

COUNTY OF LAKE BOARD OF SUPERVISORS Courthouse - 255 North Forbes Street Lakeport, California 95453 TELEPHONE (707) 263-2368 FAX (707) 263-2207 Moke Simon – District 1 Bruno Sabatier – District 2 Eddie Crandell – District 3 Tina Scott – District 4 Rob Brown – District 5

August 18, 2020

The Honorable Mike McGuire California State Senator, District 2 1030 10<sup>th</sup> Street, Room 5011 Sacramento, CA 95814

The Honorable Cecilia Aguiar-Curry California State Assemblymember, District 4 P.O. Box 942849 Sacramento, CA 94249-0004

Dear Senator McGuire and Assemblymember Aguiar-Curry,

On behalf of the Lake County Board of Supervisors, thank you for your leadership during these unprecedented times. The virus has impacted every facet of our economy, government, and daily lives, and as more and more Californians struggle, safety net services will continue to be a lifeline for many throughout our state.

Most immediately, the Vape Tax proposal can play an immediate and critical role to bolstering safety net systems, especially for young children and families, and we request that First 5 Lake County receive its equivalency of 14.8% of any Vape Tax revenues.

Families across our county face incredible stress. They are struggling to care for ill family members, work when childcare isn't available, and pay for food and rent after losing jobs. Children and adults alike are stressed by broken routines, social isolation, and anxiety at home and at large.

<u>First 5's work in response to COVID-19</u> has been essential to the health and wellbeing of families and young children across the state. Local Commissions have stepped up to organize pop-up child care, diaper and food drives, virtual home visiting and developmental screening, parent groups, mental health supports, and more. County-based First 5's are the only networks that look across health, human services, and education for our young children and their families to address critical gaps in services. We are committed to supporting families as the pandemic and recession wear on, as well as during recovery.

Locally, First 5 Lake organized and hosted a Kids Press Conference on COVID-19, coordinated delivery of diapers, PPE, books, and cleaning supplies to local child care providers serving essential workers; provided hazard pay stipends to family child care homes staying open during the Stay-at-Home Order; and has served as the point of contact between Public Health and the local community as it pertains to activities and care for children, organizing Zoom calls and Q&A sessions with our Public Health Officer and soliciting provider input in drafting Public Health Orders that make sense.

As you are aware, county First 5's were created by Proposition 10 (1998) as the foundation for building local early childhood systems of care, and are completely funded by a 50-cent-per-pack cigarette tax, and a corresponding equivalency tax on other tobacco products. Proposition 56 (2016) built upon this tax

structure and enabled First 5, as well as public health and health care services, to receive revenue from vaping products. Given these voter mandates, we ask that the Vape Tax follow the existing tobacco tax structure on vaping products, where First 5 receives 14.8% of funding to continue to build early childhood development systems of care.

While we support the concept of the Vape Tax, we have concerns around how the proposal would dedicate funding. Specifically, our concerns center around:

**Bypasses Voter Will:** First 5 is concerned about the precedent the proposed new tax sets in bypassing the voter-approved tax structure. Through the passage of Prop 56, voters approved the current tax structure for vaping products. Voter will should be reflected in any vape tax structure and there is no sound reason to divert from the current funding structure.

Accelerates Already-Declining Revenues to First 5-Funded Programs: Children and families are struggling more than ever due to COVID-19. A new nicotine-based vaping tax will negatively impact existing tobacco taxes, including Prop 10. First 5 funds have declined by 50% since approved by voters in 1998. Accelerated declines will affect critical safety net programs for children and families, including but not limited to:

Early Childhood Health & Developmental Screening: First 5 investments train health professionals and fill many critical system gaps that fundamentally support a child's health and development, including referrals to services, care coordination for parents, and services for children who would not otherwise qualify for early interventions. Care coordination has long been conducted through call centers and websites, and now developmental supports have moved to virtual settings as well.

Impactful Early Learning: COVID-19 has placed a new spotlight on the need for safe and reliable child care. First 5 has led the state's efforts to build high-impact early care and education programs. These efforts are now being used to support and help sustain the child care field. The availability and sustainability of child care is essential to our state's economic recovery ahead.

<u>Home Visiting</u>: First 5 has historically been the state's largest funder of home visiting services and systems. Many of these services are now occurring through virtual methods to continue to support families during these exceptionally stressful times.

<u>Outreach and Trusted Messengers</u>: First 5's are critical outreach partners and trusted messengers in every county across the state. This has been clearly evident in our wide support for initiatives such as: (1) the 2020 Census, (2) the Young Child Tax Credit through EITC expansions, (3) the ACEs Aware campaign, and (4) the statewide Talk.Read.Sing.® campaign.

It is critical that First 5 Lake receives its fair share of vape tax revenues, so it can continue to support the wellbeing of young children and their families through and beyond this global pandemic and recession, and into recovery in the years to come.

Thank you for your consideration of this important request. Should you have additional questions, please contact: Carla Ritz at <u>critz.first5@lakecountyca.gov</u>.

Respectfully submitted,

## COUNTY OF LAKE

Moke Simon, Chair