

Jessica Vega Pederson Multnomah County Chair

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Dear League of Women Voters of Portland members,

Thank you for your engagement with my office and the whole Board of County Commissioners on the issue of Preschool for All (PFA) this summer. I sincerely appreciate you following our TAG meetings and Board work sessions and briefings. This program is so fundamental to the mission of LWVPDX, and I am pleased to see that Multnomah County is aligned with the national LWV position on universal childcare.

As you may have seen, on Thursday, August 21, the Board voted to <u>postpone a proposal that would index the Preschool for All income tax thresholds to inflation.</u> This vote concluded this summer's series of public meetings and work sessions around Preschool for All and clears the way for the PFA Tax Advisory Group to continue their review of the tax structure, impact of the program on the region's economic competitiveness, and path to universality. The work happening over the next several months will result in recommendations for this Board to consider in early 2026.

I wholeheartedly agree with you any changes to the tax structure should be backed by data, and not taken in isolation. I have said from the very beginning of this process that any future decisions around the program needed to be guided by rigorous research and a community-centered process, and that hasty decisions or piecemeal changes to the tax mechanism or rollout of this program will not serve Multnomah County or the future we're delivering. That's why it's been crucial that we've had a process this month to better understand the economic impact and to get community feedback, and we are still only in the early stages.

The process we've undertaken has moved the conversation from secret and closed room conversations into the public sphere - which is exactly where debate on potential changes to a measure passed by a 2 to 1 margin by Multnomah County voters belongs. You have my promise that these conversations will continue to happen publicly, and I remain committed to working to make sure that this is the best program it can possibly be and that we don't lose something that has already had such a great impact on our community.

What I have seen this past month is overwhelming evidence brought forth by experts across a wide array of fields of the incredible, life-changing impact of universal preschool – on our families, our small businesses, and our economy.

These impacts were echoed by the stories shared by the hundreds of community members who've written in and showed up to talk about the importance of this program for them. From the teachers who are finally making a living wage, to providers who have benefitted from the stability that Preschool for All has provided to expand and serve more children, to the parents who can now reenter the workforce, and all those who have found a little more breathing room in their lives as a result of the program. It's been really powerful.

I also appreciate the folks who have shared the challenges that they've had with the program, the ways that it could be improved, and people's concerns about the impact of the tax on the larger community.

Please know that I am listening. My office is committed to working with all our community partners and advocates to make sure that this program is the best that it can be, so that every child in Multnomah County will have access to high-quality preschool.

One big improvement that I have tasked my team to implement based on community feedback is to revise and raise the estimated payment threshold at which taxpayers have to make quarterly payments, from \$1,000 to \$5,000. This will have no impact on reaching our goals or overall revenue collected, but will immediately relieve the administrative burden and mitigate potential filing mistakes for roughly half of our taxpayers.

I am hopeful that as these discussions continue, we will have a fuller understanding of the program's impact on our entire community, and uncover new opportunities to improve and better serve our community.

Sincerely,

Jessica Vega Pederson

Multnomah County Chair

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