## LEGAL TEXT OF PROPOSITION I

Initiative ordinance adding Article IV to Section 20 of the Administrative Code to expand access to licensed early care and education opportunities for 3 to 5 year old children of working families by creating additional subsidies for eligible families.

Be it ordained by the People of the City and County of San Francisco:

Section 1. The San Francisco Administrative Code is hereby amended by adding a new Article IV to Chapter 20, to read as follows:

ARTICLE IV—SMART START FOR SAN FRANCISCO KIDS

SEC. 20.100 FINDINGS. The people of the City and County of San Francisco hereby find and declare the following:

- (a) California subsidizes early childhood education for children whose families earn up to 75 percent of the State Median Income, but state funding limitations allow only an estimated 50 to 60 percent of eligible San Francisco families actually to receive the subsidy; and
- (b) Children who attend high quality early education programs demonstrate higher rates of high school graduation, higher incomes as adults, and lower rates of arrest, dropout, teen pregnancy, and welfare dependence; and
- (c) Every \$1 invested in high quality early childhood education saves approximately \$7 later in remedial education, welfare, and incarceration; and
- (d) California is moving toward providing universal preschool through the First Five California Commission, established by the cigarette tax approved by the electorate in 1998, and has made available \$100 million to increase access to pre-school by funding demonstration projects, expanding the preschool teacher workforce, and matching funds for counties that establish programs to raise levels of pre-school attendance; and
- (e) An estimated 1,650 3 to 5 year old children in San Francisco are not receiving the state early education subsidies for which they are eligible, and these children of working parents need access to full-day, full-year care to help these families stay in San Francisco; and
- (f) San Francisco has a strong, existing network of licensed early childhood education and family child care home providers to help young children become "school ready"; and
- (g) San Francisco has an existing infrastructure through the Department of Children, Youth and Families and its subcontractors to administer subsidies through a voucher system for eligible families, so that expanding San Francisco children's access to early childhood education can be done without creating new rules and regulations for licensing and eligibility; and
- (h) An expanded system of early childhood education in San Francisco could qualify for matching funds from the First Five California Commission; and
  - (i) Portable subsidies linked to the con-

sumer rather than the agency allow parents to choose culturally, linguistically appropriate child care providers close to work or home; and

(j) Annual reports from administrators to the Board of Supervisors and the Mayor will provide program evaluation and accountability.

Sec. 20.101 DEFINITIONS. For the purposes of this Article only, the following definitions shall apply to the terms used herein:

- (a) "Licensed Early Care and Education" shall mean care and educational services provided to children prior to enrollment in kindergarten, including those provided by family child care providers, as determined by the Director of the lead agency.
- (b) "Eligible Working Family" shall mean a family that meets all of the following eligibility criteria:
  - 1. The family has at least one child between the ages of 3 and 5.
  - 2. The family resides in the City and County of San Francisco.
  - 3. The family's income is at 75% or below of the California median income.
  - The family applies for any state subsidy for which they are eligible but does not currently receive a subsidy from the state of California pursuant to Education Code Section 8263.1.
- (c) "Ages 3 to 5" shall mean any child who is at least 3 years of age and determined to be too young for kindergarten as determined by the San Francisco Unified School District.
- (d) "Subsidy" shall mean the difference between the actual cost of the service and the amount allowed for by the most current "Regional Market Rate Survey of California Child Care Providers." Families will pay a family fee based on the state family fee schedule.

SEC. 20.102 SMART START FOR SAN FRANCISCO KIDS. There is hereby established a "Smart Start for San Francisco Kids" program to be administered by a lead agency designated by the Mayor within 90 days from enactment of this measure. The program shall provide a portable subsidy for licensed early care and education to any eligible working family for the purposes of providing these services to any child ages 3 to 5. Nothing in this section is intended to preclude the Mayor and the Board of Supervisors from making subsides for licensed early care and education available to children between the ages of 0 and 2.

Sec. 20.103 SMART START FOR SAN FRANCISCO KIDS FUND. There is hereby established a fund to be known as "Smart Start for San Francisco Kids Fund," which shall contain all appropriations for the implementation of this ordinance. This fund shall be a Category 8 fund, meaning that funds shall automatically be appropriated, interest shall accumulate and that any fund balance shall carry forward from year to year. The fund shall contain all monies appropriated from any lawful source for this purpose pursuant to Article IX of the City Charter, except that no funds provided by the Children's Fund (Charter Section 16.108(c))

may be used in the "Smart Start for San Francisco Kids Fund."

Sec. 20.104 PROMULGATION OF REGULATIONS. The Director of the lead agency shall have the authority to promulgate regulations in collaboration with the Department of Children, Youth and Families, the Human Services Commission, the Children and Families Commission, the Child Care Planning and Advisory Council and any interested community organizations. Such regulations shall require approval by the Children and Families Commission. On an annual basis, the director of the lead agency shall provide a report to the Mayor and the Board of Supervisors.

Sec. 20.105 EVALUATION. Within two years from the effective date of this initiative, the Controller shall audit and evaluate the efficacy of this program. The Controller shall also advise on additional steps to expand early childhood education opportunities.

Sec. 20.106 GENERAL WELFARE. In undertaking this program, the City and County of San Francisco is assuming an undertaking only to promote the general welfare. It is not assuming, nor is it imposing on its officers, commissions, and employees, an obligation for breach of which it is liable in money damages to any person who claims that such breach proximately caused injury.

Section 20.107 SEVERABILITY. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this initiative or any part thereof is, for any reason, held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Chapter or any part thereof. The people hereby declare that they would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one or more section, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional or invalid or ineffective.

