

RE: SB 282 Proponent

On behalf of Stormont Vail Health, I appreciate the opportunity to provide comments in support of Senate Bill 282.

Background on the Organization:

Stormont Vail Health employs over 5,700 team members and physicians. Stormont Vail has solely owned and operated Building Blocks of Topeka, an on-site childcare facility since 2017. Prior to that time, Building Blocks was operated as a joint venture childcare facility between Stormont Vail Health and St. Francis Hospital for over 20 years.

In 2022, Stormont Vail Health planned to expand the Building Blocks program with the goal of nearly doubling the size and capacity of the center. This expansion was needed due to significant healthcare workforce shortages and the lack of available affordable childcare in our market. Building Blocks had an extensive waiting list for new children to join the center and based upon a team member survey we had significant needs for immediate childcare that were not being met.

Construction began in the summer of 2022 converting an office building location on S.W. Horne Street in Topeka into a second childcare facility site in order to reach our expansion goals. The original Building Blocks facility is located on S.W. Lane in Topeka.

Why reform in this area is needed:

The lack of adequate and affordable childcare centers in the state of Kansas is greatly impacting the workforce and employers. As an owner and operator of an on-site center, we experience first-hand knowledge of some issues that could be modified to help expand childcare in our state to benefit the team members of our organization and other Kansas workers needing childcare.

Issue #1: Lack of affordable childcare offerings in the state. Childcare centers are struggling financially.

It is financially difficult to operate a center in the state of Kansas. It is difficult to find qualified staff. It is difficult to pay childcare staff a competitive wage. It is difficult to operate under the childcare regulations of the state.

Providing Infant care in a center will cause the center to lose money on that age group. This is due to the ratio requirements of staff to infant and the cost of staff to provide the care. There is little motivation to add infant care in our state. This is contributing to the lack of available infant slots in our state.

Issue #2: Kansas state daycare regulations establish child to staff ratios that are most stringent in the nation. KS regulation is K.A.R. 28-4-428. Child to staff ratios are also more stringent than those recommended by the National Association for the Education of Young Children (NAEYC). 96% of states have a higher ratio of children to staff than Kansas.

As an example of ratio comparisons, for infant care only 2 states (Kansas and Maryland) require a 3:1 ratio of staff to Infant. These strict requirements are impacting the financial viability of the existing centers. Modifying our ratios will not impact safety, given that 96% of states have ratios that allow more children per caregiver than what is required in Kansas.

The breakdown of Infant ratios across the states are as follows:

Ratio of Infants to staff:	# of states with this requirement	% of states with this requirement
3:1	2 states (Kansas and Maryland)	4%
4:1	32 states AND the NAEYC Recommended ratio	64%
5:1	11 states	22%
6:1	4 states	12%
7:1	1 state	2%

The complete list of comparison of state ratios by age group is listed in at the following Source:

[Child Care Ratio by State 2023 \(worldpopulationreview.com\)](http://worldpopulationreview.com/child-care-ratio-by-state-2023)

Issue #3: The State of Kansas has added regulatory requirements for centers with over 100 children. K.A.R. 28-4-429 KS regulation. For over 100 children, it is required to have both a qualified Director and Assistant Director at each location even if operated by the same organization. The Director requirements are extremely difficult to meet and there are very few qualified candidates to fill this need.

The requirements for centers with 100 children or more is restricting our growth and expansion. Because we will have 2 locations that are .3 of a mile apart, we must have 2 qualified directors and 2

qualified assistant directors for our 2 centers. One of our centers is restricted to 99 children until we can find a qualified director. Our attempt to apply for a waiver for a candidate was denied by the state. The individual submitted for a waiver spent 8 years in the Seaman School district as an elementary and special education teacher and worked 4 years previously at our center while holding a Bachelor's Degree in Elementary Education.

An elementary school principal wanted to work for Building Blocks, but the individual did not qualify to be a Director due to KDHE requirements and she could not maintain her professional teaching certificate if she did not work 180 hours in the district as a teacher. The shortage of qualified candidates is hindering the ability to fill these roles with qualified individuals and expand our center to the maximum potential capacity.

Our current Director that does have the over 100 children credential states that it took her 2 years longer to receive her director credential in Kansas than it did in the state of Missouri.

Issue #4: To operate a center is financially burdensome to an employer. It requires significant financial investment into subsidies and capital expense. Most employers do not have the resources to do this or to sustain it.

Our organization is committed to this childcare initiative to address the workforce shortages we are facing. We are investing over \$5 million in capital expense for construction and remodeling of our child care center in Topeka along with over \$3 million per year in subsidizing our center to make the rates affordable to the workforce. As a healthcare system, this is a significant investment for us. We are also aware that there is a great need to provide this type of support to team members in our other primary service markets (Emporia, Manhattan and Junction City).

Issue #5: Developmental milestone restrictions place pressure on centers and parents to ensure children meet milestones before they age out of a classroom. K.A.R. 28-4-420 subsection C addresses the walking "Infant" means a child who is between two weeks and 12 months of age, or a child over 12 months who has not learned to walk.

Centers need flexibility in allowing children to develop at their own pace without the pressure to be potty trained or walking by a certain age level. Allow center leadership the discretion to move up children at both an age and development milestone.

Issue #6: Timeframe for Inspection:

Stormont Vail submitted the licensing paperwork on Nov. 18, 2022. The survey inspection took place on Jan. 30, 2023 (50 business days) and Stormont Vail received the temporary license Feb. 10, 2023 (10 business days). On Feb. 28, 2023, (12 business days) Building Blocks Learning Center received its permanent license. Start to finish, it was 120 days or 85 business days. Now Stormont Vail Health is required to complete documentation and approval with the Kansas Department for Children and Families to move existing DCF children to a new building.

How Senate Bill 282 can help:

Senate Bill 282 can help by aligning the state of Kansas regulations more closely to the other states in the nation. Modifications will support both existing and new centers and will lower the risk of additional childcare center closures.

Modifying the Director credential for over 100 children will assist in supporting existing centers to increase their capacity.

Senate Bill 282 does not mean unsafe care. 96% of states are able to successfully operate centers that provide high quality care. With the workforce shortages that exist in our states, employers need to assist in this effort so working parents can find high quality, safe and affordable childcare.

Thank you for the opportunity to testify in support of Senate Bill 282. We hope that this committee will recommend Senate Bill 282 favorably for passage.