



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: CEO
Department No.: 012
For Agenda Of: 4/7/09
Placement: Set hearing
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Legislative Program Committee
Director(s)
Contact Info: Terri Nisich, Assistant CEO, 568.3412

SUBJECT: May 19, 2009 Election: Propositions 1A, 1B, 1C, 1D, 1E, 1F

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form:

Recommended Actions:

That the Board of Supervisors set a hearing for 60 minutes on April 21, 2009 regarding initiatives on the May 19, 2009 election known as Propositions 1A, 1B, 1C, 1D, 1E and 1F.

Summary Text:

On February 19, 2009, the State Legislature adopted a 17 month budget to address a \$42 billion budget shortfall, which included six propositions to be placed on the May 19, 2009 election ballot. These propositions include:

- (1) Proposition 1A – Rainy day fund: Creates a rainy day fund equivalent to 12.5 percent of the State’s General Fund and puts new limits on State spending growth.
- (2) Proposition 1B – School money: Directs \$9.3 billion of Proposition 98 funding to K-14 districts over five years starting in 2011-2012, contingent on passage of Proposition 1A.
- (3) Proposition 1C – Lottery “modernization”: Allows the State to borrow against future lottery revenues.
- (4) Proposition 1D – Proposition 10 (First 5) modification; Redirect between 50-65 percent of annual Proposition 10/ First 5 revenues to the State General Funds for five years starting in fiscal year 2009-2010. Redirected funds to other state health and human services programs for children up to age five.
- (5) Proposition 1E – Proposition 63 (mental health) modification: Redirect revenues from Proposition 63, the Mental Health Services Act, to the State General Fund for payment of Early and Periodic Screening, Diagnosis and Treatment services over two fiscal years beginning in 2009-2010.

(6) Proposition 1F – Legislative Pay: Forbids pay raises for legislators and state officers salaries when the State faces a budget deficit.

Background:

This item is on the Board of Supervisors agenda to receive a presentation on the propositions and determine whether the Board will issue a “support”, “oppose” or “neutral” position on each and/or all of the propositions. The County’s Legislative Program Committee considered the propositions during its March 23, 2009 meeting and unanimously voted 5-0 to bring all the propositions forward to the Board of Supervisors for consideration without a recommendation.

Performance Measure:

Fiscal and Facilities Impacts:

Budgeted: No. Several of the propositions are tied to revenues necessary to balance the State budget. Proposition 1C, which will allow the State to borrow against future lottery sales, is estimated to generate \$5 billion in fiscal year 2009-2010. Proposition 1D is estimated to generate \$608 million in fiscal year 2009-2010 and \$268 million each year thereafter. While Proposition 1D will shift local First 5 revenues to the State, the funds will be used for health and human services for children, including services for at-risk families, services for children with disabilities, and services for foster children, and temporarily allows the redirection of existing money to fund health and human service programs for children 5 years old and under. Proposition 1E is estimated to generate \$230 million a year and transfer Proposition 63 funds to the State General Fund to pay for mental health services for children and young adults provided through the Early and Periodic Screening, Diagnosis, and Treatment Program. The local impact of redirecting revenues from Propositions 1D and 1E to the State General Fund will be presented during the April 21, 2009 Board meeting.

Fiscal Analysis:

Staffing Impacts:

Legal Positions:

FTEs:

Special Instructions:

Attachments:

Authored by:

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cc:

Pat Wheatley, Director, First 5

Kathy Gallagher, Director, Social Services

Anne Detrick, Director, ADMHS