

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, MAY 20, 2025**

MINUTE ORDER NO. 15

**SUBJECT: SUPPORTING SAN DIEGO CHILDREN AND FAMILIES THROUGH
SUPPLEMENTAL FUNDING FOR HEALTHY DEVELOPMENT SERVICES
(DISTRICTS: ALL)**

OVERVIEW

The First 5 Commission of San Diego was established by the California Children and Families Act (Proposition 10), passed by California voters in November 1998. This statewide Proposition imposed an additional tax on tobacco products. The revenue generated from the tax is used to fund programs and activities that promote early childhood development from the prenatal stage through age five. The First 5 Commission of San Diego is responsible for implementing the California Children and Families Act in San Diego County.

In 2006, Healthy Development Services (HDS) was created and funded by the First 5 Commission of San Diego. HDS was created to address service gaps for children with developmental concerns and behavioral issues. It is a comprehensive system of developmental and behavioral services for San Diego County's young children whose challenges are not severe enough to qualify them for existing early intervention services. HDS created new treatment services for children with mild to moderate needs, providing help for children who otherwise would not receive care, and bridging crucial gaps in developmental care for traditionally underserved families.

HDS treatments focus on both the child and the caregiver. Caregivers are key partners and are given tools and support to enrich their child's development. Due to declining revenue from Proposition 10, the HDS program is facing a proposed budget reduction of \$4.3 million dollars for this upcoming 2025-26 fiscal year. Reductions to HDS Services will result in children and families facing avoidable challenges and stressors due to untreated developmental and behavioral delays. Community partners are already overburdened and will be further stressed by the HDS proposed budget cuts and access to care will become limited.

Since 2006, HDS has served over 352,800 San Diego children as well as their families and caregivers. Supporting the whole family is essential to success as parents and caregivers are the agents of change for their children. Today's Board action provides the opportunity for our region's children and families to continue receiving these vital services while long-term funding strategies continue to be explored for First 5 San Diego programming.

RECOMMENDATION(S)

SUPERVISOR MONICA MONTGOMERY STEPPE

Establish appropriations of \$4,300,000 in the Tobacco Securitization Special Revenue Fund (12580), Operating Transfer Out, to fund First 5 Commission of San Diego for the Healthy Development Services program based on the available fund balance from the Tobacco Securitization Special Revenue Fund; and establish appropriations of \$4,300,000 in the Health and Human Services Agency, Services and Supplies, based on Operating Transfer In from the

Tobacco Securitization Special Revenue Fund, to support the cost for First 5 program. This will create Proposition 10 funding capacity to avoid anticipated budget reductions for the Healthy Development Services program in Fiscal Year 2025-26. **(4 VOTES)**

EQUITY IMPACT STATEMENT

Children and adults with developmental delays and behavioral health conditions face a wide range of social inequities that hinder their access to resources and negatively impact their quality of life. Social stigma and deficient support systems create barriers to optimal educational attainment, employment opportunities, and healthcare access. This ultimately results in negative social outcomes, including higher rates of poverty, unemployment, housing insecurity, incarceration, and disease risk. HDS plays a vital role in identifying and working to address mild to moderate developmental and behavioral delays in children birth to five years of age. By focusing on early intervention, HDS helps get children back on track in meeting their developmental milestones and prevent mild to moderate delays from becoming severe delays that persist into adulthood and perpetuate associated negative social outcomes.

SUSTAINABILITY IMPACT STATEMENT

With the adoption of this recommendation, the County of San Diego will support Sustainability Goal #2 to provide just and equitable access to services and resources, and Sustainability Goal #4 to protect the health and well-being of everyone in the region. These actions will improve access to critical developmental screening and care services for children with mild to moderate developmental and behavioral delays and their caregivers. Access to these services will help address the needs of vulnerable children and families in the County of San Diego.

FISCAL IMPACT

Funds for this request are not included in the Fiscal Year (FY) 2024-25 Operational Plan in Health and Human Services Agency (HHSA) for the First 5 Commission. If approved, this request will result in costs and revenue of \$4,300,000 in FY 2024-25 for HHSA to support the Healthy Development Services (HDS) program under First 5. The proposed funding source is the Tobacco Securitization Fund (TSF) revenue. This will create Proposition 10 funding capacity in First 5 to avoid anticipated budget reductions for the HDS program in Fiscal Year 2025-26. There will be no change in net General Fund costs and no additional staff years.

The TSF was established for the use of amounts received related to the securitization of tobacco settlement revenue due to the County of San Diego. This funding source is to be used for health-based program services and is anticipated to provide funding for these programs through Fiscal Year 2032-33, pending market conditions and the resulting return of the TSF. This additional draw on the TSF should not materially impact the life of the TSF, though may push forward the date funds are exhausted by a few months.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Montgomery Steppe, seconded by Supervisor Lawson-Remer, the Board of Supervisors took action as recommended.

AYES: Anderson, Lawson-Remer, Montgomery Steppe, Desmond

ABSENT: (District 1 Seat Vacant)

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter