

LEGISLATIVE DIGEST
(Second Draft, dated 6/11/2014)

[Charter Amendment - Children and Youth Fund; Children, Youth, and Their Families Oversight Committee]

Charter Amendment (Second Draft) to amend the Charter, Section 16.108, adding a new Section 16.108-1, and repealing former Section 4.133, to: 1) renew and rename the Children’s Fund and extend the Fund’s expiration date for 25 years; 2) increase the property tax set-aside for the Fund over a period of four years from the current three cents per \$100 of assessed valuation to four cents for FY 2018-2019 and beyond; 3) provide for services for disconnected transitional-aged youth 18 through 24 years old; 4) revise and expand the planning process for expenditures from the Fund; 5) replace the advisory committee for the Fund with a Service Providers Working Group; 6) create a Children, Youth, and Their Families Oversight Committee; and 7) repeal an obsolete section of the Charter, at an election to be held on November 4, 2014.

Existing Law

In 1991, the voters first created in the City Charter a “Children’s Fund,” which receives a set portion of the property tax each year. The current amount of the set-aside is 3 cents for each \$100 of assessed property value. The Children’s Fund is used to increase 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.

The Department of Children, Youth and Their Families, which reports to the Mayor, administers the Children’s Fund. The Mayor also appoints a 15-member Children’s Fund Advisory Committee. The Charter sets a three-year planning cycle for spending money from the Children’s Fund.

The Children’s Fund and the property tax set-aside will expire on June 30, 2016.

Amendments to Current Law

The proposal is a Charter amendment that would change the name of the Fund from “the Children’s Fund” to “the Children and Youth Fund.”

The proposal would extend the Fund and the property tax set-aside for 25 years, until June 30, 2041.

The proposal would increase the property tax set-aside a quarter cent each year for four years, from the current 3 cents for each \$100 of assessed property value to 4 cents for each \$100 of assessed property value in fiscal year 2018-2019 and thereafter. The proposal would not increase or otherwise change the property tax rate; it would only affect how the City may spend the tax.

The proposal would allow the City to use the Fund to provide services to Disconnected Transitional-Aged Youth, as well as to continue to provide services to children younger than 18 years. “Disconnected Transitional-Aged Youth” are youth, 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, including substance abuse; are low-income parents; are undocumented; are new immigrants and/or English Learners; are Lesbian, Gay, Bisexual, Transgender, Queer, and Questioning (“LGBTQQ”); and/or are transitioning from the foster care, juvenile justice, criminal justice or special education systems. The proposal would also set a spending baseline for services to Disconnected Transitional-Aged Youth based on what the City spent in fiscal year 2014-2015. The City would be required to continue spending this amount each year, adjusted for inflation, for these purposes, separate from the set-aside for the Fund.

The proposal would change the current three-year planning cycle for spending from the Fund to a five-year cycle, and set out additional steps in the cycle.

The proposal would replace the current Advisory Committee for the Fund with a new Service Provider Working Group.

The proposal would create an eleven-member Children, Youth and Their Families Oversight Committee to participate in the planning process and oversee the Department of Children, Youth and Their Families and administration of the Fund. The Mayor and the Board of Supervisors would appoint the members of the Commission.

And the proposal would repeal Charter Section 4.133, which created the Taxi Commission. The Board of Supervisors and the Mayor dissolved the Taxi Commission and transferred its functions to the Municipal Transportation Agency in 2008 under Charter Section 8A.101(b). But because Section 4.133 was approved by the voters, the City needs voter approval to remove it from the Charter, even though it no longer is law.

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