

1 [Charter Amendment - Student Success Fund]

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3 **Describing and setting forth a proposal to the voters at an election to be held on November**  
4 **5, 2024, to amend the Charter of the City and County of San Francisco to provide that**  
5 **money set aside for the San Francisco Unified School District in the Student Success Fund**  
6 **cannot replace, supplant, count as, or substitute for other City funding for the School**  
7 **District or children and youth required under the Children and Youth Fund, the Public**  
8 **Education Enrichment Fund, or other provisions in the Charter.**

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10 Section 1. The Board of Supervisors hereby submits to the qualified voters of the City  
11 and County, at an election to be held on November 5, 2024, a proposal to amend the Charter of  
12 the City and County by revising Section 16.131, to read as follows:

13 NOTE: **Unchanged Charter text and uncodified text** are in plain font.  
14 **Additions** are *single-underline italics Times New Roman font*.  
15 **Deletions** are ~~*strike-through italics Times New Roman font*~~.  
16 **Asterisks** (\* \* \* \*) indicate the omission of unchanged Charter  
17 subsections.

18 **SEC. 16.131. STUDENT SUCCESS FUND.**

19 (a) **Establishment of Fund.** There is hereby established the Student Success Fund (“the  
20 Fund”) to be administered by the Department of Children, Youth, and Their Families (the  
21 “Department”), or any successor agency. Monies therein shall be expended or used solely by the  
22 Department, subject to the budgetary and fiscal provisions of the Charter, for the purposes set  
23 forth in this Section 16.131.

24 \* \* \* \*

25 (d) **Annual Appropriations to the Fund.**

(1) In Fiscal Year 2023-2024, the City shall appropriate \$11 million to the Fund  
(an amount that is equivalent to approximately 3.1% of the anticipated value of Excess ERAF for

1 Fiscal Year 2023-24, as projected by the Controller on June 1, 2022). In Fiscal Year 2024-2025,  
2 the City shall appropriate \$35 million to the Fund (an amount that is equivalent to approximately  
3 9.4% of the anticipated value of Excess ERAF for Fiscal Year 2024-25, as projected by the  
4 Controller on June 1, 2022). In Fiscal Year 2025-2026, the City shall appropriate \$45 million to  
5 the Fund (an amount that is equivalent to approximately 11.5% of the anticipated value of Excess  
6 ERAF for Fiscal Year 2025-26, as projected by the Controller on June 1, 2022). In Fiscal Year  
7 2026-2027, the City shall appropriate \$60 million to the Fund (an amount that is equivalent to  
8 approximately 14.6% of the anticipated value of Excess ERAF for Fiscal Year 2026-27, as  
9 projected by the Controller on June 1, 2022).

10 (2) In each year from Fiscal Year 2027-2028 through Fiscal Year 2037-2038, the  
11 City shall appropriate to the Fund an amount equal to the prior year's appropriation, adjusted by  
12 the percentage increase or decrease in aggregate discretionary revenues, as determined by the  
13 Controller, based on calculations consistent from year to year, provided that the City may not  
14 increase appropriations to the Fund under this subsection (d)(2) by more than 3% in any fiscal  
15 year. In determining aggregate City discretionary revenues, the Controller shall only include  
16 revenues received by the City that are unrestricted and may be used at the option of the Mayor  
17 and the Board of Supervisors for any lawful City purpose.

18 (3) Notwithstanding subsections (d)(1) and (d)(2), the City may freeze  
19 appropriations to the Fund for any fiscal year after Fiscal Year 2023-2024 at the prior year  
20 amounts when the City's projected budget deficit for the upcoming fiscal year at the time of the  
21 March Joint Report or March Update to the Five Year Financial Plan as prepared jointly by the  
22 Controller, the Mayor's Budget Director, and the Board of Supervisors' Budget Analyst exceeds  
23 \$200 million, adjusted annually beginning with Fiscal Year 2023-2024 by the percentage  
24 increase or decrease in aggregate City discretionary revenues, as determined by the Controller,  
25 based on calculations consistent from year to year. In any such fiscal year, the City also may in

1 its discretion appropriate to the Fund an amount less than the amount required by subsection  
2 (d)(1) or (d)(2), as applicable, provided that the City must appropriate at least \$35 million to the  
3 Fund in each such fiscal year.

4 (4) Notwithstanding subsections (d)(1), (d)(2), or (d)(3), if the Controller  
5 determines that there will be a Significant Reduction in Excess ERAF in any fiscal year after  
6 Fiscal Year 2023-2024, then the City shall not be required to appropriate the full amount set  
7 forth in subsection (d)(1) or (d)(2) for that fiscal year, but the City shall appropriate at least \$35  
8 million to the Fund in that fiscal year, in the following manner and sequence: In any such fiscal  
9 year, the City shall appropriate monies withdrawn from the separate reserve account under  
10 subsection (d)(6) until that account has no remaining funds. If there are no remaining funds in  
11 that reserve account, the City shall appropriate monies withdrawn from the City's Budget  
12 Stabilization Reserve established under Charter Section 9.120. If there are no remaining funds in  
13 the Budget Stabilization Reserve, the City shall appropriate monies withdrawn from other budget  
14 reserve accounts established under Charter Section 9.120.

15 (5) If, at any election after November 8, 2022, the voters of the City enact a  
16 special tax measure that dedicates funds for the purposes described in this Section 16.131, the  
17 City may reduce the amount of appropriations in subsections (d)(1) and (d)(2) in any subsequent  
18 fiscal year by the amount of special tax revenues that the City appropriates for those purposes in  
19 that fiscal year.

20 (6) Reserve Account.

21 (A) The Controller shall establish a separate reserve account in the Fund  
22 to facilitate additional appropriations and expenditures during fiscal years described in  
23 subsections (d)(3) and (d)(4). In any fiscal year described in subsection (d)(3) or (d)(4), the City  
24 may appropriate and expend funds from this separate reserve account for the purposes permitted  
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1 by this Section 16.131, provided that the total amount expended from the Fund in any fiscal year  
2 shall not exceed the amount set forth for that fiscal year in subsection (d)(1) or (d)(2).

3 (B) At the end of each fiscal year, the Controller shall deposit in the  
4 separate reserve account any monies that were appropriated to the Fund under subsection (d)(1)  
5 or (d)(2) but that remain uncommitted, provided that the amount in the separate reserve account  
6 shall not exceed \$40 million. The Controller shall return to the General Fund any additional  
7 monies in the Fund that remain uncommitted.

8 (7) Monies from the Fund shall not replace, supplant, count as, or substitute for  
9 funding that is included or partially included in the Children and Youth baseline requirements  
10 under Section 16.108, the Public Education Enrichment Fund baseline requirements under  
11 Section 16.123-2, or any other provision of this Charter that requires the City to provide funding  
12 to the District or to services for children and youth.

13 \* \* \* \*

14 ~~(h) **Task Force.** By no later than March 31, 2023, the Board of Supervisors shall pass~~  
15 ~~an ordinance establishing a task force to exist until at least July 31, 2024 with the purpose to~~  
16 ~~provide advice to the Board and the Mayor regarding potential future sources of revenue for the~~  
17 ~~Fund, including a potential special tax measure that would dedicate funds for the purposes~~  
18 ~~described in this Section 16.131.~~

1            (*ih*) **Expiration.** This Section 16.131 shall expire by operation of law on December 31,  
2        2038, following which the City Attorney may cause it to be removed from the Charter unless the  
3        Section is extended by the voters.

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5        **APPROVED AS TO FORM:**  
6        **DAVID CHIU, City Attorney**

7        By:     /s/  
8             \_\_\_\_\_  
9             **JON GIVNER**  
10            **Deputy City Attorney**

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