First 5 County Emergency Stabilization Fund

Submitted May 15, 2024

Proposal:

- 1. First 5 California (F5CA) creates a \$25 million emergency stabilization fund for First 5 County Commissions that need immediate support to maintain critical local services and infrastructure
- 2. F5CA works with the First 5 Association to codesign the application criteria and process for the fund that considers local contexts and needs, urgency for funding support, and reporting requirements



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Background:

Due to recent economic conditions including the drastic reductions in Proposition 10 tobacco tax revenue, county First 5 Commissions have been, and will continue to, make hard choices in continuing community services for California's children and families. Over the last two fiscal years alone, First 5 counties have experienced a \$68.3 million reduction in revenue. As a result, 60 percent of county First 5s, representing 90 percent of California's 0-5 population, report that their communities will experience cuts to direct services and programs serving 0-5 children, their families, and providers this year and next year. Examples include:

- Closing or reducing operations of Family Resource Centers
- Ending parent support programs serving local Latine families
- Ending support for Social-Emotional Development coaches and consultation in early learning settings
- Ending investments in Triple P Positive Parenting Program

- Reducing investments in child care facilities
- Ending or reducing Infant Early Childhood Mental Health services (IECMH).
- Ending or reducing home visiting services
- Ending investments in 211 referral services
- Laying off First 5 County and other local nonprofit staff
- Inability to leverage Proposition 10 funding with other grants and funding sources

Activities by First 5 Association and First 5 Counties to Address Reductions:

- 1. Requested a funding allocation from First 5 California at January 25, 2024 Commission Meeting and via March 14, 2024 follow-up letter to Commission (attached).
- 2. Supporting a one-time \$100 million state budget investment for local First 5 counties.
- 3. Communicating with legislators to raise awareness of the challenges facing county First 5s
- 4. Ongoing conversations with CHHS's Secretary Ghaly and staff around potential state program alignment and local implementation of aligned programs.
- 5. Sponsoring AB 2982 to create a statewide working group that establishes evidence-based and community-informed recommendations for a comprehensive, equity-focused prenatal-to-three system including the First 5 Network and the role it should play in a prenatal-to-three system.

Proposed timeline for Emergency Stabilization Fund:

- June August: F5CA and First 5 Association staff codesign a draft criteria and process for the emergency stabilization fund. F5CA staff identify funding source(s).
- October 24, 2024: F5CA Commission considers necessary funding and/or process approvals for the emergency stabilization fund
- November 2024: First 5 counties submit applications to F5CA for emergency stabilization funds
- By January 31, 2025: Stabilization funds are released to First 5 counties