

PROPOSITION 203
I-16-2006; FIRST THINGS FIRST FOR ARIZONA'S CHILDREN

ANALYSIS BY LEGISLATIVE COUNCIL

Proposition 203 would establish an Early Childhood Development and Health Fund, consisting of revenues generated by an increase in the state tax on tobacco products, donations and state appropriations. The state tax on cigarettes would increase from \$1.18 per pack to \$1.98 per pack, and the tax on other types of tobacco products would be increased by a similar amount.

The Early Childhood Development and Health Fund would be administered by the new Arizona Early Childhood Development and Health Board (Board) appointed by the Governor, with the consent of the State Senate. 10% of the monies would be used for administrative costs and 90% would be used for program costs. No more than 10% of the program monies could be used to fund statewide grants or programs undertaken directly by the Board. The Board would distribute the remainder of the program monies in the following manner:

1. At least 35% would be spent on regional plans based on the population of children up to five years of age in the region.
2. At least 40% would be spent on regional plans based on the population of children up to five years of age in the region whose family income does not exceed one hundred per cent of the federal poverty guidelines.
3. Up to 25% of the monies could be used to fund regional programs without consideration of regional population.

Proposition 203 would prescribe requirements for programs and grants that increase the quality of and access to early childhood development and health services for children up to five years of age and their families.

Under Proposition 203, the Board would divide the state into an undetermined number of regions and would establish a regional partnership council for each region. The Board would appoint and set the compensation of the executive director. The executive director would hire regional directors and set the compensation of the regional directors. The councils would identify childhood development and health services needs and assets at a local level and spend monies that were budgeted annually by the Board.