

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY

DEPT: Health Services Agency

BOARD AGENDA #: \*B-3

AGENDA DATE: August 22, 2017

**SUBJECT:**

Approval to Establish an Interest-Bearing Trust Fund for the Tobacco Tax Initiative of 2016 and to Amend the Salary and Position Allocation Resolution to Add Two New Positions to the Health Services Agency Public Health Division

**BOARD ACTION AS FOLLOWS:**

No. 2017-461

On motion of Supervisor Withrow, Seconded by Supervisor Olsen  
and approved by the following vote,

Ayes: Supervisors: Olsen, Withrow, Monteith, DeMartini, and Chairman Chiesa

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1)  Approved as recommended

2)  Denied

3)  Approved as amended

4)  Other:

MOTION:

ATTEST: Elizabeth A. King  
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT Health Services Agency  
Urgent  Routine

BOARD AGENDA #: \*B-3

AGENDA DATE: August 22, 2017

*max*

CEO  
CONCURRENCE: *pht*

4/5 Vote Required: Yes  No

**SUBJECT:**

Approval to Establish an Interest-Bearing Trust Fund for the Tobacco Tax Initiative of 2016 and to Amend the Salary and Position Allocation Resolution to Add Two New Positions to the Health Services Agency Public Health Division

**STAFF RECOMMENDATIONS:**

1. Direct the Auditor-Controller to establish an interest bearing fund for the Tobacco Tax Increase Initiative of 2016, Proposition 56.
2. Approval to amend the Salary and Position Allocation Resolution to add two new positions to the Health Services Agency Public Health Division effective the first pay period following Board of Supervisors approval.

**DISCUSSION:**

In November 1988, California voters approved passage of the Tobacco Tax and Health Protection Act of 1988, also known as Proposition 99 (Prop 99). This initiative increased the state cigarette tax by 25 cents per pack of cigarettes and added an equivalent amount on other tobacco products. Revenue from Prop 99 was designated for tobacco-related research, health education and promotion, and healthcare services. Since 1989, as a result of collective efforts to reduce initiation and use of tobacco and to protect non-smokers from secondhand smoke, the statewide tobacco control programs have reduced the smoking prevalence among adult Californians from 23.7 percent in 1988 to 10.5 percent in 2015, a 55.7 percent decline. With this funding, the Health Services Agency (HSA) Tobacco Prevention Program has made the following accomplishments:

- Implemented No Smoking ordinances in all jurisdictions within and inclusive of Stanislaus County and provided assistance to businesses and employees in the implementation of the subsequent California Smokefree Workplace Law. This work helped to usher in smoke free environments for all employees.
- Developed and ran numerous media ads on radio, television, billboards, and in movie theaters to provide education on the dangers of tobacco use and to counter tobacco promoting influences.
- In partnership with the Stanislaus County Office of Education, sustained Protecting Health and Slamming Tobacco (PHAST) Youth Coalitions at nearly every high school and junior high school in Stanislaus County. Provided training to PHAST members who annually develop anti-smoking public service announcements that are shown at local movie

## Approval to Establish an Interest-Bearing Trust Fund for the Tobacco Tax Initiative of 2016 and to Amend the Salary and Position Allocation Resolution to Add Two New Positions to the Health Services Agency Public Health Division

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theaters and at John Thurman Field. PHAST members also testified about the health risks of secondhand smoke and abundance of tobacco litter in parks at a Modesto City Council meeting to support the passage of a recent ordinance prohibiting smoking in parks and on walking trails.

- Adopted smoke free policies with 200 Family Child Care Home Providers prior to the implementation of the State law to ensure children being cared for in home daycares are equally protected from tobacco smoke.
- Maintained the Tobacco Outreach and Prevention Services (TOPS) Coalition for almost thirty years to act as an advisory committee to establish and address local tobacco control priorities.

Great strides have been made in tobacco control and prevention. California is on the forefront with the second lowest rate of smoking prevalence in the United States. However, California's smoking population totals approximately 3.2 million people, which is greater than the total population of 21 states. Additionally, smoking prevalence rates are not decreasing at the same rate among adults and youth by race/ethnicity, individuals with lower socioeconomic status and lower educational attainment, rural populations, people with substance use disorders, those with behavioral health issues, and other vulnerable populations.

To accelerate the progress made to date and to address the disparities identified above, California voters passed Proposition 56 (Prop 56), the California Healthcare, Research and Prevention Tobacco Act of 2016. Prop 56 added a \$2 tax to each pack of cigarettes and an equivalent tax on other tobacco products including electronic smoking devices. Thirteen percent of the funding generated from Prop 56 is to be used to fund comprehensive tobacco prevention and control programs. Of these funds, 85 percent are to be appropriated to the California Department of Public Health and are to be used for the tobacco control programs described in the Health and Safety Codes beginning with Section 104375. This allows for the continuation of the currently funded Prop 99 program which has been in existence since 1989 and expands its reach with the addition of Prop 56 funds. The two funding sources are being utilized to develop and implement a coordinated Comprehensive Tobacco Control Plan.

Health and Safety Code Sections 104375, 104380, 104400, and 104405 through 104415 designate local health departments within California as the Local Lead Agency (LLA) for the 61 health jurisdictions and describe the administration, provision of funds, and services of the comprehensive tobacco control program administered by LLAs. These statutory provisions require LLAs to periodically develop and submit a Comprehensive Tobacco Control Plan (Plan) and to follow guidelines issued by the California Tobacco Control Program (the State) based on legislative enactment. Each LLA must obtain the involvement of local community organizations in the development of the Plan.

Statutory provisions require the Plan to provide jurisdiction-specific demographic information; local data on smoking and tobacco use; a description of program goals, objectives, activities, target populations and evaluation, and a set of fiscal requirements which include budget cost information and estimates for plan activities including staffing configurations, office workstations and online needs. Additionally, LLAs are required to use a uniform knowledge management system, the Online Tobacco Information System (OTIS), which permits comparisons of workload, unit costs, and outcome measurements on a statewide basis.

## Approval to Establish an Interest-Bearing Trust Fund for the Tobacco Tax Initiative of 2016 and to Amend the Salary and Position Allocation Resolution to Add Two New Positions to the Health Services Agency Public Health Division

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Additionally, a comprehensive community assessment and stakeholder engagement process called Communities of Excellence is required in the development of the Plan, resulting in a scope of work that emphasizes policy, systems and environmental changes. The State seeks to end the tobacco epidemic for all populations. To achieve this goal, they have identified four priority areas:

1. Limit tobacco promoting influences
2. Reduce exposure to secondhand smoke, tobacco smoke residue, tobacco waste, and other tobacco products
3. Reduce the availability of tobacco
4. Promote tobacco cessation

Local health departments are expected to identify approaches and strategies around these four areas. In partnership with stakeholders including TOPS Coalition members and partner programs, the department has identified four key strategies based on these priorities that are expected to contribute to achieving the State's goal. While the Plan is currently under development, it will include activities designed to achieve the following:

- Adopt tobacco retail licensing ordinances in a minimum of one city in the County to reduce access and availability to tobacco products.
- Increase the number of partnerships within the Tobacco Control Outreach and Prevention Coalition to guide a targeted media campaign with emphasis on vulnerable or priority populations as discussed above and to provide ongoing program oversight and community engagement.
- Increase the number of smoke-free multi-unit housing complexes throughout the county to reduce exposure to secondhand smoke and tobacco smoke residue and promote referrals to tobacco cessation services or onsite services as feasible.
- Increase the number of smoke-free parks and recreational areas in a minimum of two cities in the county to reduce secondhand smoke and tobacco waste.

### **POLICY ISSUE:**

The Health Services Agency Tobacco Prevention Program serves as the Stanislaus County LLA, and is legislatively mandated to implement tobacco control efforts and comply with program mandates. Pursuant to Health and Safety Code Section 104380, fiscal year funds are allocated prospectively for each quarter. LLAs are required to deposit Prop 99 and Prop 56 prospective payments into separate interest-bearing and insured trust accounts. These accounts are to be used exclusively for the respective Prop 99 and Prop 56 prospective allocation payments and interest earned. A trust account has been established for the Prop 99 funds. At this time, a separate trust must be established for Prop 56 funds.

### **FISCAL IMPACT:**

The total revenue for the combined Prop 99 and Prop 56 funding for Fiscal Years 2017-2018 through 2020-2021 is \$2,382,953. The total annual fiscal year funding is detailed as follows:

Approval to Establish an Interest-Bearing Trust Fund for the Tobacco Tax Initiative of 2016 and to Amend the Salary and Position Allocation Resolution to Add Two New Positions to the Health Services Agency Public Health Division

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2017-2018: \$706,234  
 2018-2019: \$575,949  
 2019-2020: \$558,674  
 2020-2021: \$542,096

The 2017-2018 Tobacco Prevention Program revenue and expenditures, including the projected salary costs of \$180,251 for the two requested positions, are included in the Fiscal Year 2017-2018 Adopted Proposed budget for Public Health. When prospective funding is received, it is recorded as a deferred revenue and is placed into a separate, interest-bearing fund, designated exclusively for the Tobacco Prevention Program. Upon grantor approval of the program's cost/expense report, funding is transferred from the interest-bearing fund to the Public Health Tobacco Prevention Program. No budget adjustment for revenues or appropriations is necessary.

<b>Cost of recommended action:</b>		\$ 706,234
<b>Source(s) of Funding:</b>		
Tobacco Prevention Program	\$ 706,234	
<b>Funding Total:</b>		<u>\$ 706,234</u>
<b>Net Cost to County General Fund</b>		<u>\$ -</u>

<b>Fiscal Year:</b>	2017-2018
<b>Budget Adjustment/Appropriations needed:</b>	No

**Fund Balance as of 6/30/17** N/A

**BOARD OF SUPERVISORS' PRIORITY:**

The recommended actions are consistent with the Board's priority of providing A Healthy Community.

**STAFFING IMPACT:**

The department is requesting to add two new positions to the current HSA Public Health department allocation effective the first pay period following Board of Supervisors approval. The staffing costs were included in the Adopted Proposed Budget, but the decision to request the actual positions to the allocation was deferred until additional program requirements were made available by the California Department of Public Health.

The current request is to add a Staff Services Coordinator to serve as the Project Director/Program Coordinator to provide day-to-day program oversight to ensure the successful implementation and evaluation of the Plan. This position will provide training and supervision to program staff, monitoring and reporting on program progress and evaluation, and serve as the primary day-to-day point of contact for the California Tobacco Control Program.

Approval to Establish an Interest-Bearing Trust Fund for the Tobacco Tax Initiative of 2016 and to Amend the Salary and Position Allocation Resolution to Add Two New Positions to the Health Services Agency Public Health Division

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The second position requested is a Health Educator. This position will be responsible to carry out the day-to-day program activities, coordinate the TOPS Coalition, conduct community education and training, conduct community assessments, and plan media/communication efforts.

Currently, a Health Educator and a percentage time Community Health Worker III are budgeted in the existing HSA Tobacco Prevention Program. Per the guidelines issued by the California Tobacco Control Program, a 1.0 Full Time Equivalent (FTE) Project Director/Project Coordinator and a minimum of a .50 FTE Coalition and Community Engagement Coordinator are required. A Health Educator will carry out the Coalition and Community Engagement duties.

**CONTACT PERSON:**

Lori Williams, Public Health Director (209) 558-8804

**ATTACHMENT(S):**

None