

Written Testimony of Michael McNally
Ways and Means Education Subcommittee
Department of Early Learning and Care Budget Hearing
March 6, 2025, 1:00pm

My name is Mike McNally, and I am a Director of the Willamette Valley Wine Foundation (WVWF), a member of the Children’s Institute Advocacy Committee, and an Executive Committee member of the *Primeros Pasos Early Childhood Education and Care Consortium*. My testimony is on behalf of these organizations and the agricultural stewards that nurture Oregon’s specialty crops.

I am advocating for additional funding for the Department of Early Learning and Care (DELIC), and specifically for the Employment Related Day Care Program (ERDC).

Investments in Early Childhood Education and Care (ECEC) create unparalleled benefits:

- Future Success of Children, it sets the foundation for literacy, ¹
- Economic stability for families, it supports two family incomes, and
- Support of businesses – it creates an expanded workforce.

ECEC is a socially profitable investment. Every dollar invested provides a lifetime benefit of \$3 to \$7 and a tax-adjusted internal rate of return (IRR) that ranges from 8% to 18%. ² This is one of the best investments the Oregon Legislature can make.

The lack of ECEC resources has profound economic and social consequences. Businesses cannot function if their workforce does not have early childhood care. In addition, lack of affordable care limits parent’s, especially mothers, ability to provide for their families. Oregon’s highest poverty group is families with children under five. Child poverty is the strongest indicator of adverse future health and outcomes. Increasing the quantity of quality early childhood educators, and programs, will create opportunities for families and mitigate child poverty.

¹ Jack Shonkoff & Deborah Phillips, D.A. (Eds.). (2000). *From Neurons to Neighborhoods: The science of early childhood development*. (Washington, DC, National Academy Press, 2000). <https://www.nap.edu/read/9824/chapter/1>.

² Jorge Luis Garcia, James J. Heckman, Duncan Ermini Leaf, and María José Prados. “Quantifying the Life-Cycle Benefits of an Influential Early-Childhood Program.” *J Polit Econ*. 2020 July; 128(7):2502-2541.

The benefits of ECEC can only be realized if we significantly expand the early childhood educator workforce and associated programs. Recognizing this, the WVWF partnered with CAPACES Leadership Institute and Oregon Child Development Coalition to establish the *Primeros Pasos Consortium*. Our team includes the Mid-Willamette Child Care Resource & Referral and Marion-Polk and Yamhill CCO Early Learning Hubs.

Over the past two years *Primeros Pasos* has provided leadership to:

- License 17 Family Child Care Home providers with another 15 in progress,
- Sponsor two cohorts in the Clackamas Community College Spanish based Associate Degree program for Early Childhood Education and Family Studies,
- Develop a BOLI Certified Apprenticeship Program, and
- Develop Spanish based learning resources for the Family Child Care Homes.

DELC’s ERDC program is crucial for the economic viability of the incremental *Primeros Pasos* Family Child Care Homes, and their teacher/providers. Unfortunately, there is currently a wait list for ERDC benefits. In addition, families that have been enrolled in the program are not being connected with eligible providers.³

County	Enrolled	ERDC Family Statistics		
		Connected w Provider	Not Connected	Wait List
Marion	1,695	1,288	407	975
Polk	375	285	90	225
Yamhill	385	269	116	220
subtotal	2,455	1,842	613	1,420
Other	13,688	10,327	3,361	8,280
Total Oregon	16,143	12,169	3,974	9,700

On behalf of our agricultural families, their children, and Oregon’s economy, please provide a minimum of \$150 million of additional funding for ERDC.

Thank you for your consideration!

³ DELC website data 3/4/25