

Ballot Simplification Committee - DRAFT for Consideration on Tuesday, July 29, 2014

Children's Fund; Public Education and Enrichment Fund; Children and Families Council; Rainy Day Reserve *(working title only, subject to change)*

THE WAY IT IS NOW:

Children's Fund

In 1991, San Francisco voters created the Children's Fund, which receives a dedicated portion of the property tax that the City collects each year. The current amount of the set-aside is 3¢ for each \$100 of assessed property value. The City uses the Children's Fund to provide services for children under 18 years of age, including child care, health services, job training, social services, educational programs, recreational and cultural programs, and delinquency prevention services. For fiscal year 2013-14, the City will deposit approximately \$49.1 million into the Children's Fund.

The Children's Fund is set to expire on June 30, 2016.

Public Education Enrichment Fund

In 2004, San Francisco voters created a Public Education Enrichment Fund (the "PEEF"). The Charter requires the City to contribute a certain amount to the PEEF each year, based on the City's General Fund revenues. For fiscal year 2013-14, that amount was \$77.1 million.

The Charter requires the City annually to disburse money from the PEEF as follows:

- One-third to the San Francisco Unified School District (the "School District") for arts, music, sports, and library programs;
- One-third to the City's Children and Families Commission for universal pre-school programs for four year-olds; and
- One-third to the School District for general education purposes.

The PEEF is set to expire on June 30, 2015.

Rainy Day Reserve

The City has a Rainy Day Reserve (the "Reserve"). In any year the City collects over 5% more money than it collected in the previous year, the City deposits half of this additional collection in the Reserve. The City may only take money out of the Reserve for its own operations when it collects less money than it did in the previous year. The City may also give up to one-quarter of the money in the Reserve to the School District when the School District collects less money per student than in the previous year and plans significant layoffs.

THE PROPOSAL:

Children's Fund

Proposition ____ would extend the Children's Fund and the property tax set-aside for 25 years, until June 30, 2041. Proposition ____ would increase the property tax set-aside over the next four years to 4¢ for each \$100 of assessed property value.

In addition to its current uses, Proposition ____ would also allow the City to use the Children's Fund to provide services to youth age 18 through 24 years old who are homeless or in danger of homelessness, have dropped out of high school, have a disability or other special needs, are low-income parents, are undocumented, are new immigrants and/or English Learners, are lesbian, gay, bisexual, transgender, queer, or questioning, and/or are transitioning from the foster care, juvenile justice, criminal justice or special education systems.

Public Education Enrichment Fund

Proposition ____ would extend the PEEF for 26 years, until June 30, 2041.

Proposition ____ would change the current allocation for universal preschool for four year-olds to an allocation for universal early education for three to five year-olds, but would still give priority to four year-olds. The City could also use this portion of the PEEF to develop services for children from birth to three years old.

Children and Families Council

Proposition ____ would create a Children and Families Council (the "Council") to advise the City on the needs of children and families in San Francisco and on priorities, goals, and best practices for addressing those needs.

Every five years, the Council would adopt a Children and Families Plan to assess and recommend new City policies and programs for children and families in San Francisco.

Rainy Day Reserve

Proposition ____ would divide the existing Rainy Day Reserve into a City Rainy Day Reserve (the "City Reserve") and a School Rainy Day Reserve (the "School Reserve").

In any year the City collects over 5% more money than it collected in the previous year, the City would deposit half of this additional collection in the two reserves, with three-quarters of that amount going to the City Reserve and one-quarter going to the School Reserve.

Under Proposition ____, the School District could withdraw up to half the money in the School Reserve in years when the School District expects to collect less money per student than in the previous fiscal year and would otherwise have to layoff a significant number of employees to balance its budget. The School Board could, by a two-thirds' vote, override those limits and withdraw any amount in the School Reserve in any year.

A "YES" VOTE MEANS: If you vote "yes," you want the City to amend the Charter to extend the Children's Fund for 25 years and increase the set-aside from 3¢ to 4¢ for each \$100 of assessed property value; extend the Public Education Enrichment Fund for 26 years; create a Children and Families Council and require it to prepare of a Children and Families Plan; and create a City Rainy Day Reserve and a School Rainy Day Reserve out of the existing Rainy Day Reserve.

A "NO" VOTE MEANS: If you vote "no," you do not want the City to make these changes.

word count: 835 [suggested word limit: 300]