



League of Women Voters® of Portland Oregon

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DATE: August 12, 2026

TO: Multnomah County Board of Commissioners
Chair Jessica Vega Pederson
Commissioners Brim-Edwards, Jones-Dixon, Moyer, and Singleton

FROM: League of Women Voters of Portland
Audrey deCoursey, President
Paulina Leperi, Action Committee Member
Debbie Aiona, Action Committee Chair

Re: Preschool for All

The League of Women Voters of Portland (LWVPDX) strongly opposes delaying the automatic Preschool For All (PFA) tax increase set to take effect in the new year. In recent work sessions examining funding scenarios, it became clear that a potential recession in combination with other factors would result in a negative fund balance for PFA as early as two years from now. Uncertainty also remains around how many seats will be required to serve all children in the future. Delaying the tax increase would risk the program's ability to deliver high-quality universal preschool in Multnomah County.

Research clearly shows that the benefits of preschool last for a student's entire academic career. It also provides massive economic benefits to families by enabling both parents to join the workforce if they choose, increasing prosperity across the community. **PFA has delivered on its promise of giving thousands of young learners access to high-quality programs.** Over 3,800 seats were funded for 2025-2026, with over 7,000 allocated for the upcoming year. Families and providers have overwhelmingly positive feedback: 97% of families are satisfied or highly satisfied with their PFA experience.¹ A workforce development program and facilities fund are helping lay the foundation for future growth as the program builds toward universality by 2030 while also enabling early childhood educators to earn a living wage.

The Technical Advisory Group (TAG), which concluded its work this spring, recommended a delay in the automatic tax increase², but not all necessary information was available to that group at the time the recommendation was made. The recently released True Cost of Care study subsequently found that the gap between FY27 reimbursement rates and real cost is over \$1,000 for a full day/full year program and over \$2,000 for a school day/school year program. In addition, the population study that estimated 8,000 seats as the total needed to achieve universality still has not been released, so its underlying assumptions are unknown. But it assumes a 77.5% participation rate, which may not hold if funding for other subsidized preschool programs is reduced or eliminated.

¹ <https://multco.us/news/news-release-preschool-all-serve-3800-children-2025-2026-school-year>

² <https://multco.us/news/news-release-board-receives-final-report-preschool-all-technical-advisory-group>

Delaying the tax increase based on the assumption that current population and migration trends will hold may result in insufficient funding to meet real future need.

Financial models recently presented to the County Board illustrated that an economic recession would put PFA at significant financial risk, especially in combination with modifying other assumptions. The TAG's recommendation to delay the tax increase would not harm PFA's long-term outlook if the number of seats needed remains at 8,000, even with updated seat costs estimated in the True Cost of Care study. Participation could even increase, beyond what is currently projected if, for example, 10% of families with young children do not move away from Multnomah County before the children reach preschool age. The availability of free preschool may be a powerful motivator for more families to stay.

The True Cost of Care model also doesn't capture program needs expressed by providers, such as professional development costs, an increased substitute pool, and growing inclusion costs. Scenarios that incorporate updated population assumptions alongside those needs indicate that a recession next year would put PFA in the red in 2028. Moreover, it is critical to have enough reserves to ensure that all 3-year-olds entering the program will be able to complete two years, which would cause the fund balance to be negative even sooner.

Assertions that high tax rates cause wealthy residents to move elsewhere have been disproved.

The number of high-income households paying the PFA tax increased in 2024 relative to prior years.³ A detailed study of Multnomah County's migration patterns noted that "any flight from high taxes that may be occurring is dramatically overshadowed by the geographical, economic, social, and other factors that tend to keep migration relatively local despite tax burden differentials."⁴ In fact, young professionals looking to put down roots may be more attracted to a location that offers a substantial quality-of-life benefit like free preschool.

Finally, LWVPDX opposes means testing, since a marginal financial benefit would come with significant downsides. Demonstrating income places a significant burden on applicants, particularly families most in need of PFA, along with additional administrative burden involved to review applications. Families whose income would require them to pay for an extended day may instead make the choice to send their children to other programs, creating a split that effectively relegates PFA to second-class status. Such a split would harm all students; decades of research illustrate that students in socioeconomically diverse school settings have better academic outcomes. Means testing runs counter to the objective of creating a truly universal program in Multnomah County.

The League of Women Voters of Portland urges the Board of Commissioners to support Multnomah County's families by funding Preschool for All with the planned tax increase and avoiding any delays that would jeopardize its future stability. PFA has already delivered a strong academic foundation for thousands of children; ensuring its future stability will benefit the county for decades to come by setting its youngest learners up for success.

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<https://www.portlandmercury.com/news/new-preschool-for-all-data-challenges-idea-that-wealthy-people-are-fleeing-county-48361379/>

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<https://www.portland.gov/council/districts/4/mitch-green/documents/multnomah-county-fiscal-migration-analysis-preschool-all/download>