



February 5, 2009

Dear First 5 partner,

We want to update you on recent developments with the State budget and the Governor's proposal to divert a significant portion of First 5 funding statewide.

We want to assure you that we do not anticipate the current State fiscal crisis or the proposal in Governor's fiscal year 09/10 proposed budget to have impact our current year (FY08/09) contracts. Nevertheless, in light of the dire economic circumstances, it is important for us to understand that the Governor's proposal represents a significant threat to First 5-funded services in the long term and the important work that we have all been a part of over the past nine years. This is particularly difficult since we are in the second year of our Strategic plan and just approved a long term sustainability plan. If our funds are drastically reduced, we will need to amend the plan.

The Governor's proposal to eliminate First 5 California (taking 20% of Proposition 10 revenue) and taking 50% of the allocation for First 5 County Commissions would mean a 60% reduction in annual statewide First 5 funding or approximately \$342 million annually. This proposal does not include redirecting money from County Commission sustainability or reserve funds.

We do not know the time frame for when any proposal for redirecting First 5 funds might proceed. However, any amendment of Proposition 10 will require a vote by two-thirds of the Legislature to place a measure on the ballot for a vote by the electorate. Amending Proposition 10 will likely be voted on at a special election, which could come as early as April of this year. Passage of the measure would require a majority vote and is not guaranteed to pass. In the year 2000, when the tobacco industry attempted to repeal Proposition 10, voters overwhelmingly rejected that measure. Also, through our statewide First 5 Association of California, we may be able to negotiate lessening the potential damage by setting a time limit or reducing the percentage of funds that are redirected.

The most important thing any of you can do at this critical moment is to share your success stories with the public and elected officials. Everyone should be aware of how families in the community benefit from services provided by FIRST 5 and its partners. I have attached a sample letter to your legislator for you to use in crafting a letter. And please share this information with your staff and the families that you serve. Letters from those receiving services would tell the story in a compelling way. We are also attaching a list of our local state legislators. Please email or mail us a copy of any letter you send to a legislator.

We appreciate your support and dedication to the children and families of San Francisco. If you or your staff has any questions, please contact me directly at 415 554-9250 or email: laurel@first5sf.org.

In Partnership,

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