



## **The Marijuana Boom:**

**Cultivating New Revenues for Children Services**

**April 11, 2018**



**FIRST 5**  
ASSOCIATION  
OF CALIFORNIA

# Presentation Overview



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# First 5's Prevention Approach

A faint, light blue graphic in the background shows a hand with fingers spread, holding a small plant with two leaves. The graphic is positioned on the right side of the slide, partially overlapping the text area.

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# First 5's Healthy Development Promotion Approach

Healthy Development Promotion is broader than just cannabis funding. BUT cannabis is highly relevant now.

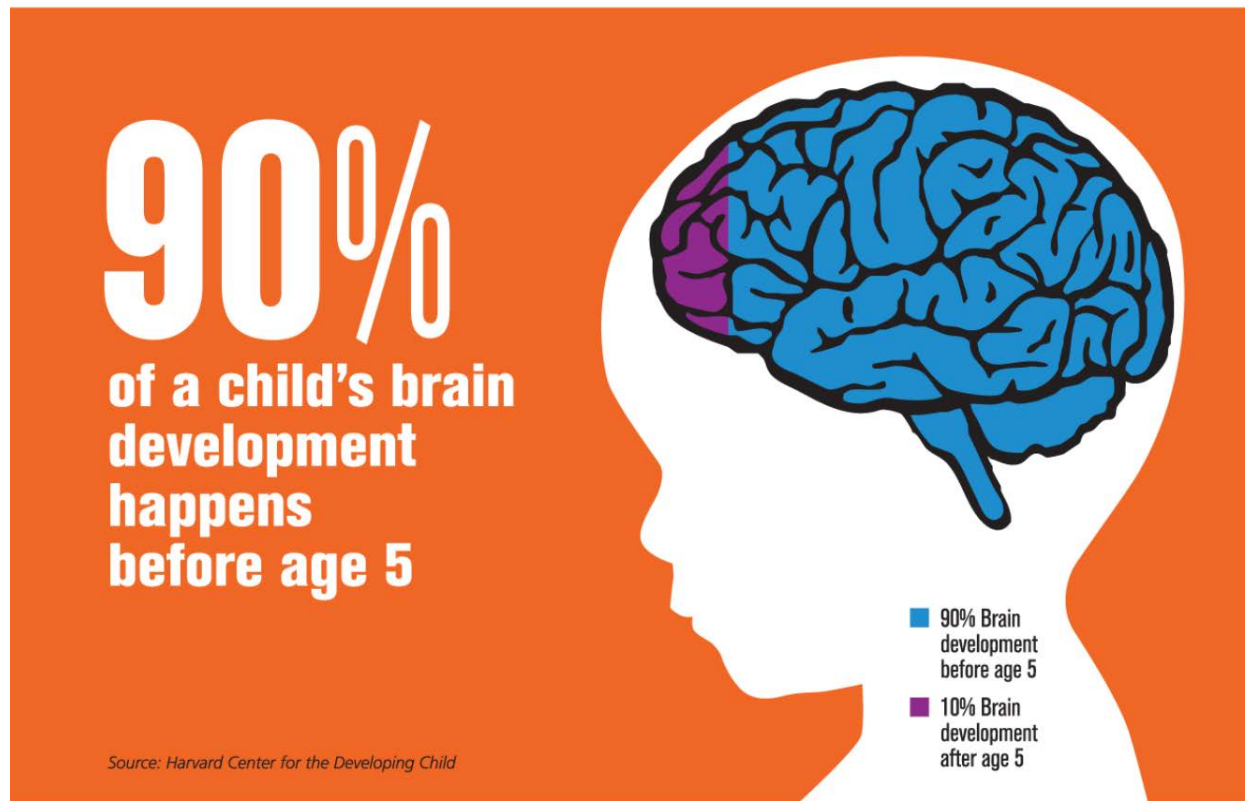
**With legalization, cannabis usage is expected to increase across most demographic groups**

1. Recognize the early years as critical and unique, and the investment in prenatal to 5-years (0-5) as foundational.
2. Reduce the public health effects on young children and pregnant women.
3. Understand that prevention is part of the Prop 64 mandate.

# 1) The Importance of 0-5

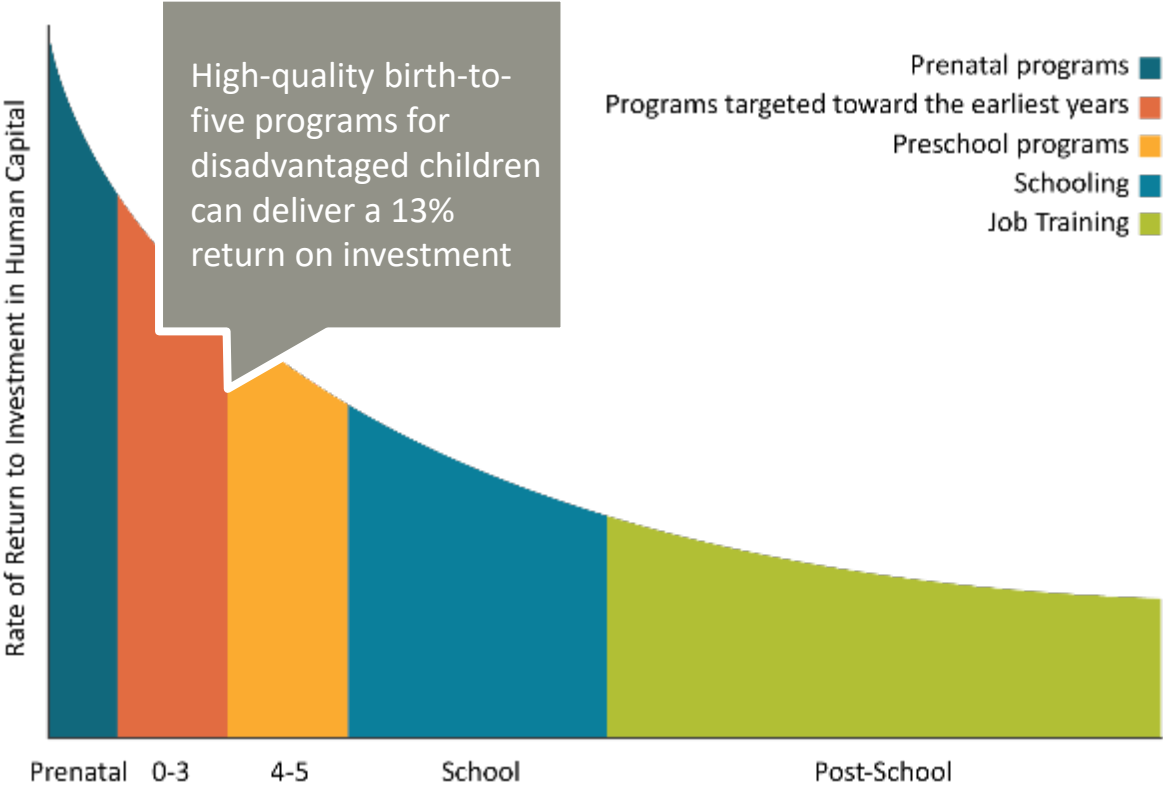
*“Early experiences affect how the brain develops, shaping how children learn, behave, and grow.”*

- The Center for the Developing Child at Harvard University



*What happens as a kid.... Shapes adults... and the rest of society*

# The Importance of 0-5



Source: James Heckman, Nobel Laureate in Economics



# The Importance of 0-5

ACEs = ADVERSE CHILDHOOD EXPERIENCES

*The three types of ACEs include*

ABUSE



Physical



Emotional



Sexual

NEGLECT



Physical



Emotional

FAMILY INSTABILITY



Mental Illness



Family Violence



Divorce



Incarcerated  
Relative



Substance Abuse

Adverse Childhood Experiences Increase the Risk for:

- Developmental delays
- Behavioral problems
- Low educational attainment
- Child welfare involvement
- Lower wages in adulthood
- Poor health outcomes
- Justice system involvement
- Homelessness

# The Need is Great... Revenues are Declining

Those that benefit the most from early childhood supports are not getting what they need

## RESILIENT FAMILIES

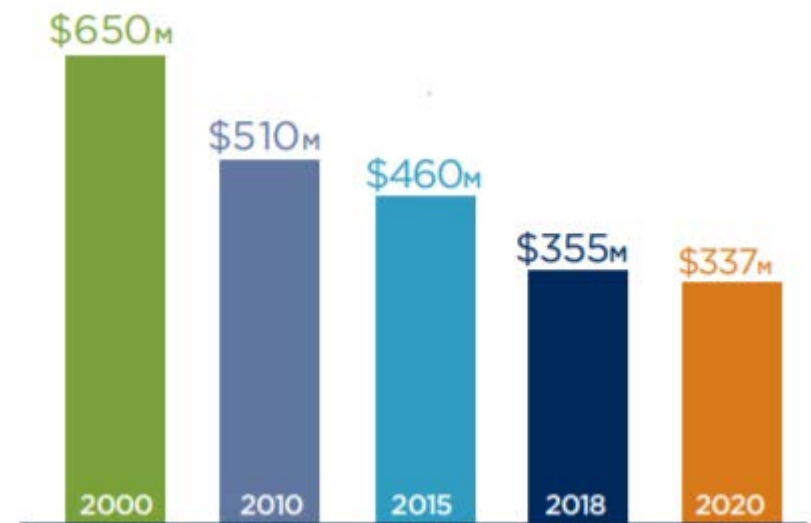
- 1 in 7 children reported for abuse or neglect before age 5
- 1 in 4 young children in CA experience housing instability

## COMPREHENSIVE HEALTH AND DEVELOPMENT

- As many as 10K children are missing out on cost-saving early intervention each year
- CA kids have high rates of untreated dental decay

## QUALITY EARLY LEARNING

- Only 45% of 3rd graders read at grade level
- Child care costs are too high for most families



FIRST 5 REVENUES FOR FOR CHILDREN'S SERVICES



## 2) Public Health Effects of Cannabis

*First, some context...*

1. Understanding the CA's cannabis regulatory approach (post-Prop 64) most reflects alcohol policy making.
2. Focusing our attention to certain populations for which cannabis is generally not intended: pregnant women and children age 0-5.



# Health Impacts

- CDC and CDPH guidance: no known safe amount of cannabis for your baby
- Research correlates maternal cannabis use with:
  - Lower birth weight
  - Child's decreased IQ and cognitive function
- THC is stored in fat cells and releases over several weeks into breast milk – CDPH: “*pumping and dumping*” doesn't work

# Cannabis Legalization in CA

## Kaiser Permanente Northern CA Study

- Overall pregnancy usage: 4% in 2007 → **7% in 2016**
- **22% of expecting moms** under the age of 18 screen positive
- **19% of expecting moms** between the ages 18 - 24 screened positive

***“In CA, medical marijuana was legalized in 1996, and prenatal use may further escalate in 2018 when recreational marijuana is made available.”***

*- [JAMA, December 26, 2017](#)*

### **Two Main Concerns:**

- 1) Upward trend in cannabis usage**
- 2) Misinformation and lack of information across the field**

### 3) Prop 64 and Prevention

Prop 64 “will legalize marijuana for those over 21 years old, **protect children**, and establish laws to regulate marijuana cultivation, distribution, sale and use, and will protect Californians and the environment from potential dangers.”

“The programs shall emphasize accurate education, **effective prevention**, early intervention, school retention, and timely treatment services for youth, their **families** and caregivers.”

**First 5 believes that effective health promotion and primary prevention must include investments in children 0-5**

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# Trailblazers in Cultivating New Revenues for 0-5

A faint, light blue graphic in the background depicts a hand holding a plant with two leaves. The hand is positioned on the right side, with fingers slightly curled as if holding something. The plant has a stem and two leaves, one larger than the other. The entire graphic is rendered in a simple, outline style.

# 1) How did you first engage in cannabis funding conversations? What is the status?

Santa Cruz	Humboldt	Yolo
<p>County:</p> <ul style="list-style-type: none"> <li>• First 5’s “Thrive by Three campaign”</li> <li>• Board of Supervisors approved funding</li> <li>• Allocated \$350,000 from county in first year</li> <li>• First 5 managing \$150,00 directly</li> </ul> <p>City:</p> <ul style="list-style-type: none"> <li>• 1% set aside for children and youth 0-8</li> </ul>	<p>County:</p> <ul style="list-style-type: none"> <li>• Measure S cultivation tax</li> <li>• Children and family mental health called out in ballot initiative</li> <li>• First 5 receives \$400,000 in first year</li> </ul>	<p>County:</p> <ul style="list-style-type: none"> <li>• “Thrive by Five” initiative</li> <li>• Tax on June 2018 Ballot</li> <li>• Early childhood is named in ballot question.</li> </ul> <p>Development Agreements (pending):</p> <ul style="list-style-type: none"> <li>• Industry</li> <li>• Local government agencies</li> </ul> <p>City of Davis</p> <ul style="list-style-type: none"> <li>• 1% set aside for early childhood and youth</li> <li>• City working with First 5 Yolo and local school district</li> </ul>



## 2) What alternative revenues are you seeking? What are you funding or proposing to fund?

Santa Cruz	Humboldt	Yolo
<p>Revenue Source:</p> <ul style="list-style-type: none"> <li>• County cannabis business tax (existed prior to Prop 64)</li> </ul> <p>Programs Funding:</p> <ul style="list-style-type: none"> <li>• Home Visiting</li> <li>• Early learning scholarships for child care</li> <li>• System improvements</li> </ul>	<p>Revenue Source:</p> <ul style="list-style-type: none"> <li>• County cultivation tax</li> </ul> <p>Programs Funding:</p> <ul style="list-style-type: none"> <li>• Early childhood mental health services to playgroups and child care settings</li> <li>• Grants to community organizations serving children 0 to 8</li> </ul>	<p>Revenue Source:</p> <ul style="list-style-type: none"> <li>• County ballot measure: cultivation and business</li> <li>• City cannabis revenue directed to early childhood</li> <li>• Private Industry contributions</li> </ul> <p>Programs Funding:</p> <ul style="list-style-type: none"> <li>• Home Visiting</li> <li>• Coordinated Assessment and Care at-birth or prenatally</li> </ul>

### 3) How did you make the case for 0-5?

Santa Cruz	Humboldt	Yolo
<ul style="list-style-type: none"><li>• Thrive by Three campaign to highlight need</li><li>• Champion on Board of Supervisors</li><li>• Key partners and allies</li></ul>	<ul style="list-style-type: none"><li>• Budget advocacy with Board of Supervisors</li><li>• Community support for children's services</li><li>• Local cannabis industry supported early childhood mental health – knew the unmet need, knew the impact of ACEs</li></ul>	<ul style="list-style-type: none"><li>• Champion on Board of Supervisors</li><li>• Connection to women's equity</li><li>• Thrive by Five highlighted need for, and potential of, early childhood programs</li><li>• Community "Friends of First 5" including pediatricians, child psychologists, OB/GYN doctors, teachers, child advocates</li></ul>

## 4) What advice and key takeaways to you have for others?

Santa Cruz	Humboldt	Yolo
<ul style="list-style-type: none"><li>• Explore all revenue sources, not just cannabis</li></ul>	<ul style="list-style-type: none"><li>• Don't forget industry</li><li>• Talk about the importance of prevention</li><li>• Match to the needs of the community</li></ul>	<ul style="list-style-type: none"><li>• Remember to engage with cities</li><li>• Explore all revenue mechanisms to leverage funding streams</li><li>• Increase understanding of early childhood prevention and intervention as foundational</li></ul>

# Key Considerations for Local Discussions

- Cannabis is a revenue source for any municipality that does not ban cannabis
- Importance of framing “prevention” as early childhood health promotion childhood, not stigmatizing all cannabis use
- Connect to local context in discussing potential revenue sources and revenue recipients
- Early childhood funding is increasingly seen as a priority for funding



A photograph of a classroom where several children are raising their hands. The focus is on a child's hand in the foreground, with other children's hands visible in the background. A teacher is partially visible at the top center. Educational posters and a whiteboard are on the wall.

Questions