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Tobacco-tax money shrinking -- as intended



Photo by Felix Adamo / The Californian

Caring Corner teacher Araceli Casillas multitasking with Lily, 2, Rayshawn, 1, left, and Jaylynn 1, right.

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Holding a blue felt board covered with five yellow ducks, Caring Corner early childhood teacher Araceli Casillas sang a counting song as she removed each duck one by one.

An eager group of toddlers looked on, including one in a wheelchair. When the song ended, they smiled.

"We try to mimic what a typical preschool would offer," said preschool director Megan Gretona. "At the end of the day, they're still kids, and they still have the same educational, social and emotional needs."

Caring Corner is a preschool and day care center for children and young adults with medical needs, and like dozens of agencies across Kern County, it faces something of a dilemma.

A lot of its funding comes from a tax on tobacco products, and that tax is generating less revenue every year as smoking rates decline.

Caring Corner opened in 2003 with \$360,000 in seed money from First 5 Kern, which exists because of voter-approved Proposition 10, the Children and Families Act.

Passed 15 years ago this month in 1998, the First 5 initiative, as it's better known, put a 50-cent tax on cigarettes and other tobacco products to raise money for health, education and social service programs for children age 5 and younger and their parents. Kern County has put \$144 million into services for children since its inception.

The revenue is placed in a state trust fund and allocated to counties based on their share of California's live births in the previous year. County First 5 offices then distribute the money to local agencies.

Advocates for children applaud the measure as a successful, cost-effective way to prepare youngsters for kindergarten and prevent illness and injury, but the funding is dwindling as fewer people smoke.

"Prop 10 was put into place to put itself out of business," said Jamie Henderson, executive director of First 5 Kern. "Smoking rates are declining, but we think that's a good thing."

This year, about 12.7 percent of adult Californians smoke, down from 17.5 percent when Proposition 10 passed in 1998, according to the California Department of Public Health.

"We don't anticipate yet that (the trust fund) will run completely out, but it's been declining every year," said Diane Levin, chief deputy director of First 5 California.

Fifteen years ago the fund had \$600 million to allocate to counties across the state, she said. This year, it has just under \$500 million.

Some of that money is used for tobacco education and smoking cessation programs, so Levin said the revenue decrease is a good sign.

Still, reduced tobacco taxes have a direct impact on the ability to sustain First 5 Kern-funded programming.

Caring Corner, which has grown from five to 34 patients over the past decade, gets about half of its annual budget from First 5 Kern.

"It's been very generous funding these early childhood programs," Gretona said. "They gave us a great start, but at a certain point we have to figure out how to make this work on our own."

Lots of programs are in the same boat.

First 5 Kern distributed \$10.4 million to some 40 agencies in metro Bakersfield alone last year, down from about \$15 million in the early 2000s, Henderson said.

First 5 Kern expenditures last year included \$3.9 million for parent education and support services, \$2.9 million for health and wellness services, \$2.9 million for early childcare and education, and \$700,000 for integration of services across focus areas.

"Like any program, funding is something we worry about all the time," said Stephen Sanders, chief of staff for Ready to Start in Bakersfield, which offers kindergarten readiness programming for 4-year-olds with limited or no preschool experience, as well as health and dental screenings.

At the same time, there is a genuine need for such programs and ample evidence that the investment pays off, "so I think we should be able to compete for money from other funding sources," Sanders said.

First 5 Kern is particularly critical in outlying areas where preschools and social service programs aren't as numerous.

"First 5 is the reason we're here," said Sandy Koenig, coordinator of West Side Community Resource Center in Taft, founded in 2001.

The agency serves about 2,000 children a year through its preschool and summer bridge programs, and provides social services to stabilize at-risk families.

The funding has also put an infrastructure in place to build upon, Koenig said.

"We have all our (child abuse prevention case management) for Child Protective Services-referred families, and grants from other sources for basic services, turkeys at Thanksgiving, that kind of thing," she

said. "Without that First 5 funding, we wouldn't have been able to expand because we wouldn't have been around."

If the money dries up entirely, it will be years from now, but local agencies already are thinking ahead.

Kern County Children's Dental Health Network, which is funded solely by First 5 Kern, has already started exploring other funding sources, including Medi-Cal and private grants, said program manager Janice Montoya.

With a boost from a temporary state mandate to get a dental screening before registering a child for school, the network has seen the tooth decay rate of its young clients fall from 56 percent to 30 percent over the past 14 years, she said.

"Education and screening programs like ours have definitely impacted that rate, so we have to keep going," she said.

The beneficiaries of these programs are wary of seeing services vanish.

Ana Fertino, 36, said her 4-year-old son, Tristan, wouldn't be in preschool if it weren't for the First 5 Kern-funded program at the South Chester Partnership in southeast Bakersfield. Her family can't afford preschool, she said in Spanish through a translator.

"He is learning English coming from a pure Spanish home, and he is learning his colors and numbers and is already recognizing letters. He knows how to write his name," Fertino said.

Norma Coca, 36, has a 4-year-old son with Down syndrome. Caring Corner allowed her to enroll at Bakersfield College, where she expects to graduate in the spring.

"I could never have gone back to school if they hadn't been able to watch my son," Coca said. "I would be home taking care of him."

First 5 Kern's Henderson said prevention and proactive services are a lot less expensive than putting out fires after the fact, so he hopes the programs funded by the tax will live on long after First 5 is gone.

"The idea is to make sure all of the issues are addressed so every child in the state can hit the schoolhouse door ready to learn," he said.